

**Eastern
Washington
Partnership**

Strategic Plan Update

**For the implementation of the
Workforce Investment Act of 1998**

Revised and Approved

April 30, 2009

**By the
Workforce Development Council
Workforce Development Area 10**

INTRODUCTORY STATEMENT

The current update of the strategic plan for the Eastern Washington Partnership (EWP) Workforce Development Council (WDC) includes comments from members and interviews with key individuals that were recommended by council members. The comments precede a section on the economy, which includes data and information prepared by the Workforce Development Area 10 (WDA 10) regional economist. Information was gathered in December, 2008 through mid February, 2009. Some details on the demographics have been omitted from this edition because newer comprehensive information will become available after the census count in 2010. Trends have continued as they were two years ago. The population continues to average upward in age, and the Hispanic population continues to grow, especially in Walla Walla County. Native Americans are a significant part of the population in Stevens and Ferry Counties where the reservations are located. Some information on incomes, wages and poverty will be included in the economy section. Previously, these topics were addressed in the workforce section, and information on populations can be accessed in the 2007 revision of this plan. The workforce development system service delivery partners have not changed significantly in two years. The detailed listing of these providers is also included in the earlier revision.¹

Significant economic changes have occurred since the last update of the EWP strategic plan two years ago. The national and world economic downturn has had its effect on the nine counties that comprise the Eastern Washington Partnership Workforce Development Area. When the plan was last updated the economy was in one of its best growth periods ever. Unemployment was down and local industry was growing. Within the last half year external influences have also had a negative impact locally.

The collapse of the housing sector has lessened the demand for timber, causing prices to be at an all time low. Locally manufactured home heating equipment is not selling as it was two years ago. Global exports of locally manufactured goods like industrial laundry equipment, heating and air conditioning equipment and irrigation equipment have slowed. The lowered price of zinc and lead on the world market has forced the closure of a local mining operation. As of December 2008 nearly eight hundred workers have been laid off from businesses that have either closed their doors or significantly reduced the size of their workforce.

As individuals lose their jobs they have less money to spend on recreational items, so locally manufactured items like boats have decreased their output and more layoffs are the result. With less discretionary income available, the trickle down effect is felt in the service and recreation industries as well. Local retail concerns like shops, casinos and restaurants have had to close their doors and even more layoffs have occurred. Changing technology affects the economy too. As an example, video stores have closed as people increasingly are downloading their entertainment from the Internet.

¹ Eastern Washington Partnership. Web page.
<http://209.173.244.116/Portals/0/Plans/EWP%20Strategic%20Plan.pdf>

On the up side, specialized technology industries continue to grow and export their products worldwide. Schweitzer Engineering Labs provides technical training opportunities to high school students who wish to enter the field of electronic relay production. An international gold mining operation has opened a new site in Ferry County, creating 160 new jobs. Electricians, millwrights and equipment operators will be needed to fill positions in this operation. The mining and milling operation has created a need for housing construction and has generated more retail business in the Republic area. The US Border Patrol is increasing its size along the Canadian border. There is a need for law enforcement professionals throughout the nine counties. Healthcare facilities are growing in all parts of the area. Hospital and clinic expansions have occurred in Colville, Davenport and the Colville and Kalispel Indian Reservations. These facilities will need a supply of qualified healthcare workers to fill new positions, especially registered nurses. A statewide Rural Online Nursing Education (RONE) project has been launched as a result of a partnership between the EWP healthcare panel and Lower Columbia Community College. This program will help to fill nursing positions statewide in rural hospitals. Construction workers are still needed for local projects, and K-12 schools are meeting with skills center personnel to design innovative ways to introduce students to this applied learning program. Key Technology in Walla Walla continues to grow, and the need for its food processing equipment requires that the company hire new technicians. Residents will continue to need basic computer training so they can sharpen their skills and be ready for numerous job and entrepreneurial opportunities.

Rural residents will need to increase their skills, perhaps change their skill set, and be prepared for the opportunity to work again when the economy turns around. Training will be necessary to gear up for family wage jobs in mid-skill occupations. Youth will need appropriate skills to enter some post-secondary training after high school, and incumbent workers will want to build their proficiency in their chosen fields in order to move up the career ladder. The EWP is directing its planning efforts to recognize and address the needs of these people.

To this end the Eastern Washington Partnership Workforce Development Council continues to strengthen its collaboration with colleagues in the economic development, community college, labor and other workforce development realms. The EWP goals and strategies reflect the commitment to provide lifelong learning experiences for participants; to prepare youth with tools that they need to receive training and support for success; and to respond to the needs of industry in the development of training programs. The WDC developed goals that speak to the priorities of local residents, businesses, economic development and educational institutions. Furthermore, WDA 10 goals are in alignment with those of the Workforce Training Board, and fit closely with the eight strategic opportunities.

The council met in December of 2008 and determined that goals and strategies were still relevant and appropriate for the current update of the strategic plan. Some changes and additions have been made. The most significant issue facing the area is the same as that facing the state and nation, namely the changing economy.

The following four goals are the result of recent discussion and input from WDC members.

Goal 1: Community-wide partnerships bring private business, economic development organizations, organized labor and the public sector together to address issues, set policy and support initiatives related to workforce development.

Goal 2: Youths will have the basic educational and workplace skills necessary for them to succeed in education, post-secondary training and employment.

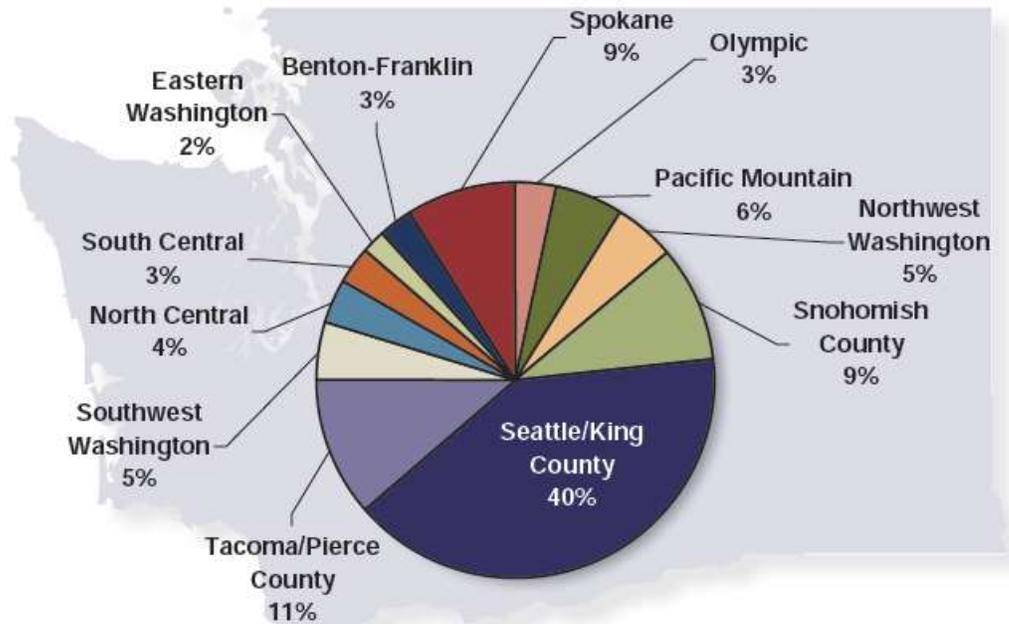
Goal 3: Close the gap between the needs of employers for skilled workers and the supply of Washington residents prepared to meet those needs.

Goal 4: WorkSource partners provide job seekers and low-wage workers with opportunities to increase their skills and earning power.

OVERVIEW

While the nine rural counties that comprise the Eastern Washington Partnership continue to face challenges that differ from more populous and affluent urban centers of the state, many of the influences that affect the state as a whole are felt at the local level. At this writing Washington Mutual Bank, Boeing and Microsoft have laid off a large number of workers. This makes national news, but the collapsing economy is affecting businesses both large and small across the rural Workforce Development Area (WDA) as well. Training the workforce becomes more problematic when businesses are either downsizing or in a holding pattern. The question becomes: After training, will there be a job for the worker? Traditionally rural communities provide attractive places to live but offer less diversity in employment opportunities. The Eastern Washington Partnership has the lowest percentage of job vacancies in the state.²

Vacancies by Workforce Development Area Washington State, October 2008



Agricultural and natural resource jobs have been the backbone of the economy for Workforce Development Area 10. Increasingly, high tech industries are making inroads, especially in Pullman, associated with the Washington State University. Indeed, this sector is the only one at this time that is expanding and is showing a need for entry-level employees. Other industries have experienced layoffs and closures.

² *Washington State Job Vacancy Survey Report Fall 2008* Washington Employment Security Department, Labor Market and Economic Analysis Branch
<http://www.workforceexplorer.com/aspdotnet/search/adSearch.aspx?quickSearch=VACANCY>

Two years ago the governor published *The Next Washington* in which were listed six fundamental assumptions:

1. Washington is a force in the global economy.
2. Education is the single most important economic investment we can make.
3. The public sector should lay the foundation for private sector success.
4. Sometimes laying the foundation for success means providing information and getting out of the way.
5. Government should actively support vital sectors of our economy.
6. The modern, global economy is making some old trade-offs irrelevant.

The assumptions are still good ones, yet the shift in the global economy might slow the growth that was anticipated that short while ago. Rural areas will continue to be watchful that one tenet expressed in the report is heeded: “We need to continue to grow in areas where progress is being made and extend our economic expansion to regions that are not gaining as quickly as the rest of the state. Washington needs to continue to expand our competitive edge in fast-growing counties and to provide additional support to struggling areas. We need to efficiently lay the groundwork for future success everywhere in the state.”³

Four of the nine EWP counties have been designated “distressed areas” according to Washington State Employment Security Department.

County	3-yr average unemployment	Distressed area ?
Asotin	5.0%	
Columbia	7.6%	Yes
Ferry	8.8%	Yes
Garfield	5.2%	
Lincoln	5.6%	
Pend Oreille	7.5%	Yes
Stevens	7.3%	Yes
Walla Walla	5.3%	
Whitman	4.0%	

The table above, prepared in cooperation with the Bureau of Labor Statistics, defines a distressed area as one with a three-year average unemployment rate equal to or greater than 120 percent of the statewide unemployment rate. Hence, with the most recent (2008) statewide three-year average of 5.0% (January 2005 – December 2007) a distressed area has an unemployment rate greater than 6.0%.⁴ These statistics reflect data gathered over a year ago. Given the most recent and steeply increasing unemployment rates, more rural counties may be in distress next year.

³ *The Next Washington – Growing Jobs and Income in a Global Economy: 2007-2017*
http://www.governor.wa.gov/priorities/economy/next_wa_final.pdf January, 2007

⁴ Washington State Employment Security Department *benchmark: March 2007*
 Labor Market and Economic Analysis April 29, 2008

Actual population data is only as current as the 2000 census, however estimates of population numbers were made in each year since then. Demographic information will be collected in the next census count in 2010. At that time it will be more clear as to the makeup of the current population of the nine counties. WDA 10 covers 21% of the state's land area, yet only 3.1% of the state's population resides within its boundaries. According to 2008 census estimates the number is approximately 204,000 individuals. Federal forest land covers 3,000 square miles, and 1,345 square miles is Native American Indian reservation land. Four of Washington's 39 counties have fewer than five persons per square mile, and all four are within WDA 10. Ferry, Lincoln, Garfield and Columbia Counties are proportionately more dependent on federal and state policies and funding than are urban counties for the following reasons:

- About 5,000 people in the workforce are Native Americans who receive workforce development funds through their tribes
- Approximately 38% of the workforce is in the government sector, 40% of all wages paid come from government jobs. In Garfield, Ferry and Whitman Counties it is over 60%, but less than 30% in Asotin and Walla Walla Counties
- Approximately 25% of all agricultural lands in the region is in the Conservation Reserve Program, whereby landowners are paid by the federal government to keep agricultural land fallow
- Rural hospitals are more dependent upon Medicare payments than their urban counterparts
- Approximately 10% of the population receives monthly food stamps

Small towns and unincorporated settlements are separated by great distances, thereby assigning "frontier" status to some parts of the region. Walla Walla and Whitman Counties are the most populous counties, primarily because the cities of Walla Walla and Pullman are the largest in the area. In Asotin County, Clarkston is adjacent to Lewiston, Idaho, and the two cities combined are home to 50,000 residents. The state line that divides the two creates interesting challenges in terms of employment and workforce training. Strictly speaking Asotin County has about 21,000. Stevens County is third most populous, and at its southern end it contains suburbs of Spokane. Because Pend Oreille, Stevens, Lincoln and Whitman Counties surround Spokane, much of the population on the edges of those counties commutes to Spokane for work and services. Spokane stands alone as a workforce development area yet it is a hub of commerce for other eastern Washington counties. As such, the economy of Spokane has a significant impact on the surrounding counties. Likewise western Walla Walla County has close associations with the Tri Cities area, yet another workforce development area. The large geographical area, the arrangement of small towns, remote residences, and spillover from nearby urban areas distinguish WDA 10 as very diverse and unique in the state.

With its northern boundary being Canada and the southern boundary Oregon, Idaho on the east and central Washington to the west, the varied geography has historically shaped the character of regional economies within the area. The northern counties with mountains and rugged terrain have produced timber and mining products. The fertile ground in the Palouse country of the central counties and the Walla Walla valley has traditionally been a sizeable agricultural producer. With its river system, the agricultural

areas have been able to move product to Pacific ports and on to ships bound for foreign shores. The Blue Mountains on the Oregon border have fed the timber industry. Changes in the world economy, the decline of the housing industry, and increased costs for transportation have recently had significant impact on the primary economies of the region.

Bright spots on the horizon for the area include the growth of green energy production with wind power generation currently in operation and additional wind farms in the planning stages. High-tech manufacturing companies have grown out of research and development at WSU and continue to expand and sell their products in the global marketplace. Healthcare remains a strong sector of each region within the WDA. Retirees continue to move in because they are attracted to the beauty of the area and the rural lifestyle.

A commissioner from each county participates on the regional board, and representatives of local private business, social service, education, labor, and economic development are members of the council. The board and council meet jointly on a quarterly basis. The cross section of the membership assures that workforce training services are meeting the needs of local areas and industry sectors. Perhaps most importantly, the organization is committed to understanding and meeting the challenges of the rural setting. Rural values play an important part in defining the Eastern Washington Partnership, and council members fully support area citizens in becoming the well-trained labor force that will meet the area's unique employment needs.

THE EASTERN WASHINGTON PARTNERSHIP

Workforce Development Area 10 covers the area from Canada to Oregon, along the Idaho border. Two river systems tie the area together. With the exception of Pend Oreille County, all the counties touch either the Columbia or the Snake Rivers. The Pend Oreille River flows north through the center of the county and feeds into the Columbia at the Canadian border. For purposes of description, this plan will address the issues of each county according to the river system with which it is associated.

The Snake River flows into Washington in the southeast corner in Asotin County at Clarkston. It continues west separating Garfield and Columbia Counties from Whitman County then further west along the northern edge of Walla Walla County to its west end, where it flows into the Columbia. The northern counties are defined by the Columbia River as it flows south from where the Pend Oreille flows into it. The river separates Stevens and Ferry Counties, then flows west forming the northern edge of Lincoln County.

LOCAL OBSERVATIONS

The following narrative is anecdotal, gathered from interviews, news stories from local sources and selected web sites. The commentary also incorporates the thoughts of WDC members at the most recent meeting. Universal themes have surfaced in all quarters, most having to do with the present deteriorating economy. National and global issues are beginning to impact the rural counties. Some counties are spared the wild boom and bust swings that have been felt in other parts of the state, but all have concerns and uncertainty as to how to best deal with current economic conditions. The following ideas came out across the nine counties.

Very few industries have been spared layoffs or closures. In some cases the consequences have been devastating to communities. As the national news points out, people are “hunkering down” to wait and see what will happen to their jobs, their savings, retirement funds and home mortgages. The nine counties of the Eastern Washington Partnership are no exception. Dwindling tourist traffic, fewer boats being sold and wood products prices at an all time low are examples of how the fall off of discretionary spending is affecting the workforce development area. Global influences impact the local economy, be it the price of wheat or the world market demand for zinc and lead.

State funding is being cut to all services including K-12 education, community colleges, community based organizations, and social services. This will result in the reduction of workforce in a number of occupations, because government is the largest employment sector in WDA 10. Anything state-funded - schools, community colleges, mental health services, community services, for example - is facing serious cutbacks. Government employment is being hit hard.

With the devaluation of investments and retirement funds, individuals who are nearing retirement age are thinking twice about leaving the workforce. This principle holds true for teachers, farmers, administrators and many others. As the older worker stays in the work place, there is less space for younger replacement workers to fit in.

Across the region representatives from every organization spoke about the national stimulus package and what implications it will have for each county. County governments look to the stimulus funds to help them improve roads, Internet connectivity and cell phone capability. Educators are trying to determine which programs can be fine-tuned to prepare students for the “shovel ready” jobs that the package promises. People are hoping that the stimulus package will help them out, but at the same time they express apprehension that it could get bogged down in bureaucracy. Workforce training partners anticipate that funds will be channeled their way to provide youth training as well as re-training for dislocated workers and adults.

All agree that it will be a challenge to get through the next two years. It is difficult to plan for workforce training when the job market is soft. People are willing to pursue vocational training, but they want some assurance that there will be work available in their field upon completion of training.

Representatives of the area say that residents and workers are resilient and have come through such economic times in the past. They believe that when the economy turns around the rural counties will be poised and ready for it. Workforce development is facing one of its most challenging times, but the group of people who were interviewed here felt that there were some important steps that should be taken. The general sentiment was that we need to better integrate workforce education into the K-12 system. Students, parents, teachers and counselors should be dispelled of the notion that a four-year degree is always the best avenue to career success. Participants felt that engaging students in vocational training activities at a younger age is important. Those interviewed support initiatives that encourage educators in the K-12 system to provide career and technical programs to middle school students.

Contributors to this report felt that short-term job-specific training should be available to adults and incumbent workers. Instruction that could provide industry-recognized certifications within a short timeframe would be a good avenue for addressing employers’ workforce needs. People expressed the desire to streamline training that might be needed for priority jobs so that the workforce will be ready when “stimulus” money becomes available this summer. Short accelerated courses lasting four weeks to one quarter in length would be ideal. Community colleges are only able to offer this type of training as a non-credit program.

Educators and interviewees alike see the need to use the existing K-20 interactive network to deliver courses in an alternative format to a greater number of students, especially in rural areas. They see the addition of skills center-type programs as a positive avenue that can provide students with a hands-on approach to learning. New legislation at the state level will introduce new standards for the K-12 system. Called

Core-24, the new plan will require students to receive a minimum of 24 credits to graduate high school. The plan also requires additional math and science study. Educators see that there are two areas where deep cuts in their budgets are possible. Reduction in levy equalization funds would deeply hurt the poorer districts in the state, which have a lower tax base. Another area currently being discussed in the legislature is I-728. This initiative would take away funds that schools now use to reduce class size. It could mean cuts as much as 24% to some schools and would create a significant reduction in staff, both certified and classified. The current education field is not presenting a positive job market for young teachers or support staff. Where once an opening might have ten qualified applicants, now there are 30 skilled people vying for the job.

Planning participants emphasized that the portion of WIA money that is going into on-the-job training should continue to be focused on businesses that are growing and have occupations that are in demand. Kinross Gold and Schweitzer Engineering Labs were cited as examples within the Eastern Washington Partnership. In these challenging economic times, with many people in a layoff situation, workforce training providers emphasized the importance of being proactive about upgrading skills. It is important that people do not “wait out” unemployment benefits before enrolling in training programs, and because of this, it is imperative that our training institutions are ready to provide what people need.

The Snake River Counties

The Snake River counties are primarily agricultural with rich soils of the Palouse and the Walla Walla valley. Wheat and other grains are the mainstay crops, however wine grapes and other field crops are an important part of the agricultural economy in Walla Walla County. National forest land is also a significant part of the Blue Mountains on the Oregon Border. Each county has its unique flavor and some interesting prospects on the horizon.

