



Yakima MSA (Yakima County) Labor Area Summary April 2013

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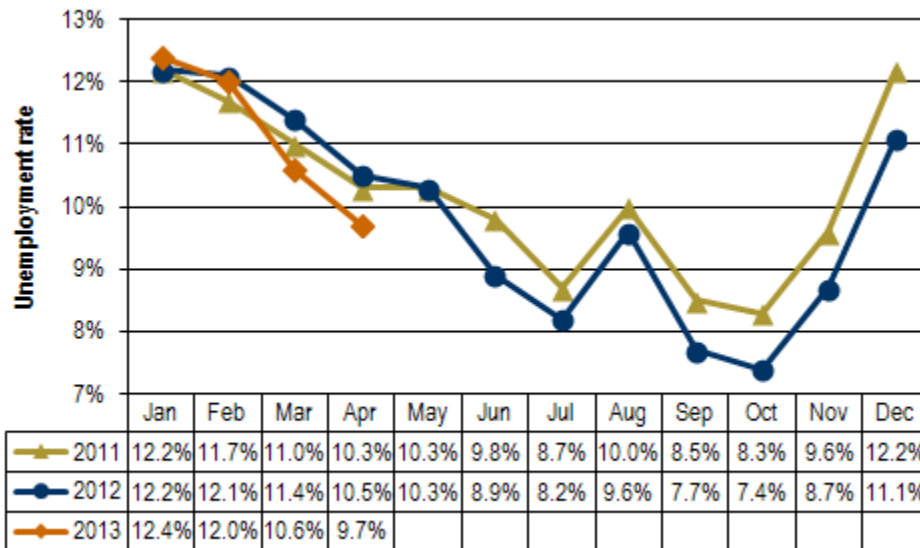
Overview

This report provides a current update on the Yakima County economy. It incorporates the most recent, not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year changes (i.e., between April 2012 and April 2013) in unemployment and on year-over-year employment trends in Yakima County's major industries.

Unemployment rates

Washington state's annual average unemployment rate decreased one full percentage point between 2011 and 2012, from 9.2 percent to 8.2 percent. Between the Aprils of 2012 and 2013 the rate fell from 8.0 to 6.5 percent, a one and five-tenths percentage point drop. The annual average unemployment rate in Yakima County decreased four-tenths of a percentage point between 2011 and 2012, from 10.2 to 9.8 percent. It decreased eight-tenths of a point this April to 9.7 percent, from the 10.5 percent reading in April 2012. Yakima County's unemployment rate has registered year-over-year declines in ten out of the previous eleven months (i.e., from June 2012 through April 2013). These year-over-year declines in the rate indicate that the local labor market that has taken several small steps in the right direction during this eleven-month period.

Figure 1. Unemployment rates, not seasonally adjusted
 Yakima County, January 2011 through April 2013
 Source: Employment Security Department/LMEA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



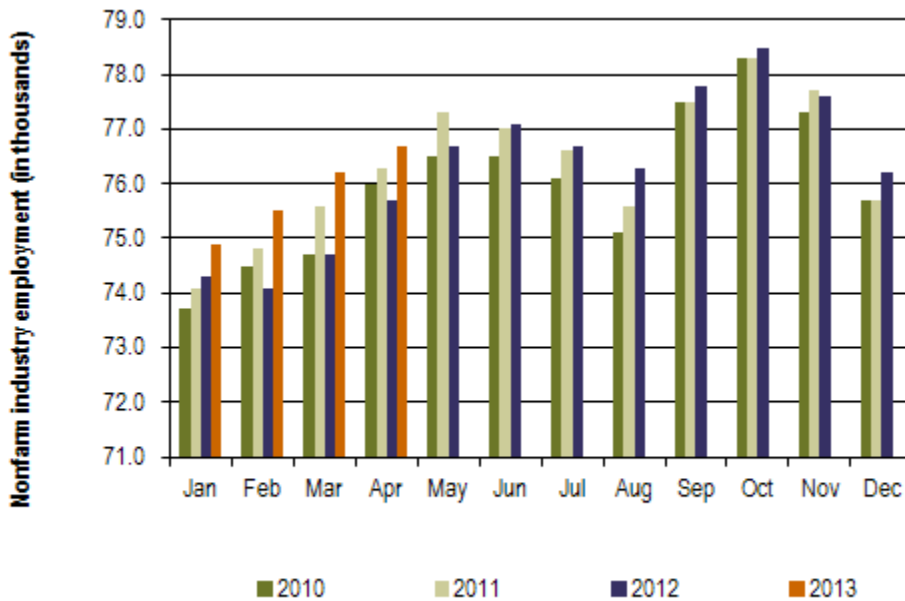
Yakima County's unemployment rate decreased eight-tenths of a point between April 2012 and April 2013.

