



Yakima MSA (Yakima County) Labor Area Summary July 2015

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
 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 July 2014 and July 2015) and average annual (between 2013 and 2014) changes in the labor market.

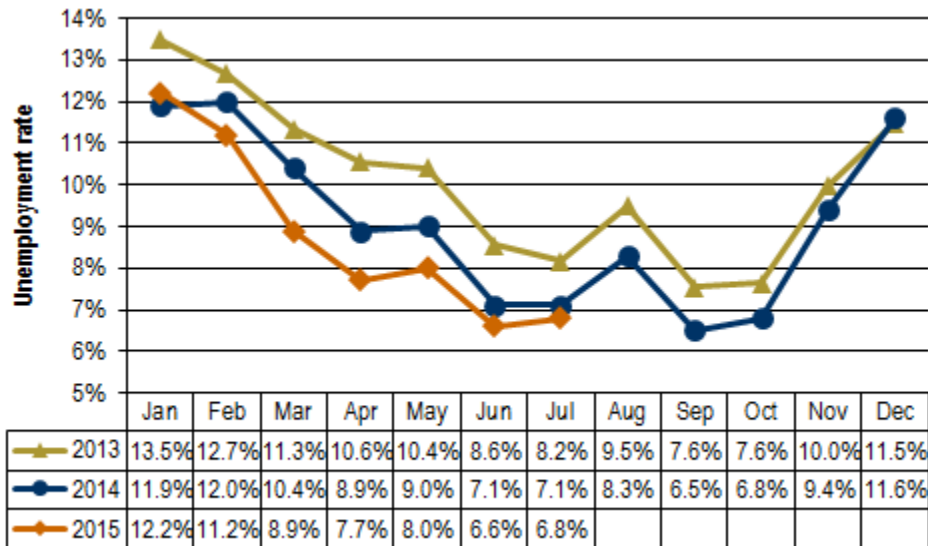
Unemployment rates

Civilian Labor Force (CLF) data show that Washington state’s average annual not seasonally adjusted unemployment rate fell eight-tenths of a percentage point between 2013 and 2014, from 7.0 percent to 6.2 percent. Between the Julys of 2014 and 2015 the rate declined six-tenths of a point, from 6.0 to 5.4 percent.

In Yakima County, benchmarked data indicate that the average annual unemployment rate decreased one percentage point between 2013 and 2014, from 10.0 to 9.0 percent. The not seasonally adjusted unemployment rate declined three-tenths of a point in July 2015 to 6.8 percent, from 7.1 percent in July 2014 (as shown in *Figure 1*).

Figure 1. Unemployment rates, not seasonally adjusted
 Yakima County, January 2013 through July 2015

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



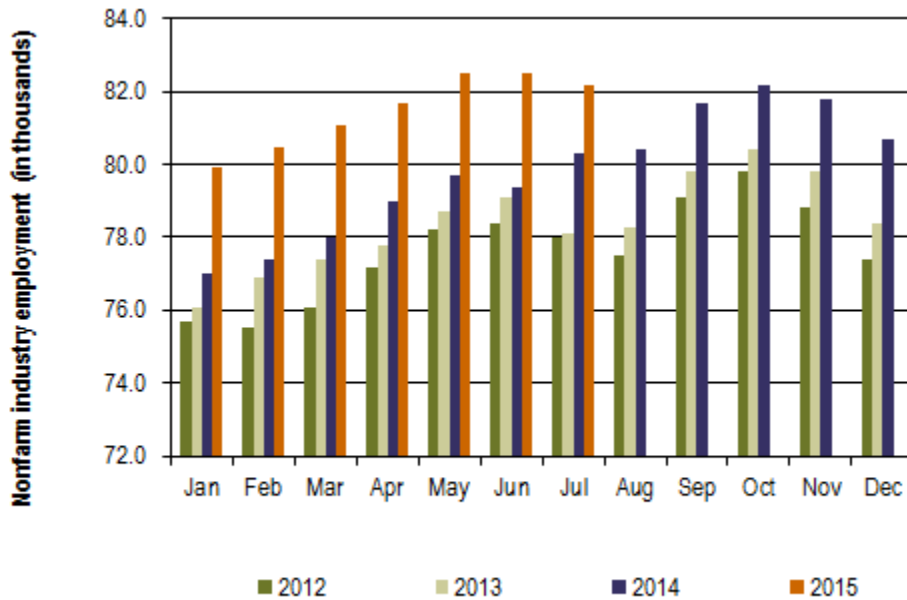
Yakima County's unemployment rate decreased three-tenths of a percentage point between July 2014 and July 2015.