Asotin County

Asotin County’s population is concentrated in the city of Clarkston and the town of Asotin on the banks of the Snake River. Across the bridge from Clarkston is Lewiston, Idaho. Combined, the two cities have a population of 50,000. Being situated this way presents some border issues for Asotin County. For the workforce, perhaps the most significant issue is the difference of more than \$2.00 in the state hourly minimum wage. Large national retail chains have located stores in Lewiston to take advantage of the lower labor costs and the more business-favorable tax structure in Idaho.

Traditionally, wood products and paper production have been drivers of the local economy. However, within the past two years significant downsizing has occurred in this industry, and it has created trickle down effects to the local economy. Within the past year a layoff of half of the workforce at ATK Corporation in Lewiston, an ammunition

manufacturer, the closure of Bennett Lumber Products, and layoffs at aluminum boat manufacturers have increased the unemployment numbers in the county.

Tourism has waned with the deepening economic decline that the country is experiencing. Decreased discretionary spending has significantly reduced the number of cruise ships that travel up the river from Portland and diminished the number of adventure seekers who ride jet boats into Hells Canyon. Agriculture continues to hold its own despite the downfall of wheat prices as farmers explore new oilseed crops and continue with traditional grain production. Rail and barge transportation play an important role in moving crops downriver to Portland.

The Southeast Washington Economic Development Association (SEWEDA), formerly Palouse Economic Development Council, has been working closely with its counterpart in Idaho to assist local businesses in developing export strategies for their products. According to a recent and extensive survey of 100 local businesses, SEWEDA determined that businesses cite quality workforce development as a number one priority. Armed with this information, SEWEDA in cooperation with local business persons, wishes to strengthen the relationship between business and the schools. With funds provided by the WDC, SEWEDA will continue its work doing outreach to local schools and educators, providing them with the “big picture” of promising careers in local manufacturing occupations.

A second economic development goal given the state of the current “ugly economy” is to teach people how to stay in business. The Small Business Development Center at WSU has been tapped to help local business learn better entrepreneurial skills, and training will go into detail as to how business can save money in these challenging times. Economic development strategies include refining cluster thinking so that like businesses can collaborate in the purchase and transport of raw materials, learn lean manufacturing techniques, and reduce the waste stream. Three local boat manufacturers are getting involved in this process.

The port district is working with the city to develop a light industrial park. The port area itself is situated along the river and recreational and retail businesses are locating there, including a winery, brewery and restaurant. A Wal-Mart store is being built in a nearby location. Clarkston is home to a major road construction company, and they have next summer’s work lined out for them with state contracts. Even though building construction has slowed somewhat, Clarkston contractors are still working.

Garfield County

Pomeroy is the single incorporated town in Garfield County, the least populated of the nine within the WDA. The US Forest Service manages part of the Umatilla National Forest from the Pomeroy Ranger District office. The school district and hospital are the two largest employers in town.

Agriculture-related commerce is the backbone of the county's economy, with grain growing, seed production and associated fertilizer and transportation businesses providing the majority of the jobs in the county. Last year's high price of wheat has been followed by a significant drop this year, making it unprofitable to sell at the present time. Approximately one third of last year's crop is yet unsold and is stored in elevators in Pomeroy and at the port along the river. Transport of goods is limited to trucks and barges, as the county has no rail system.

As with the rest of the country, Garfield County is feeling the pinch of the downturn in the national economy. Residents are recognizing that they might have to work beyond typical retirement age. Local retail concerns have experienced a decrease in customers. There are more than usual housing vacancies. The DOT traffic count through town has decreased. This has been an indicator of potential business activity in the community. In January the seed production plant laid off over half of its 55 workers and is down to operating three days per week. Sales are down as much as 80%. Farmers are saying that they must have a good spring in order to break even in the coming year. They, along with the rest of the country, are not spending their money right now but saving what they have for the future.

As rural as it is, Garfield County has its challenges with technology infrastructure. DSL is being introduced in town. The school and hospital help to support the system. Satellite service is available, but for those who live in the most rural areas service is expensive and intermittent.

Currently some landowners to the southwest of town are cooperating with power companies to study the feasibility of wind generation. According to the Walla Walla Union Bulletin, "Puget Sound Energy and Renewable Energy Systems have filed a conditional use permit application to install up to 440 wind turbines on 51,696 acres. It will be called the Lower Snake River Wind Energy Project. The project will be built in phases, with construction on support infrastructure expected to begin in 2010."⁵

Columbia County

Government is the largest employment sector in the county because a large number of individuals work at the hospital and school districts. The town of Dayton has been progressive in its economic development activities, most especially wind power generation. Puget Sound Energy and PacifiCorp operate a total of 204 turbines within the county. While the towers reach 351 feet tall and encompass 11,000 acres, the entire project has a footprint of 108 acres.⁶ It is estimated that for every eight wind towers in operation, one permanent job is created.

⁵ Chicken, Carrie. "Garfield, Columbia counties to sprout more windmills." Union-Bulletin.com, January 29, 2009

⁶ Dickenson, Jennie, Port of Columbia, www.portofcolumbia.org. "Harvesting the Wind" PowerPoint presentation for Inland Northwest Partners, November 19, 2008.

Blue Mountain Station is a new idea on the horizon for the county. After grants were received to conduct a resource study, the Washington Rural Development Council has assisted the community to develop a marketing strategy that will include a new eco-friendly industrial park. The endeavor will create a food processing park that will be on the cutting edge of green technology, utilizing water resources, alternative energy, and sustainability practices. The new state of the art building will house businesses that produce artisan, natural and organic food products. Blue Mountain Station will provide a marketing umbrella that with its branding process will promote culinary tourism in the area. The goal is to provide 300 new jobs within the next few years.

At the present time, downtown Dayton is experiencing the effects of the current economic slump. Many storefronts are empty, and tourism, a lively source of recent revenue, has taken a hit since October, 2008. As with other wheat counties, agriculture is holding its own, but there is much grain in storage and the price of wheat is down from this time last year. Schools are seeing some declining enrollment, and unemployment is one of the highest in the state.

High speed Internet is readily available within a radius of the city, but somewhat limited in the rural areas. Satellite service is available. Cell phone service is patchy, however there is a new cell tower in town. The city is in need of sewer upgrades, and the Department of Ecology will require that changes be made so that effluent will not go into the Touchet River. These changes must be addressed in order to further the economic development of the area. Columbia County has a rail spur and a port on the Snake River that allows grain products to be shipped to the Portland market. This link to the global marketplace continues to be of economic importance to the county.

Walla Walla County

The most populous county within the WDA, Walla Walla County has the most diversified economy. As with the other counties, it tends to lag behind the state with regard to economic trends, and the current national downturn is now catching up with Walla Walla. Port district personnel have noted that business recruitment and retention activities have slowed down in the past two months. Five restaurants have closed, indicating that the tourist and discretionary dollars are diminishing.

At the west end of the county, the “heavy” end, meat packing, paper manufacturing and transportation services continue to contribute to the county economy. Railex train service to the east coast is growing its services. In addition to the transport of fresh produce such as onions, apples and asparagus, the company has added bonded wine warehouse and freezer warehouse capabilities to its operation, allowing those products to be stored on the premises, ready for shipment. Two trains per week leave Wallula carrying 12 million pounds of product from Washington, Oregon, Idaho and northern California. This expedient transport system may well entice farmers to grow more specialty crops such as onions, carrots and asparagus on smaller acreages that will meet the demand of the national fresh market. These crops that demand labor intensive workers have recently declined because of the closure of all food processing operations, decreasing the number

of employment opportunities for seasonal workers. The west end of Walla Walla county is also the site of wind generation towers that have been in place for many years.

A scientific test, conducted by Batelle, is currently taking place on the Boise property near Wallula to determine whether the area's unique geography can play a role in the reduction of greenhouse gases, the Union Bulletin reports. A massive drill is boring into the ground "to see if the basalt that is 3,000 to 4,000 feet below the surface can be used to store and mineralize carbon dioxide, the gas most associated with climate change."⁷

The Port of Walla Walla owns property in Burbank, where it has embarked on a water development project to ready the property for future industrial-commercial ventures. Two thousand additional acres have been purchased nearby. In addition to its land in the west end of the county, the port owns property within the city and it manages the airport industrial park to the east of town. Numerous tenants conduct business on port property, including Key Technology and many other businesses that consist of such diverse endeavors as wineries, art studios, a bakery, agricultural products, aviation services, warehouses, and a church. These companies provide jobs and revenue to varying degrees. The port is looking at a project in the future that would clean up and revamp a warehouse district, creating an industrial-commercial district with 2nd storey living space.

Manufacturing plays an important role in the Walla Walla economy. Boise and Tyson Foods on the west end, Key Technology, which makes precision sorting and processing equipment for the food packing industry, and Nelson Irrigation, manufacturers of irrigation equipment, all export product to the global market. Walla Walla Foundry is a unique business that creates sculptures that are commissioned and installed in all parts of the world. Walla Walla wines are famous nationally. These industries are examples of the diversity of the Walla Walla economy as well as the diversity in the makeup of the workforce.

The State Penitentiary is a major employer in the county. Expansion of the facility has increased the need for trained personnel to fill new positions. However in late fall, 2008, the Department of Corrections (DOC) announced that some layoffs would occur and staff would be downsized somewhat due to rising costs of operation. Amidst concerns for staff safety, union negotiations are currently taking place to halt layoffs or elimination of positions. In the past year the WDC has partnered with Walla Walla Community College to offer an IBEST Corrections program with a goal of providing trained workers to fill vacancies with the DOC. Enrollment in the program is lower than expected partly due to the decreased inmate population and the resulting reduction in force.

Tourism, centered around the wine industry, has until recently been a significant contributor to the local economy and job market. Jobs in that sector have declined with recent belt tightening in discretionary spending. Retail, hospitality and other service jobs have declined in the wake of the reduction in tourist numbers.

⁷ Hillhouse, Vicki. "Carbon sequestration drilling begins" Union-Bulletin.com January 22, 2009

Healthcare will continue to be an important employment sector for Walla Walla. Two major hospitals operate there with clinics attached to them. The Veterans Administration (VA) medical center has received funding to build new hospital facilities, the construction of which will secure the VA as a third important regional medical facility. A transformation of the outpatient clinic and a proposed nursing home on the grounds will help to give vitality to the facility and confirm its position in the community.

Walla Walla is a banking center, headquarters for Banner Bank and Baker Boyer Bank, along with branches of other regional and national banking concerns. With the national mortgage crisis, the banking industry in Walla Walla is facing a reduction in business. The banks have formerly been strong contributors to community services, businesses and foundations. Those contributions will be curtailed in this recessionary environment.

Walla Walla Community College is rising to the green challenge as it partners with the Umatilla Tribe, the city and the county to study watershed ecology. A non-credit sustainable living course is also offered to the community. In cooperation with Blue Mountain Action Council, the college offers a short carpentry assistant course. Students work on projects that could include weatherization of BMAC sites, for example. After course completion students in the class may choose to use their skills to go directly to work or to proceed into the construction program for credit. The nursing program is a successful program that helps to provide workers for the demand RN field. The intensive or “night” program, which was piloted with help from the WDC, is operating at capacity, based on clinical availability. Each year it alternates between the Walla Walla and Clarkston campuses. WWCC is the Agricultural Center of Excellence for the state, and in so being, offers services to other educational entities, industry and students that are connected to the agricultural sector. Enology and viticulture courses address the needs of new vineyard owners who wish to join the ranks of the budding wine industry. Community college enrollment continues to climb, yet budget cuts make providing programs more difficult. State cuts could mean an 8%-20% reduction in employment at the community college. The challenge will be to offer demand programs on a reduced budget.

The K-12 school system is challenged with high drop-out rates. Many students struggle with English language barriers and cultural challenges. The alternative school has undergone some changes within the past two years. In partnership with Blue Mountain Action Council and the WDC, Lincoln Alternative High School has redefined its program to be more responsive to student needs, providing more one-on-one attention and jobs linked with school.

According to some, the banking and housing crisis has slowed the escalating real estate prices in Walla Walla. Prices are stabilizing, in some cases going down, and property is not moving as fast as it was. This could help to create some affordable housing for middle wage workers. Upper end new housing and second homes in the \$200,000 - \$300,000 price range are selling to retirees and others who are moving into the area from outside. Some of the older homes are now becoming more affordable.

The Hispanic population has become more integrated into the workforce in the community. Numbers are still growing, and workers are not restricted to agricultural and seasonal labor. Hispanics are working in all parts of the economy. Milton-Freewater, Walla Walla's closest Oregon neighbor, is 40% Hispanic, and many of the local workforce live there where it costs less to live.

Walla Walla may be at a transition point in its development. It is big enough to have big city issues, but it still has a small town style. Gangs and crime have become a more serious issue. The city is learning how to balance the old ways with the new. It has become a melting pot for various populations, and as such the community is learning how to deal with the cultural issues that come with that growth.

Agriculture rounds out the diversity of the county. Famous for its sweet onions and wine grapes, Walla Walla County also produces asparagus, carrots, potatoes and peas. The county's most important commercial crop is wheat, and the greatest number of acres is dedicated to its production. Broetje Orchards is the largest agricultural employer employing up to 1,000 people seasonally to grow, pack and ship apples. Although the Seneca packing plant closed in 2004, leaving the county without any vegetable or fruit packing plants, Cliffstar, which produces fruit juices for store labels, leases a facility from the port and employs approximately 60 people. The primary livestock farming activity is beef cattle production. Tyson Foods buys beef throughout the northwest and processes it at its Wallula plant. There have been as many as 1800 workers at this plant in recent years.

Whitman County

Whitman County lies to the north of the Snake River. Agriculture, education and high tech are the three contributors to the county economy. Traditionally, the county has been the largest wheat producing county in the nation.⁸ Washington State University is situated in Pullman and increasingly, as a result of the university presence, the tech sector is emerging as a significant third arm of the economic makeup of the county as a whole.

The university is the largest single employer in the county with one third of all jobs. The county has two hospitals which also account for a significant number of employees. Retail and service jobs support the other sectors. Schweitzer Engineering Labs (SEL) is a large employer, with over 1,000 employees worldwide, and counter to the trend throughout the nine counties, SEL is expanding and in a hiring mode. Because of the need that this business and others like it have, and because the university requires it, Pullman, Colfax and surrounding areas enjoy state of the art Internet connectivity and excellent cell service.

In addition to jobs that are directly involved with the planting and harvest of crops, other supporting businesses such as those that sell equipment and chemicals are dependent on the agriculture sector. As wheat prices fluctuate, so does the state of the economy in

⁸ [Washington Wheat Facts](http://admin.aghost.net/images/E0177801/2008WF4WebSmHomepage.pdf). A Publication of the Washington Wheat Commission.
<http://admin.aghost.net/images/E0177801/2008WF4WebSmHomepage.pdf>

much of the rural county. Last year when the price of wheat was up, the farm machinery business did well. This year, along with the other wheat producing counties, much product is currently in storage waiting for a more opportune time to sell the crop. The Port of Whitman operates ports along the Snake River that can accommodate barges that ship grain to the Portland market. Some rail spurs have remained intact; some are owned by private concerns and others were purchased by the state.

Looking to the future, the port, with WSU and others, has entered into a Washington Innovation Partnership Zone project. “Centered on a theme of clean, energy efficient IT and datacenter technologies, the Pullman Innovation Partnership Zone (IPZ) Clean Technology Center of Excellence serves as a collocation facility for emerging clean technology companies that conduct collaborative research and pilot demonstration projects with universities, national labs and non-profit organizations. The Pullman IPZ is creating a focused clean technology cluster to which related companies and industries will gravitate.”⁹

Promising projects on the economic development front include opportunities to improve highway infrastructure. The Washington Department of Transportation (DOT) has recently released its priority list, and two roads in Whitman County are slated for improvements. It is hoped that state and federal funds will be available to expedite these projects. Ideally, local community colleges can put their heads together with employers to develop training in demand occupations like equipment operators, flaggers and wind energy training so that not only will projects be ready to go, but trained workforce will be in place to tackle the work.

While currently the retail sector has slowed in Pullman, basically the city is in good shape financially. Due to the strength of the university and some high tech companies that are doing well, the area’s economy has stayed buoyed up. Other examples of companies that contribute to Whitman County’s economy include one that exports software worldwide to hydroelectric facilities, one that builds snow plows for the state and one that does aircraft conversions for the agriculture sector.

The corridor from Pullman, WA to Moscow, ID has been further developed in the past two years. Completion of the permitting process has paved the way for the opening of a new Toyota dealership. The hopes have been to build an auto complex on that stretch of highway, however plans may slow down for a while due to the greater concerns of the economy. A mall developer will most likely temporarily postpone plans to build on the corridor this year.

Obstacles to economic development include the fact that there is no interstate highway in the county to facilitate the trucking of goods. Housing is in short supply in Pullman and the terrain and soil structure make it particularly challenging to build homes, especially at medium to low cost. Median home prices are higher than anywhere else in the WDA, making it difficult for first time home buyers to purchase. Letting the greater world know

⁹ Port of Whitman County, Web site. http://www.portwhitman.com/innovation_partnership_zone.php

that there are actually jobs in Whitman County has proven to be a real workforce challenge. There are 140 entry-level vacancies at the present time that need to be filled.

The Columbia River Counties

Pend Oreille County

While Pend Oreille County does not directly touch the Columbia River, The Pend Oreille River runs north virtually the length of the county from Newport to the Canadian border. There it crosses into Canada where it turns west for a short while before it empties into the Columbia at the border just north of Northport. Newport is the largest town in the county. One of the larger private companies in town is C&D Zodiac, which manufactures components for airplane interiors. They do business with Airbus, Boeing, Bombardier and Embraer, their products being shipped worldwide. Other small businesses operate within the county such as one that specializes in the manufacture of pontoons for float planes, one that refurbishes train cars, and another that makes tofu for the retail market. All have experienced some reduction in staff. A local car dealership has closed, leaving twelve people without jobs. The healthcare sector remains strong. Nurse aide classes are offered to students on a regular basis in Newport, and the hospital will soon be offering a new training program on site. A new health clinic has been built on the Kalispel Reservation that employs a doctor, dentist and other professionals. The clinic operates in conjunction with a fitness center that includes a pool, so various employees are needed to keep the facility operating.

Traditionally, Pend Oreille County has been dependent on extractive industries. Timber and mining have been the mainstays of the economy. The timber industry has been negatively impacted with the declining housing industry nation wide. Timber prices are at an all time low, causing a mill in neighboring Post Falls, Idaho to close completely and reducing the output at Vaagen Bros.-owned Pend Oreille Valley Fiber. Trade Act funds have been called into play to assist those individuals who have been laid off to receive training, job search services and other assistance. The Ponderay Newsprint factory in Usk is still in operation despite the reduced demand from the newspaper industry for paper. Approximately fourteen people have been laid off or retired without being replaced in the past year.

By far the most devastating event in the county is the closure of the Pend Oreille Operations of Teck Cominco zinc and lead mine in the northern county. One hundred sixty-five people were laid off, which will significantly impact the communities of Metaline, Metaline Falls and Ione. Combined, the three towns have a population of fewer than 900. Workforce funds are currently being used to provide services that will assist these workers and their families to assess their current situation and make choices for the next move in their lives. This downsizing will no doubt create setbacks to retail business, and cause school enrollments to decline. However, some long time residents remain philosophical about the closure. They comment that this is not the first time that the mine has closed, and that they will go into “sleep” mode so that when the mine re-opens they will be able to start up within days.

The United States Border Patrol is adding personnel to its staff, and reportedly is currently hiring, or bringing new staff from other locations in the country. The Patrol does not hire through the WorkSource system, so specific numbers of new employees is not known. Homeland security monies are being spent in the county, with increased surveillance at local sites, including campgrounds, rest stops and rural stores.

The Kalispel Tribe has used revenues from its casino on the outskirts of Spokane to build the medical/healthcare center on the reservation. The tribe contributes to the Cusick schools since a large percentage of the school population is Native American.

As with other rural counties, tele-connectivity to rural pockets is an issue. It has not been profitable for private companies to provide service to the limited numbers of people living outside of town. The lack of high-speed Internet service restricts the ability to telecommute or conduct business for those who wish to do so.

