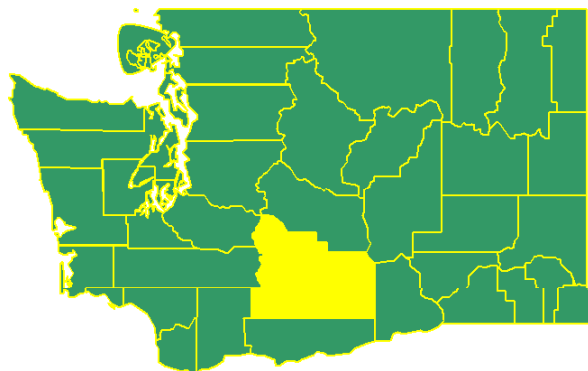


# The Yakima County Labor Economy (May 2003)



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## Nonagricultural Employment

Table 1 shows that during May 2003 total nonagricultural employment in Yakima County (also called the Yakima Metropolitan Statistical Area or MSA) added 1,800 new jobs, a substantial upturn of 2.5 percent. Most of this over-the-month increase occurred amongst manufacturers of non-durable goods (i.e., food processors). Some of these food processors laid-off workers in April but recalled them to work in May, which caused a huge drop in industry employment during April and a corresponding upswing this month. However, as shown in Table 1 the number of people employed in food processing during May 2003 was only slightly above the figure for the corresponding month last year.

Statewide, nonagricultural employment increased by 24,100 jobs in May, a 0.9-percent advance. Employers hired workers in such industries as Leisure and Hospitality (+7,200), Construction (+4,000), Retail Trade (+3,600), and Local Government (+3,400).

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 five months of 2003. Statewide, the job-growth pace was in the negative column until December 2002 when job gains matched job losses. In January of this year, Washington's labor economy started to turn the corner. Comparing statewide nonagricultural employment numbers this May with May 2002 yields an over-the-year growth rate of 0.1-percent. This is not a dramatic improvement, but when one considers that Washington's labor market lost jobs from May 2001 until December 2002, it is a step in the right direction.

Yakima County's economy started to post positive job-growth rates in September 2002, about three months before the State reached this break-even point. Job growth

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continued in October of last year up through March of 2003. However, between April 2002 and this April, the food processing industry experienced some temporary layoffs causing the total job growth rate to slip into the negative column. With the substantial rehiring in this industry during May 2003, everything was again virtually "in the black." Yakima County's total nonagricultural job growth-rate between May 2002 and May 2003 was a positive 0.9-percent.

