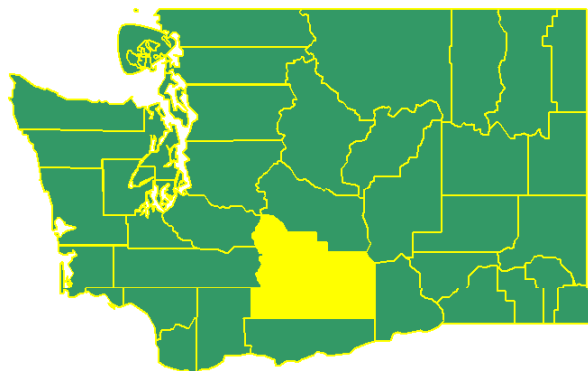


# The Yakima County Labor Economy (February 2003)



Prepared April 4, 2003

By Donald W. Meseck, Regional Labor Economist  
Labor Market and Economic Analysis Branch, WA State Employment Security  
(Out-stationed at Central Washington University, Ellensburg, WA)  
Telephone: (509) 963-2606, FAX (509) 963-1992  
E-mail: [dmeseck@esd.wa.gov](mailto:dmeseck@esd.wa.gov)  
LMEA Home Page: <http://www.wa.gov/esd/lmea>

## Nonagricultural Employment

Over the month of February 2003 total nonagricultural employment in Yakima County (also called the Yakima Metropolitan Statistical Area or MSA) did not net any new jobs, as shown in Table 1. Transportation and warehousing businesses, primarily trucking firms that move agricultural goods to market, saw employment slip by 200 jobs over the month. Conversely, services companies netted a 200-job advance in February. As revealed in Table 1, accommodation, and food services (i.e., casinos, restaurants, taverns, etc.) took on 100 new workers. Although not shown in the table, private educational services (i.e., private elementary and secondary schools, technical and trade schools, educational support services, etc.) accounted for the lion's share of the other 100 services jobs gained across Yakima County between January and February of this year. Washington's non-adjusted wage and salary employment grew by 2,300 in February, an increase of less than 0.1-percent. Washington's losses were concentrated in manufacturing (-2,100) and retail trade (-5,900). Gains occurred in professional and business services (+2,000), education and health services (+2,700), and government (+4,200).

Figure 1 plots over-the-year total nonagricultural employment change rates in Yakima County and in Washington for the last six months of 2002 and the first two months of 2003. Statewide the job-growth pace was in the negative column until December 2002 when job gains matched job losses. Then, in January and February of this year, Washington's labor economy started to turn the corner. Over-the-year job growth rates weighed in at a positive 0.5-percent for each of these months. This is certainly not dramatic improvement, but when one considers that Washington lost jobs from May 2001 until December

## The Yakima County Labor Economy (February 2003)

2002, it is a step in the right direction. Yakima County's economy began to turn the corner approximately in September 2002, as Figure 1 depicts.

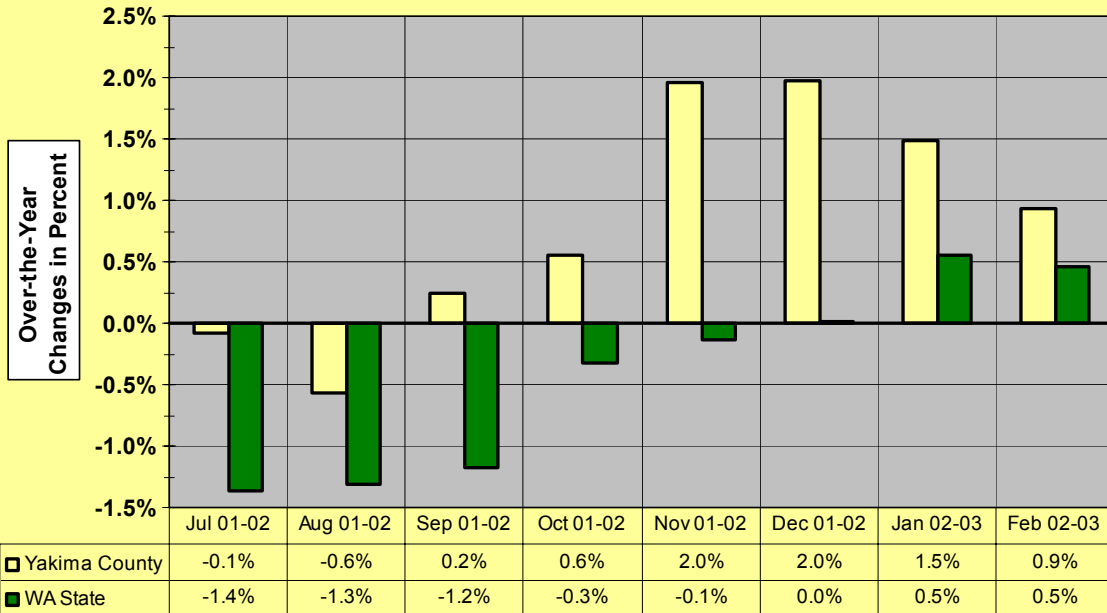
**Figure 2 quantitatively illustrates that during the fourth quarter of 2002, total nonagricultural employment across Yakima County pulled solidly ahead of the fourth quarter of 2001.** This expansion that began last autumn in the local labor market continued into January and February of this year. By February 2003 total nonagricultural employment was 700 jobs higher than in February 2002. Over the year however, manufacturing jobs losses occurred in non-durable goods (-500) due to downturns in food processing. Conversely, there were job gains in health services and social assistance (+200), accommodation and food services (+200), and local government (+700). The lion's share of over-the-year job growth was attributed to local government hiring; with 150 of these 700 new jobs arising at local public primary and secondary schools. Although it is good news that the economy added local government jobs, it would be better news if this job growth had been diversified amongst several local industries.

