



# Yakima MSA (Yakima County) Labor Area Summary November 2017

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## Overview

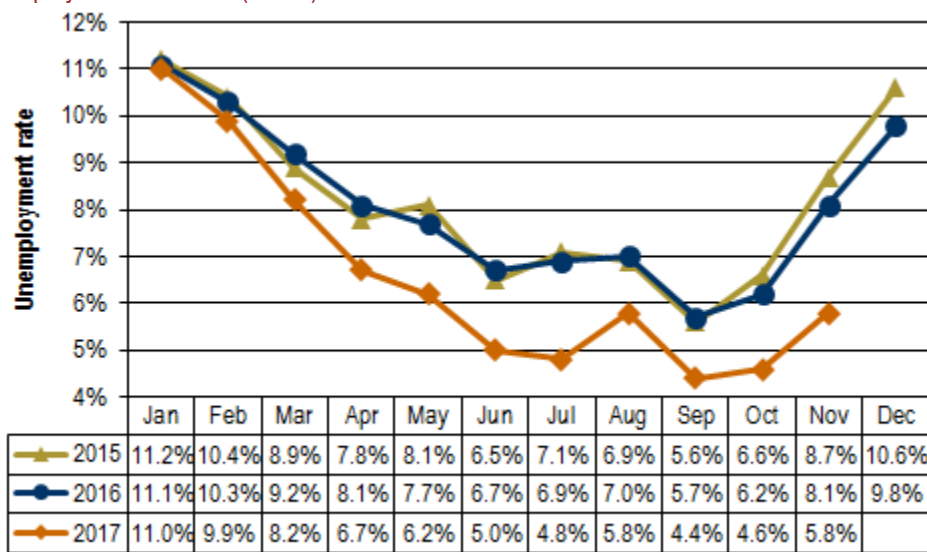
This report provides an update on the Yakima County economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year over year (between November 2016 and November 2017) and average annual (between 2015 and 2016) changes in the labor market.

## Unemployment rates

Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate dipped two-tenths of a point between 2015 and 2016, from 5.6 percent to 5.4 percent. Between the Novembers of 2016 and 2017 the rate fell six-tenths of a point, from 5.1 to 4.5 percent.

In Yakima County, the not seasonally adjusted average annual unemployment rate decreased one-tenth of a percentage point between 2015 and 2016, from 8.1 to 8.0 percent. The unemployment rate fell from 8.1 percent in November 2016 to 5.8 percent in November 2017, a sharp two and three-tenth points drop (see *Figure 1*) as the number of residents entering the labor force increased modestly while the number of unemployed decreased appreciably (see *Figure 3*) – a step in the right direction for the local economy.

**Figure 1.** Unemployment rates, not seasonally adjusted  
 Yakima County, January 2015 through November 2017  
 Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



*Yakima County’s unemployment rate plummeted two and three-tenths percentage points between the Novembers of 2016 and 2017.*

## Total nonfarm employment

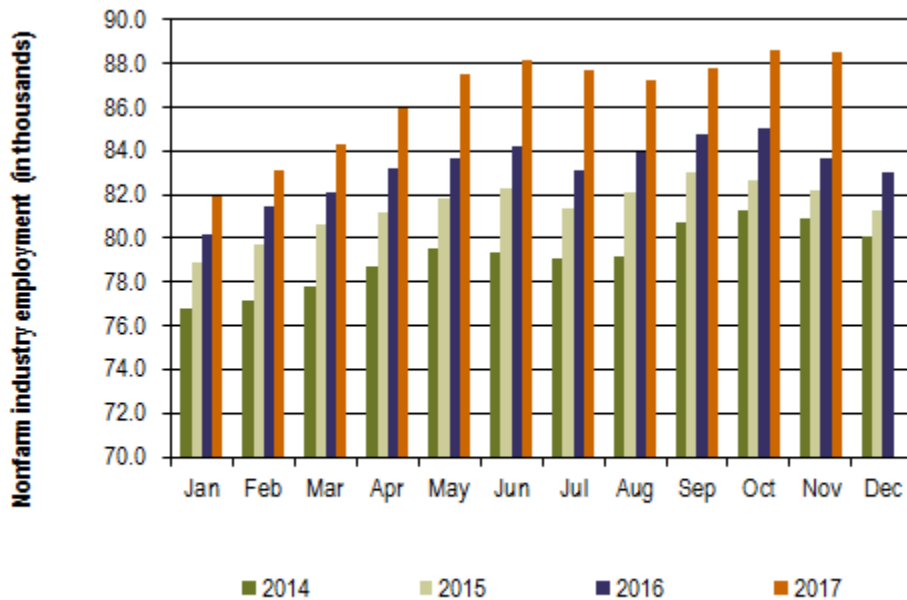
Between 2015 and 2016, Washington's labor market provided 96,600 new nonfarm jobs, an annual average increase of 3.1 percent. This November, businesses and government organizations across Washington supplied 3,389,600 nonfarm jobs (not seasonally adjusted), compared to 3,291,700 jobs in November 2016, a 3.0 percent year over year employment increase. The state's economy has posted year over year nonfarm employment increases for the past 86 consecutive months (October 2010 through November 2017).