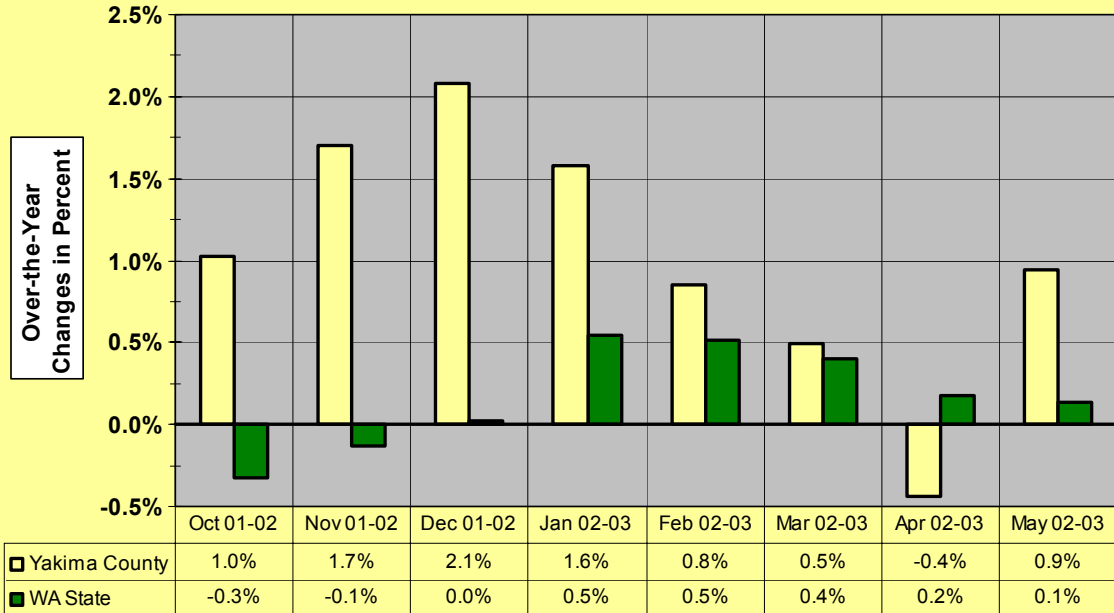
**Figure 2 quantitatively illustrates that between May 2002 and May 2003 total nonagricultural employment in Yakima County rose by about 700 jobs.** Local government accounted for 600 of these jobs. Almost 200 of the 600 new local government hires were in public primary and secondary schools. The balance came from tribal employment or from town, city, and county governments. It would be better news for the local labor market if this job growth were diversified amongst several industries. Also, as announced in *The Yakima Herald*, 75 workers were permanently laid off from Alexandria Moulding in Moxee on the 23<sup>rd</sup> of April. This event is reflected in the May 2003 employment figures and an over-the-year dip of 100 jobs under Durable Goods manufacturing (please see Table 1).

	May 2003 <sup>1</sup>	Apr 2003	May 2002	CHANGE <sup>3</sup>		% CHANGE	
				Apr 03 May 03	May 02 May 03	Apr 03 May 03	May 02 May 03
<b>TOTAL NONFARM<sup>2</sup></b>	<b>74,700</b>	<b>72,900</b>	<b>74,000</b>	<b>1,800</b>	<b>700</b>	<b>2.5%</b>	<b>0.9%</b>
<b>TOTAL PRIVATE</b>	<b>57,700</b>	<b>55,900</b>	<b>57,600</b>	<b>1,800</b>	<b>100</b>	<b>3.2%</b>	<b>0.2%</b>
<b>NATURAL RESOURCES, MINING, AND UTILITIES</b>	<b>400</b>	<b>300</b>	<b>400</b>	<b>100</b>	<b>0</b>	<b>33.3%</b>	<b>0.0%</b>
<b>CONSTRUCTION</b>	<b>3,000</b>	<b>2,800</b>	<b>3,000</b>	<b>200</b>	<b>0</b>	<b>7.1%</b>	<b>0.0%</b>
<b>MANUFACTURING</b>	<b>10,100</b>	<b>8,800</b>	<b>10,100</b>	<b>1,300</b>	<b>0</b>	<b>14.8%</b>	<b>0.0%</b>
Durable Goods	4,300	4,400	4,400	-100	-100	-2.3%	-2.3%
Non-Durable Goods	5,800	4,400	5,700	1,400	100	31.8%	1.8%
<b>WHOLESALE TRADE</b>	<b>3,800</b>	<b>3,900</b>	<b>3,700</b>	<b>-100</b>	<b>100</b>	<b>-2.6%</b>	<b>2.7%</b>
<b>RETAIL TRADE</b>	<b>9,100</b>	<b>9,000</b>	<b>9,100</b>	<b>100</b>	<b>0</b>	<b>1.1%</b>	<b>0.0%</b>
<b>TRANSPORTATION and WAREHOUSING</b>	<b>1,900</b>	<b>1,900</b>	<b>2,100</b>	<b>0</b>	<b>-200</b>	<b>0.0%</b>	<b>-9.5%</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>SERVICES</b>	<b>25,500</b>	<b>25,400</b>	<b>25,300</b>	<b>100</b>	<b>200</b>	<b>0.4%</b>	<b>0.8%</b>
Professional and Business Services	4,400	4,500	4,500	-100	-100	-2.2%	-2.2%
Health Services and Social Assistance	10,800	10,700	10,900	100	-100	0.9%	-0.9%
Accommodation and Food Services	5,800	5,700	5,400	100	400	1.8%	7.4%
<b>GOVERNMENT</b>	<b>17,000</b>	<b>16,900</b>	<b>16,500</b>	<b>100</b>	<b>500</b>	<b>0.6%</b>	<b>3.0%</b>
Federal Government	1,300	1,300	1,400	0	-100	0.0%	-7.1%
State Government	3,000	3,000	3,000	0	0	0.0%	0.0%
Local Government	12,700	12,600	12,100	100	600	0.8%	5.0%
Workers in Labor Disputes	0	0	0	0	0	XXX	XXX

