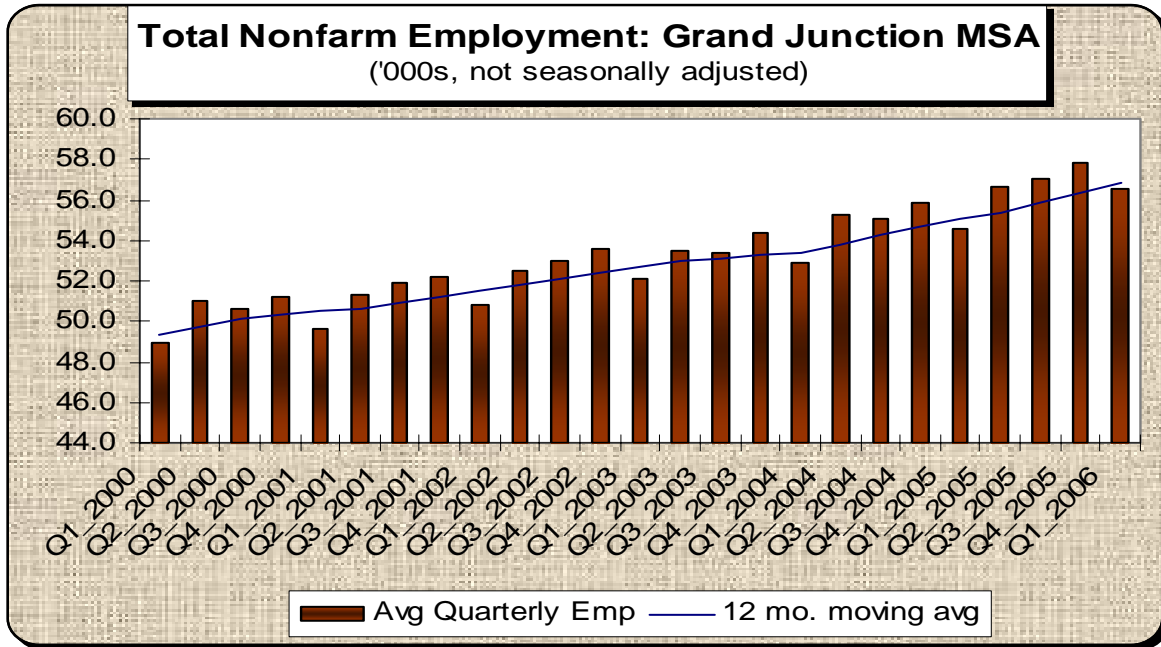


**Grand Junction MSA Preliminary Estimates: By Chris Akers**

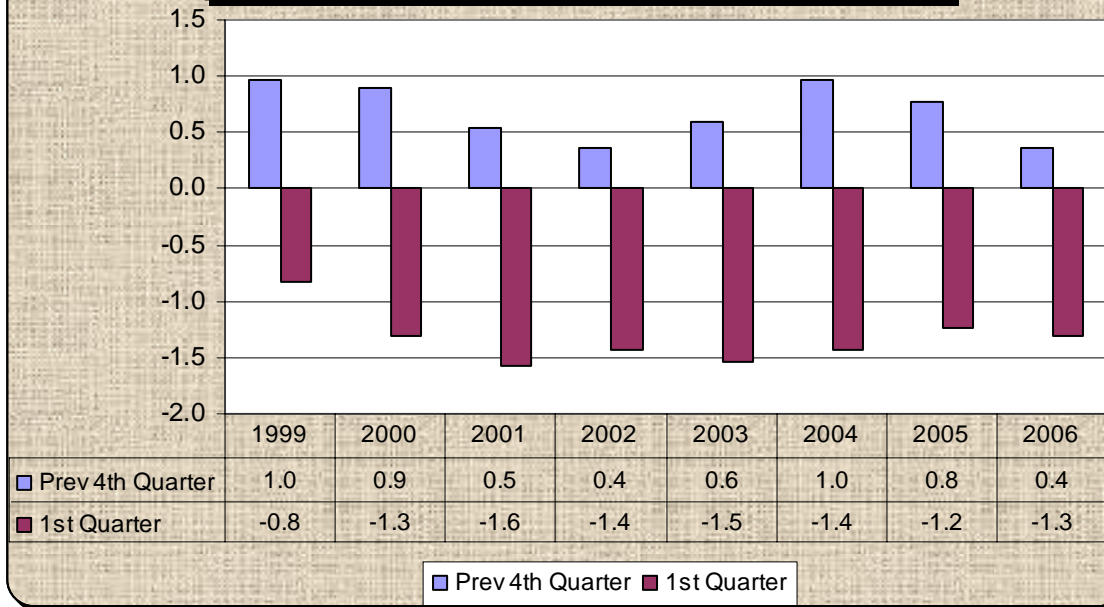
**Total Nonfarm Wage and Salary Employment: -1,300 (2.2%)** (Not Seasonally Adjusted)