The Yakima County nonfarm labor market added 1,800 jobs between 2015 and 2016, an average annual increase of 2.2 percent. Year over year, Yakima County's nonfarm labor market has been growing for the past 60 months (December 2012 through November 2017). The local nonfarm market provided 88,500 jobs in November 2017 versus 83,700 in the corresponding month in 2016, a 4,800 job and 5.7 percent upturn.

**Figure 2.** Nonfarm industry employment, not seasonally adjusted

Yakima County, January 2014 through November 2017

Source: Employment Security Department/LMPA



*The number of nonfarm jobs in Yakima County increased 5.7 percent from November 2016 to November 2017.*

## Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 98,209 residents (a 2.8 percent upturn) from 2015 to 2016. The state's labor force has increased, year over year, for the past 46 months (February 2014 through November 2017). In November 2017, Washington's CLF tallied 3,775,995 residents versus 3,671,129 in November 2016 equating to 84,866 more Washingtonians in the labor force (up 2.3 percent).

Yakima County's CLF increased 3.3 percent between 2015 (121,733 residents) and 2016 (125,794 residents). The county's labor force has expanded for the past 24 months, growing 0.6 percent between the Novembers of 2016 and 2017, from 123,177 to 123,865 residents, equating to 688 more residents in the CLF this November. Simultaneously, the number of unemployed residents plummeted 28.1 percent and by 2,805 residents, to 7,163 in November 2017 from 9,968 in November 2016. Yakima County's unemployment rate plummeted from 8.1 percent in November 2016 to 5.8 percent this November (see *Figure 3*) and the rate has been posting year over year declines now for the past 14 months (October 2016 through November 2017). The November 2017 unemployment rate for Yakima County is the lowest reading for the month of November since electronic records were implemented in 1990 – 27 years ago.

**Figure 3. Labor force and industry employment, not seasonally adjusted**  
 Yakima County, November 2016, October and November 2017  
 Source: Employment Security Department/LMPA

Yakima County	Preliminary Nov-17	Revised Oct-17	Revised Nov-16	Change		
				Oct-17 Nov-17	Nov-16 Nov-17	Nov-16 Nov-17 %
<b>Labor force and unemployment</b>						
Civilian labor force	123,865	132,140	123,177	-8,275	688	0.6%
Resident employment	116,702	126,060	113,209	-9,358	3,493	3.1%
Unemployment	7,163	6,080	9,968	1,083	-2,805	-28.1%
Unemployment rate	5.8	4.6	8.1	1.2	-2.3	
<b>Industry employment (numbers are in thousands)</b>						
Total nonfarm <sup>1</sup>	88.5	88.6	83.7	-0.1	4.8	5.7%
Total private	69.7	70.2	65.9	-0.5	3.8	5.8%
Goods producing	13.0	13.3	12.2	-0.3	0.8	6.6%
Mining, logging and construction	4.0	4.1	3.8	-0.1	0.2	5.3%
Manufacturing	9.0	9.2	8.4	-0.2	0.6	7.1%
Nondurable goods	5.8	6.0	5.3	-0.2	0.5	9.4%
Service providing	75.5	75.3	71.5	0.2	4.0	5.6%
Private service providing	56.7	56.9	53.7	-0.2	3.0	5.6%
Trade, transportation and utilities	20.0	19.8	19.6	0.2	0.4	2.0%
Wholesale trade	4.8	4.8	4.5	0.0	0.3	6.7%
Retail trade	11.4	11.2	11.4	0.2	0.0	0.0%
Transportation and utilities	3.8	3.8	3.7	0.0	0.1	2.7%
Professional and business services	5.9	5.9	3.9	0.0	2.0	51.3%
Education and health services	17.6	17.5	16.9	0.1	0.7	4.1%
Health care and social assistance	16.1	16.0	15.5	0.1	0.6	3.9%
Leisure and hospitality	7.6	7.8	7.5	-0.2	0.1	1.3%
Food services	5.9	5.9	5.8	0.0	0.1	1.7%
Government	18.8	18.4	17.8	0.4	1.0	5.6%
Federal government	1.2	1.3	1.2	-0.1	0.0	0.0%
State government	3.0	2.8	2.8	0.2	0.2	7.1%
Local government	14.6	14.3	13.8	0.3	0.8	5.8%
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 Novembers of 2016 and 2017, the Yakima County nonfarm labor market gained 4,800 jobs, a 5.7 percent upturn.*

