

U.S. employers hire at blistering pace, defying global trends

By CHRISTOPHER S. RUGABER
AP Economics Writer

WASHINGTON — American employers added a robust 292,000 jobs in December, suggesting that the U.S. economy is so far defying global weakness and growing solidly.

The strong hiring underscores the resilience of the United States at a time of financial turmoil stemming from China's slowing economy and plummeting stock market. Most economists expect U.S. consumer spending to continue to offset overseas weakness, though many foresee only modest U.S. growth.

In its monthly jobs report Friday, the Labor Department said the unemployment rate was 5 percent in December for a third straight month. More Americans started looking for jobs and found them.

The government also said employers added a combined 50,000 more jobs in October and November than it had previously estimated. For the July-September quarter, hiring averaged 284,000 a month — the best three-month pace in a year.

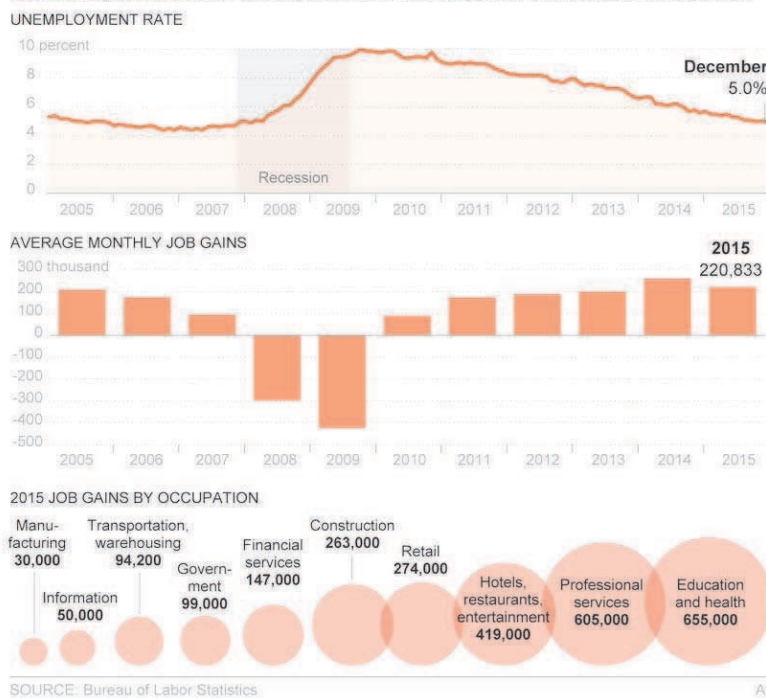
Even as many more jobs have been added, the unemployment rate has held at 5 percent for the past three months because nearly 1 million more Americans have begun seeking jobs since September. That influx has kept the number of unemployed nearly unchanged at 7.9 million.

A resilient U.S. economy will likely help some other countries by drawing in more imports, especially as the higher-valued dollar holds down the prices of foreign goods. The World Bank said this week that Mexico and emerging markets in Central America should fare better than the rest of South America because of their proximity to the healthier U.S. economy.

Still, the effect could be limited if Americans' spending remains concentrated in services — from restaurants to health care — rather than factory goods.

Job recovery maintains momentum in 2015

U.S. employers added 2.65 million jobs in 2015 and the jobless rate finished at 5.0 percent.



At the same time, Friday's solid jobs report could make it more likely that the Federal Reserve will further raise rates after announcing its first increase in nearly a decade last month. Steady hiring would reduce the supply of people seeking jobs, which could lead to higher pay and possibly help lift inflation closer to the Fed's 2 percent target.

Many economists expect the Fed to raise its benchmark rate three times this year. Stuart Hoffman, chief economist at PNC Financial Services, says the robust jobs data means the next increase will likely be in March.

Still, the jobs report contained no signs of inflation. That led other economists such as Alan Levinson at T. Rowe Price to say that Fed officials may need to see prices rise further before raising rates again.

U.S. stocks rose modestly after the jobs report was issued. The Dow Jones industrial average was up about 24 points in late morning after falling sharply all week.

For all of 2015, employers added 2.65 million jobs, a monthly average of 221,000. That made 2015 the second-best year for hiring since 1999, after 2014.

"2015 went out with a megabang," says Patrick O'Keefe, director of economic research at the consulting firm CohnReznick. "It speaks to the underlying strength of the domestic economy. The United States is intertwined with the international economy but to a far lesser degree than many other countries."

