



# Yakima MSA (Yakima County) Labor Area Summary June 2016

Donald W. Meseck, Regional Labor Economist  
 Employment Security Department  
 Yakima WorkSource, 306 Division Street, Yakima, WA 98902  
 Phone: (509) 573-4564; E-mail: [dmeseck@esd.wa.gov](mailto:dmeseck@esd.wa.gov)  
 Website: <https://fortress.wa.gov/esd/employmentdata/>

## Overview

This report provides an update on the Yakima County economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between June 2015 and June 2016) and average annual (between 2014 and 2015) changes in the labor market.

## Unemployment rates

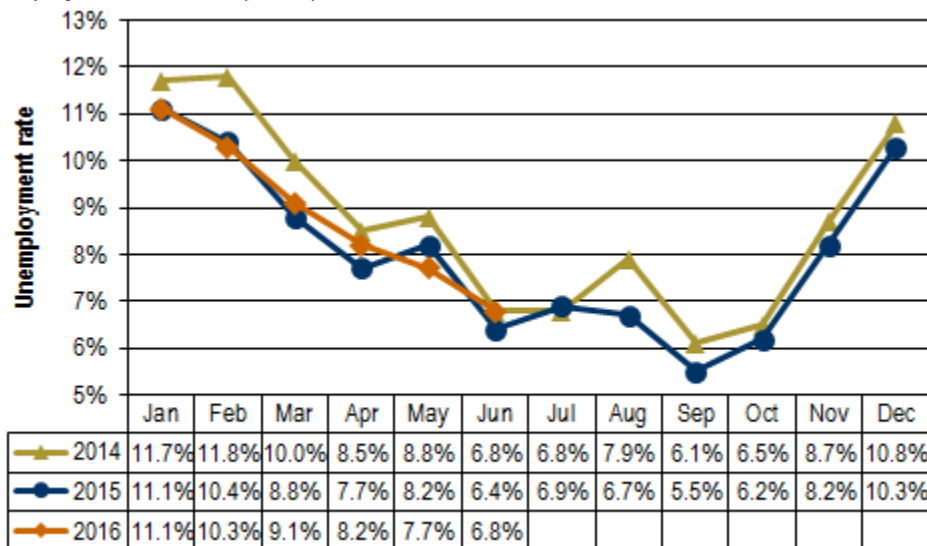
Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate fell four-tenths of a point between 2014 and 2015, from 6.1 percent to 5.7 percent. Between the Junes of 2015 and 2016 the rate rose from 5.4 to 5.6 percent, up two-tenths of a point.

In Yakima County, the not seasonally adjusted average annual unemployment rate decreased six-tenths of a percentage point between 2014 and 2015, from 8.6 to 8.0 percent. The monthly unemployment rate elevated four-tenths of a point in June 2016 to 6.8 percent from the 6.4 percent reading in June 2015 (see *Figure 1*) as the labor force expanded modestly while the number of unemployed increased sharply.

**Figure 1.** Unemployment rates, not seasonally adjusted

Yakima County, January 2014 through June 2016

Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



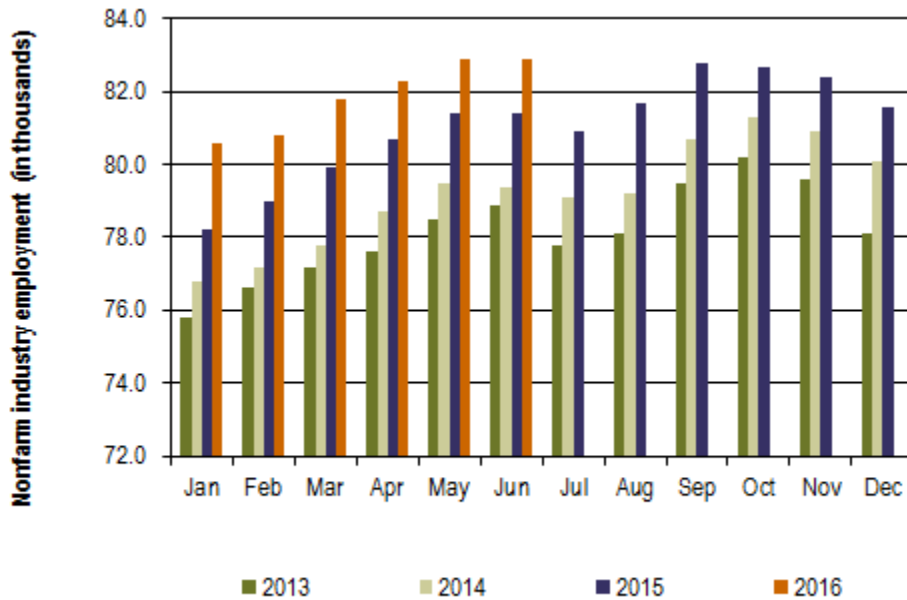
*Yakima County's unemployment rate rose four-tenths of a percentage point between June 2015 and June 2016.*