Employment in the Grand Junction MSA fell by 1,300 in the 1<sup>st</sup> quarter, bringing average quarterly total nonfarm employment to 56,500. In the past ten years, 1<sup>st</sup> quarter employment has dropped an average of 1,200. This year's decline was 8% stronger than both the average and the contraction experienced one year ago. The drop from the 4<sup>th</sup> quarter to the 1<sup>st</sup> quarter was expected due to normal seasonal hiring patterns. The 4<sup>th</sup> quarter holiday build in 2005 up saw 800 workers added to the payrolls, slightly more than the expected 700 (10-year average). Trade, transportation & utilities (TTU) accounted for 25% of the 4<sup>th</sup> quarter increase, and is responsible for 38% (500 jobs) of this quarter's drop. Government and natural resources, mining & construction each shed 300 positions, while leisure & hospitality, professional & business services and manufacturing declined by 100 apiece. Education & health services and other services each edged up 100, and information and financial activities remained unchanged over the quarter.

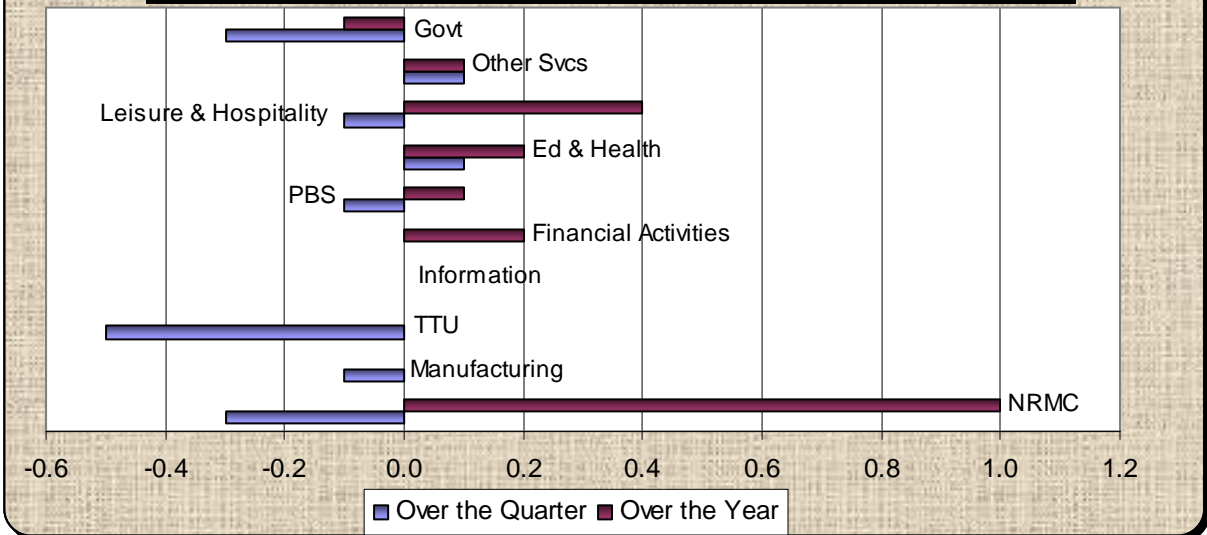
While most of the Front Range was experiencing an employment downturn during the first part of this decade, Grand Junction enjoyed a different fate. Since the 1<sup>st</sup> quarter 2000, employment in Grand Junction has grown by 7,500 (15.2%). Thanks to growth in 14 of the 24 quarters over this period, employment has grown by an average of 0.6% per quarter.

