



UNIVERSITY OF WASHINGTON LAYS OFF 500

UNIVERSITY of WASHINGTON

The town of Pullman, Washington is like a lot of other university towns. It is a center for local culture, it has an active nightlife and the areas local economy can be profoundly influenced by the budget of the college that surrounds it. For those of you who are not from the area, Pullman is the town that is intimately linked to Washington State University. The two are so close that the schools mascot (a cougar) adorns the city's bridge on each end, and the signs that show you the town limits also do double duty as signs for the school. It should be no surprise that the college is the largest single employer in the town. As the state is cutting its budget in order to remain solvent the university will not be getting as much funding as they have in prior years. In order to cope with this loss the University of Washington is cutting down on its budget and those changes are already showing an impact on the economy, making local business owners nervous. "Any time there are financial difficulties with the area's largest employer, there is cause for concern," Jack McGrath, the owner of a downtown fabric store known as The Quilted Heart, told a local reporter. The cuts from the state have been substantial. About 60% of the money that would normally be allocated for Washington State University will not be granted in the upcoming fiscal year. This move will mean that the school is going to have to let go of about 500 of its employees in order to remain solvent. This represents a loss about 12 percent of the workers on the campus. On the whole the university has about 4,000 employees who service about 20,000 students. The town itself is situated in a fairly rural area, with few other employers in the area, and none on the scale of the university. They nearest city is about 30 miles away. Compounding the problem is the fact that, like many cities in this long-term economic downturn, the city has seen a loss in both real estate sales and construction jobs. While this is not unusual in many places it is in Pullman. Its combination of the university and a high level of civil servants living in the area have give it a measure of protection not enjoyed by most communities. Big swings in jobs are fairly unusual here. The county (Whitman) that Pullman is in has an unemployment rate that is 1.5% lower than the states average of 9%. These numbers come, despite the university layoffs for a number of reasons. Firstly, a tuition increase at the college allowed some jobs to be saved. The town also recently opened a new Wal-Mart, which added jobs to the economy. Schweitzer Engineering Laboratories also went on a hiring spree earlier in this year. Schweitzer Engineering Laboratories, with about 1,500 workers in the city of Pullman is arguably the cities second largest employer. While many people are leery that more layoffs are on the way, but no official word has been given currently.

<https://blog.granted.com/>