Community Colleges of Spokane IEL has partnered with the local school district to provide some customized training for both laid off lumber workers and career and technology students. The program assists students to acquire skills in applied academics and at the same time receive some hands on training and skills in welding.¹⁰ The goal is to have 15 students certified by the end of the school year. All three of the school districts in the county anticipate teacher layoffs next year as state funding is cut.

Newport and the county are working hard to build the tourist industry. Events such as the annual Lavender Festival, Bluegrass Festival, Fair and Rodeo are geared to attract visitors. Touting the rural and scenic nature of the area, promotional organizations advertise birding sites, boating, fishing, forest activities, snowmobiling, golfing, performing arts, and in conjunction with Idaho and British Columbia, the International Selkirk Loop.¹¹

Stevens County

The most populous of the four northern counties, Stevens County's economy is a little more diverse than the others. The economy of Stevens County is based on forest products, agriculture, manufacturing, tourism, and public services. Timber products have always played a major role, but timber harvests have diminished recently because of the low prices paid for timber. Light manufacturing, construction, and small businesses are maintaining, but not expanding as they were two years ago. Healthcare is the strongest sector in terms of retaining and hiring workers.

The southern end of the county continues to grow as Spokane expands outward. The Stevens County community of Suncrest is within ten miles of Spokane city limits. Residents tend to commute to Spokane for work. Addressing the projected growth, new

¹⁰ "College Helps Retrain Laid off Lumber Workers" January 21, 2009 and "School Welds With Community College" November 19, 2008. Newport Miner <http://pendoreillerivervalley.com/>

¹¹ Pend Oreille River Tourism Alliance. Web site. <http://www.porta-us.com/index.html>

businesses are moving into the area. A new grocery store will open in early 2009. A fast food restaurant, fitness center, health clinic, equipment rental shop, and a large vehicle repair service are anticipated in the coming year. The suburban growth of the area defines the changing nature of the county. Whereas in the past the county was primarily rural, and dotted with small towns, the more urban concerns of the southern residents could eclipse some of the traditional affairs of the county. In the recent election more votes were counted from this end of the county than in Colville and Kettle Falls combined.

The northern half of the county retains its rural, small town flavor. Colville is a medical center for three counties. Mount Carmel Hospital in Colville has undergone a recent expansion and the Northeast Washington Medical Group remodeled and expanded its operation within the past two years. More than forty physicians practice at local facilities. Numerous assisted living and long term nursing care facilities operate in the area. Chewelah and Kettle Falls also provide medical services. Chewelah has a hospital and clinic. Healthcare occupations are a major percentage of the jobs in the county. High schools in the area are providing nurse aide training to selected students.

Light manufacturing has slowed within the last year due to the recessionary climate. Woodstove manufacture has been dependent on the housing market and boat building relies on discretionary spending. With the national trend toward belt tightening, fewer units of these items have been sold. Even the export of commercial dry cleaning equipment and heating and cooling equipment has slowed. These items have recently enjoyed a thriving world market, but with global economies being affected by the current slump, sales are down.

Colville National Forest headquarters are located in Colville, as is the northeast region of the state Department of Natural Resources. It is also the central location for three counties for the Department of Social and Health Services (DSHS), Northeast Tri County Health District and the Colville WorkSource. With school district workers, US Border Patrol and county workers added to the mix, government becomes the largest employment sector in the county.

Tourism and recreation activities are an important part of the local economy, capitalizing on the natural beauty of the region. Four-season activities include skiing and snowmobiling, fishing, boating, and hiking. Recreation areas include 49 Degrees North ski hill, Colville National Forest, and Lake Roosevelt National Recreation Area. The Spokane Tribe operates a casino complex in the middle of the county, which includes a fuel stop with a hotel development planned for the future. Retail support, including a Wal-Mart super center that employs more than 200, provide numerous service jobs. The county still attracts retirees and transplants from outside the area, but not to the extent of two years ago. Construction has slowed somewhat, echoing the national trend.

The Spokane Tribe occupies 157,376 acres of southern Stevens County. In addition to casinos, tribal enterprises include a lumber mill, forest management, fish hatchery and

outdoor recreation. As of January 2006, tribal membership included 2441 people.¹² Preference is given to tribal members for jobs in tribal enterprises.

Technological infrastructure deficiencies are seen as a barrier to rural economic development and education endeavors. As in other counties, students who wish to take on line courses often cannot participate from their homes. They must go to town, to school in order to partake of this type of offering. Businesses that might start up in the county, cannot do so without broadband capability. The geography is a barrier to cell technology, because the technology requires line of sight from tower to receiver. More towers are required in a mountainous region, and that becomes expensive. Interviewees felt that the county would see more growth if there were better connectivity. Access to the Internet has changed how business is done, and it has become a mandatory component of commerce. Redundancy of all systems is also an important requirement for rural business growth.

Economic development activities currently include searching out local businesses that show growth potential rather than recruiting new business from outside the area. With some assistance these companies have potential for longevity because owners and workers are already established within the community. Places that have the most diversity have a better chance of survival, so the current economic development philosophy is to build on the homegrown diversity that already exists.

The K-12 school districts are going through tough funding times, anticipating more layoffs in the next year. These cutbacks are now beginning to affect program choices. Elective classes and co-curricular activities such as art, band, sports and career and technical (CTE) classes may have to be sacrificed for math and science. Educators are exploring new delivery methods including virtual learning and interactive TV (ITV). While these can seem like a threat to the traditional classroom model, educators recognize that if the schools don't rise to the challenge, they will see more drop-outs in the future. Colville Center of the Community Colleges of Spokane Institute for Extended Learning (IEL) offers classes on site and through the ITV network. IEL staff participates on the WDC-sponsored skills panels, and endeavors to meet community and business needs that are expressed in those meetings.

Ferry County

The most remote and least densely populated county of the nine, Ferry County is unique in that almost half of its land belongs to the Colville Confederated Tribes and most of the remainder is federal forest land. Very little is privately held, so the tax base is small. Logging and mining have been the primary industries of the county. Currently the Kinross Corporation has opened a new gold mine near the Canadian border, just inside Okanogan County. The ore is trucked to a mill just outside of Republic where the gold is extracted.

¹² Spokane Tribe of Indians. Web page. <http://www.spokanetribe.com/page.php?code=tribe>

Needless to say this mining operation has given a powerful boost to Republic and northern Ferry County. One hundred forty jobs have been created and the recovery of the local economy is evident. School enrollment is up. The downtown hardware store has re-opened. As new workers move to the area to work for the US Border Patrol and the mine, a scarcity of mid-priced housing has become apparent. A development group has been building homes and hiring local construction workers. The Pine Grove community is an example with 60 houses and a community water system located 3 miles from Republic proper.

The Republic Public Development Authority has purchased property five miles north of Republic at the site of an old gravel pit. Approximately 15 – 17 acres is being considered for an industrial park. A well has been drilled to serve the 7 ½ usable acres; ground has been leveled, and the developers plan to complete the sewer system in the next year. Possible tenants include a company that sells landscaping materials and packages it for the retail home improvement market, and a contractor who wishes to do ore drilling exploration. Economic developers see the possibility for value added business with the possible creation of a company that would manufacture bags for packaging materials, or one that creates rustic furniture from timber byproduct.

A challenge for this type of development is the technology and power infrastructure. The town of Republic has broadband, in large part supported by the community college center and school district. Outlying areas are not so well served. Companies like Verizon do not see the necessary return on the dollar spent. Neither the Internet nor the power grid has redundancy in their systems. If the Internet goes down, and some say it goes down regularly, nothing in town works. This includes the Post Office, retailers and banks. There is only one route for electrical power to reach the town, over Sherman Pass, and if that goes out, as it might in a winter storm or high winds, the county shuts down.

If stimulus money filters down to Ferry County, residents will be ready. Streets and sidewalks are in need of deferred maintenance. There is \$6-\$12 million in projects waiting in the wings. The county has many road projects that need attention. Curlew is working on its sewer system.

Healthcare is a significant industry in the county. Ferry County Hospital and nursing facility hires medical personnel. The Curlew Clinic is newly opened, providing medical services for the northern county. On the reservation in Inchelium, a new tribal health clinic provides 22 jobs and the San Poil Valley Clinic in Keller provides eight jobs.

The Curlew Job Corps employs instructors and staff that offer courses in business, culinary arts and the construction trades. The center is located on a remote site west of Curlew. An accredited GED/high school diploma program is offered there along with some college level courses. The center can accommodate up to 200 resident students on its campus, and students come from all parts of the state to participate in the program.

Cattle ranching and related feed growing is the agricultural component to the Ferry County economy. It is becoming more difficult to make a profit in this arena, and as

ranchers age, their sons and daughters seem to be less likely to take on the operations. It is nearly impossible to be able to afford to maintain a small herd of 25 head. Reduction of open range land available to cattle ranchers has also contributed to a downsizing of the ranching industry.

The push for wilderness protection of the areas on federal land and differences of opinion as to how that land should be used has caused some friction within the community. While some see recreation opportunity as the development of snowmobile trails, others maintain that the forests should be pristine and quiet. Environmental groups have advocated for the “natural” approach to recreation, while other groups wish to keep open range for cattle and want to do salvage logging in areas affected by forest fire.

The southern half of the county is part of the reservation of the Colville Confederated Tribes. “Today, over 9,065 descendants of 12 aboriginal tribes of Indians are enrolled in the Confederated Tribes of the Colville Reservation. The tribes, commonly known by English and French names, are: the Colville, the Nespelem, the San Poil, the Lake, the Palus, the Wenatchi (Wenatchee), the Chelan, the Entiat, the Methow, the southern Okanogan, the Moses Columbia and the Nez Perce of Chief Joseph’s Band.”¹³ The tribe is governed by the Colville Business Council and it operates on a yearly budget financed primarily from the sale of the Tribe’s timber products and from other sources including state, federal and private contributions. The Colville Tribal Enterprise Corporation oversees several divisions including gaming and three casinos. The Corporation employs several hundred permanent and part-time employees. The work force is composed primarily of Colville tribal members and non-tribal members from the communities where the enterprises are located.¹⁴

Lincoln County

Lincoln County lies south of Stevens and Ferry Counties and south of the Columbia River. This county of wide open spaces is generally considered the second-largest producer of wheat in the United States (following Whitman County). Agriculture is the key economic driver of the county. As with the other wheat producing counties much wheat is presently in storage because the price of wheat is low. Much of the county’s business directly supports agriculture, and is subject to the ebb and flow of the grain market. With current market conditions, farmers are in a “hold and wait” frame of mind right now. Many of them used last year’s sales profits to stockpile farm diesel and fertilizer when petroleum costs were low. Retail sales have slowed as a result.

Inland Empire Oil Seeds crushes seed and produces biodiesel in its Odessa plant. The plant is up and running now, providing nine new jobs and anticipating nine additional jobs in the future. The seed is grown in the county and imported from other areas as well. Farmers are experimenting with oilseed crops to support the biodiesel efforts.

¹³ Confederated Tribes of the Colville Reservation. Web site. <http://www.colvilletribes.com/facts.htm>

¹⁴ Ibid.

The county is experiencing a shift in demographics as more development is occurring at the northern edge of the county along the Columbia River. New residents are building recreation and retirement homes. This creates jobs for contractors and construction workers. The growth along Lake Roosevelt has offset some of the decline in farm-related population. The growth of these areas has produced revenues for the county, but because of state law, the county is required to levy no more than a 1% increase per year. So even as property values go up revenues do not match up to the potential that valuations would suggest. Good for property owners, bad for county coffers.

Healthcare continues to be a strong sector in the county. Lincoln County Hospital in Davenport has expanded its services to include satellite clinics in Reardan and Wilbur. The hospital and its clinics, long term care and assisted living facilities employ over 250 people. It is the largest employer in the county. In the southern part of the county the Odessa Memorial Hospital employs approximately 45 healthcare and support staff and is the largest employer in the immediate area. Odessa Rural Health Clinic provides care during business hours five days per week, and the hospital also runs a 12 unit assisted living facility.

At the northeastern edge, along Highway 2, the county is experiencing growth due to the westward expansion of Spokane. Commuters live in this area, which is approximately 20 miles from downtown Spokane. In the southeastern corner along I-90, near the town of Sprague a new waste reduction-energy production plant is under construction. The Barr Regional BioIndustrial Plant will eventually compost organic waste and turn it into saleable material. Technically called a biosolids waste treatment plant, it will take items such as restaurant food waste, grocery store produce scraps and municipal grass clippings and process them into sludge and marketable compost. Extra water and methane gas that is produced will be used grow algae which in turn can be harvested and crushed for biodiesel. It is anticipated that 39 jobs will be created when this plant is in operation.

Post-secondary education opportunities are limited within the county, however the Davenport School District is working together with the Eastern Washington Partnership and Community Colleges of Spokane to expand some of its offerings. Using the college ITV network, a course in basic electricity is being offered to students in the high school. A running start English 101 course is being taught the same way. And a group of students is participating in certified nurse aide training at the hospital.

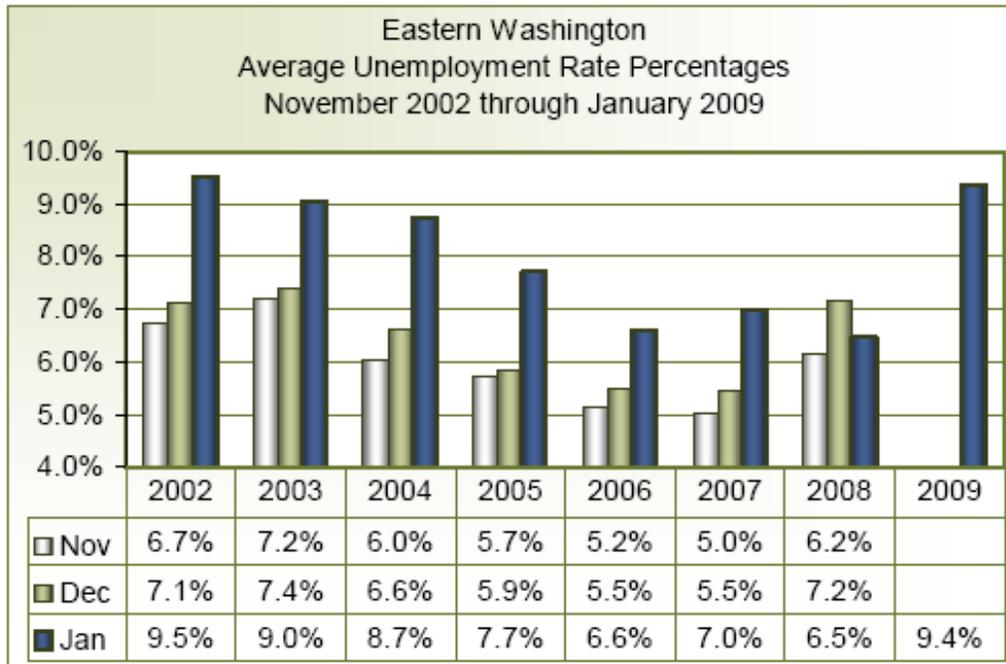
THE ECONOMY

Information for this section has been excerpted from the county profiles and monthly labor summaries that are prepared by the regional economist. As has been mentioned previously, the Eastern Washington Partnership has business contact with world and national economies. Wheat, wine, fresh produce, manufactured goods, timber products, and even gold find their way across the country and around the world. Not only do the nine counties export goods, but global competition can be a challenge for local business. Food production, for example, can be done more cheaply in other countries. Other nations may subsidize certain industries, making it nearly impossible to compete.

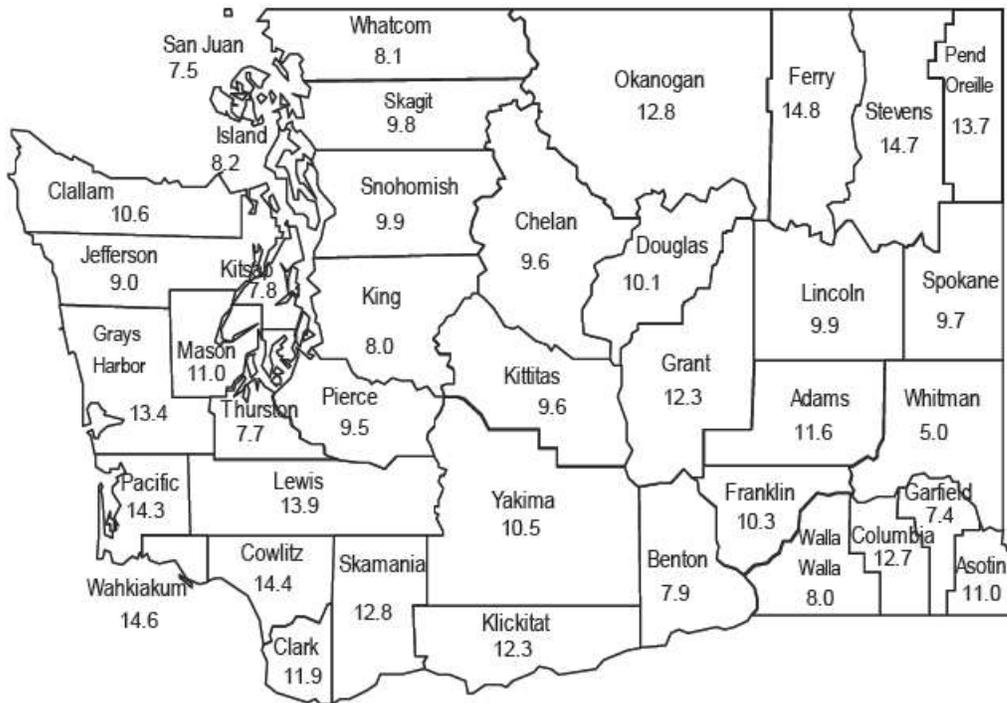
Currently, the strong sectors in WDA 10 are healthcare, light manufacturing and government employment. Construction occupations will continue to need workers. New emphasis is given to “green” jobs and technology. Future workers will find that training related to these fields will improve their chances for employment opportunities.

The December 2008 unemployment rate for Eastern Washington Partnership Workforce Development Area 10 was 7.3 percent. This is up from 6.4 percent in November and 5.5 percent in December, 2007. Job growth for the year was positive for the region, but this came largely from the two largest counties, Walla Walla and Whitman. Walla Walla County data is presented in a separate report. Total employment changes over the month have increased 0.9 percent or 890 jobs. Some of this reflects seasonal changes with education employment. The current data does not show a trend toward decreasing total employment across the region. A mixed picture is created. Some counties have experienced declines for the last 12 months, and other counties have just begun to experience declining employment. The numbers may indicate positive growth for the year. It is anticipated that for the next several months job gains realized over the last year will be eliminated. Little good news is expected with regard to employment numbers within the next few months. It is likely that job growth will be flat to slightly negative as several large closures continue to impact total employment in WDA 10.

The January average unemployment rate for the nine-county Eastern Washington area was 9.4 percent, up from 7.2 percent in December and 6.5 percent in January 2008. Typically, the unemployment rate increases in from December to January. In the past the average percentage of unemployment increase has been 1.4 percent. This year the increase is 2.2 percent. The northern counties had an even greater than average increase with 3.2 percent as compared to the 1.1 percent that occurred last year at this time. In the month of January, four counties had unemployment rates over 10.0 percent. As a region, the northern counties had an unemployment rate of 13.4 percent, and this was the highest rate for the region since February 2003. The unemployment rate for the southern counties was 7.3 percent and was lower than the national unemployment rate of 7.5 percent and the state unemployment rate of 7.8 percent. The unemployment rates for February 2009 are even higher as illustrated in the map on the following page.