O'Keefe noted that global trade accounts for only about 30 percent of U.S. economic activity, one of the lowest such percentages in the world.

Kevin Logan, chief U.S. economist at HSBC, says U.S. factories remain vulnerable to slowing global growth. But manufacturing makes up less than 9 percent of U.S. employment. Many factories are now highly automated and don't employ as many people as they used to.

Wash. to require transparency on aerospace tax breaks

SEATTLE (AP) — Boeing and hundreds of other aerospace firms in Washington will have to publicly disclose savings from some of their biggest tax breaks by early May.

The state Department of Revenue has reversed its previous decision on the issue, which said the companies would not have to reveal their tax savings for a decade, reported the *Seattle Times*.

The *Seattle Times* had challenged the tax agency's interpretation of a tax-incentive transparency law passed in 2013. In a letter sent to the newspaper this week, the agency's assistant director of taxpayer services said it reconsidered the *Times*' appeal and will require disclosures beginning this year.

The department said it has notified Boeing and other aerospace firms that they must disclose their benefits for 2014 and 2015 by early May. Similar filings will then be required annually.

In a 2013 special session, the state Legislature approved a suite of tax incentives aimed at Boeing and the aerospace sector. They were meant to ensure that the 777X was produced in Everett.

Most of the tax breaks were first approved in 2003 and set to expire in 2024, but the new legislation extended them until 2040.

Boeing said Thursday that Washington's aerospace tax incentives have been a success.

"Any objective analysis will show that these incentives have generated hundreds of millions of dollars in taxes to the state while providing economic opportunities and improving quality of life for hundreds of thousands of Washington residents," said a statement provided by spokeswoman Deborah Feldman. "We look forward to an open discussion of their value."

Sen. Reuven Carlyle, a Seattle Democrat, applauded the agency's decision. Like most state legislators, he supported the 2013 tax incentive package.

But Carlyle and other critics say lawmakers and the public should be able to evaluate company-specific information about tax breaks when making policy choices.

"There is no question there is a new default in this state and the default is openness and transparency rather than secrecy," said Carlyle.

Campbell says it supports federal standard for GMO labeling

By CANDICE CHOI
AP Food Industry Writer

NEW YORK — Campbell Soup says it supports a mandatory national labeling standard for products containing genetically modified ingredients.

The maker of Pepperidge Farm cookies, Prego sauces and Spaghetti-Os says it will withdraw its support from various efforts opposing such labeling, which has become a contested issue in recent years. The move marks a break from industry groups that have sought to make labeling voluntary.

About three-quarters of Campbell's products contain GMOs. The company has opposed a patchwork of state-by-state legislation that it believes would confuse customers.

States have tried to address the issue on their own and Vermont passed legislation requiring food makers to disclose when certain products contain genetically modified ingredients by July. But industry groups want to pre-empt such efforts with federal legislation that would make disclosures voluntary, said Michele Simon, a public health lawyer.

"People are consuming things that aren't things, like data plans, restaurant meals, health care and entertainment," Logan said. "The international turmoil can be shrugged off to some extent."

Sam Rothschild, chief operating officer for Slim Chickens, a restaurant chain in Fayetteville, Arkansas, with 30 locations, says it plans to open 20 restaurants this year, creating about 800 jobs.

Yet it's become harder to find workers, particularly in areas where unemployment has fallen as low as 2 percent, as in parts of Nebraska and Oklahoma. The company raised pay as much as 10 percent last year in those areas.

"That's what you need to do to attract employees in these markets," Rothschild says.

Industries that are focused on domestic, rather than overseas, demand also hired robustly in December: Construction added 45,000 jobs, likely in part because of unusually warm weather. Professional and business services, which includes accountants, engineers, and architects as well as lower-paid temporary workers, added 73,000.

That is helping offset weak gains in manufacturing, which added just 8,000 jobs last month and only 30,000 last year, down from 215,000 in 2014.

Even as demand for workers grew, average pay slipped a penny in December to \$25.24 an hour. Still, average pay has risen 2.5 percent in the past year, only the second time since the Great Recession ended in mid-2009 that it's reached that level. At the same time, pay growth remains below the roughly 3.5 percent pace typical of a healthy economy.

For months, U.S. employers have hired steadily even as global growth has flagged and financial markets have sunk. Still, stumbling growth in countries like China, the world's second-largest economy, and financial market turmoil might pose long-term challenges for the U.S. economy.

"They're going for as little as they can," Simon said.