**Grand Junction MSA 4th Quarter and 1st Quarter Employment Changes (000s, not seasonally adj)**



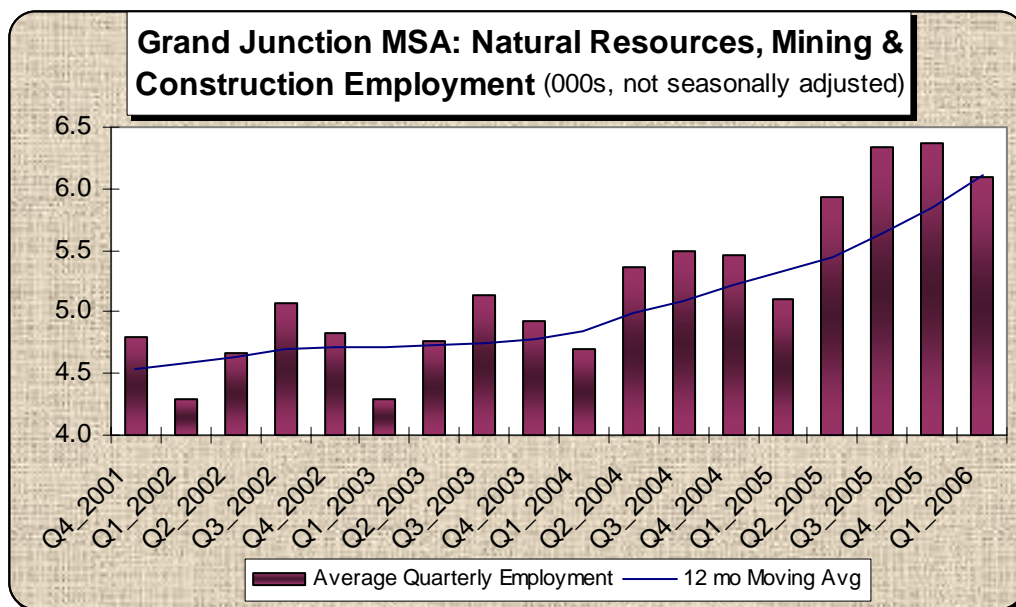
Over the year, six supersectors enjoyed employment gains totaling 1,900. Natural resources, mining & construction accounted for more than half of Grand Junction’s annual growth with 1,000 new hires. Leisure & hospitality was the next largest contributor to the over the year increase, with the addition of 400 jobs. Education & health services and financial activities each gained 200 positions, while other services and professional & business services edged up 100 apiece. Manufacturing, information and TTU remained unchanged, and government payrolls notched down 100 over the year.

**Grand Junction MSA: Supersectors 1st Quarter Over the Quarter and Over the Year Changes ('000s, not seasonally adjusted)**

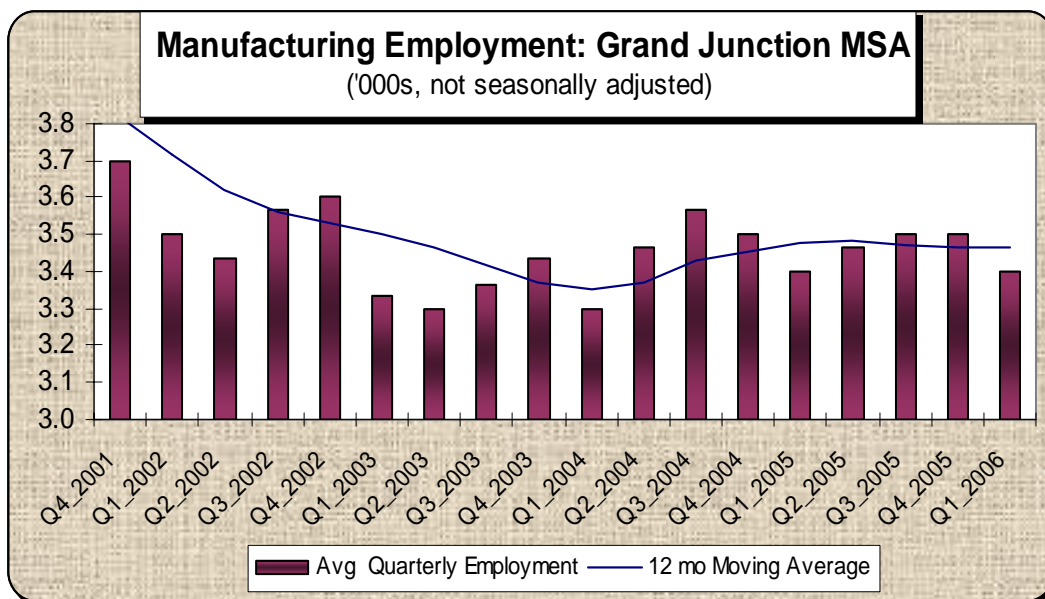


## Natural Resources, Mining & Construction: -300 (4.7%)

In line with seasonal expectations, natural resources, mining & construction shed 300 positions in the 1<sup>st</sup> quarter. Annual average employment in this supersector reached a plateau at 4,800 from the end of 2003 to the 1<sup>st</sup> quarter 2004. Over the past eight quarters, it has increased by an average of 3.4% per quarter to the current level of 6,100. On the strength of sustained high natural gas prices and increased exploration, employment in natural resources, mining & construction has grown by 1,000 (19.6%) over the year. This is the fastest rate in this supersector of the seven MSA's and is one-third faster than the same sector in the Greeley MSA. However, the growth in Greeley has been stronger for a longer period of time, as this industry has experienced double digit annual growth for seven consecutive quarters opposed to four consecutive quarters in Grand Junction.