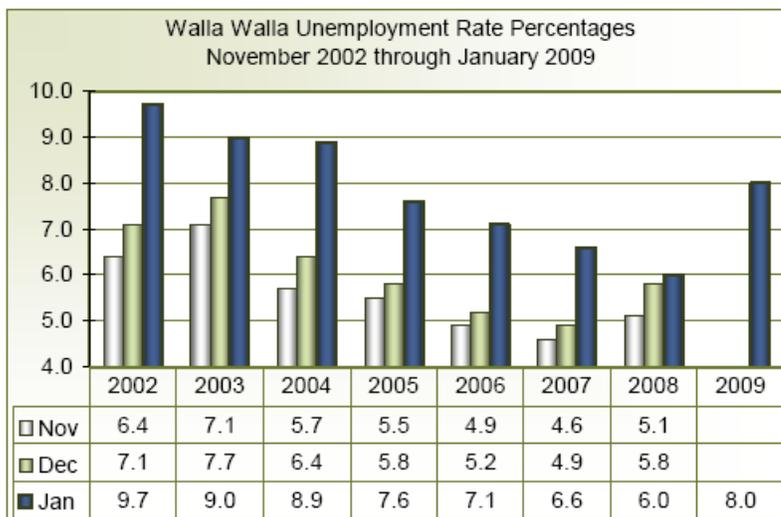
Unemployment Rates by County, February 2009
Not Seasonally adjusted



The unemployment rate for Walla Walla County rose to 8.0 percent from 5.8 percent in December. This was the highest rate of unemployment since February 2004, when the rate was 8.4 percent. The unemployment rate has typically increased between December and January an average of 1.5 percent every year since 2001. This year the jump in the unemployment rate was 2.2 percent in that timeframe. This was double the increase of 1.1 percent last year for this same period. The jump this year in the unemployment rate indicates increased layoffs due to recessionary pressures. The unemployment rate for the state of Washington was 8.6 percent and it was 8.5 percent for the nation.

Over the month, total employment showed a decline of 3.1 percent or 780 fewer jobs. Some of this was due to the seasonal reduction of 400 jobs in private educational services as happens every January, June and September. Local colleges start and stop the school year. Retail employment declined, which is also typical for this time of the year. January showed decreased employment in leisure and hospitality, and in construction and manufacturing. For the month, continued unemployment claims were 57.0 percent higher than last January. Over the year, total non-farm employment grew by 2.9 percent. This was higher than the state, which experienced a decline in total employment of 3.7 percent in January.

Over-the-year job gains were still very positive Non-farm employment in the county. There were employment gains in manufacturing, government, healthcare and social assistance and construction. Some of the gains realized over the last year have begun to shrink, as the national recession affects local employment. For the first ten months of the recession, Walla Walla County showed surprising resilience to declining employment. Unfortunately, that period is now over and total employment numbers can be expected to decrease over the next six months. Layoffs are anticipated at the Washington State Penitentiary, and local retail stores and restaurants continue to announce closures and reduction of staff.



Information on the economy is gathered from the Labor Market and Economic Analysis branch of the Washington State Employment Security Department. Detailed information can be accessed at the following links.

Agricultural Labor Employment and Wages December 2008

http://www.workforceexplorer.com/admin/uploadedPublications/9447_AgMonth_Dec2008.pdf

Eastern Washington Labor Area Summary December 2008

http://www.workforceexplorer.com/admin/uploadedPublications/9470_East1208.pdf

Walla Walla County Labor Area Summary December 2008

http://www.workforceexplorer.com/admin/uploadedPublications/9485_Walla1208.pdf

Asotin County Profile September 2000

http://www.workforceexplorer.com/admin/uploadedPublications/382_asotin.pdf

Columbia County Profile September 2002

http://www.workforceexplorer.com/admin/uploadedPublications/388_columbia.pdf

Ferry County Profile July 2008

<http://www.workforceexplorer.com/article.asp?ARTICLEID=9115&PAGEID=94&SUBID=>

Garfield County Profile September 2000

http://www.workforceexplorer.com/admin/uploadedPublications/394_garfield.pdf

Lincoln County Profile September 2008

<http://www.workforceexplorer.com/article.asp?PAGEID=&SUBID=&ARTICLEID=9228>

Pend Oreille County Profile August 2008

<http://www.workforceexplorer.com/article.asp?ARTICLEID=9164&PAGEID=94&SUBID=>

Stevens County Profile June 2008

<http://www.workforceexplorer.com/article.asp?ARTICLEID=9069&PAGEID=94&SUBID=>

Walla Walla County Profile September 2007

<http://www.workforceexplorer.com/article.asp?articleId=8489&PAGEID=94&SUBID=>

Whitman County Profile January 2009

<http://www.workforceexplorer.com/article.asp?ARTICLEID=9418&PAGEID=94&SUBID=>

INDUSTRY SECTORS

On the whole, the industry sectors and cluster profiles remain the same as two years ago. The current economic climate is responsible for the declining employment numbers in the following descriptions. Generally, the number of jobs in each sector has been decreasing and is not expected to increase until after the economy stabilizes. The process might take as long as a year. The WDC and its partners are encouraging workers who are laid off to take advantage of the time to acquire training in new skills in order to be more employable when employers begin to hire again.

Government

Government is the largest employer in the nine counties. Only two counties do not show it as the top sector. In Walla Walla County it is number two, and in Asotin it is number three. In the counties where it is largest, percentages range from 29% in the northern Tri-Counties to 62% in Whitman County. The sector is divided into three elements – federal, state and local. Teachers in the K-12 school systems make up the bulk of local government employees. Government jobs cover a wide cross-section of occupations. Some examples are: federal workers, employed by the Army Corps of Engineers, US Postal Service, or Border Patrol; state workers are employed by the Department of Corrections, Washington State University, Department of Natural Resources and social service agencies; local workers are employed as teachers, social workers, municipal and county administrators, and even some health care workers if they work at county hospitals. Because rural population is small, government jobs are disproportionately high. Government jobs tend to be secure and pay a good living wage. Many of the occupations in this sector, such as teaching and engineering, require advanced education and training.

Trade

The trade sector is divided into wholesale and retail components. In addition to the selling of large quantities to be retailed by others, occupations in wholesale trade can include sale of fruits and vegetables, farm equipment and supplies. Wholesale trade wages average \$20,000 or more per worker annually, but only a small percentage of trade jobs are in the wholesale industries. Retail trade comprises by far the greatest percentage of trade sector. Average annual wages in this sector in WDA 10 can range from \$6,500 for employees who are part time or more if workers are full time. Sufficient availability of part-time workers removes pressure for wage increases within the industry. Most jobs are entry level and many are part time. Required training is minimal, and job turnover is high. Examples of retail trade workers include college students in Pullman who are willing to work part time while attending school, or stay-at-home moms who want extra spending money. Asotin County, with its budding tourist industry, employs more than one third of its retail workers in eating and drinking establishments. The pattern repeats throughout the WDA as local businesses employ workers to serve local customers. In most counties grocery stores employ the second largest number of retail workers.

Services

A large number of people work in the service sector. Services include a wide variety of vastly different businesses and occupations, ranging from hotels and lodging places, restaurants to auto mechanics, to lawyers, healthcare workers, and teachers in private institutions. Average wages in this sector tend to be low because the percentage of high-wage jobs is small. A great number of individuals work in low paying positions. Healthcare and social assistance, including doctors, nurses, allied health and social workers are the highest paid service workers in WDA 10. The health care industry provides the largest portion of revenue in the services sector. Walla Walla, Clarkston, Pullman and Colville are hubs of health care services for surrounding regions. Each of the nine counties has at least one hospital, and these cities also have private practices for a number of physicians, dentists, chiropractors, optometrists and other health-related fields. In addition to hospitals and medical centers each community supports intermediate and skilled nursing facilities, which require technicians and nurse aides. It should be noted that not all workers who are employed in healthcare are classified as service workers. Those who are employed in veterans and county hospitals are classified as government workers. Healthcare is projected to be a large growth industry in the WDA, as it is state and nation-wide. It promises the possibility of good jobs with specialized skills and the opportunity to earn a family-wage income.

Social service is also a large industry within the sector. Jobs include family services, job training, day care and residential care workers. Asotin County has become a hub for social service with 13 percent of all service income being in that industry. Social services typically target those in financial need, and the county has one of the highest public assistance rates in Washington. An unusual designation in the services sector, termed membership organizations, normally consists of paid workers for unions, business associations, fraternal, political and religious organizations. Across the state this industry is quite small, but in the northern three counties the industry size is enlarged because Native American Tribal organization and administration is included. Columbia County has a small service sector limited to recreation.

The services sector is projected to grow across the nine counties. While this looks good in terms of numbers of people employed, low wages and jobs that do not require specialized expertise tend to keep workers from expanding their abilities. Many of these workers revolve from one employer to another, chasing incremental wage increases, without significantly increasing their skills. They may never actually take the next step on the career ladder. However, service workers in health care or computer technology are examples of those who have the potential to receive high wages in this sector. The best service jobs, such as medical technicians or teachers, require specific job skills training that depend on long-term education.

Agriculture

Agriculture is a very important piece of the nine county economic picture. All counties have an agriculture component in their economies, because this sector also includes forestry, fishing and hunting occupations. The primary crops remain wheat, oats, barley and hay, and the dominance of this highly mechanized type of agriculture

accounts for a relatively low number of farm workers. While Columbia, Garfield, Whitman and Lincoln Counties do in fact employ farm workers, the nature of grain crop production keeps the actual job numbers down. Whitman County employs a remarkably low 3.5% of its workers in agriculture. Walla Walla County produces vegetable and fruit crops in addition to grain, providing more intensive farm labor jobs than the other agricultural counties. The larger agricultural employers in the county cultivate apples, onions and grapes. Walla Walla County has experienced significant growth in viticulture and specialty wine production, requiring a new set of farm labor skills. Farm labor wages are low – in fact the lowest of any Unemployment Insurance-covered occupations. Even at these low rates, labor costs are high compared to other parts of the world, and food growing and processing continues to be outsourced. In Walla Walla County a significant part of the workforce traditionally has been made up of Hispanic and migrant labor. Employment is seasonal by nature.

The changing economy is altering the demographics. In Walla Walla small farms that produce onions and spinach for example, are under pressure to sell out to developers who will build new homes for new residents. Workers who were formerly migrant are tending to become permanent residents in the county. There will be a shift for those workers from farm labor to other occupations, particularly construction. It is expected that the demand for construction workers will slow in the current year, but as the economy improves there will be a continued need for trained construction workers in the future. WDA 10 agricultural statistics differ from those of the state as a whole, in that rural eastern Washington still derives a substantial share of income from agriculture. The Palouse Counties – Walla Walla, Whitman, Lincoln, Columbia, and Garfield – have generated agricultural revenue ranging from 8% to as much as 30% of gross county totals, compared to the state figure of 1.2%. The number of jobs created by this industry sector however is disproportionately low.

Manufacturing

Lumber mills, food processing, along with boat building, stove manufacturing and technical instrument production are included in the manufacturing sector, and can be sharply seasonal. Many of the companies in this sector have recently closed their doors or downsized. Some of these are cyclical and may not promise life-long employment, but they do employ a large number of individuals when plants are in production. On the growth side, Schweitzer Engineering Laboratories in Pullman, designs and manufactures micro processor-based protective relays for electric power utilities. This “high-tech” manufacturer continues to grow and is continuously in need of new employees. The largest manufacturing industry in the northern counties historically has been lumber and wood processing, including logging, sawmills and planing mills. With the current downturn in the housing industry and subsequent drop in timber prices, the mills of the forest counties have suffered. As previously mentioned, many sizeable timber operations have closed their doors. The loss of these jobs has had a negative impact on Stevens, Pend Oreille, Ferry and Asotin Counties. Manufacturing jobs fluctuate depending on the market for goods being produced. Recent lay-offs have occurred in the stove

manufacturing industry due to a declining demand for the product in the home construction market. Traditional food processing companies no longer exist in the southern counties. The shift to growing and processing of table crops to foreign shores has forced the closure of these local operations.

Ponderay Newsprint Company, one of the Pend Oreille County's major economic drivers, has recently downsized its workforce, but has not closed its doors. Another manufacturing company, C and D Zodiac, located in Newport, manufactures components for the airplane manufacturing sector. Employment has slowed in this cluster also, due to the contracting airplane manufacturing industry. Manufacturing industries generate additional jobs in retail and services that support workers and their families, which is important to the communities in which they are located.

Other industries in this sector include aluminum boat building. Applicants must possess a high level of basic skills, the ability to learn new technology and to work effectively in teams. Unfortunately, the recent setback of the economy has also forced these operations to downsize. Clarkston and Colville have been particularly impacted by this situation.

Construction/Mining

Ferry County has a history of mining, making the Construction/Mining sector important there. The trickle down to local retail business is substantial in the county, and is greatly affected by cyclical upswings or closures. The recent opening of Kinross Mining's Buckhorn mine has created 160 new jobs in the county. This bright spot within the WDA has turned around the economy of Ferry County. While overall unemployment rates are high, the mine is providing 150 jobs that otherwise would not be there. This cycle exemplifies typical fluctuations in mining employment. Teck Cominco, in Pend Oreille County on the other hand recently laid off its 165 workers. The event has proven to be devastating to the northern county.

The other counties' construction sectors render jobs in infrastructure such as road building and maintenance. Wages are high, jobs are relatively secure and workers are loyal when projects are ongoing, but the number of job openings is small. In counties where budgets are shrinking due to declining tax revenues, construction jobs that are paid out of county coffers will also be reduced.

At the present time all sectors are hoping to benefit from the American Recovery and Reinvestment Act. Communities are preparing lists of infrastructure projects, education plans, healthcare IT design, rural Internet connectivity ventures, and myriad "green" technology endeavors. All see the possibility that new jobs will be created and the rural economy will turn around.

THE WORKFORCE

In addition to the influence of the current recession, timber, mining and food processing closures have a tremendous impact on small-town job opportunities. There are some high tech jobs currently hiring that require specialized and highly skilled technicians. The majority of jobs in the WDA are linked with government, the service industry, or are natural resource-based. New emphasis on alternative energy shows promise of helping rural counties to diversify. A detailed economic history of each of the nine counties, written by the state Labor Market and Economic Analysis branch of Employment Security, is included in the appendix. Please refer to that section for more information. Useful websites for this type of information include:

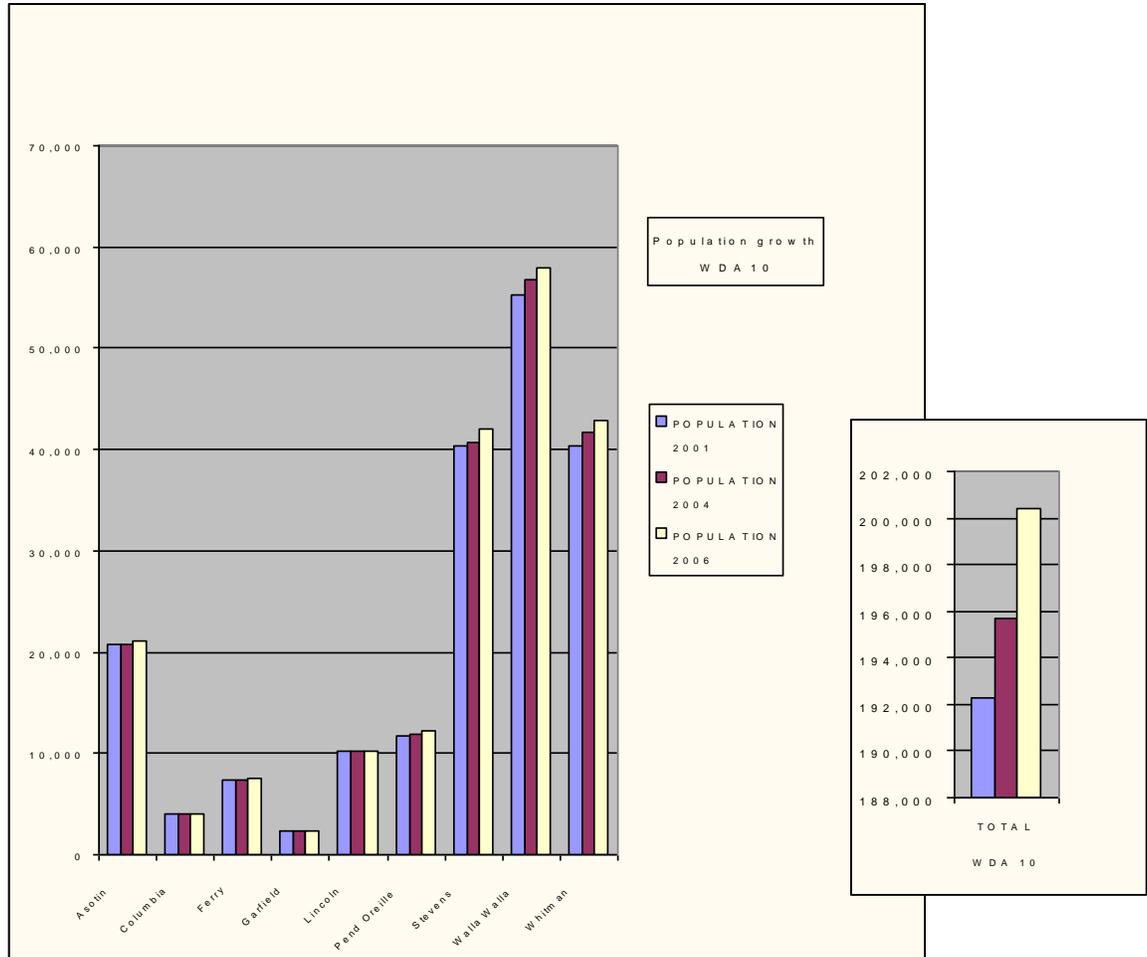
<http://www.ofm.wa.gov/localdata/default.asp>

<http://www.ofm.wa.gov/databook/default.asp>

Population

Population changes within the nine counties are reflected in the chart on the next page. Most counties show increasing population, however the greatest growth occurred in Walla Walla, Whitman and Stevens Counties.

Population Growth In WDA 10



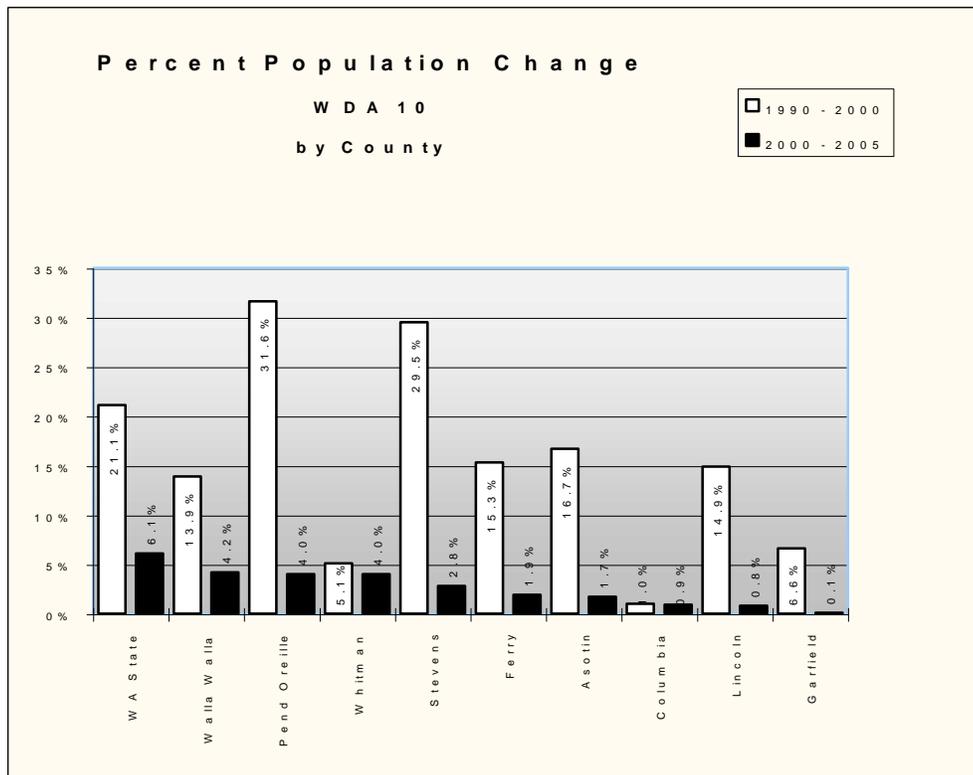
COUNTY	POPULATION 2001	POPULATION 2004	POPULATION 2006	POPULATION 2008
Asotin	20,700	20,700	21,100	21,400
Columbia	4,100	4,100	4,100	4,100
Ferry	7,300	7,300	7,500	7,700
Garfield	2,400	2,400	2,400	2,300
Lincoln	10,200	10,200	10,200	10,400
Pend Oreille	11,800	11,900	12,300	12,800
Stevens	40,300	40,700	42,100	43,700
Walla Walla	55,200	56,700	57,900	58,600
Whitman	40,300	41,700	42,800	43,000
TOTAL	192,300	195,700	200,400	204,000

Chart: Office of Financial Management¹⁵

¹⁵ Office of Financial Management. State of Washington Web site
<http://www.ofm.wa.gov/pop/april1/default.asp>

Growth

Most of WDA 10 counties experienced a large increase in population during the 1990's. While the large in-migration has slowed, some counties still have shown notable growth within the past five years, according to census estimates. Others have experienced virtually none. A region's population changes through net migration and natural increase or decrease. The chart below illustrates percentage of change comparatively by county from 1990 to 2000 and recent growth from 2000 to 2005, matched up to Washington State. Washington State continues to grow, and some of WDA counties, like Walla Walla are keeping pace. Pend Oreille County has grown by a large percent, however that percentage represents fewer people than the other counties.