If a federal labeling standard isn't established in a "reasonable amount of time," Campbell says it will work independently to disclose the presence of GMOs in its products. The company did not specify a timeline for doing so.

Genetically modified seeds are engineered in laboratories to have certain traits, like resistance to herbicides. The majority of the country's corn and soybean crop is now genetically modified, with much of that going to animal feed. Corn and soybeans are also made into popular processed food ingredients like high-fructose corn syrup, corn starch and soybean oil.

The food industry says about 75 percent to 80 percent of foods contain genetically modified ingredients. The Food and Drug Administration has said that GMOs are safe.

Still, the number of products stamped with a voluntary "non-GMO" label from a third-party group has proliferated as the issue has gained attention. The label, which is displayed on the front of packages, has become a marketing tool in some cases, Simon noted.

BRIEFLY

Free seminar highlights business branding

HERMISTON — Business and organizations can learn more about the importance of branding during a free seminar.

Branding a business helps a business in portraying a message to its targeted consumers. Topics during the seminar include making a positive impression, how to show your business in a positive light and how to establish an edge over competition.

The free branding seminar is Thursday from 8:30-9:30 a.m. at the Hermiston Conference Center, 415 S. Highway 395.

For more information, contact 541-567-6151, kelly@hermistonchamber.com or visit www.hermistonchamber.com.

Pendleton Whisky rides into PBR

HOOD RIVER — Pendleton Whisky has been chosen as the official whisky for the PBR (Professional Bull Riders) BlueDEF Tour for 2016 and 2017.

Hood River Distillers, Inc., the largest and oldest importer, distiller, producer and bottler of distilled spirits in the Pacific Northwest, recently made the announcement.

"We are thrilled to partner with the PBR over the next two years," said Tia Bledsoe, senior brand manager. "As a brand created to capture and celebrate the bold spirit of the American cowboy and cowgirl, this is a great opportunity for Pendleton Whisky to support a prominent organization that aligns perfectly with our values and mission."

As the official whisky, the brand will be visible through signs and announcements, rights at pre- and post-event parties, live-streaming broadcasts and retail promotions in select markets.

The PBR features top bull riders in the world competing against each other on national TV. The 2016 BlueDEF Tour visits 25 cities across the country, including Oregon and Washington stops in Yakima on Jan. 23 and Portland on Feb. 27. The finals are Oct. 28-30 in Las Vegas.

For more information about Pendleton Whisky, visit www.pendletonwhisky.com, and for more about the PBR, go to www.pbr.com.

Two local businesses celebrate anniversaries

HERMISTON — Hors d'oeuvres and local wine samples are featured in the upcoming anniversaries of a pair of Hermiston businesses.

The public is invited to stop by as Home Town Mortgage Group celebrates its third anniversary and Real Business Solutions, LLC marks two years. The event is Wednesday, Jan. 20 from 5-8:30 p.m. at 505 E. Main St., Hermiston.

For more information, call 541-564-5900 or 541-567-0869.

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ANNUAL CHECK UP Foot Screening Essential For All People With Diabetes

Advice From Podiatric Physicians At APMA

Every year patients with diabetes should get a foot health check-up to avoid the dire consequences of this often debilitating disease. Amputation of toes, feet or legs are sometimes the tragic consequence of poor circulation or foot ulcers that could have been treated, easily, with early diagnosis. Each year, more than 67,000 lower limbs are amputated due to complications from diabetes. It is estimated that five to fifteen percent of all people with diabetes will undergo that kind of amputation in their life. Seventy to eighty percent of those amputations proceeded from chronic foot ulcers.

Diabetes is a systemic disease affecting many different parts of the body, ideal case management requires a team of medical specialists: the podiatric physician is an integral member of the team. The keys to preventing diabetes-related amputation is regular foot screenings and patient education/involvement. The patient should know to watch for certain warning signs of poor circulation: change in skin color, open

foot sores (ulcers), foot sores slow in healing, elevation in skin temperature, foot or ankle swelling, leg pain, ingrown and fungal toenails, bleeding corn or callus, and/or dry cracks in heel skin. With any of these signs, they should see their podiatric, or family physician for treatment.

As part of their mission, each November, the American Podiatric Medical Association (APMA) tries to highlight the critical role foot health screening can play in improving the quality of life for those suffering from diabetes. For more information on avoiding diabetic foot complications, call Dr. Clarke or Dr. Hampton or visit the APMA website at www.apma.org.



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