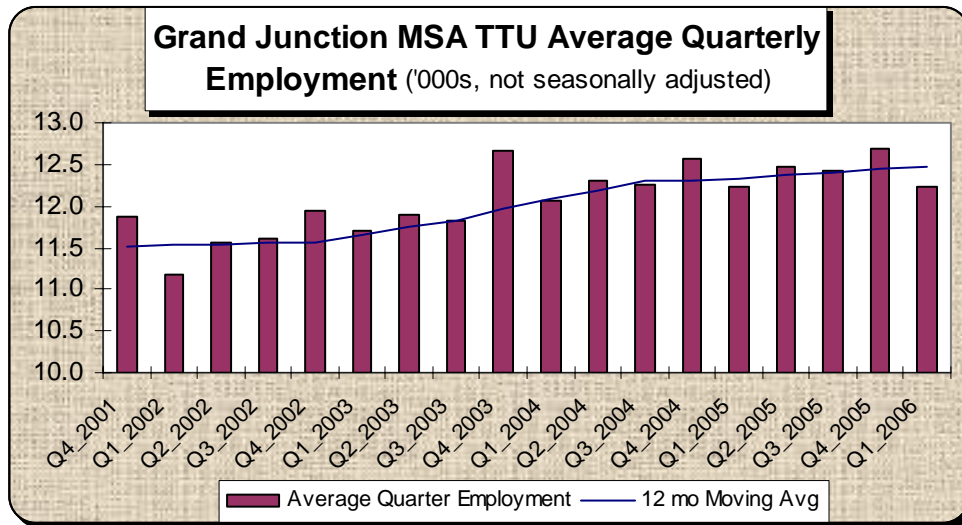


## Manufacturing: - 100 (2.9%)

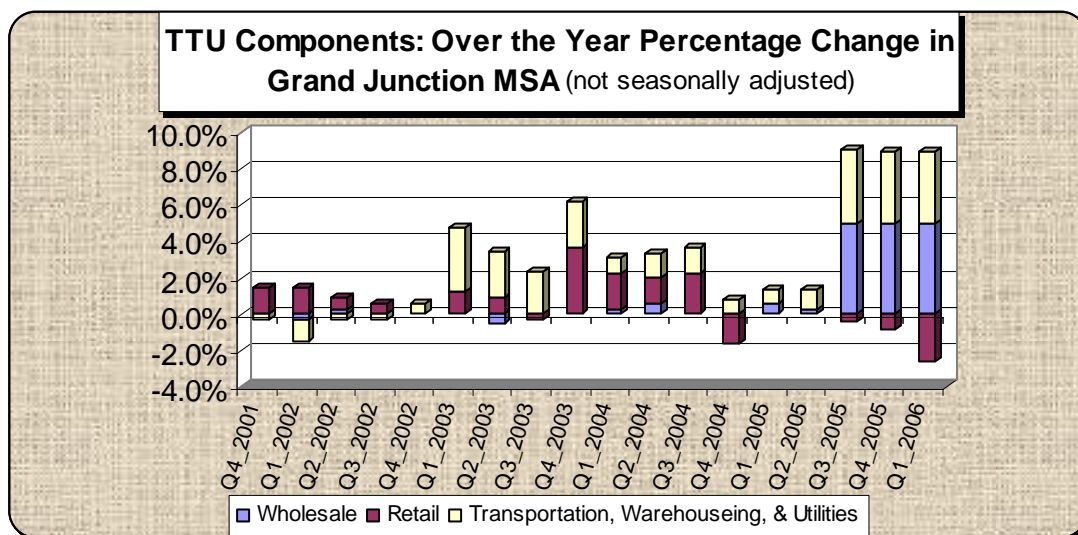


For the third consecutive year, manufacturing payrolls declined by 100 in the 1<sup>st</sup> quarter. This contraction represents the industry's first employment change in three quarters, and offsets a similar increase experienced in the 2<sup>nd</sup> quarter 2005. As a result, the number of people working in manufacturing is unchanged over the year. Annual average employment has remained at 3,500 for six quarters, which is up 2.9% from the 2004 trough, but remains 12.5% below the 2000 peak.