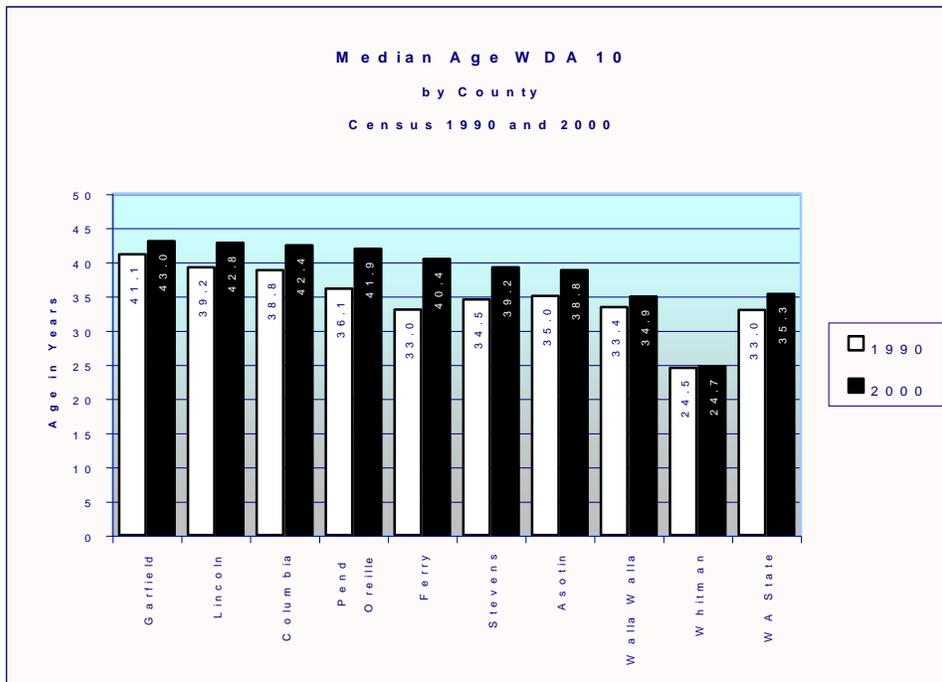


Natural increase in Columbia, Garfield and Lincoln Counties was expressed in negative numbers for the period of 1990 to 2000. Deaths outnumbered births in those counties during that time. Growth in the nine counties is a result of in-migration, more than natural increase. Over the ten years prior to 2000, Stevens and Pend Oreille Counties

experienced greater percentage growth than the state average, largely due to the expansion of Spokane’s population into the southern ends of those counties.

Getting older

Similar to the state and the nation, the average age of the population in the WDA is getting higher. Each county showed an increase in the median age in recent data. As an example, Ferry’s rose from 33.3 years in 1990 to 40.0 in 2000; Garfield’s rose from 41 years in 1990 to 43.0 in 2000. Whitman’s is the lowest, due to the large student population. All other counties range between 35 and 43.0, and the state median age is 33.1. An aging population has implications for the workforce. As the retirement community grows there will be more need for jobs in health care and assisted living. The older age group comes to the work force with a wealth of work skills and a solid work ethic. In general, the older population may not be as well versed as younger workers are with computers and other technology-related skills. An aging population also indicates changes in local economies. Incomes may be derived from retirement and transfer payments rather than wages.



Gender

The ratio of men to women in the workforce is about equal in most counties. In recent years the exceptions were Pend Oreille where the male population was more than 4% higher than the female population. The 2000 census confirms a change in these proportions. The male population has evened with the female population in that county. In Asotin County the female population is 4.8% greater than the male population. Each

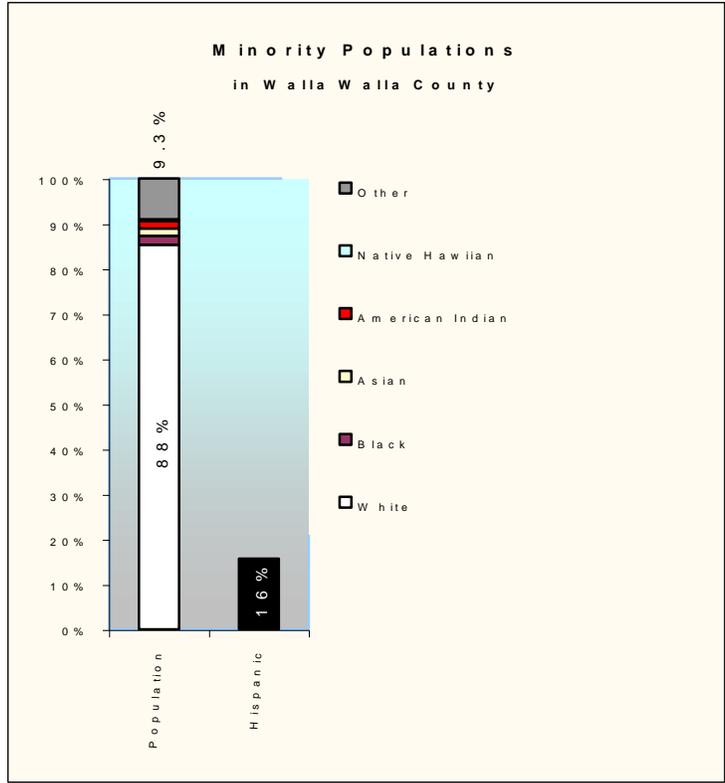
of the other counties generally parallels the state ratios of male to female in the population.

Minorities

The Hispanic population has increased in Walla Walla and Columbia Counties, due largely to the traditional link between the Hispanic population and farm labor. Traditional migrant farm labor is decreasing, and workers are becoming permanent residents in those counties. The seasonal nature of agricultural jobs causes a portion of that population to be unemployed during some part of the year. English as Second Language programs and services offered by Spanish-speaking staff are critical to effective service delivery. Secondary schools, community colleges and vocational schools, are focusing on these basic skills to enhance the workforce in these counties.

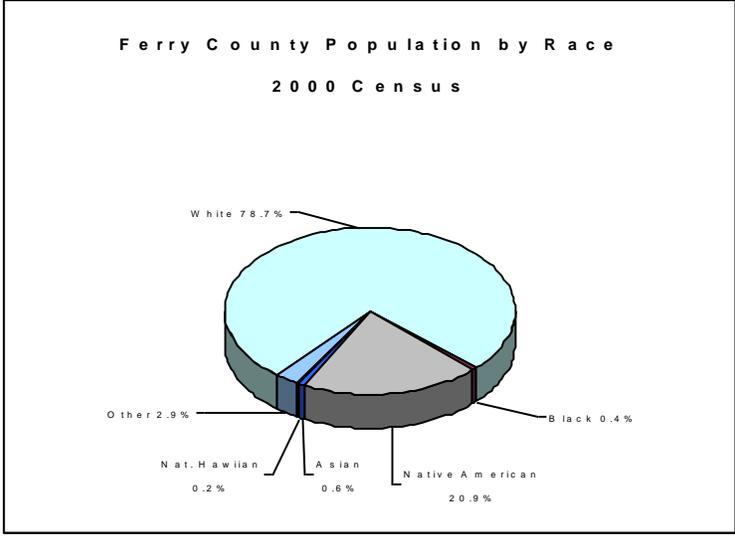
The following charts, based on data from the 2000 census, illustrate the population breakout for the two counties in the WDA with the largest permanent minority populations. In 2000 the US Census changed the way in which it counted the Hispanic population. Now the Census recognizes that Hispanics may be of any race. The Hispanic population is the largest minority group within the WDA, and the largest concentration is in Walla Walla County. The percentage of Hispanics in Walla Walla County was nearly 16% in 2000. The Native American population, considered by U.S. Census either by race alone, or in combination with another race, makes up 20.9% of Ferry County's population and 5.7% of Stevens County's. Asians are another significant minority racial group with most (2,704) of their numbers living in Whitman County. It may be argued that most are part of the student population at Washington State University, and in that sense they are not part of the permanent population.

Charts on the following page illustrate minority population numbers in Walla Walla and Ferry Counties.

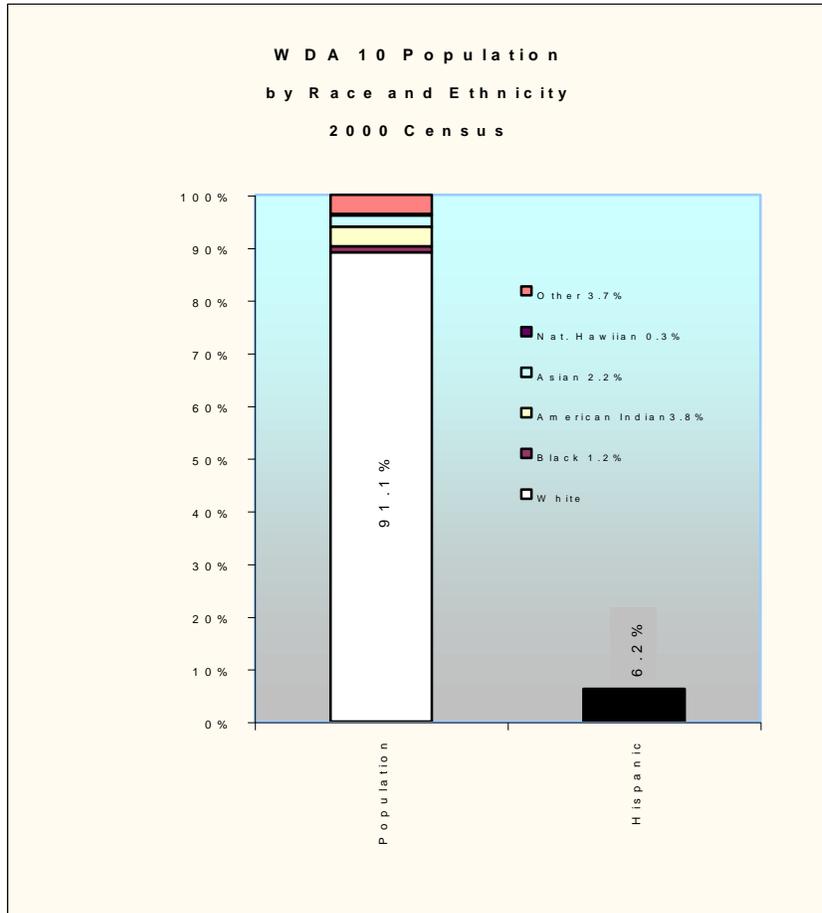


All population chart information based on **2000 US Census data.**

The Native American population in Ferry and Stevens Counties remains stable. Although some tribal members are scattered throughout the counties, the majority of the population resides on the Colville and Spokane reservations. The Indian population in Pend Oreille is 0.6% of the county population, fewer than 100 residents. The Kalispel Reservation is located there. Tribal entities provide work experiences, job development and training for members.



The chart depicting populations of the entire WDA has been compiled from data gathered from the 2000 census. Percentages have been rounded.



Although not a racial minority, a number of immigrants from Russia and the Ukraine have located within WDA 10. There is a significant population in both Stevens and Walla Walla Counties. Many of these people were well educated in their homeland, but need English as a Second Language (ESL) classes and tutoring in order to overcome barriers to obtaining good jobs.

Breakout information on the population is included in the comprehensive county summaries in the appendix.

Youth

School districts are indicators of population change. School districts within the WDA showed a decline in population between 1996 to 2003. During the period of 2003

to 2007, schools for the most part have stayed at the same population or increased enrollment. Valley School District is especially notable for its increase in enrollments, due to its significant on-line or virtual academy student population. Residents from all over the state are currently participating in this program.

There are 53 public school districts in the WDA. Two Educational Service Districts serve the area. ESD 101 is based in Spokane and serves schools in Whitman, Lincoln and the northern three counties. ESD 123 is based in Pasco and serves schools in the southeast corner of the state. Size varies from district to district. Walla Walla is the largest district with 6,143 students enrolled. Tiny Evergreen School in Gifford near the shores of Lake Roosevelt has nine students. Some districts serve students only through the elementary grades, and as they reach high school age they are bussed to larger neighboring districts. Curriculum offerings are limited due to the small size of some of the area schools, however schools are developing creative ways to provide vocational training with distance learning and community resource training experiences for students.

Running Start has been a successful program for high school students in school districts where the link between secondary schools and community colleges is practical. Walla Walla and Colville have the largest number of Running Start students enrolled, due to the fact that community college centers are located there.

Material in the following chart has been collected from the State Office of the Superintendent of Public Instruction (OSPI).

School Districts in WDA 10 Growth Patterns 1997-98 to 2002-03 to 2007-08

School District Name	'97-'98 final report average FTE for year	'02-'03 January total FTE	'07-'08 Oct. count	Notes	County
Almira	94	89	100		Lincoln
Asotin/Anatone	589	542	587		Asotin
Chewelah	1253	1174	1083		Stevens
Clarkston	3010	2664	2724		Asotin
Colfax	773	709	687		Whitman
College Place	852	773	821	Thru 8 th grade	Walla Walla
Colton	177	193	192		Whitman
Columbia	858	908	971		Walla Walla
Columbia	214	203	201		Stevens
Colville	2431	2061	2124		Stevens
Creston	114	110	116		Lincoln
Curlew	296	220	229		Ferry
Cusick	340	277	278		Pend Oreille
Davenport	448	440	595		Lincoln
Dayton	670	543	530		Columbia
Dixie	38	37	22	Thru 6 th grade	Walla Walla
Endicott	137	109	82		Whitman
Evergreen	31	16	9	Thru 6 th grade	Stevens
Garfield	164	116	109		Whitman
Harrington	166	144	119		Lincoln
Inchelium	252	223	207		Ferry
Keller	48	55	35	Thru 6 th grade	Ferry
Kettle Falls	854	826	824		Stevens
Lacrosse	153	156	148		Whitman
Lamont	41	33	32	Grades 6-8 only	Whitman
Loon Lake	156	142	255	Thru 6 th grade	Stevens
Mary Walker	539	586	585		Stevens
Newport	1392	1139	1154		Pend Oreille
Northport	214	185	208		Stevens
Oakesdale	176	132	119		Whitman
Odessa	340	279	230		Lincoln
Onion Creek	58	44	36	Thru 8 th grade	Stevens
Orient	98	89	52	Thru 8 th grade	Ferry
Palouse	275	223	203		Whitman
Pomeroy	451	413	364		Garfield
Prescott	271	237	229		Walla Walla
Pullman	2159	2104	2290		Whitman
Reardan	613	628	698		Lincoln
Republic	539	486	424		Ferry
Rosalia	262	255	248		Whitman
Selkirk	423	353	329		Pend Oreille
Sprague	120	102	97		Lincoln
St. John	208	167	205		Whitman
Starbuck	33	17	31	Grades 2-7 only	Columbia
Steptoe	43	39	40	Thru 8 th grade	Whitman
Summit Valley	72	98	90	Thru 8 th grade	Stevens
Tekoa	218	185	207		Whitman
Touchet	254	300	310		Walla Walla
Valley	162	162	570	Thru 8 th grade	Stevens
Waitsburg	380	356	347		Walla Walla
Walla Walla	5846	5657	6143		Walla Walla
Wellpinit	341	457	556		Stevens
Wilbur	318	220	252		Lincoln
Totals	29963	27675	29097		

The increasing number of single parent households poses a challenge for the developing workforce. Single parent households, especially those with single mothers with children under five years old, can be an indicator of poverty. Data strongly suggests that the two are linked. Poverty issues can stand in the way of getting a good education and learning sound work habits. Asotin County for example, with a high percentage of people receiving public assistance also shows a great number of single-parent households. The strain on families to earn a living wage is increased with only one adult wage earner in the family. Youth in single-parent households may be economically disadvantaged even if the parent is employed.

“Economic challenges add to the educational difficulties for rural children. Average wages are about \$14,000 a year less in rural than urban Washington, and almost half (45 percent) of rural children live in families whose income is inadequate to meet their basic needs without assistance. Children in rural counties are also more likely than those in urban counties to be referred to Child Protective Services and to be placed in foster care.”¹⁶

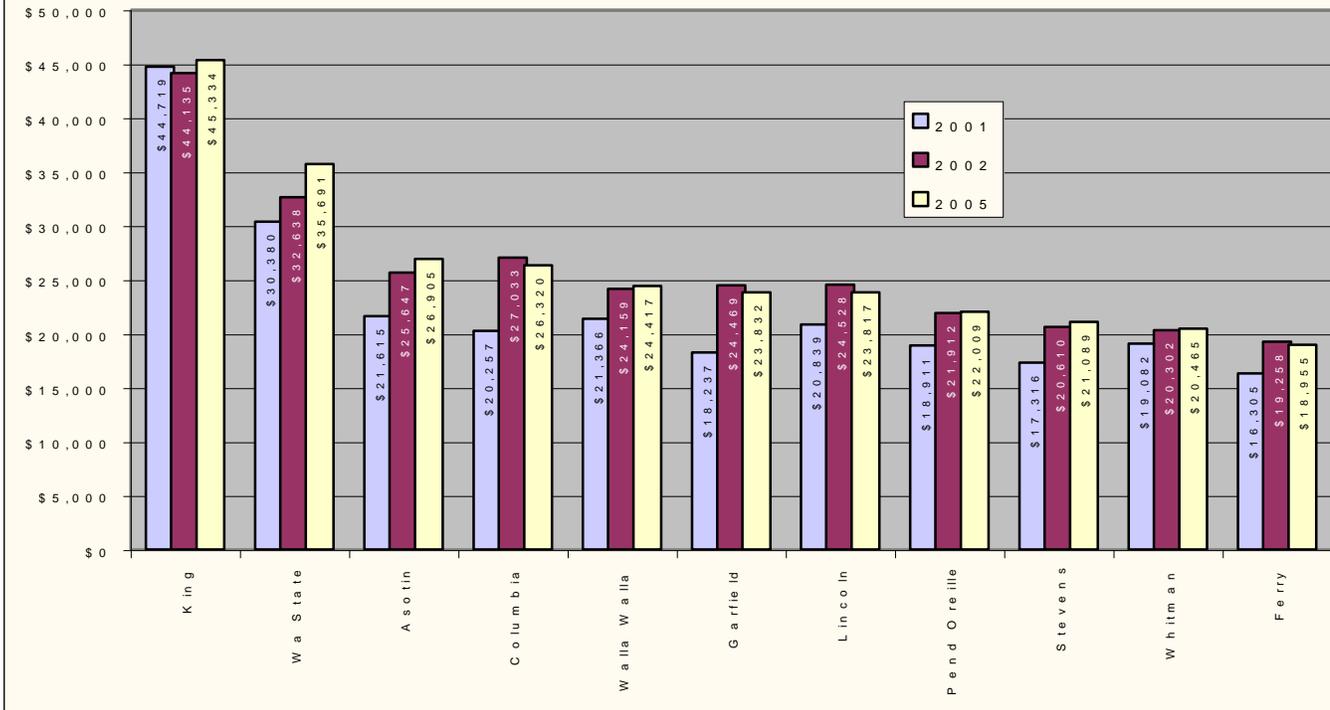
Rural youth in poverty face some unique challenges. Job and work experience opportunities are more limited. Small towns do not offer a wide array of entry-level positions for young people. Formal vocational training is also limited in rural areas. As students complete (or drop out of) high school, many may find it necessary to leave the area and move to larger population centers to find employment.

