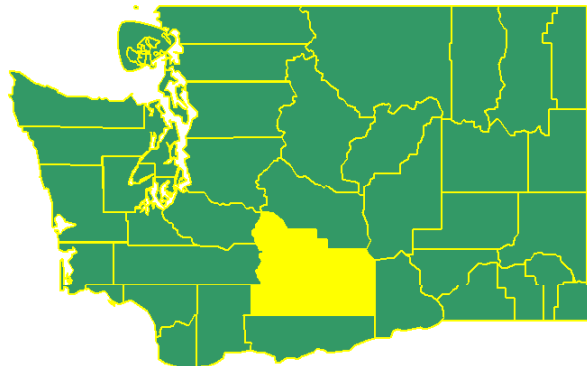


# The Yakima County Labor Economy (July 2003)



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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.workforceexplorer.com/>

**Total nonagricultural employment in Yakima County (also called the Yakima Metropolitan Statistical Area or MSA) contracted 0.9-percent in July 2003.** Yakima County's businesses and government provided approximately 75,000 jobs in July, down from the 75,700-figure one-month prior. The two major sources of this over-the-month contraction were the 800-job decrease in Government and the 500-job reduction in Wholesale Trade. Much of the Government decrease occurred at the state level (down 300 jobs in July) and at the local level (down 400 jobs in July) due, respectively, to seasonal layoffs in education at Yakima Valley Community College and at primary and secondary schools. Many of the 600 new jobs in Non-Durable Goods were added in the local food processing industry. Although over-the-month employment rose in this industry, the number of food processing jobs across Yakima County has fallen considerably over the year, as shown in Table 1.

**Over-the-year rates of change in nonagricultural employment for Yakima County and for Washington during the last calendar quarter of 2002 and the first seven months of 2003 are illustrated in Figure 1.** Statewide, employment growth was negative from May 2001 until January 2003 when job gains finally exceeded job losses – a small step in the right direction. Although the job-growth pace across Washington remained “in the black” during the first two quarters of this year, growth has not been particularly robust. Since January 2003 over-the-year rates of change never exceeded 0.6 percent, and this July the State's labor market provided roughly the same number of jobs as in July 2002.

**When one compares over-the-year, job growth rates in Yakima County in April, May, June, and July of 2003 with corresponding months in 2002 it appears that the local economy is running out of steam.** Over-the-year change rates show that job growth virtually stagnated in April and May 2003, elevated 0.5 percent in June, and fell 0.5 percent in July.

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Figure 1 depicts that job growth rates locally were healthier in the last calendar quarter of 2002 and the first quarter of this year than in the last four months. It is also worth noting that between April and July of 2003 Yakima County's monthly unemployment rates began increasing to figures close to or above those of identical months in 2002 (see Figure 2).

**Between July 2002 and July 2003 the Yakima County unemployment rate edged upwards moderately from 8.7 percent to 9.2 percent.** The number of "employed" Yakima County residents in the labor force expanded over the year by 1,400 although the number of "unemployed" rose by 800. Total nonagricultural employment fell by 400 jobs, whereas the estimated number of agricultural jobs increased by 700. In summary, within the past four months it appears that over-the-year employment growth in Yakima County's agricultural sector and a substantial number of local residents working in out-of-county jobs helped offset a weakening nonagricultural sector. This has had the effect of keeping the unemployment rate from rising even more than it has.