## Trade, Transportation & Utilities (TTU): -500 (3.9%)



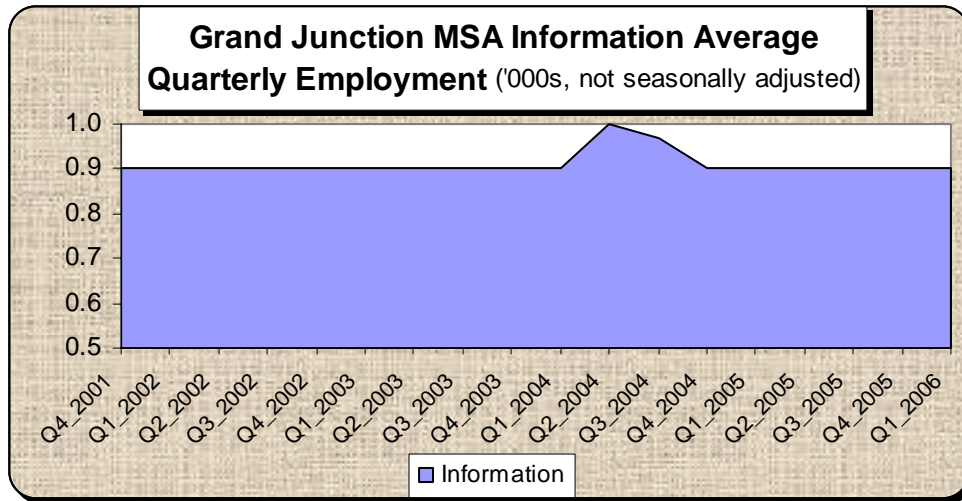
The 500 positions TTU shed in the 1<sup>st</sup> quarter were 25% more than anticipated. Retail trade accounted for the entire payroll contraction, as employers in this sector trimmed their seasonal staff following the holidays. For the year from the 3<sup>rd</sup> quarter 2001 to the 2<sup>nd</sup> quarter 2002, annual average employment remained at 11,500. Over the past four years, the twelve-month average has grown by 2.2%, or 250 jobs, per year.



Over the year, employment in TTU is unchanged, marking the first time in five quarters this industry did not experience an annual expansion. Gains of 100 apiece in wholesale trade and transportation, warehousing & utilities were offset by a 200 (2.6%) decline in retail trade.

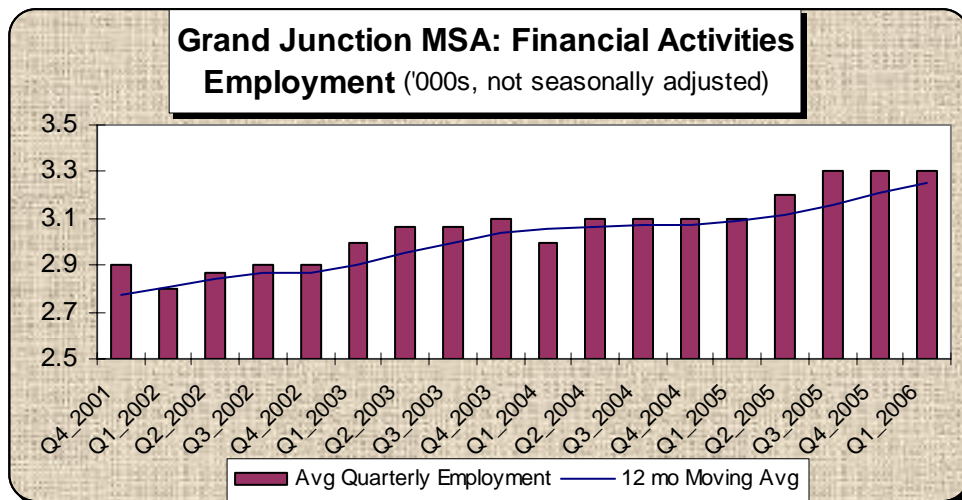
## Information: Unchanged

Employment in information remained unchanged during the 1<sup>st</sup> quarter. Total employment hit a high of 1,000 in the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2004 before retreating 100 to its current level in the 4<sup>th</sup> quarter 2004. Industry payrolls have remained at 900 for 12 of the last 14 quarters, including the past six. Information is the smallest supersector in Grand Junction, comprising less than 2% of the total nonfarm workforce.