Total nonfarm employment

Between 2013 and 2014, Washington's labor market provided 77,600 new nonfarm jobs, an annual average increase of 2.6 percent. This July, businesses and government organizations across Washington supplied 3,192,200 nonfarm jobs (not seasonally adjusted), compared to 3,083,600 jobs in July 2014, a 3.5 percent year-over-year employment increase. The state's economy has posted nonfarm employment increases for the past 58 consecutive months (October 2010 through July 2015).

The Yakima County nonfarm labor market added approximately 1,400 jobs between 2013 and 2014, an average annual increase of 1.8 percent. Between the Julys of 2014 and 2015, the local nonfarm market registered a 2.4 percent and 1,900 job upturn which was not quite as robust as Washington's 3.5 job growth rate during this timeframe. Local employers provided 82,200 jobs in July 2015 versus 80,300 in the corresponding month in 2014 (see *Figure 3*). Yakima County's employment has increased, year over year, for the past 32 consecutive months (December 2012 through July 2015).

Figure 2. Nonfarm industry employment
 Yakima County, January 2012 through July 2015
 Source: Employment Security Department/LMPA



Nonfarm employment in Yakima County increased 2.4 percent from July 2014 to July 2015.

Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 28,145 residents (a 0.8 percent upturn) from 2013 to 2014. The state's labor force has increased for the past 18 months (February 2014 through July 2015). Between the Julys of 2014 and 2015 the state's labor force grew by 1.2 percent. This July, Washington's CLF tallied 3,560,075 residents versus 3,516,818 in July 2014 equating to 43,257 more Washingtonians in the labor force.

Benchmarked data indicate that Yakima County's CLF expanded 0.5 percent between 2013 (118,788 residents) and 2014 (119,411 residents). The County's labor force has been growing for the past twelve months (from August 2014 through July 2015). Between the Julys of 2014 and 2015, the CLF advanced 5.3 percent, from 125,506 to 132,162 residents (meaning that 6,656 more residents were in the labor force). Simultaneously, the number of unemployed dipped by eight (see *Figure 3*). The result: Yakima County's unemployment rate declined three-tenths of a percentage point, from 7.1 percent in July 2014 to 6.8 percent this July, a step in the right direction for the local economy.

Figure 3. Labor force and industry employment, not seasonally adjusted
 Yakima County, July 2014, June and July 2015
 Source: Employment Security Department/LMPA

Yakima County	Preliminary Jul-15	Revised Jun-15	Revised Jul-14	Change		
				Jun-15	Jul-14	Jul-14
				Jul-15	Jul-15	Jul-15 %
Labor force and unemployment						
Civilian labor force	132,162	128,529	125,506	3,633	6,656	5.3%
Resident employment	123,232	120,088	116,568	3,144	6,664	5.7%
Unemployment	8,930	8,441	8,938	489	-8	-0.1%
Unemployment rate	6.8	6.6	7.1	0.2	-0.3	
Industry employment (numbers are in thousands)						
Total nonfarm ¹	82.2	82.5	80.3	-0.3	1.9	2.4%
Total private	65.9	65.4	63.9	0.5	2.0	3.1%
Goods producing	12.4	12.2	12.1	0.2	0.3	2.5%
Mining, logging and construction	4.0	3.9	3.7	0.1	0.3	8.1%
Manufacturing	8.4	8.3	8.4	0.1	0.0	0.0%
Nondurable goods	5.3	5.2	5.5	0.1	-0.2	-3.6%
Service providing	69.8	70.3	68.2	-0.5	1.6	2.3%
Private service providing	53.5	53.2	51.8	0.3	1.7	3.3%
Trade, transportation and utilities	19.4	18.9	18.3	0.5	1.1	6.0%
Wholesale trade	4.7	4.7	4.6	0.0	0.1	2.2%
Retail trade	10.9	10.6	10.3	0.3	0.6	5.8%
Transportation and utilities	3.8	3.6	3.4	0.2	0.4	11.8%
Professional and business services	3.9	3.8	3.8	0.1	0.1	2.6%
Education and health services	17.2	17.3	16.7	-0.1	0.5	3.0%
Health care and social assistance	15.8	15.9	15.6	-0.1	0.2	1.3%
Leisure and hospitality	7.7	7.6	6.8	0.1	0.9	13.2%
Food services	5.6	5.5	5.0	0.1	0.6	12.0%
Government	16.3	17.1	16.4	-0.8	-0.1	-0.6%
Federal government	1.3	1.2	1.3	0.1	0.0	0.0%
State government	2.5	2.6	2.6	-0.1	-0.1	-3.8%
Local government	12.5	13.3	12.5	-0.8	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 Julys of 2014 and 2015, the Yakima County nonfarm labor market gained 1,900 jobs, a 2.4 percent increase.