Total nonfarm employment

Businesses and government organizations across Washington supplied 2,918,000 nonfarm jobs this April (not seasonally adjusted), compared to 2,850,800 jobs in April 2012. This equated to a 2.4 percent over-the-year statewide employment increase. Washington's labor market has been growing for 31 months (from October 2010 through April 2013).

Nonfarm employers in Yakima County provided 76,700 nonfarm jobs in April 2013, a 1,000-job and 1.3-percent expansion from the 75,700 jobs in April 2012 (as shown in *Figure 2*). Yakima County's nonfarm labor market has posted year-over-year growth for the last five consecutive months.

Figure 2. Nonfarm industry employment
 Yakima County, January 2010 through April 2013
 Source: Employment Security Department/LMEA



Nonfarm employment in Yakima County increased 1.3 percent from April 2012 to April 2013.

Employment and unemployment

Washington's Civilian Labor Force (CLF) stabilized in 2012, following a 1.0 percent and 33,770-resident decrease in the labor force in 2011. However, the labor force decreased year over year during the last five calendar months of 2012 – a weak finish to the year. The CLF also downsized in the first three months of 2013, before stabilizing this April. Washington's labor force was estimated to be 3,468,930 in April 2013, virtually identical to the 3,469,660 residents in the labor force in April of last year. The bottom line: the State's labor force has either stagnated or contracted year over year in each of the past nine months.

On an annual average basis: Yakima County's CLF expanded 1.9 percent in 2012, following a 1.9 percent decrease in 2011. However, the local labor force declined in three of the last four months. There were approximately 119,520 Yakima County residents in the labor force in April 2013, a 0.5-percent decrease from the 120,170 residents in the CLF in April 2012 (as shown in *Figure 3*).

Figure 3. Labor force and industry employment, not seasonally adjusted
 Yakima County, April 2012 and April 2013
 Source: Employment Security Department/LMEA

Yakima County	Preliminary Apr-13	Revised Mar-13	Revised Apr-12	Change		
				Mar-13 Apr-13	Apr-12 Apr-13	Apr-12 Apr-13 %
Labor force and unemployment						
Civilian labor force	119,520	121,810	120,170	-2,290	-650	-0.5%
Resident employment	107,970	108,860	107,610	-890	360	0.3%
Unemployment	11,550	12,950	12,560	-1,400	-1,010	-8.0%
Unemployment rate	9.7	10.6	10.5	-0.9	-0.8	
Industry employment (numbers are in thousands)						
Total Nonfarm ¹	76.7	76.2	75.7	0.5	1.0	1.3%
Total Private	59.5	58.9	58.4	0.6	1.1	1.9%
Goods Producing	10.8	10.5	10.3	0.3	0.5	4.9%
Mining, Logging, and Construction	3.1	2.9	2.8	0.2	0.3	10.7%
Manufacturing	7.7	7.6	7.5	0.1	0.2	2.7%
Nondurable Goods	5.0	4.9	4.9	0.1	0.1	2.0%
Service Providing	65.9	65.7	65.4	0.2	0.5	0.8%
Private Service Providing	48.7	48.4	48.1	0.3	0.6	1.2%
Trade, Transportation, and Utilities	17.9	17.7	16.9	0.2	1.0	5.9%
Wholesale Trade	4.2	4.2	4.0	0.0	0.2	5.0%
Retail Trade	10.5	10.3	9.9	0.2	0.6	6.1%
Transportation and Utilities	3.2	3.2	3.0	0.0	0.2	6.7%
Professional and Business Services	3.8	3.8	4.1	0.0	-0.3	-7.3%
Education and Health Services	14.2	14.2	14.2	0.0	0.0	0.0%
Health Care and Social Assistance	13.0	12.9	13.1	0.1	-0.1	-0.8%
Leisure and Hospitality	6.8	6.6	6.8	0.2	0.0	0.0%
Food Services	4.9	4.8	4.6	0.1	0.3	6.5%
Government	17.2	17.3	17.3	-0.1	-0.1	-0.6%
Federal Government	1.2	1.2	1.2	0.0	0.0	0.0%
State Government	2.7	2.8	2.8	-0.1	-0.1	-3.6%
Local Government	13.3	13.3	13.3	0.0	0.0	0.0%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	
¹ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding.						