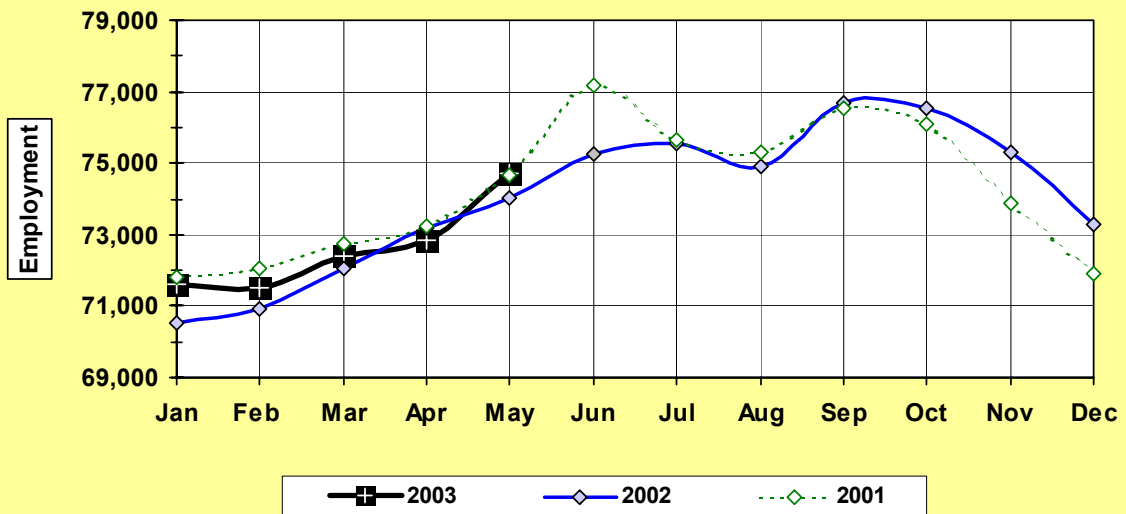
<sup>1</sup> Preliminary employment estimates.  
<sup>2</sup> Excludes proprietors, the self-employed, members of the Armed Services, unpaid family members, workers in private households, and agricultural workers. Includes all full and part-time wage and salary workers receiving pay during the pay period 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 (OTY) EMPLOYMENT CHANGE RATES  
(Prepared July 9, 2003)



**Figure 2**  
YAKIMA COUNTY: COMPARISON OF TOTAL NONAGRICULTURAL  
EMPLOYMENT FROM JANUARY 2001 TO MAY 2003  
(Prepared July 8, 2003)



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**Unemployment**

Over the year, the Yakima County unemployment rate edged downwards from 10.2 percent to 10.0 percent. This 0.2-percentage points decrease in the rate since May 2002 is not that significant. In May 2003 the number of “unemployed” dropped to 10,700 people, which was 200 below last May’s level of 10,900. Conversely, the number of “employed” Yakima County residents expanded over the year by 900, to an estimated 96,900 people. Nonagricultural employment grew by 700 jobs in this period (see Table 1), and agricultural employment was estimated to have stagnated since May of 2002. In summary, there has not been a significant change in Yakima’s County’s unemployment statistics over the year.