Incomes

Per capita income and average wages are lower in WDA 10 counties than in other counties and in comparison to the state average. Poverty rates and unemployment rates for the majority of the nine counties are higher. Washington State and King County are included in the chart for comparison.

¹⁶ WASHINGTON'S RURAL SCHOOLS AT A DISADVANTAGE, a publication of Washington Kids Count, UW. (web site: <http://biobn.com/index.cfm?Page=viewnews&NewsID=0002073822>)

W D A 1 0 Per Capita Income

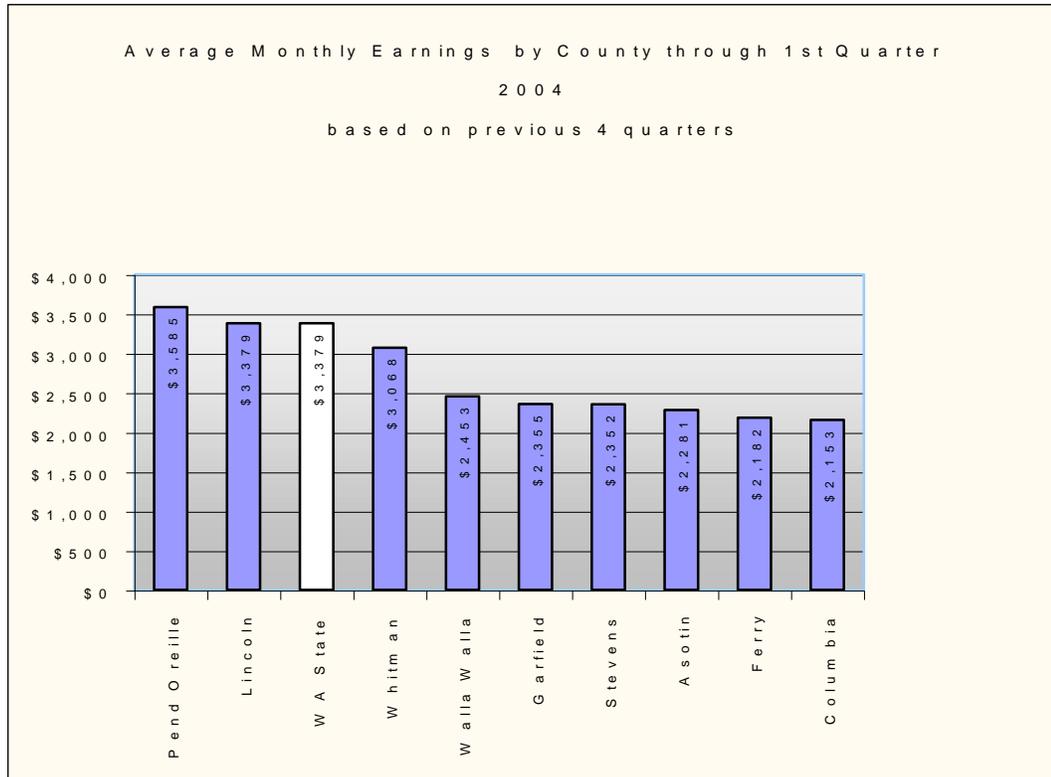


Data: Office of Financial Management

Wages

Average earnings, are typically lower than in other areas of the state, however earnings in Pend Oreille and Lincoln are slightly higher than the state average. Traditionally wages in manufacturing (timber and mining-related) have been high. The next chart illustrates earnings for the nine counties.

Whitman County, Asotin County and Pend Oreille County statistics are affected by their proximity to the Idaho border. Residents in Pullman, Clarkston and Newport shop and do business in Idaho. Idaho's minimum wage is \$6.55, and Washington has the highest minimum wage of the fifty states at \$8.55. Idaho residents are employed in Washington, taking advantage of the \$2.00 per hour higher minimum wage. Not surprisingly, more entry-level jobs are available on the Idaho side, notably in Lewiston where large retailers take advantage of the lower wage rate. In Priest River, Idaho, many new manufacturing companies have sprung up, taking advantage of more liberal tax incentives. Companies that wish to keep good employees however usually start their employees at the same rate as they would receive in Washington.



Data: Courtesy LMEA branch

Details for each county, including information on industry sectors, top companies, representative occupations, labor force and universities and colleges are linked to the Office of Financial Management web site at <http://www.ofm.wa.gov/localdata/default.asp>

The following chart shows the summary of data on number of employees, average annual wages and the percentage of people in poverty for each of the nine counties. Data is provided by the LMEA regional economist. Note that ranking is from least to greatest in each category.

Total Employees			Average Wage			Percent in Poverty 2000 census		
RANK			RANK			RANK		
1	Garfield	835	1	Asotin	\$26,950	1	Garfield	11.4
2	Columbia	1,188	2	Lincoln	\$26,618	2	Lincoln	11.4
3	Ferry	1,188	3	Ferry	\$27,000	3	Columbia	11.9
4	Lincoln	2,903	4	Columbia	\$28,575	4	Walla Walla	14.0
5	Pend Oreille	3,058	5	Stevens	\$28,271	5	Asotin	14.5
6	Asotin	5,577	6	Garfield Walla Walla	\$30,027	6	Stevens	14.7
7	Stevens	10,361	7	Walla Walla	\$30,700	7	Pend Oreille	15.1
8	Whitman Walla Walla	16,260	8	Whitman Pend Oreille	\$31,945	8	Whitman	15.9
9	Walla Walla	25,332	9	Oreille	\$33,223	9	Ferry	16.7
	total	67,114		Average	\$30,117			

2006 Summary Data for WDA 10

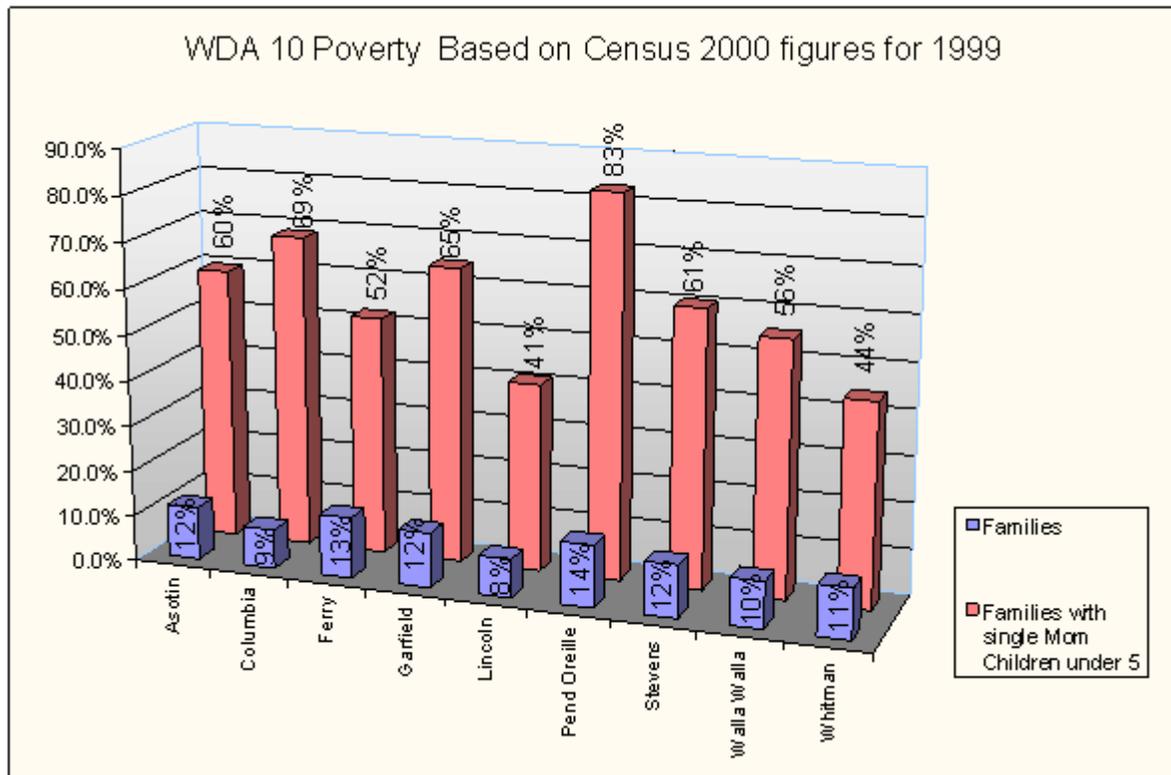
Poverty

The poverty percentages above reflect statistics for individuals in poverty. The next chart depicts poverty for families.

Variation in statistics can occur when working with nine counties. Poverty statistics do not necessarily correlate to wages, as seen above. Pend Oreille County experiences the highest average wage, and yet it also has one of the highest poverty rates. Some disparities may be easily understood, as in Whitman County. The large percentage of college students explains the high poverty rate. High wages typically paid to WSU employees explains the wage rate. The combined population associated with WSU, both students and faculty, accounts for a very large portion of Whitman County's total population.

Other WDA 10 counties have economically disadvantaged residents partly due to the high percentage of unemployment. The counties whose poverty rates are high also show high unemployment rates. Census data from 2000 is still the most recent official information that we have. The following chart shows poverty rates for all families and families consisting of single mothers with children under five years old. This is our

future, and those single mothers face significant barriers to achieving training and good paying jobs.



Unemployment

Unemployment rates tell us some things about our area and also tell government and other stakeholders about possible workforce availability. Unemployment data determines whether or not a county is termed a “distressed area” or “targeted employment area” for example. Having this designation can make a county more attractive to business start-up or expansion, because the government offers incentives to entrepreneurs and investors. Three of the four eligible counties in Washington are in WDA 10: Columbia, Ferry and Pend Oreille. Unemployment rates also give an idea of what percentage of workers are available and actively searching for employment. A low unemployment rate indicates a robust economy with available positions filled and in some cases, a worker shortage.

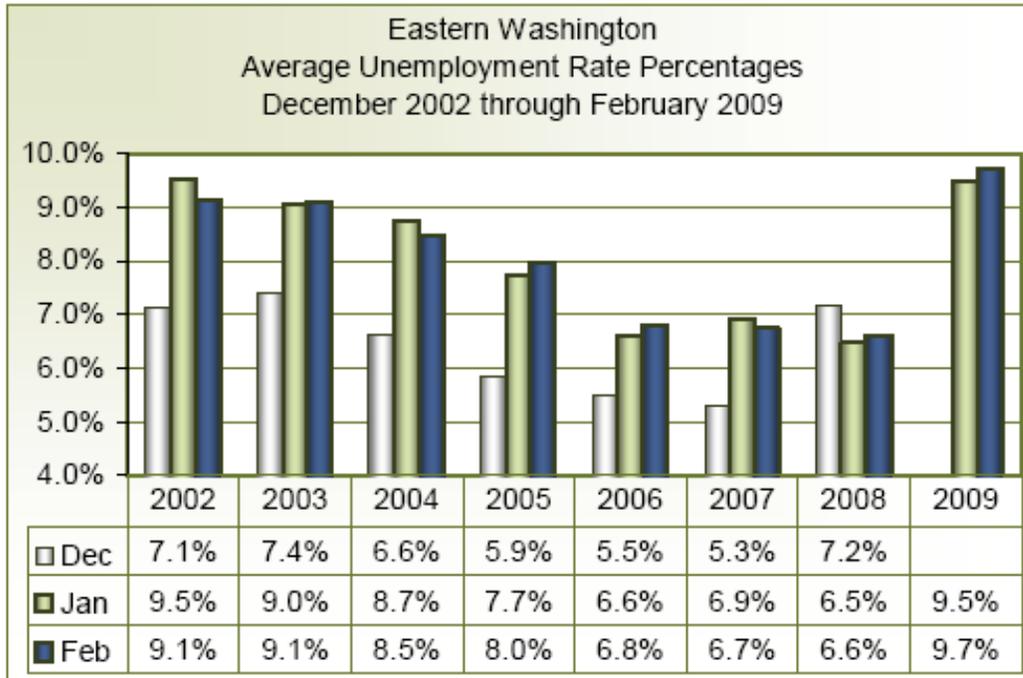
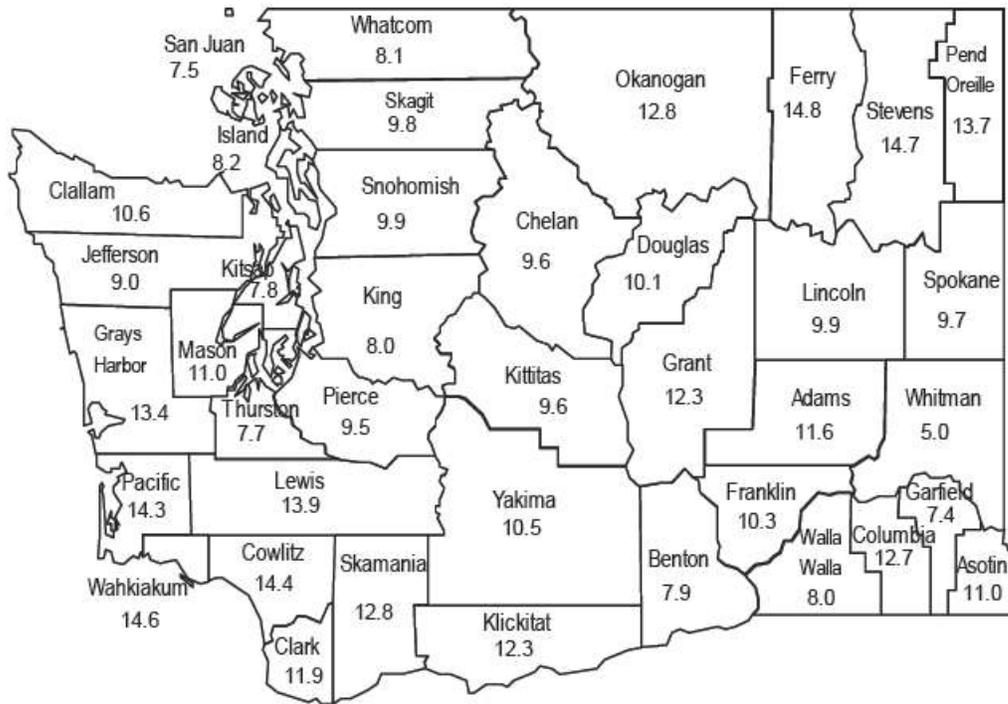


Chart: Courtesy LMEA branch WA State Employment Security Dept.

Unemployment rates are of great concern across the nation. Indications are that the WDA 10 along with the rest of the nation will experience more unemployment before the economy turns around.

There are significant differences within the WDA itself, largely due to the vast area, the natural variation of the land and the primary economies of each region. WDA 10's nine counties differ amongst themselves in unemployment rates. The following map illustrates the most current unemployment rates across the state.

Unemployment Rates by County, February 2009
Not Seasonally adjusted



The seasonal nature of employment in WDA 10 also impacts unemployment rates. Agricultural and timber-related activities can be seasonal in some counties. Seasonal jobs provide work for residents, but they might not promote career growth, nor do they provide an abundance of living-wage opportunities. In many cases people make a lifestyle choice to remain in the county and work seasonally, and they might work more than one seasonal job, but formal data has no way of recording this phenomenon.

Whitman County consistently has the lowest unemployment rates in the state and remains relatively stable. Asotin County stays closest to the WDA-wide average.

Numbers can be misleading

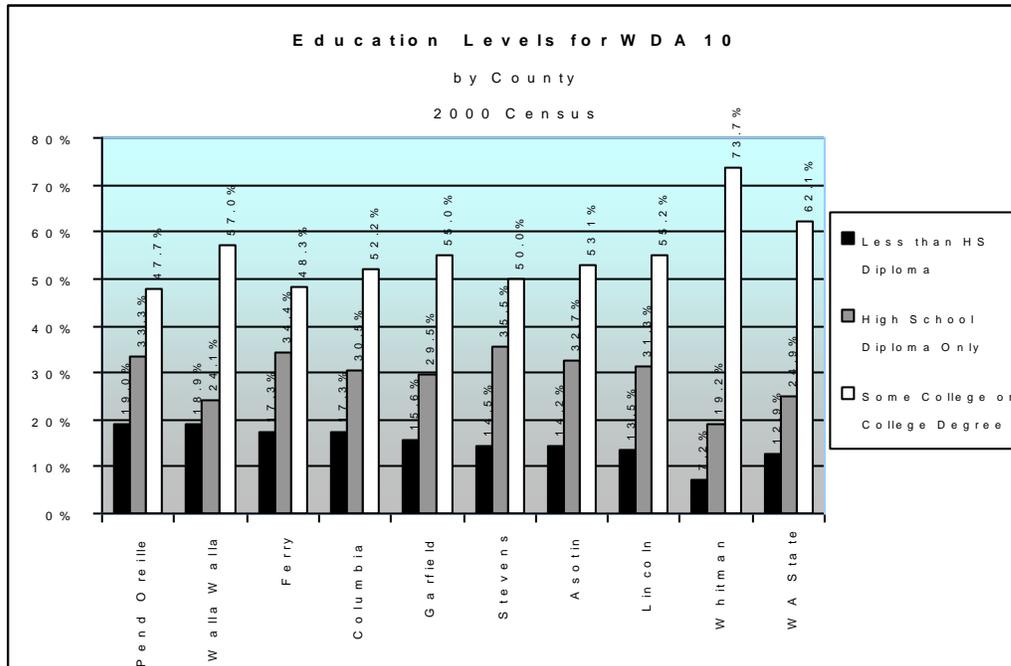
Unemployment and poverty statistics in certain situations may not paint the full picture of a county's economy. Whitman County has a very high poverty rate, due to a large WSU student population. At the same time, annual average wages are close to the highest of the nine counties, in the top quarter of the state. Concentrations of low wage jobs, such as retail or other service jobs can lower the average wage for an area. In these economic times when many people are not working ages and poverty rates are

significantly affected. When layoffs occur, creating high rates of unemployment, personal income levels are quickly decreased.

Education

Figures below illustrate education levels within the WDA for residents over the age of 25 in 2000. Again, the 2000 census is the most recent official data for our counties available to us at this time. With the exception of Whitman County, education levels are somewhat lower in the WDA than they are statewide. Of course, the presence of Washington State University in Pullman raises education levels in the population there.

In the state, the combined percentage of residents with some college or a college degree was 62%. This figure includes those who attended any kind of post secondary school, including AA degrees and technical school. Most counties in WDA 10 have a higher percentage of their population that did not complete high school than does the state as a whole. The information is based on the population that is 25 years of age and older, according to 2000 census. The information is sorted in descending order by “less than high school” data point.