Between the Aprils of 2012 and 2013, the Yakima County nonfarm labor market added 1,000 jobs, a 1.3-percent upturn.

Nonfarm industry employment

Preliminary estimates shown in Figure 3 indicate that in Yakima County nonfarm employers provided 76,700 nonfarm jobs in April 2013, a 1,000-job and 1.3-percent increase from the 75,700 jobs provided in April of last year. Highlights of year-over-year changes in selected industries follow:

- Mining, logging, and construction employment increased 10.7 percent (up 300 jobs), from 2,800 jobs in April 2012 to 3,100 this April. Most jobs in this combined category are in construction. Yakima County's construction industry lost jobs year-over-year, in almost every month, for 44 consecutive months (i.e., from September 2008-April 2012). However, this industry "turned the corner" in mid-2012 by adding jobs in June and July; and then registered solid year-over-year gains in every month since November 2012. That equates to six months of job growth (i.e., from November 2012 through April 2013. More good news: according to the April 2013 *Headwaters – the Source* newsletter published by KMW Enterprises LLC in Selah, WA, the number of residential and commercial real estate sales across Yakima County rose from 755 from January through April 2012 to 787 during the first four months of 2013, a 4.2-percent upturn. The value of these commercial and residential sales also increased, from \$135.8-million for January through April 2012 to \$150.9-million in the first four months of 2013, an 11.2-percent expansion. The average home price in Yakima County increased from \$161,041 to \$163,149, a 1.3-percent upturn, between the first four months of 2012 and the corresponding period in 2013.
- Nondurable goods manufacturers (primarily food processing companies) netted 100 more jobs this April (up 2.0 percent), as employment rose from 4,900 in April 2012 to 5,000 in April 2013. This over-the-year employment upturn in nondurable goods manufacturing illustrates the effect that Yakima County's agricultural sector exerts on the nonfarm sector.
- Wholesale trade employment rose from 4,000 in April 2012 to 4,200 in April 2013, a 5.0-percent increase. Many wholesale trade jobs in Yakima County are at fresh fruit packinghouses. The large apple crop in 2012 meant more apples needed to be sorted, packed, and shipped from packinghouse to market, with a corresponding greater need for labor. The February 2013 *Agricultural Employment Labor and Wages* report published by the Labor Market and Economic Analysis (LMEA) branch of Washington's Employment Security Department stated that "Sales of Washington's largest apple crop (in 2012) continue at a record pace and high prices. The crop is now estimated at 129.5-million boxes. Prices have been at record highs all season and, as of February 2, stood at \$26.41 per box, as the average of all varieties season-to-date compared with \$22.97 a year ago and \$20.02 two years ago."
- Retail trade gained 600 jobs between the Aprils of 2012 and 2013, a 6.1-percent increase. On an annual average basis, this industry saw the number of part- and full-time jobs at local retail trade stores rise from 10,100 in 2011 to 10,200 in 2012, a 0.9-percent upturn.
- Professional and business services decreased by 300 jobs between April 2012 and April 2013. This employment category provided 3,800 jobs this April and includes legal offices, accounting and tax preparation firms, temporary job placement agencies, call centers, etc.
- Preliminary estimates indicate that state government employment decreased 3.6 percent between the Aprils of 2012 and 2013, as the number of workers dwindled from 2,800 to 2,700 (as shown in Figure 3). On an annual average basis, state government organizations and federal government organizations each lost nearly 100 jobs between 2011 and 2012.