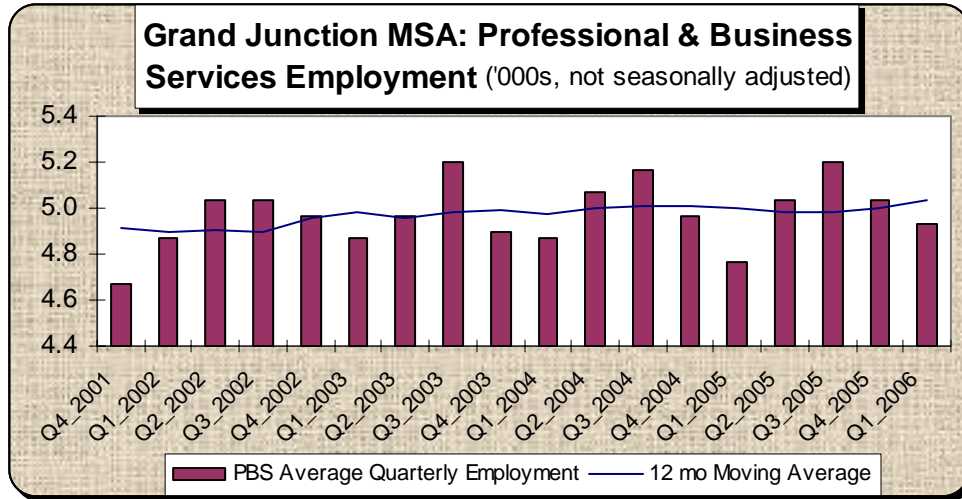
## Financial Activities: Unchanged

For the third consecutive quarter, financial activities employment remained at 3,300. Annual average employment increased by 100 this quarter, and has increased by an average of 2.2% per quarter over the last three. Payroll gains of 100 in both the 2<sup>nd</sup> and 3<sup>rd</sup> quarters 2005 were responsible for the 200 new hires the industry has added over the year. Annual growth of 6.5% is the second fastest in Grand Junction, and is one-third stronger than the prior year trend.



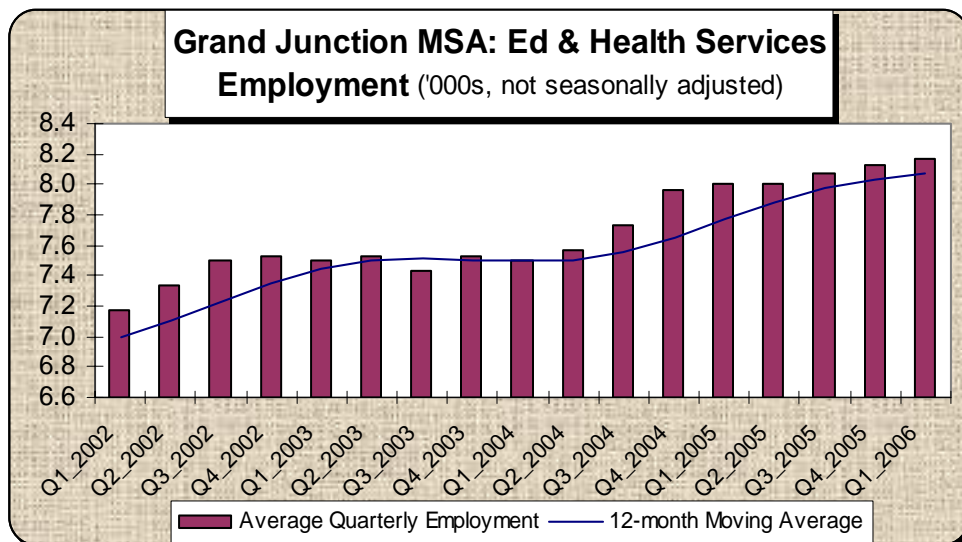
## Professional & Business Services: -100 (2.0%)

Professional & business services payrolls fell by a seasonally expected 100 in the 1<sup>st</sup> quarter. Since this time last year, the supersector has added 100 positions, growth of 2.1%. However, this over the year expansion is likely attributable to a larger than anticipated decline in the 1<sup>st</sup> quarter 2005. Annual average employment has shown zero growth since the 4<sup>th</sup> quarter 2002, remaining unchanged at 5,000.