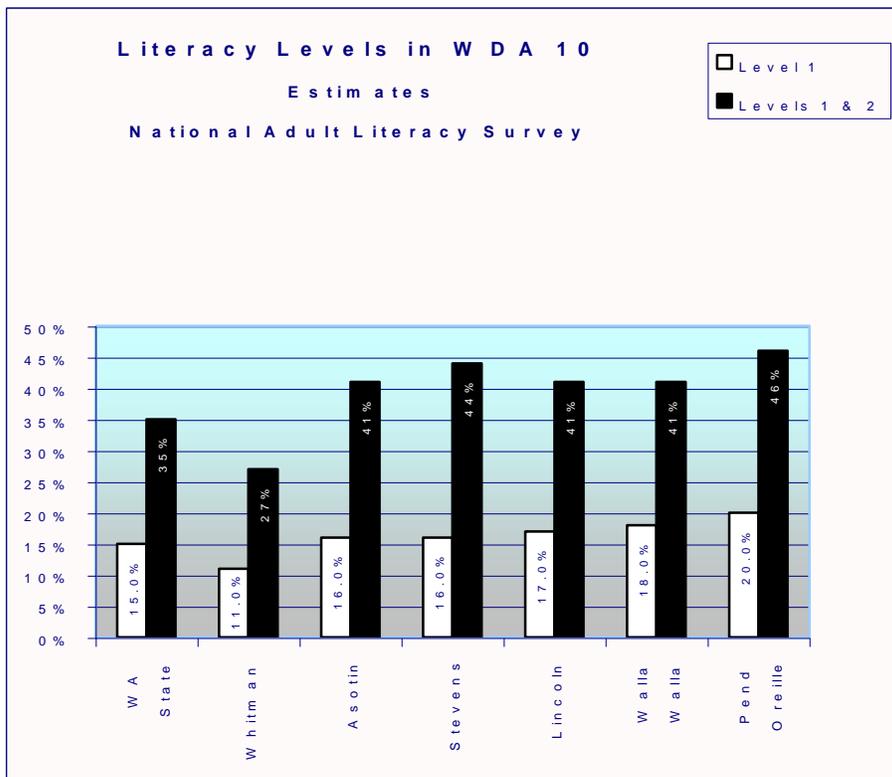
Literacy

Literacy levels for six of the nine counties are depicted below. The National Center for Education Statistics, in cooperation with the Educational Testing Service, conducted a National Adult Literacy Survey (NALS) to profile the English literacy of adults in the United States based on performance across a wide array of tasks. Literacy levels are calculated on populations age 16 years and older. Garfield, Columbia and Ferry Counties are not depicted because the data source does not include counties with fewer than 5,000 individuals age 16 and above.

Adult Basic Education Assessment Levels and Corresponding School Grade Levels:

Level 1: Through 8th grade and below
Level 2: Through 12th grade and below

The chart shows percentages for Literacy Levels 1 and 2.



Level 1 literacy rates for the state are similar to those within the WDA in counties where data is reported. A greater difference occurs in literacy rate Level 1 and 2 (above the 8th grade level). Statewide, a larger percentage of people achieve literacy to the high school level.

In its 1991 National Literacy Act, Congress defined literacy as: “an individual’s ability to read, write, and speak in English, and compute and solve problems at levels of proficiency necessary to function on the job and in society, to achieve one’s goals, and develop one’s knowledge and potential.” The National Adult Literacy Survey (NALS) created three literacy scales: prose literacy, which means finding information in text, such as newspaper articles; document literacy, such as completing forms like social security applications; and interpreting graphs and charts, such as a table of employee benefits. Each skill has a continuum of 5 levels, with Level 5 reflecting the highest skills and Level 1, the lowest. Although many Level 1 adults can perform many tasks involving simple texts and documents, all adults scoring at Level 1 displayed difficulty using certain reading, writing, and computational skills considered necessary for functioning in everyday life. Low literacy skills are closely connected to the social problems related to poverty. Nation-wide, forty-three percent of all adults in Level 1 live in poverty. This contrasts with only four to eight percent of those at the two highest literacy levels.

Skills of Adults at Level 1	
Can usually perform	Cannot usually perform
Sign one’s name	Locate eligibility from a table of employee benefits
Identify a country in a short article	Locate intersection on a street map
Locate one piece of information in a sports article	Locate two pieces of information in a sports article
Locate the expiration date information on a driver’s license	Identify and enter background information on a social security card application
Total a bank deposit entry	Calculate total costs of purchase from an order form.

Transitions

Adults in transition include those moving from welfare to work, unemployed, dislocated workers, injured workers and others seeking employment. Adult job seekers may be measured by statistics that track those registered with the Employment Security Department. Detailed information is available from LMEA for each county with regard to those statistics. Focal populations are highlighted here.

Minorities:

The profile of applicants follows that of the population area-wide. The largest percentage of applicants is Caucasian. In counties where the population has a significant minority, that population is served. In fact, Walla Walla and Columbia Counties show a greater percentage of Hispanics registered with Employment Security than does the state relative to its population. According to a study done by Walla Walla Community College, the Walla Walla region has realized considerable growth in Hispanic population during the last decade, due to the number of year-round and seasonal jobs made available through the production and processing of multiple agricultural crops. Consequently, there has been an expanding segment of the population, primarily of Hispanic descent, whose first language is not English. They are becoming permanent residents in the region. The Hispanic population will continue to grow within the WDA as families relocate to the Walla Walla valley to pursue employment in the agricultural, construction and tourism industries. It will be necessary to provide English as Second language programs, job training, education and placement for this group.

Native Americans in the northern three counties are also well represented in Employment Security applicant statistics compared to state averages.

In Whitman County the Asian population, being the largest minority, does not show the same parallel. Asians who applied to Employment Security were only 1.8% of applicants, whereas the percentage of Asians in the population was 7.5%. This may reflect the supposition that the Asian population consists of students who are not actively seeking employment.

An increasing number of Russian speakers will require that WDA 10 services provide ESL and job training geared to that population.

Welfare Recipients:

WorkFirst programs assist persons who receive public assistance to receive training and find employment. Some recipients of public assistance may leave the area in search of training and employment. Stricter demands of those who receive public assistance pushes them out of rural areas to cities where they can take advantage of amenities such as public transportation, more obtainable training and jobs that are more plentiful.

Veterans:

The Washington County Veterans Coalition reports that the nine counties have a veteran population ranging from 7% in Whitman County to 16% in Pend Oreille County. A large share of the veteran population served in World War II, the Korean War and in Viet Nam. This segment is aging out of the active job seeker category. As younger veterans return from the current Iraq conflict, WorkSource will be called upon to serve these individuals and assist with job search, training, and military-to-civilian job transition.

Dislocated Workers:

Dislocated workers have recently been a large group within the WDA. Closures in Walla Walla, Columbia, Ferry and Stevens Counties in particular have necessitated services for workers who have lost their jobs and require retraining, relocation and job placement.

Youth:

As students graduate from area high schools, a large percentage are leaving the area to acquire training, education and jobs. Most do not return. The vitality of small communities is diminished as young people find better paying jobs outside of the area.

Older population:

The population is aging. More services will be in demand for this population. Health care and retail services will be sectors that address the consumer needs of this group. As people live longer and stay healthy, older workers will be called upon to fill employment gaps that cannot be filled by younger and middle aged workers. Employers will appreciate their experience and positive work ethic.

People needing basic skills:

Basic skills will remain a necessary component of job training, but programs must include strategies designed to provide additional training which will move people from entry level to better paying jobs.

Ex-offenders:

As prisoners are released from incarceration they are in need of workforce training so that they can re-enter the workforce. As an incentive to employers to hire this population, WorkSource coordinates the Washington Bonding Program. This program offers fidelity bonds, which is a form of insurance used to pay employers for loss of money or property sustained through dishonest acts of their employees.

Attention to surroundings:

The Council will support efforts to build on economic development plans that support creation of more and better jobs with higher wages throughout the nine counties. Businesses will grow, using the talents of the existing labor force and the opportunities provided to the population to acquire meaningful training.

Changes in the economy, the demographics, agriculture and the needs of business will shape the direction of workforce development in the next two years. The Eastern Washington Partnership Workforce Development Council will be attentive to local trends. The direction that the council gives to program design and delivery will reflect the needs of the regional workforce and the requirements of local employers.

EXISTING WORKFORCE DEVELOPMENT SYSTEM

Workforce Development Area 10 has a number of WorkSource partners that provide services currently included in the Workforce Investment Act. The next pages describe services presently available in the nine counties and identify the current providers of those services. There are brief descriptions of those services and service providers. Data was gathered from service providers and is subject to their interpretation.

Definitions of Services provided in the Workforce Development Area:

- **K – 12 Basic:** Basic education offered by public schools, kindergarten through 12th grade. There are 53 school districts in the WDA and most secondary schools provide some Career and Technical Education (CTE) programs.
- **Dropout Services:** Programs that direct attention to the retrieval of youth who have dropped out of formal secondary education and to in-school students who are at risk of dropping out.
- **Work Experience:** Programs that provide funding and personnel to create real job experiences for youth and adults.
- **Vocational Education:** Education programs focus on job-specific skills training for youth and adults. May be provided by community college or private institution.
- **Pre-employment:** Focus on development of basic skills for job seekers using methods such as workshops, job clubs, one-on-one counseling, and referral.
- **General Equivalency Diploma (GED):** Course of study and resulting certificate issued to students in lieu of a high school diploma.
- **Associate of Arts Degree (AA):** Degree issued to students who complete 2 years of community college in a prescribed course of study toward a higher education degree.
- **Vocational Certificate:** Completion of specific set of vocational courses resulting in skills attainment and certification in a chosen career field.
- **BA, MA, Ph.D.:** Degrees awarded by institutions of higher learning.
- **Adult Basic Education (ABE)/ Literacy:** Services designed to teach basic reading and math skills to adults and to teach fundamental reading to persons with low skills. Literacy programs include English as a Second Language (ESL).
- **On-the-Job-Training (OJT):** Funds are paid to employers to offset the cost of training new employees lacking some required skills.
- **Customized Training:** Training developed by an established provider to teach specific employer-identified skills in a classroom setting.
- **Labor Exchange:** Services matching job seekers to employers.
- **Job Coaching:** A practice of supported employment for training persons with developmental disabilities, who have a demonstrated need for ongoing supervision and support, enabling them to succeed in competitive employment.
- **Disabled Worker Services:** Programs that address the specialized needs of persons with disabilities.
- **Support Services:** Any of a number of services provided or purchased for participants in workforce training programs that enhance their ability to perform in the workplace.
- **Community Jobs:** A WorkFirst activity providing paid work experience at a public or not-for-profit worksite for a time period of up to nine months, often culminating in non-subsidized employment.

		Counties								
		Asotin	Columbia	Ferry	Garfield	Lincoln	Pend Oreille	Stevens	Walla Walla	Whitman
Ser- vices	K-12 basic	K-12	K-12	K-12, JC	K-12	K-12	K-12	K-12	K-12	K-12
	Drop-outs	RR, ALT	RR	RR	RR	RR	RR, ALT	RR, ALT CP	ALT BMAC	RR, ALT
	Work Exp.	RR	RR,ESD, BMAC	RR, TR	RR	RR, CP	RR, TR	RR, TR	BMAC ESD	RR
	Voc. Ed.	CC		CC, JC			CC	CC	CC	CC
	Pre- employt	RR	BMAC, ESD, MI	RR, ESD TR	RR	RR	RR, ESD TR	RR, ESD TR	BMAC, ESD, MI	RR,ESD
	GED	CC	CC	RR CC	RR, CC	RR,CC	RR CC	RR CC	CC	CC
	AA	CC		CC			CC	CC	CC	CC
	Voc. Cert.	CC		JC				CC	CC PVT	
	BA, MA, PhD.							U	U	U
	ABE/ Literacy	CC	CC	RR CC JC	CC	CC	RR CC	RR CC	CC BMAC	CC
	OJT	RR, ESD EMP	RR, ESD EMP	RR TR EMP	RR,ESD EMP	RR EMP	RR TR EMP	RR TR EMP	BMAC, ESD, EMP	RR,ESD EMP
	Customized Training							CC	CC	
	Labor Exchange	ESD, RR	ESD,RR	RR,ESD	RR, ESD	RR,ESD	RR, ESD	ESD, RR	ESD	RR, ESD
	Job Coaching							CP	DVR PVT	PI
	Disabled Workers	DVR	DVR	DVR	DVR	DVR	DVR	DVR	DVR PVT	DVR
Support Service	RR, DSHS	RR,DSHS ESD MI	RR DSHS ESD, TR	RR DSHS	RR DSHS ESD	RR DSHS ESD	RR DSHS ESD	BMAC DSHS ESD MI	RR DSHS ESD	
Commnity Jobs	RR	BMAC	CP	RR	CP	CP	CP	BMAC	RR	

Workforce Development Services in Eastern Washington Partnership

Key:

ALT	=	Alternative Schools
BMAC	=	Blue Mountain Action Council
CC	=	Community Colleges
CP	=	Career Path Services
DSHS	=	Dept of Social and Health Services
DVR	=	Dept of Vocational Rehabilitation
EMP	=	Employer-provided training
ESD	=	Employment Security Dept.
JC	=	Job Corps
K-12	=	K – 12 Public and Private Schools
MI	=	Migrant Services
PI	=	Palouse Industries
PVT	=	Private Provider
RR	=	Rural Resources
TR	=	Tribal Services
U	=	Universities

Services and Providers who operate within the WDA:

- **Alternative Schools:** Secondary schools that focus on providing educational services for at-risk youth.
- **Blue Mountain Action Council:** A non-profit, community-based agency in Walla Walla County that also serves Columbia County. BMAC assists low-income people to achieve self-sufficiency.
- **Community College:** Post-secondary schools affiliated with Washington State Community College network. There are two community college districts within WDA 10: Community Colleges of Spokane – Institute for Extended Learning, and Walla Walla Community College with a branch campus in Clarkston
- **Career Path Services:** A private non-profit business that provides employment and training services with emphasis on people with disabilities as well as WorkFirst participants.
- **Department of Social and Health Services:** State agency that seeks to improve the quality of life for individuals and families in need.
- **Department of Vocational Rehabilitation:** A sub-division of DSHS, DVR serves individuals with disabilities in work and community life.
- **Employer-provided training:** Any type of formal training, of four hours or more, provided by employers either on or off the work site.
- **Job Corps:** An educational and job training facility that enables students to obtain the tools necessary to be employable.
- **K –12 Public and Private Schools:** The state school system.
- **Migrant Services:** Employment and training services offered to migrant workers residing within the WDA.
- **Palouse Industries:** provides education, training, and employment opportunities for persons with disabilities in Whitman County.
- **Private Provider:** Indicates any private business or training school that provides employment and training services.
- **Rural Resources:** A community-based organization assisting people to improve their general welfare. In WDA 10, Rural Resources provides employment and training services in seven counties.
- **Tribal Services:** Funding from various sources provided for Native American populations through their tribal entities for a range of social services. Employment and training services are allowed by WIA including core, intensive, training services, OJT and support services for youth and adults.
- **WorkSource:** Partnership of state agency (Employment Security, Department, ESD) and private contractors (Rural Resources, RR and Blue Mountain Action Council, BMAC) that provides employment and training services such as labor exchange, unemployment insurance, job screening and placement, and access to training.

WorkSource

WorkSource is the name of the one-stop employment and training services system in Washington State. It is central to the implementation of the Workforce Investment Act and ongoing service delivery in WDA 10. Service providers in the nine-county area continuously improve upon the one-stop service delivery model. WorkSource Walla Walla became a certified, full-service one-stop center in June of 1999. Colville WorkSource became a full-service center in 2005. Newport became certified within the last 2 years. All centers provide comprehensive services to adults, youth and dislocated workers, and all provide access to WIA partner programs and activities. The WorkSource system continues to evolve in its service to job seekers and employers.

The menu of Services includes:

- Job Placement
- Local, State, and National Labor Information
- Dislocated Worker Services – Rapid response to employees who experience plant closure or downsizing
- WorkFirst services for TANF recipients
- Worker Retraining Programs in partnership with Walla Walla Community College
- Migrant and Seasonal Farm Worker services
- Worker Profiling
- Veteran Counseling
- Labor exchange
- Self-serve access to unemployment services
- Resource room computers and assistance with resumes and applications
- NAFTA Trade Adjustment Assistance – helping workers whose jobs have been affected by outsourcing or closures due to Free Trade Agreement

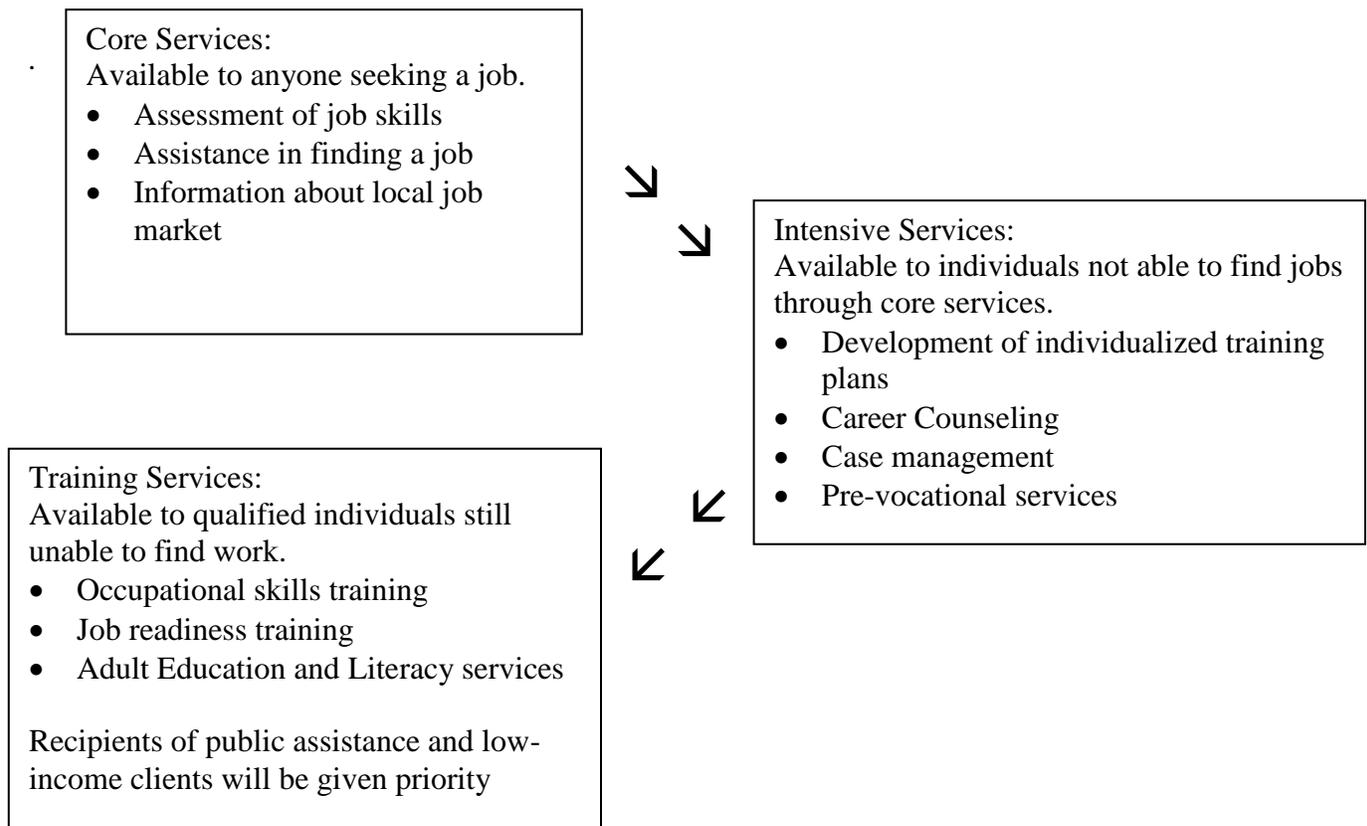
The WorkSource sites can make referrals to partnering organizations that provide related services. These services include:

- Older Worker Program – provided by AARP in Spokane – placing persons 55 years of age or older into community service jobs leading to employment.
- Workforce Investment Act (WIA) programs, providing services for low-income adults, youth and dislocated workers
- Post-Secondary vocational-technical educational programs
- Adult Basic Education and Literacy
- English as a Second Language services – to assist clients in basic English skills
- Vocational Rehabilitation – providing custom-designed services for individuals with disabilities to get back into the work place.
- Child care services

WorkSource Centers in WDA 10 have implemented a “swipe card” system. Customers are issued a card, much like a credit card, that they use each time they enter the WorkSource site. This system collects the data that tracks services used by customers.

Affiliate Sites

WorkSource operates affiliate sites in Whitman, Asotin, Pend Oreille and Ferry Counties. Blue Mountain Action Council and Walla Walla Community College operate additional affiliate sites in Walla Walla. To assure that they meet the established WorkSource standards, a committee of local employers and council members certify these affiliate sites. WorkSource services are provided in all areas within the WDA. Staff provides outreach to outlying communities on a regular basis. They travel to communities where there are no WorkSource offices to meet with customers. Customers can access WorkSource services on the Internet on a self-serve basis wherever they are located. Core Services are provided to customers in Newport, Republic and Clarkston at the Community Service Offices of DSHS. A summary of the three tiers of WIA services is illustrated below.