## Total nonfarm employment

Between 2014 and 2015, Washington's labor market provided 85,100 new nonfarm jobs, an annual average increase of 2.8 percent. This June, businesses and government organizations across Washington supplied 3,266,400 nonfarm jobs (not seasonally adjusted), compared to 3,169,500 jobs in June 2015, a 3.1 percent year-over-year employment increase. The state's economy has posted year-over-year nonfarm employment increases for the past 69 consecutive months (October 2010 through June 2016).

The Yakima County nonfarm labor market added 1,800 jobs between 2014 and 2015, an average annual increase of 2.3 percent. On a monthly basis, Yakima County's employment has registered year-over-year increases for the past 43 consecutive months (December 2012 through June 2016) although job growth rates have been less robust than Washington's for the past ten months (September 2015 through June 2016). The local nonfarm market provided 82,900 jobs in June 2016 versus 81,400 in the corresponding month in 2015, a 1,500 job and 1.8 percent upturn (see *Figure 3*).

**Figure 2. Nonfarm industry employment, not seasonally adjusted**  
 Yakima County, January 2013 through June 2016  
 Source: Employment Security Department/LMPA



*Nonfarm employment in Yakima County increased 1.8 percent from June 2015 to June 2016.*

## Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 50,156 residents (a 1.4 percent upturn) from 2014 to 2015. The state's labor force has increased, year over year, for the past 30 months (January 2014 through June 2016). In June 2016, Washington's CLF tallied 3,630,577 residents versus 3,556,723 in June 2015 equating to 73,854 more Washingtonians in the labor force (up 2.1 percent).

Yakima County's CLF expanded 2.1 percent between 2014 (119,501 residents) and 2015 (122,052 residents). The CLF increased a modest 2.9 percent between the Junes of 2015 and 2016, rising from 127,892 to 131,583 residents (meaning that 3,691 more residents were in the labor force). The county's labor force has expanded, year over year, for the past 24 months (July 2014 through June 2016). However, the number of unemployed residents increased sharply (up 10.0 percent), by 817 residents, to 8,974 this June versus 8,157 in June 2015. The result was that Yakima County's unemployment rate increased four-tenths of a percentage point, from 6.4 percent in June 2015 to 6.8 percent in June 2016 (see *Figure 3*).

**Figure 3. Labor force and industry employment, not seasonally adjusted**  
 Yakima County, June 2015, May and June 2016  
 Source: Employment Security Department/LMPA

Yakima County	Preliminary Jun-16	Revised May-16	Revised Jun-15	Change		
				May-16	Jun-15	Jun-15
				Jun-16	Jun-16	Jun-16 %
<b>Labor force and unemployment</b>						
Civilian labor force	131,583	121,531	127,892	10,052	3,691	2.9%
Resident employment	122,609	112,231	119,735	10,378	2,874	2.4%
Unemployment	8,974	9,300	8,157	-326	817	10.0%
Unemployment rate	6.8	7.7	6.4	-0.9	0.4	
<b>Industry employment (numbers are in thousands)</b>						
Total nonfarm <sup>1</sup>	82.9	82.9	81.4	0.0	1.5	1.8%
Total private	65.2	65.0	64.0	0.2	1.2	1.9%
Goods producing	12.2	11.9	12.2	0.3	0.0	0.0%
Mining, logging and construction	4.0	3.9	3.8	0.1	0.2	5.3%
Manufacturing	8.2	8.0	8.4	0.2	-0.2	-2.4%
Nondurable goods	5.3	5.0	5.4	0.3	-0.1	-1.9%
Service providing	70.7	71.0	69.2	-0.3	1.5	2.2%
Private service providing	53.0	53.1	51.8	-0.1	1.2	2.3%
Trade, transportation and utilities	19.6	19.3	18.6	0.3	1.0	5.4%
Wholesale trade	4.6	4.6	4.6	0.0	0.0	0.0%
Retail trade	10.8	10.6	10.5	0.2	0.3	2.9%
Transportation and utilities	4.2	4.1	3.5	0.1	0.7	20.0%
Professional and business services	4.0	3.9	3.7	0.1	0.3	8.1%
Education and health services	16.3	16.6	16.2	-0.3	0.1	0.6%
Health care and social assistance	15.2	15.3	15.7	-0.1	-0.5	-3.2%
Leisure and hospitality	7.7	7.5	7.4	0.2	0.3	4.1%
Food services	5.7	5.6	5.6	0.1	0.1	1.8%
Government	17.7	17.9	17.4	-0.2	0.3	1.7%
Federal government	1.3	1.2	1.2	0.1	0.1	8.3%
State government	2.7	3.0	2.6	-0.3	0.1	3.8%
Local government	13.7	13.7	13.6	0.0	0.1	0.7%
Workers in labor/management disputes	0.0	0.0	0.0	0.0	0.0	
<sup>1</sup> 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 Junes of 2015 and 2016, the Yakima County nonfarm labor market gained 1,500 jobs, a 1.8 percent increase.