Nonfarm industry employment

Not seasonally adjusted estimates indicate that Yakima County's employment rose to 82,200 in July 2015 from the 80,300 jobs tallied in July 2014, a 1,900 job and 2.4 percent increase, slightly less than the 3.5 percent nonfarm growth pace statewide. Highlights of year-over-year changes follow (as shown in *Figure 3*):

- Construction employment forged ahead by 300 jobs (up 8.1 percent) countywide between July 2014 and July 2015. Mining, logging and construction tallied 3,700 jobs in July 2014 versus 4,000 this July, with construction accounting for the lion's share of the jobs in this combined category. This industry has posted year-over-year growth for the last 24 months (from August 2013 through July 2015). Commercial and residential sales were also on the rise in Yakima County in July 2015 versus July 2014. The July 2015 edition of Headwaters – the Source newsletter published by KMW Enterprises LLC in Selah, WA stated that commercial and residential sales increased in the first seven months of 2015 versus the corresponding period last year from 1,806 during January through July 2014 to 2,080 during the corresponding period in 2015, a 15.2 percent upturn. The value of these sales during the first seven months of the year increased by 25.4 percent, from \$390.6-million in July 2014 to \$489.7-million in July 2015. The average home price rose too, from \$172,672 countywide from January through July last year to \$181,626 in the first seven months of 2015, a 5.2 percent uptrend.
- Non-durable goods manufacturing (primarily food processing) declined between the Julys of 2014 and 2015, slipping from 5,500 to 5,300 jobs. Although employment in this industry declined, manufacturing employment stabilized at 8,400. Herein lies the good news - durable goods manufacturing employment rose between July 2014 and July 2015 compensating for the job losses in non-durable goods.
- Retail trade rose 5.8 percent (up 600 jobs), from 10,300 in July 2014 to 10,900 in July 2015 (*see Figure 3*). Yakima County's retailers have been adding jobs now for the past eight months (from December 2014 through July 2015). This is an encouraging trend because between 2013 and 2014 employment at local retail trade stores virtually stagnated – at 10,200 jobs. Retail employment across Washington has increased for the past 58 consecutive months (October 2010 through July 2015).
- Leisure and hospitality jumped 13.2 percent in Yakima County, from 6,800 to 7,700 jobs, between the Julys of 2014 and 2015. This industry has been growing for 17 months (March 2014 through July 2015). Across the state, leisure and hospitality has grown for 58 months (from October 2010 through July 2015).

Agricultural employment/production

According to a 21 August 2015 Department of Ecology News Release, Moxee's water system and irrigation districts in Wenatchee and Cashmere will receive drought relief funding. "These projects will improve a town's water supply and bring water just in time to help save cherries, apples and pears in this relentless drought," said Tom Loranger, Water Resources program manager for the Washington Department of Ecology. Ecology's grants will pay half the cost of each project. The projects selected:

- [City of Moxee](#) will receive \$133,000 for replacing pumps, pipes and valves to improve production of two city wells showing a substantial drop in pumping capacity. The wells are two of three that provide water for a population of 3,784.
- [Lower Stemilt Irrigation District](#) (LSID) in Wenatchee, which diverts water from the Columbia River and Stemilt Creek, a tributary of the Columbia, will receive \$297,348 to install additional diversion pumps and booster pumps to increase the volume of water delivered to cherry orchards through existing waterlines and canals. The additional diversions from the Columbia River are necessary to compensate for reduced withdrawals from Stemilt Creek, which is running at less than 75 percent of its normal flow. LSID members are some of the largest and most productive orchard crop producers in Washington state. The Stemilt Basin contains about 4,600 acres of orchard and the additional diversions are needed to sustain 220 acres of cherry trees.
- [Icicle Irrigation District](#) in Cashmere will receive \$41,000 to use a helicopter to bring in pumping equipment and pipe needed to withdraw additional water from Eight Mile Lake. The water will help save pear, apple and cherry orchards.