Current Services Offered in Workforce Area 10

Services for youth

Secondary education is available to all residents in the area as proscribed by state law. Most school districts offer some form of career and technical education (CTE), but course offerings differ greatly, dependent on size, funding and philosophy of each district. Not surprisingly, a number of vocational offerings focus on agriculture-related and timber-related coursework. Many schools are responding to the mandates of Goal 4 of the State Commission on Student Learning that says students will “understand the importance of work and how performance, effort, and decisions directly affect future career and educational opportunities.”

A number of schools operate career centers and provide work-based learning opportunities for students. All schools in the state are mandated to help students create an education and career plan that includes the “thirteenth year.” The thirteenth year outlines student plans for the year after graduation, be it post secondary education or direct entry into a job or career. All schools must provide “career pathways” for their students as well. The pathways offer guidance for students’ coursework while in school that will lead them closer to their career choices. Schools are getting on line, providing internet links to career information and job opportunities, and using counseling tools that help students to identify interest and aptitude. The drop-out problem has become more apparent in the past few years, and schools state-wide are searching for methods to retrieve those youth and prevent those at-risk of dropping out from doing so. Two schools within the Eastern Washington Partnership have been awarded dropout prevention funds to design pilot programs that will help them retain and retrieve students in this target population. The Workforce Development Council supports and encourages the efforts of secondary schools to address the dropout problem and at the same time develop work-based curriculum and job-related educational opportunities.

There are 53 school districts in WDA 10. Some small districts offer classes only through the elementary grades. Districts with secondary education programs provide a variety of CTE courses. Courses may include family living, consumer education, automotive, business and marketing, diversified occupations, computer assisted drafting, carpentry, horticulture, commercial art, welding, small engines and manufacturing. Courses vary depending on the size and resources of the district. Many districts are expanding their curriculum to include cooperative learning experiences. Community Resource Training (CRT) has become an important occupational course that allows students to work outside the school in private business, without pay, for school credit. Pre-employment training skills are taught in conjunction with on-the-job experience. Distance learning, school exchanges, where small schools share resources and staff, and culminating student projects, also known as graduation or senior projects, have been added to the list of vocational study in some schools. The WDC has funded and sponsored skills panels in healthcare and manufacturing, both of which have made extensive efforts to reach out to the K-12 system. The panels organized career fairs, and

panel members made presentations that describe and demonstrate the “real” world of these occupations.

WorkSource service providers work with schools to identify potential participants for training programs. They also serve **Out-of-school youth** who are defined as those who have graduated from high school and will enter directly into the workforce without further education, or those who have dropped out of formal education without a high school diploma. WorkSource has formed a partnership with the **Curlew Job Corps**, which enrolls at-risk youth and offers vocational and pre-apprenticeship courses as well as basic education classes. The Job Corps is a federal program funded through the Department of Labor.

Students who have completed high school and have reached the age of 18 may be considered adults. They may access workforce services by participating in self-directed job search, or they may access placement services through WorkSource centers or affiliate sites. **On-the-job work experiences** are made available for out-of-school youth. Rural Resources, Blue Mountain Action Council, Career Path Services and Tribal Services provide paid work training linked with basic skills in their respective regions. Other services for youth include career counseling, skills testing, and support services.

Services for youth who have not attained a high school diploma are available from various sources throughout the WDA:

- **Alternative Schools** are operated by public school systems; funding is provided through local districts. Students who have dropped out of traditional schooling may enroll in alternative schools to receive a state diploma issued through the sponsoring district. Once enrolled in alternative school, youth are counted in the “in-school” category. Whitman, Asotin, Stevens and Walla Walla Counties have alternative schools.
- **GED** is offered through community colleges at main and branch sites. Course work may be completed in person or by telecourse. GED may also be earned at the Curlew Job Corps.

Services for Adults

WorkSource provides services for adults who are unemployed or about to lose their jobs due to a closure or downsizing. It also has services for individuals who are employed but need additional skills training in order to become self-sufficient.

- **Unemployed** job seekers may be those who are entering the workforce for the first time, or changing from one job to another. Job seekers can go to WorkSource sites to explore possible job opportunities. They may also access the WorkSource web site for labor market information, or they may use the Workforce Explorer (www.workforceexplorer.com) system to search for employment in-state or nationwide.

- **Dislocated Workers:** Employment Security staff, as part of the WorkSource system provides employment services to dislocated workers. The WDC has secured special funding at times to serve workers who have been dislocated due to large plant closures. Services include assessment and training as well as job search and support services.
- **Rapid Response** services are provided for workers at companies that are closing or laying off a large number of employees. These services ensure that workers who are about to become unemployed are provided access to unemployment insurance, and retraining programs that assist them in their transition to acquiring new jobs.
- **WorkFirst** serves those transitioning from public assistance to employment. Services include assessment, pre-employment and job-readiness skills, computer training, work experience, placement and retention services. WorkSource staff provides these services.
- **People with Disabilities:** Both youth and adults with disabilities are served by a number of providers within the WDA. Schools provide assistance to students with disabilities in special education classes and with staff support in the regular classroom. Students may remain in the school system until the age of 21. Support service funds are available to pay for accommodations that may be required for the trainee or worker.
- **The DSHS Division of Developmental Disabilities** provides funding for services that include employment and individual supported work experience. Career Path Services, Lilly Rice Center and Palouse Industries provide job coaching for individuals who may require one-on-one assistance on the job. Other providers are contracted to provide supported work services.
- **The DSHS Department of Vocational Rehabilitation (DVR)** serves youth transitioning out of school as well as the general population. Within the framework of serving people with disabilities, DVR customizes its services to each individual's specific requirements. Services may be directly provided by DVR or DVR may act as a broker to purchase from other entities, both public and private, within the area.

Employment and Training resources in the Workforce Development Area

- **Community colleges** provide an important link to formal education opportunities. Walla Walla Community College serves locations in Asotin, Garfield and Columbia Counties in addition to its main campus at Walla Walla. Walla Walla Community College offers a full spectrum of coursework with a focus on vocational classes. The Institute for Extended Learning (IEL) is part of the Community Colleges of Spokane, and its primary responsibility is to provide off-campus instruction and specialized programs throughout the district. The IEL serves the northern three counties. The Colville center is the hub for remote sites in Inchelium, Republic, Newport and Ione. The IEL also has a center in Whitman County. Community Colleges offer Adult Basic Education, business and industry training and education, life skills/women's programs, career assessment and associate of arts degree programs. Colleges are linked with an interactive video network. Telecourse and on-line class offerings complement traditional classroom settings.
- **Social Service / Community Action Agencies** provide a variety of services for residents of the WDA. Rural Resources Community Action, Blue Mountain Action Council (BMAC), Community Action Center (CAC) in Whitman County, and Lewiston CAC each provide services for low-income persons. Employment related services include job training and job placement for youth, both in-school and out-of-school. Services for adults include pre-employment counseling, ABE, Literacy, On-the-Job Training and Support Services.
- **Private career schools** are located in Spokane. In areas of the WDA that are near Spokane these facilities provide options for residents needing specialized training. For residents who are located farther away, the inconvenience of commuting makes the choice of private schools impractical. Cost is also a prohibitive factor. Some offer training on line.
- **Employer-sponsored training** varies widely within the WDA. Most employers do not provide classroom training. On-the-job training is the best option for most of them. Employers cite that they do not have the time to allow workers to attend classes away from the workplace. A large share of formal classroom instruction on the job is safety and first aid training. The WDC has provided some grant funds to employers to assist incumbent workers in upgrading their skills. Workers have been trained in specialty nursing services, allied healthcare, supervision, lean manufacturing and safety. Instruction has been provided through the community college system, large hospitals and private training institutions.
- **Youths, adults and dislocated workers** in the nine counties are currently served by four employment and training agencies. Rural Resources Community Action and Blue Mountain Action Council are the grant recipients

of WIA funds that offer services to youth and adults. WorkSource Walla Walla, Colville WorkSource and the affiliate sites provide Dislocated Worker services. Support services, OJT, work experience, internships, extended unemployment insurance benefits, classroom training are among the services offered.

- **Adult Basic Education and Literacy** programs are in place through Rural Resources, the Community Colleges and community action agencies. Literacy programs and Adult Education programs offer one-on-one tutoring, small group tutoring, ABE/ESL (Adult Basic Education and English as a Second Language) classes, family literacy, work centered literacy and institutional literacy (jails and homeless shelters). Programs offer education in basic skills (math, reading, writing), job search and readiness (resumes, cover letters), and basic job and survival skills (speaking, computer basics, consumer skills - budgeting, etc.). In addition, programs focus on the student as a member of a family (reading with children, homework help), as a member of the community (citizenship, civics), and as a worker (job search and retention).
- **Wagner-Peyser** Job match and placement services are provided by ESD at WorkSource Walla Walla and Colville.
- **Apprenticeship** has been limited in the nine counties. A scarcity of union shops in rural areas has kept the opportunity for this program at a minimum. The council has made a commitment to expanding apprenticeship options whenever and wherever it is feasible.
- **Job Skills Program (JSP)**, associated with the community college system, is designed to support business expansion or start-up. Employee training is provided, often in a classroom setting, that is customized to teach the technical and specific skills needed for each job title. It can offer training on the job site.
- **Senior Community Service Employment Program (SCSEP)** places seniors in part-time community service positions, then helps them with the transition to unsubsidized employment. Participants are 55 years or older. All SCSEP services for eastern Washington are currently coordinated by AARP in Spokane.
- **Services for the Blind** are provided on an “as needed” basis by the state agency, allowing for counseling and referral for appropriate clients.
- **Curlew Job Corps:** It is worth mentioning that WDA 10 is home to the Curlew Job Corps Center. Basic skills, GED and vocational classes are offered. Pre-apprenticeship programs in carpentry and painting are unique

among service providers. Upon completion, students are given preference should they desire to apply for apprenticeship in the trades.

Financial Resources

Financial resources for programs come from a number of funding streams. The Department of Labor provides funding for WIA programs, Job Corps, Tribal and Migrant Worker programs. Health and Human Services funds welfare reform programs and Community Service Block Grants. Discretionary funds may be used to support special projects such as drop-out prevention. The Department of Education provides monies for literacy and vocational education.

THE LOCAL AREA'S VISION, MISSION, GOALS, OBJECTIVES AND STRATEGIES FOR THE WORKFORCE DEVELOPMENT SYSTEM

Council members, county commissioners and workforce development partners participated in key informant interviews, goal planning sessions and email information exchange between December 2008 and February of 2009. Members contributed comments and added findings at meetings and through interviews. The goals and objectives were amended to read as in the following pages as a result of that interaction.

VISION STATEMENT

The Eastern Washington Partnership workforce development system is a customer-focused, world class rural model for the delivery of workforce training, education, and employment services.

MISSION STATEMENT

The mission of the Eastern Washington Partnership Workforce Development Council is to design and administer a system which effectively meets the workforce development needs of employers, workers, job seekers, and youth.

Goal 1. Community-wide partnerships bring private business, education, economic development organizations, organized labor and the public sector together to address issues, set policy and support initiatives related to workforce development.

Objective 1a: Effective communication occurs among business, education, labor, economic development organizations, and the public sector.

Strategies:

- Private sector employer input is sought to determine training needs and the level of satisfaction with service delivery.
 - Local employer committees provide feedback to service providers on an ongoing basis.
 - WorkSource representatives engage employers and employer organizations on a regular basis to determine desired services.
- An interactive relationship with organized labor in the region is maintained.
 - Union representatives are active in the business of the Council.
 - Implement strong linkages with organized labor to develop opportunities for apprenticeships in the rural areas.
- Effective communication is maintained between the local board, the state workforce board and area legislators.
 - State Workforce Board and staff members are invited to attend local council meetings.
 - The WDC members and WorkSource representatives inform federal and state legislators of its activities, successes and challenges.
- Staff from economic development organizations, WorkSource partner leadership, community colleges, Labor Market and Economic Development (LMEA) and the WDC meet to identify the highest priorities for regional workforce development.
- **Objective 1b:** WorkSource partners maximize the use of available resources.

Strategies:

- WorkSource staff is well trained on how to access various funding sources for training and support services in order to best serve the customers.
- New funding proposals are developed with input from local WorkSource partners.
 - WDC staff and local committees of WorkSource partners meet to develop funding strategies to address the needs of the local areas.
 - WorkSource partners research and pursue additional funding opportunities to further the partnership goals.
- WorkSource staff assesses employer needs and develops system-wide solutions to employer-identified needs.

Objective 1c: Further the integration of employment services for WorkFirst participants and people with disabilities in the WorkSource system.

Strategies:

- WorkFirst and disability employment services are co-located with WorkSource partners wherever feasible.
- Business assistance team marketing plans include strategies that will assist the full spectrum of job seekers.
- Grant opportunities or other financial resources are explored to maximize the services/resources available to people with disabilities.
- WorkSource system services are reviewed regularly to ensure access for all customers.

Goal 2: Youths will have the basic educational and workplace skills necessary for them to succeed in education, post-secondary training and employment.

Objective 2a: At-risk students remain in school and achieve high school diplomas.

Strategies:

- Increase utilization of available tutoring and study skills programs to assist students who are experiencing difficulties with their classes and assessment tests.
- Increase partnerships and collaboration with local school districts.
- Refer at-risk students to established mentoring programs.

Objective 2b: Youths that are placed in work experience components will have work-based learning opportunities.

Strategies:

- Coordinate with school district personnel to develop work opportunities that relate to a student's course work and interests.
- Select work sites for youths on the basis of their willingness to incorporate work-based learning and SCANS skills into a job.
- Include work-based learning as an integral part of the summer youth employment program.

Objective 2c: Youth will understand how to access and use labor market and career outlook information.

Strategies:

- Coordinate with career and technical education services available at school districts throughout the workforce development area.
- Provide comprehensive career guidance to youth participants.

- Train youths to use the Internet to research labor market information (including openings in demand occupations), success rates of vocational training providers, and the availability of local, state and national employment opportunities.
- Provide youth-oriented workshops through WorkSource on job-seeking, interviewing, job retention, and financial literacy skills.

Objective 2d: Return school-age dropouts to school to obtain a high school diploma or GED and progress to post-secondary education/training or employment.

Strategies:

- Partner with school districts, community-based organizations, community colleges, WorkSource partners and the Job Corps to identify high school dropouts.
- Provide the comprehensive support services that are necessary for youths to return to and remain in school.
- Provide career pathways that will assist youth in moving to employment and further vocational training opportunities.
- Inform youth who dropout about available options for continuing their education such as alternative schools, Job Corps and high school completion programs.

Objective 2e: Youth with high school diplomas or GEDs have access to training and employment opportunities that offer good earnings potential.

Strategies:

- WorkSource partners will offer targeted outreach to older out-of-school youths that are unemployed or underemployed.
- Youth service providers will assist out-of-school youths in securing vocational training through community colleges, Job Corps Centers, private training programs or apprenticeship-like programs that can lead to high skill jobs.
- Train youth on how to research information about training providers and the availability of grants, scholarships and other financial aid opportunities.
- Inform youth of high demand industry clusters, with an emphasis on local industry.

Goal 3: Close the gap between the needs of employers for skilled workers and the supply of Washington residents prepared to meet those needs.

Objective 3a: Economic development organizations, local and regional business leaders, WorkSource partners, community colleges, labor representatives and economic analysts work together to address the workforce issues for emerging demand occupations with high *and mid* skill requirements.

Strategies:

- Ensure that input is actively sought from all of these entities throughout the nine counties during planning processes.
- Engage these entities consistently in local WorkSource planning groups.
- Convene workgroups, as necessary, to address workforce issues in high demand industries that are experiencing skill gaps in their workforce or that find it difficult to recruit sufficient numbers of qualified applicants.
- Communicate regularly and *strengthen relationships with* economic development entities throughout the WDA.
- Work with Employment Security regional economists to provide labor market information on a regular basis that is specific to WDA 10 and sub-regions within the workforce development area.

Objective 3b: Skill standards for demand occupations *that require mid to high skill sets* are developed by industry, business, labor and education representatives.

Strategies:

- Involve local industry representatives on *local skills panels* and ensure that they can participate in the development and review of the proposed standards as they are drafted.
- Support the Workforce Training and Education Coordinating Board's efforts to establish skills panels to address local needs in high skill, high demand industries.

Objective 3c: Support training providers' efforts to expand the vocational skills programs for high demand, high skill occupations.

Strategies:

- Target WIA funds for programs that train people for skilled jobs.
- Support the expansion of distance-learning opportunities as well as self-paced multi-media certificate programs for high skill-high demand occupations.
- Support the continuation and expansion of the Tech Prep, Running Start and apprenticeship programs.
- Secure training funds to upgrade the skills of incumbent workers for high demand occupations.
- Support short-term intensive training programs that enable people to enter employment more quickly.

Objective 3d: The Workforce Development Council will assist dislocated workers in making smooth transitions to new jobs.

Strategies:

- Procedures are in place to quickly coordinate the various entities that can assist dislocated workers in transitioning to other jobs or occupations. This includes the formation of a labor-management committee.
- Secure additional dislocated worker funds from the state if local funds are insufficient to serve the affected workers.
- Assist dislocated workers to quickly transition into new jobs or training programs if new skills are needed.

Objective 3e: Funds are available for businesses that need to upgrade the skills of their workforce in order to remain competitive, *and the WDC will support efforts to ensure that incumbent workers have the skills that are needed to remain competitive in their occupations.*

Strategies:

- Identify businesses in need of incumbent worker training and support the acquisition of customized training funds.
- *Support economic development efforts to promote business retention, revolving loan programs and existing training programs that will provide incentive for local business endeavors.*
- Coordinate local training opportunities for groups of employers that need short-term specialized training for employees.

Goal 4: WorkSource partners provide job seekers and low-wage workers with opportunities to increase their skills and earning power.

Objective 4a: Job seekers and low-wage workers know how to increase their earning potential.

Strategies:

WorkSource staff :

- Can identify job skills required for entry-level workers to advance to better jobs.
- Provides WorkSource customers with wage progression and career advancement information
- *Informs WorkSource customers about non-traditional employment opportunities in demand occupations that pay well.*

Objective 4b: Low-wage workers have financial means to participate in training.

Strategies:

- Provide access to tuition waivers, individual training accounts, scholarships, PELL grants and on-the-job training.
- WorkSource partners will seek external funding opportunities to leverage existing resources for customers to engage in training.
- Provide access to support services (e.g., childcare, transportation) to people who need them to engage in training.

Objective 4c: Literacy, English as a Second Language and employment and training services are accessible to job seekers and working people in need of them.

Strategies:

- Services are offered at locations and times when working people are able to access them.
- Local industry workgroups identify and promote the development of short-term workforce training programs.
- Training is provided in an accelerated format with open entry/open exit options where feasible.
- Ensure that reasonable accommodations are available for people with disabilities.
- WorkSource services are available throughout the nine counties.

Public comments:

Respondents to the plan made the following suggestions:

Our new plan should include reference to green jobs training which would include weatherization and remodeling. The short term carpentry assistant class offered at Walla Walla Community College in partnership with Blue Mountain Action Council is available for credit. Students learn skills that will prepare them green jobs such as weatherization and remodeling.

It was suggested that customers, especially youth, should be involved in financial literacy training. It was noted that this is becoming an important issue in light of current economic conditions. Perhaps it should be emphasized in the operational plan, but it has a place in our strategic plan as well.

A comment was made in reference to Goal #1, 3rd arrow, 2nd bullet. Our goal might also say after “successes and challenges” that we should invite and encourage local Congressional/State legislators and/or staff to participate regularly in local board meetings to further enhance awareness of local actions, concerns or needs.

One comment expressed concern with regard to youth, and would like to develop a better strategy to find and identify older youth who have dropped out. Perhaps the next iteration of the youth goal would addresses systems that could track the drop outs and make contact?

This Plan was approved by the Workforce Development Council, Eastern Washington Partnership, Workforce Development Area 10 on April 30, 2009.