	Feb 2003 <sup>1</sup>	Jan 2003	Feb 2002	CHANGE <sup>3</sup>		% CHANGE	
				Jan 03 Feb 03	Feb 02 Feb 03	Jan 03 Feb 03	Feb 02 Feb 03
<b>TOTAL NONFARM<sup>2</sup></b>	<b>71,600</b>	<b>71,600</b>	<b>70,900</b>	<b>0</b>	<b>700</b>	<b>0.0%</b>	<b>1.0%</b>
<b>TOTAL PRIVATE</b>	<b>54,700</b>	<b>54,800</b>	<b>54,800</b>	<b>-100</b>	<b>-100</b>	<b>-0.2%</b>	<b>-0.2%</b>
<b>NATURAL RESOURCES, MINING, AND UTILITIES</b>	<b>300</b>	<b>400</b>	<b>400</b>	<b>-100</b>	<b>-100</b>	<b>-25.0%</b>	<b>-25.0%</b>
<b>CONSTRUCTION</b>	<b>2,300</b>	<b>2,300</b>	<b>2,600</b>	<b>0</b>	<b>-300</b>	<b>0.0%</b>	<b>-11.5%</b>
<b>MANUFACTURING</b>	<b>8,900</b>	<b>8,900</b>	<b>9,500</b>	<b>0</b>	<b>-600</b>	<b>0.0%</b>	<b>-6.3%</b>
Durable Goods	4,200	4,100	4,300	100	-100	2.4%	-2.3%
Non-Durable Goods	4,700	4,700	5,200	0	-500	0.0%	-9.6%
<b>WHOLESALE TRADE</b>	<b>4,100</b>	<b>4,100</b>	<b>3,900</b>	<b>0</b>	<b>200</b>	<b>0.0%</b>	<b>5.1%</b>
<b>RETAIL TRADE</b>	<b>8,900</b>	<b>9,000</b>	<b>8,600</b>	<b>-100</b>	<b>300</b>	<b>-1.1%</b>	<b>3.5%</b>
<b>TRANSPORTATION and WAREHOUSING</b>	<b>2,100</b>	<b>2,300</b>	<b>2,200</b>	<b>-200</b>	<b>-100</b>	<b>-8.7%</b>	<b>-4.5%</b>
<b>INFORMATION, FINANCE, INSURANCE, AND REAL ESTATE</b>	<b>3,900</b>	<b>3,800</b>	<b>3,800</b>	<b>100</b>	<b>100</b>	<b>2.6%</b>	<b>2.6%</b>
<b>SERVICES</b>	<b>24,200</b>	<b>24,000</b>	<b>23,900</b>	<b>200</b>	<b>300</b>	<b>0.8%</b>	<b>1.3%</b>
Professional, Scientific, and Tech Svcs	1,800	1,800	1,800	0	0	0.0%	0.0%
Health Services and Social Assistance	10,600	10,700	10,400	-100	200	-0.9%	1.9%
Accommodation and Food Services	5,200	5,100	5,000	100	200	2.0%	4.0%
<b>GOVERNMENT</b>	<b>16,900</b>	<b>16,800</b>	<b>16,100</b>	<b>100</b>	<b>800</b>	<b>0.6%</b>	<b>5.0%</b>
Federal Government	1,300	1,300	1,300	0	0	0.0%	0.0%
State Government	3,000	3,000	2,900	0	100	0.0%	3.4%
Local Government	12,500	12,400	11,800	100	700	0.8%	5.9%
Workers in Labor Disputes	0	0	0	0	0	XXX	XXX

