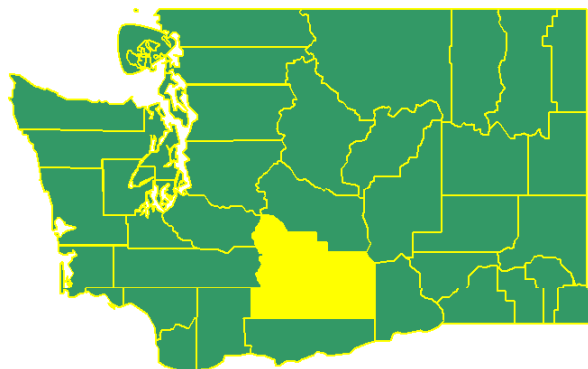


# The Yakima County Labor Economy (June 2003)



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**Total nonagricultural employment in Yakima County (also called the Yakima Metropolitan Statistical Area or MSA) grew by 1,100 new jobs this June, a substantial upturn of 1.5 percent, as shown in Table 1.** This year's cherry harvest has been phenomenally good. As of early August approximately 8.5 million boxes were picked statewide, and the figure is expected to grow to roughly 9 million boxes by the season's end. Although "nonagricultural" employment does not include jobs on local farms or in the orchards, it does include jobs in industries directly dependent on agriculture. Many trucking jobs (classified under Transportation and Warehousing) and numerous packing, sorting, and shipping jobs (classified under Wholesale Trade) are directly dependent on the size and profitability of the cherry and apple harvests. Thus, the over-the-month 600-job leap in Transportation and Warehousing and the 500-job advance in Wholesale Trade were primarily attributable to this year's bumper cherry crop.

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

**A comparison of the June 2002-June 2003 job growth rate in Yakima County (+0.7 percent) with that of the State (0.0 percent), shows the local economy is in relatively better shape.** Yakima County tallied 500 more nonagricultural jobs in June 2003 than in June

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2002. However, there is some cause for concern about the local economy. First, recent job gains have been concentrated in Local Government, and in Accommodation and Food Services. This means the rise in total nonagricultural employment is primarily reliant on these two industries. Second, the highly volatile food processing industry (i.e., Non-Durable Goods) recorded about 600 fewer jobs this June than during the same month one-year ago. Recent news for this industry tells of more rough waters ahead. According to the July 13<sup>th</sup> edition of *The Wenatchee World*, Del Monte will no longer process asparagus at their processing line in Toppenish after this season. Company officials said they plan to move asparagus production to Peru, where labor and other productions costs are less. According to the article, this decision “will eliminate 350 of the plant’s 700 seasonal positions in Toppenish.”

**As shown in Figure 2, over the year the Yakima County unemployment rate edged upwards from 9.1 percent to 9.7 percent.** In June 2003 the number of “unemployed” people increased to 11,300, which was 900 above last June’s level of 10,400. Nevertheless, the number of “employed” Yakima County residents expanded over the year by 1,600. More residents are estimated to be working in agricultural jobs this June than in June 2002 because of the strong demand for workers to harvest this year’s record cherry crop.

	Jun 2003 <sup>1</sup>	May 2003	Jun 2002	CHANGE <sup>3</sup>		% CHANGE	
				May 03 Jun 03	Jun 02 Jun 03	May 03 Jun 03	Jun 02 Jun 03
<b>TOTAL NONFARM<sup>2</sup></b>	<b>75,800</b>	<b>74,700</b>	<b>75,300</b>	<b>1,100</b>	<b>500</b>	<b>1.5%</b>	<b>0.7%</b>
<b>TOTAL PRIVATE</b>	<b>58,600</b>	<b>57,700</b>	<b>58,500</b>	<b>900</b>	<b>100</b>	<b>1.6%</b>	<b>0.2%</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>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>MANUFACTURING</b>	<b>9,700</b>	<b>10,100</b>	<b>10,200</b>	<b>-400</b>	<b>-500</b>	<b>-4.0%</b>	<b>-4.9%</b>
Durable Goods	4,500	4,300	4,400	200	100	4.7%	2.3%
Non-Durable Goods	5,200	5,800	5,800	-600	-600	-10.3%	-10.3%
<b>WHOLESALE TRADE</b>	<b>4,300</b>	<b>3,800</b>	<b>3,800</b>	<b>500</b>	<b>500</b>	<b>13.2%</b>	<b>13.2%</b>
<b>RETAIL TRADE</b>	<b>9,400</b>	<b>9,100</b>	<b>9,100</b>	<b>300</b>	<b>300</b>	<b>3.3%</b>	<b>3.3%</b>
<b>TRANSPORTATION and WAREHOUSING</b>	<b>2,500</b>	<b>1,900</b>	<b>2,800</b>	<b>600</b>	<b>-300</b>	<b>31.6%</b>	<b>-10.7%</b>
<b>INFORMATION</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>0</b>	<b>0</b>	<b>0.0%</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>25,400</b>	<b>25,500</b>	<b>25,200</b>	<b>-100</b>	<b>200</b>	<b>-0.4%</b>	<b>0.8%</b>
Professional and Business Services	4,400	4,400	4,500	0	-100	0.0%	-2.2%
Health Services and Social Assistance	10,800	10,800	10,900	0	-100	0.0%	-0.9%
Accommodation and Food Services	5,700	5,800	5,400	-100	300	-1.7%	5.6%
<b>GOVERNMENT</b>	<b>17,200</b>	<b>17,000</b>	<b>16,800</b>	<b>200</b>	<b>400</b>	<b>1.2%</b>	<b>2.4%</b>
Federal Government	1,300	1,300	1,400	0	-100	0.0%	-7.1%
State Government	3,100	3,000	3,100	100	0	3.3%	0.0%
Local Government	12,700	12,700	12,300	0	400	0.0%	3.3%
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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