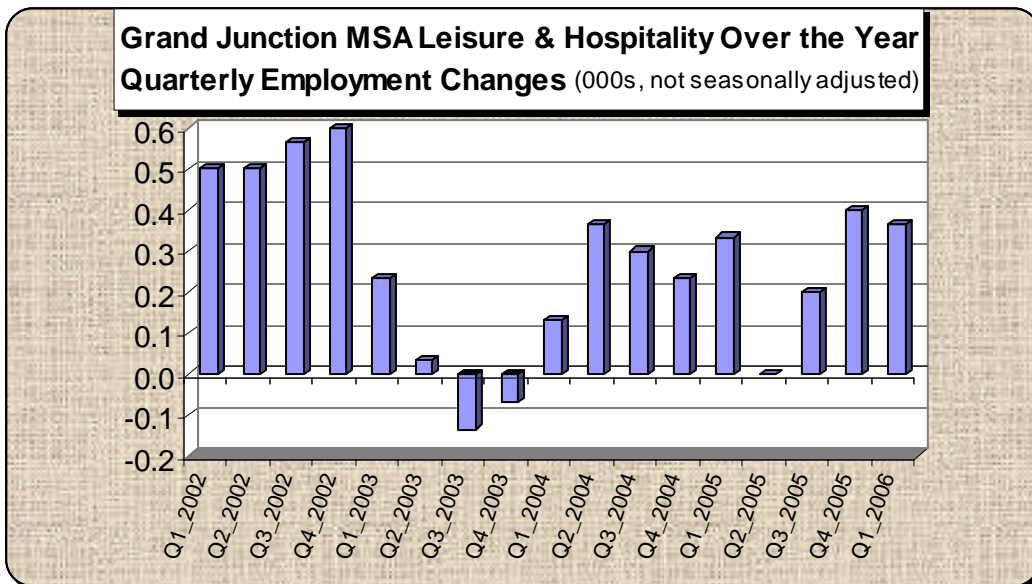
## Education & Health Services: +100 (1.2%)

Education & health services employment inched up 100 in the 1<sup>st</sup> quarter. Likewise, annual average employment also edged up 100 this quarter. The twelve-month average employment remained at 7,500 for one year from the 2<sup>nd</sup> quarter 2003, before increasing by 100 in six of the past seven quarters, with growth averaging 1.1% per quarter. Most of the growth that spurred the expansion in annual average employment occurred in late 2004 and early 2005, and only 200 new hires added to payrolls over the year. This 2.5% year over year growth matches last quarter's, but it is nearly 50% slower than the prior year average.



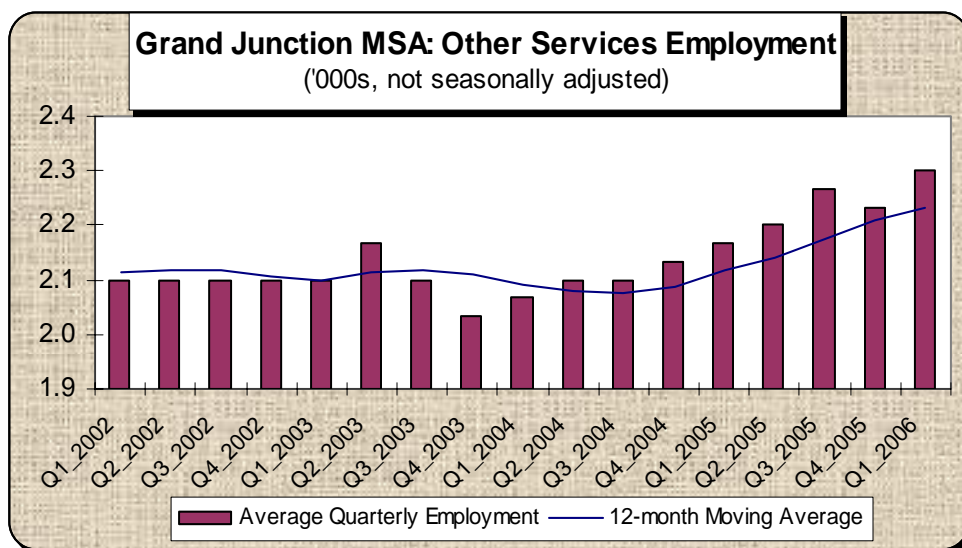
## Leisure & Hospitality: -100 (1.5%)

Employment in leisure & hospitality declined by 100 over the 1<sup>st</sup> quarter. The drop was expected as part of a cyclical pattern the leisure & hospitality industry has exhibited in Grand Junction, but was one-half less than the expected decrease. Over the year, industry employment has increased by 400, growth of 6.3%. For five consecutive quarters starting in the 1<sup>st</sup> quarter 2003, annual average employment remained level at 6,200. Subsequent to this plateau, it has expanded by 250 per year, with growth averaging 1.0% per quarter.