<b>Table 1</b> <b>JULY 2003 NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT</b> <b>IN YAKIMA COUNTY</b> <b>(Prepared August 12, 2003)</b>							
	Jul 2003 <sup>1</sup>	Jun 2003	Jul 2002	CHANGE <sup>3</sup> Jun 03 Jul 03	Jul 02 Jul 03	% CHANGE Jun 03 Jul 03	Jul 02 Jul 03
<b>TOTAL NONFARM<sup>2</sup></b>	<b>75,000</b>	<b>75,700</b>	<b>75,400</b>	<b>-700</b>	<b>-400</b>	<b>-0.9%</b>	<b>-0.5%</b>
<b>TOTAL PRIVATE</b>	<b>57,900</b>	<b>58,100</b>	<b>59,400</b>	<b>-200</b>	<b>-1,500</b>	<b>-0.3%</b>	<b>-2.5%</b>
<b>NATURAL RESOURCES, MINING, AND UTILITIES</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>CONSTRUCTION</b>	<b>3,200</b>	<b>3,000</b>	<b>3,200</b>	<b>200</b>	<b>0</b>	<b>6.7%</b>	<b>0.0%</b>
<b>MANUFACTURING</b>	<b>10,100</b>	<b>9,500</b>	<b>10,900</b>	<b>600</b>	<b>-800</b>	<b>6.3%</b>	<b>-7.3%</b>
Durable Goods	4,400	4,400	4,400	0	0	0.0%	0.0%
Non-Durable Goods	5,700	5,100	6,600	600	-900	11.8%	-13.6%
<b>WHOLESALE TRADE</b>	<b>3,800</b>	<b>4,300</b>	<b>3,700</b>	<b>-500</b>	<b>100</b>	<b>-11.6%</b>	<b>2.7%</b>
<b>RETAIL TRADE</b>	<b>9,300</b>	<b>9,300</b>	<b>9,400</b>	<b>0</b>	<b>-100</b>	<b>0.0%</b>	<b>-1.1%</b>
<b>TRANSPORTATION and WAREHOUSING</b>	<b>2,500</b>	<b>2,300</b>	<b>2,700</b>	<b>200</b>	<b>-200</b>	<b>8.7%</b>	<b>-7.4%</b>
<b>INFORMATION</b>	<b>1,300</b>	<b>1,400</b>	<b>1,300</b>	<b>-100</b>	<b>0</b>	<b>-7.1%</b>	<b>0.0%</b>
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>	<b>2,600</b>	<b>2,600</b>	<b>2,600</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>ALL OTHER SERVICES</b>	<b>25,300</b>	<b>25,400</b>	<b>25,200</b>	<b>-100</b>	<b>100</b>	<b>-0.4%</b>	<b>0.4%</b>
Professional and Business Services	4,500	4,400	4,500	100	0	2.3%	0.0%
Health Services and Social Assistance	10,600	10,700	10,700	-100	-100	-0.9%	-0.9%
Accommodation and Food Services	5,800	5,700	5,500	100	300	1.8%	5.5%
<b>GOVERNMENT</b>	<b>16,600</b>	<b>17,400</b>	<b>16,000</b>	<b>-800</b>	<b>600</b>	<b>-4.6%</b>	<b>3.8%</b>
Federal Government	1,400	1,300	1,400	100	0	7.7%	0.0%
State Government	2,800	3,100	2,700	-300	100	-9.7%	3.7%
Local Government	12,500	12,900	11,800	-400	700	-3.1%	5.9%
Workers in Labor Disputes	0	0	0	0	0	XXX	XXX

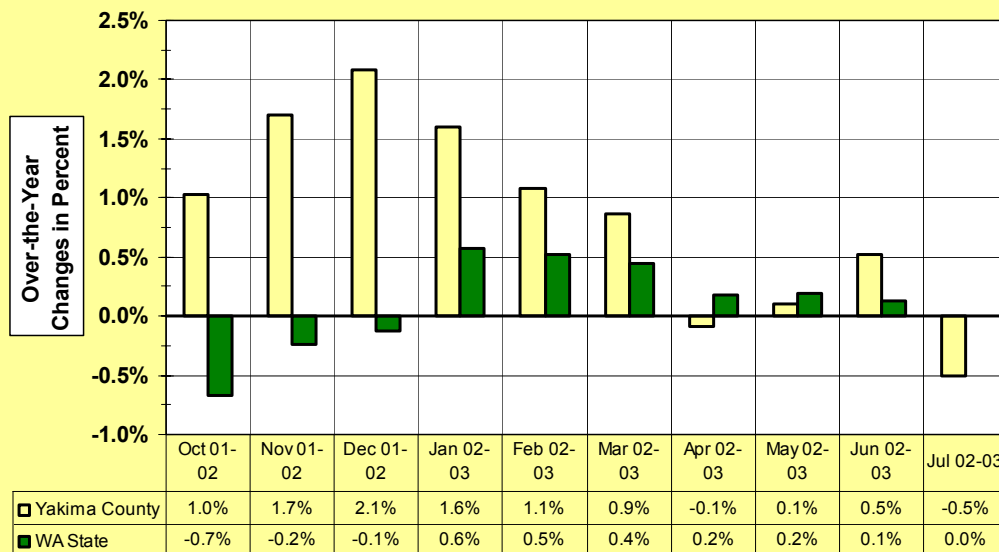
<sup>1</sup> Preliminary employment estimates.

<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.

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**Figure 1**  
**YAKIMA COUNTY versus WASHINGTON STATE:**  
**OVER-THE-YEAR EMPLOYMENT CHANGE RATES**  
(Prepared September 4, 2003)



**Figure 2**  
**UNEMPLOYMENT RATES IN YAKIMA COUNTY**  
**AND IN WASHINGTON FROM JANUARY 2001 TO JULY 2003**  
(Prepared August 12, 2003)