## Nonfarm industry employment

Not seasonally adjusted estimates show that Yakima County's nonfarm employment jumped to 88,500 in November 2017 from the 83,700 jobs tallied in November 2016, a 5.7 percent increase, more robust than the 3.0 percent growth pace statewide. Highlights of year-over-year changes follow (as shown in *Figure 3*):

- Despite a slow start in the first four months of this year, employment in Yakima County's construction industry has posted year-over-year gains for the past seven months (May through November 2017). Mining, logging and construction tallied 4,000 jobs in November 2017 versus 3,800 in November 2016, with construction accounting for the lion's share of the employment in this combined category. Commercial and residential sales rose in Yakima County in the first eleven months of 2017 versus 2016. The November 2017 edition of *Headwaters – the Source* newsletter published by KMW Enterprises LLC in Selah, WA stated that the value of commercial and residential sales countywide jumped 21.6 percent, from \$763.1-million in the first eleven months of 2016 to \$928.1-million in the corresponding timeframe this year. The number of commercial and residential sales increased 1.5 percent, from 3,520 between January and November 2016 to 3,572 in the corresponding eleven-month period of 2017. The average home price across Yakima County rose from \$193,814 in November 2016 to \$214,252 this November, a 10.5 percent upturn.
- Yakima County's professional and business services industry added 2,000 jobs (up 51.3 percent) between the Novembers of 2016 and 2017. Professional and business services in Yakima County has registered year-over-year job growth now for the past 23 months (January 2016 through November 2017). This employment category consists of a diverse set of niche industries, ranging from computer systems design and accounting/tax preparation services to landscaping and janitorial services, legal services and temporary employment services. Professional and business services is the umbrella industry of businesses that support other businesses. Within professional and business services, temporary employment services is likely accounting for the lion's share of this employment surge - an encouraging economic indicator. Statewide, professional and business services has been rising for the past 91 months (from May 2010 through November 2017).
- Local government (which includes tribal employment) across Yakima County netted 800 more jobs (up 5.8 percent) in November 2017 than in November 2016. Local government organizations tallied 14,600 jobs in November 2017 compared with 13,800 in November 2016. Statewide, the number of local government jobs has increased for 52 months (August 2013 through November 2017).

## 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 September 2017 revised annual average QCEW data for calendar year 2016 became available. An analysis of employment changes from 2004 through 2016 shows that in Yakima County:

- Total covered employment rose from 93,988 in 2004 to 111,531 in 2016, a 17,543 job and 18.7 percent upturn. The number of agricultural jobs (a subset of total covered employment) increased from 20,057 in 2004 to 31,360 in 2016, an 11,303 job and 56.4 percent uptrend. In 2004 Yakima County's agricultural industry accounted for 21.3 percent of total covered employment. In 2016 agricultural employment accounted for 28.1 percent of total covered employment countywide. Hence, the agricultural share of employment rose 6.8 percentage points (from 21.3 to 28.1 percent) in Yakima County during these twelve years.
- Total covered wages rose from \$2.49 billion in 2004 to \$4.09 billion in 2016 a \$1.60 billion and 64.2 percent upturn. The agricultural payroll (a subset of total covered wages) advanced from \$346.8 million in 2004 to \$892.1 million in 2016, a \$545.3 million and 157.2 percent uptrend. In 2004 Yakima County's agricultural industry accounted for 13.9 percent of total covered wages. In 2016 agricultural wages accounted for 21.8 percent of total covered payroll countywide. Hence, the agricultural share of wages rose 7.9 percentage points (from 13.9 to 21.8 percent) in Yakima County during these twelve years.