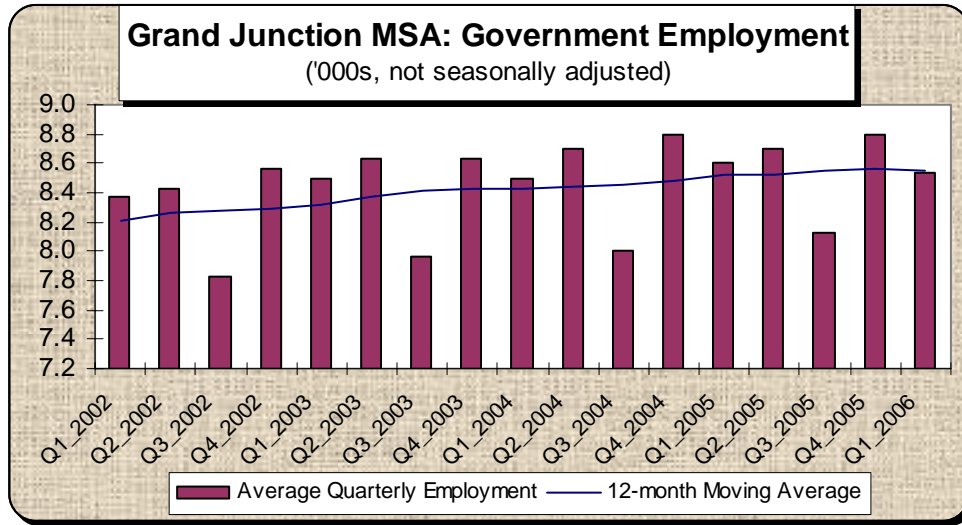
## Other Services: +100 (4.5%)

Other services' payrolls expanded by 100 (4.5%) both over the quarter and over the year. Annual average employment remained at 2,200 for the third consecutive quarter. Before advancing to its current level, employment's twelve-month moving average was unchanged at 2,100 for four years.

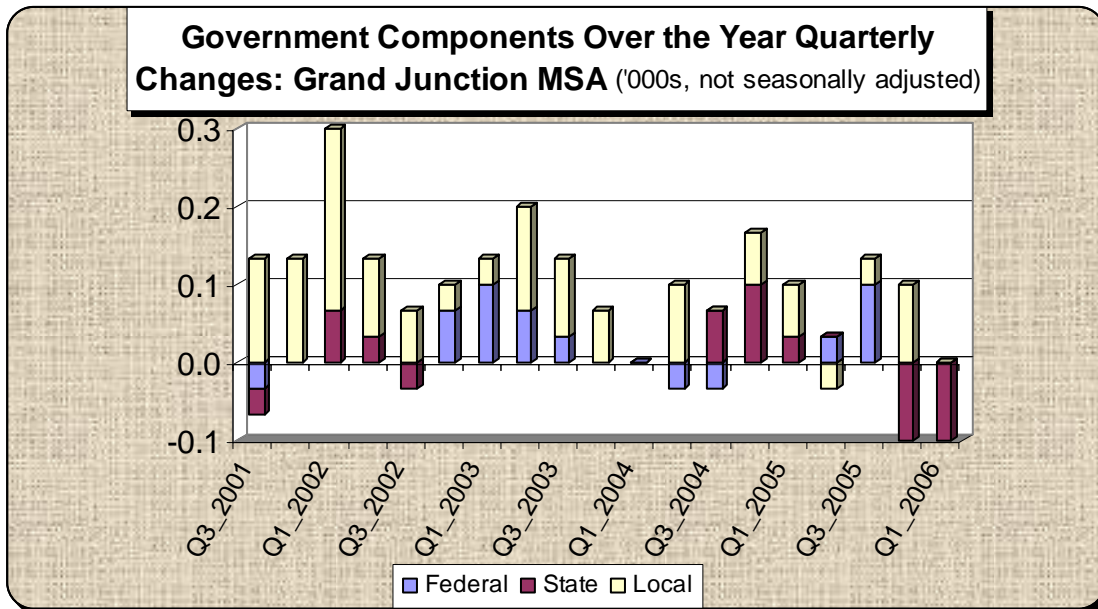


## Government: -300 (3.4%)

During the 1<sup>st</sup> quarter, government employment declined by 300. This decrease was driven by the loss of 200 jobs in State government and 100 positions at the local level. Education accounted for all the eliminated positions in State government, but it was unchanged locally. The Federal government has 1,200 workers on its payrolls accounting for 14.1% of the all government employment in Grand Junction. Local government employs 5,300 people, comprising 62.4% of the supersector positions in the MSA. The State level now employs 2,000 in Grand Junction, or 23.5% of public employees.



Over the year, total government employment notched down 100 (1.2%), marking the first time in five years this industry has experienced an annual payroll contraction. Both Federal and local government were unchanged since the 1<sup>st</sup> quarter 2005, while State government shed 100 positions, with all of them coming from its education component.



-end-

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