## Nonfarm industry employment

Not seasonally adjusted estimates show that Yakima County's employment rose modestly to 82,900 in June 2016 from the 81,400 jobs tallied in June 2015, a 1,500 job and 1.8 percent increase, less robust than the 3.1 percent nonfarm growth pace statewide. Highlights of year-over-year changes follow (as shown in *Figure 3*):

- Construction employment advanced by 200 jobs (up 5.3 percent) countywide between June 2015 and June 2016. Mining, logging and construction tallied 3,800 jobs in June 2015 versus 4,000 this June, with construction accounting for the lion's share of the jobs in this combined category. Yakima County's construction industry has been growing for 35 months (from August 2013 through June 2016). Commercial and residential sales, in terms of dollars, rose in Yakima County during the first six months of 2016 versus January through June 2015. The June 2016 edition of *Headwaters – the Source* newsletter published by KMW Enterprises LLC in Selah, WA stated that the value of commercial and residential sales countywide increased 2.9 percent, from \$392.0-million from January through June 2015 to \$403.4-million in the corresponding six-month period this year. The number of commercial and residential sales rose a marginal 1.5 percent, from 1,719 from January through June 2015 to 1,745 in the first half of 2016. The average home price increased from \$178,200 in June 2015 to \$190,595 this June, a 7.0 percent uptrend.
- Transportation and utilities (which includes trucking, warehousing and storage businesses) provided 4,200 jobs countywide in June 2016 versus 3,500 in June 2015, a 700 job and 20.0 percent year over year jump in employment. Transportation and private utilities businesses in Yakima County have registered year-over-year job growth for the past 20 months (from November 2014 through June 2016) and have been adding jobs at a faster clip than the state for the past eleven months (August 2015 through June 2016). Across Washington, the transportation and warehousing industry climbed from 100,700 jobs in June 2015 to 107,400 this June, generating 6,700 new jobs (up 6.7 percent).
- Employment in private health care and social assistance in Yakima County has retrenched, year over year, for the past twelve months (July 2015 through June 2016). This June, health care and social assistance tallied 15,200 jobs versus 15,700 in June 2015, a 500 job and 3.2 percent downturn. However, it should be noted that this category does not include health services jobs at public ambulatory care providers, clinics and hospitals where jobs are tallied under the local government category. Conversely, Washington's health care and social assistance providers have added jobs for ten months (September 2015 through June 2016).

## Agricultural employment/production

The Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department provides agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. Frequently termed "covered" or "QCEW" data, this information provides a reliable data set for comparing employment and wage trends in major industries at the county level. In August 2015 preliminary annual average QCEW data for calendar year 2014 became available. An analysis of employment changes from 2004 through 2014 shows that in Yakima County:

- Total covered employment rose from 93,988 in 2004 to 106,613 in 2014, a 12,625 job and 13.4 percent upturn. The number of agricultural jobs (a subset of total covered employment) increased from 20,057 in 2004 to 29,331 in 2014, a 9,274 job and 46.2 percent uptrend. In 2004 Yakima County's agricultural industry accounted for 21.3 percent of total covered employment. In 2014 agricultural employment accounted for 27.5 percent of total covered employment countywide. Hence, agricultural employment rose 6.2 percentage points (from 21.3 to 27.5 percent) in Yakima County during this eleven-year (inclusive) period.
- Total covered wages rose from \$2.49 billion (in 2004) to \$3.69 billion (in 2014) a \$1.20 billion and 48.2 percent upturn. The agricultural payroll (a subset of total covered wages) advanced from \$346.8 million in 2004 to \$775.2 million in 2014, a \$428.4 million and 123.5 percent uptrend. In 2004 Yakima County's agricultural industry accounted for 13.9 percent of total covered wages. In 2014 agricultural wages accounted for 21.0 percent of total covered payroll countywide. Hence, agricultural wages rose 7.1 percentage points (from 13.9 to 21.0 percent) in Yakima County during this eleven-year (inclusive) period.