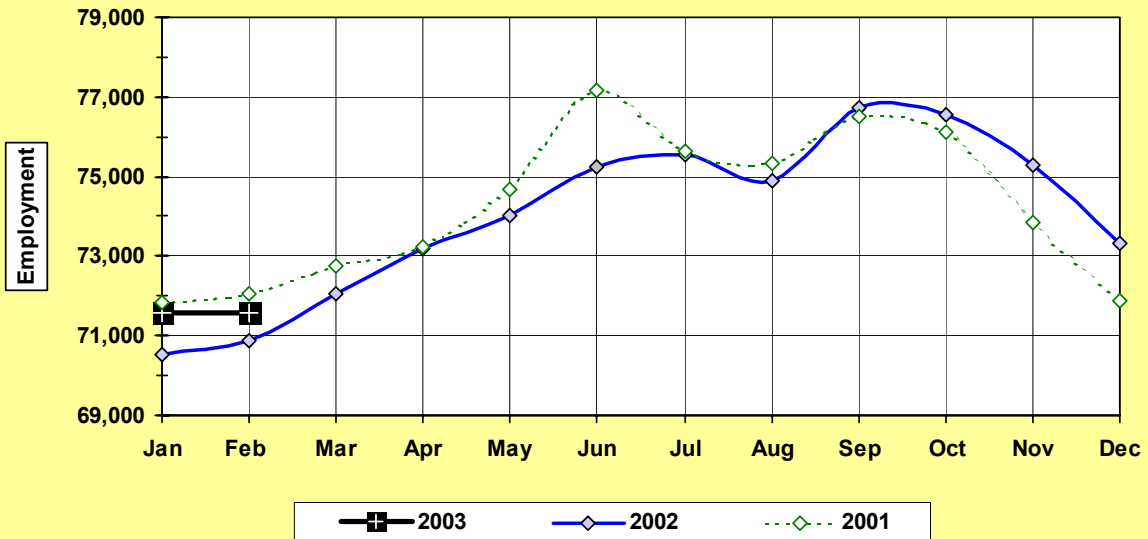
<sup>1</sup> Preliminary employment estimates.  
<sup>2</sup> Excludes proprietors, the self-employed, members of the Armed Services, unpaid family members, workers in private households, and agricultural workers. Includes all full and part-time wage and salary workers receiving pay during the pay period including the 12th of the month, by place of work.  
<sup>3</sup> Differences in industry employment of 100 or less may not be significant due to rounding.

The Yakima County Labor Economy  
(February 2003)

**Figure 1**  
**YAKIMA COUNTY versus WASHINGTON STATE:**  
**OVER-THE-YEAR (OTY) EMPLOYMENT CHANGE RATES**  
(Prepared April 1, 2003)



**Figure 2**  
**YAKIMA COUNTY: COMPARISON OF TOTAL NONAGRICULTURAL**  
**EMPLOYMENT FROM JANUARY 2001 TO FEBRUARY 2003**  
(Prepared April 1, 2003)



**The Yakima County Labor Economy  
(February 2003)**

**Unemployment**

**Over the year, the Yakima County unemployment rate dropped from 12.8 percent to 12.2 percent.** This 0.6-percentage point drop in the rate since February 2002 probably overstates the improvement in the local economy. Why? For an answer we must look a little bit deeper at agricultural and nonagricultural employment (which account for jobs by “place of work”) and resident labor force numbers (which estimates the number of people working by “place of residence”). The good news for the Yakima County economy is that in February 2003 the number of “unemployed” declined to 12,600 people which was 400 below the February 2002 level of 13,000. More encouraging news; the number of “employed” Yakima County residents expanded over the year by 2,300, to an estimated 90,900 people. However, nonagricultural employment elevated by only 700 jobs in this period (see Table 1), and agricultural employment was estimated to have diminished by 200 jobs. If 2,300 more Yakima County residents were working in February 2003 versus February 2002, one must ask; “Where are they working?” Much of the employment growth as indicated in the labor force estimates is not coming from within Yakima County. Many of the 2,300 additional residents estimated to be working this February commuted to jobs outside of the county, especially to the Tri-Cities where numerous jobs have been created by a new \$4 billion federal environmental clean-up program.

**Figure 3  
UNEMPLOYMENT RATES IN YAKIMA COUNTY  
AND IN WASHINGTON FROM JANUARY 2001 TO FEBRUARY 2003  
(Prepared April 1, 2003)**

