



# Yakima MSA (Yakima County) Labor Area Summary October 2014

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 October 2013 and October 2014) and average annual (between 2012 and 2013) changes in the labor market.

## Unemployment rates

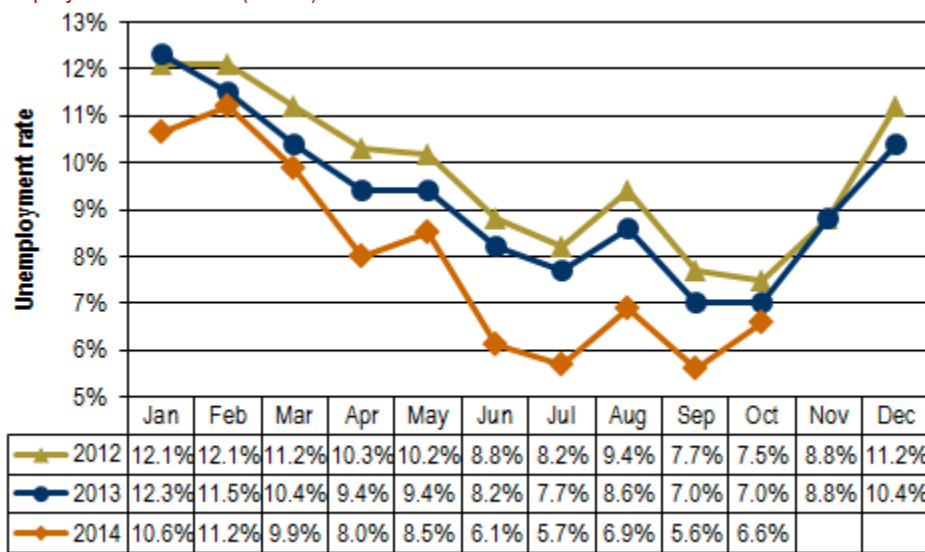
Washington state's annual average not seasonally adjusted unemployment rate decreased one and one-tenths percentage points between 2012 and 2013, from 8.1 percent to 7.0 percent. Between the Octobers of 2013 and 2014 the rate decreased from 6.5 to 5.8 percent, a drop of seven-tenths of a percentage point.

In Yakima County, the annual average unemployment rate decreased five-tenths of a percentage point between 2012 and 2013, from 9.7 to 9.2 percent. The unemployment rate fell four-tenths of a percentage point in October 2014 to 6.6 percent, from the 7.0 percent reading in October 2013 (as shown in *Figure 1*). The last time an October unemployment rate was this low in the Yakima MSA was six years ago (in October 2008) when the unemployment rate was 5.1 percent.

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

Yakima County, January 2012 through October 2014

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



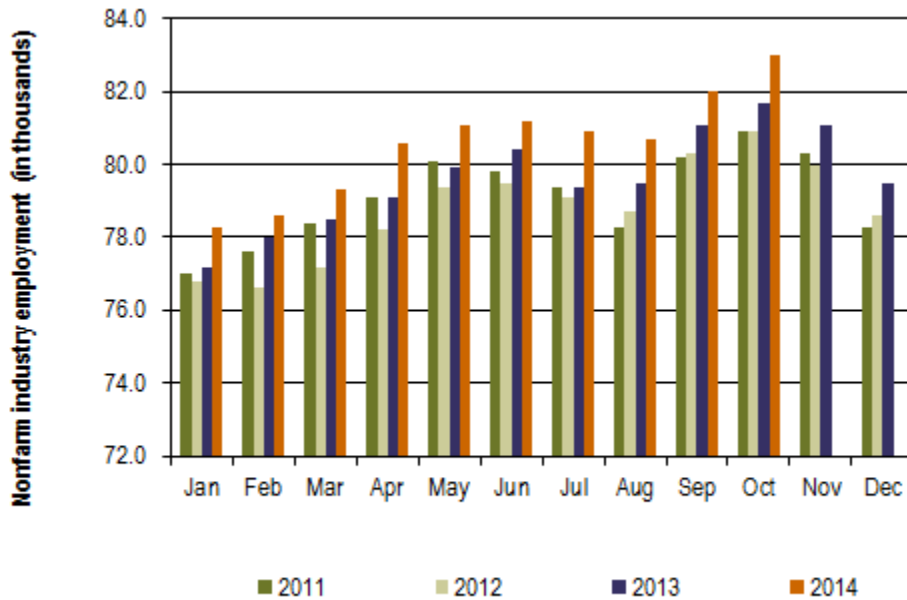
*Yakima County's unemployment rate decreased four-tenths of a percentage point between October 2013 and October 2014.*

## Total nonfarm employment

Between 2012 and 2013, Washington's labor market provided 68,600 new nonfarm jobs, an annual average increase of 2.3 percent. This October, businesses and government organizations across Washington supplied 3,117,400 nonfarm jobs (not seasonally adjusted), compared to 3,034,800 jobs in October 2013, a 2.7 percent year-over-year employment increase. The state's economy has posted nonfarm employment increases for the past 49 consecutive months (October 2010 through October 2014).

The Yakima County nonfarm labor market added approximately 800 jobs between 2012 and 2013, an annual average upturn of 1.1 percent. Between the Octobers of 2013 and 2014, the local nonfarm market registered a 1.6 percent and 1,300 job upturn. Employers provided 83,000 jobs in October 2014 versus 81,700 in the corresponding month one-year prior (see *Figure 3*). Yakima County's employment has increased, year over year, for the past 23 consecutive months (December 2012 through October 2014) although local job growth rates have consistently been less robust than growth rates statewide.

**Figure 2. Nonfarm industry employment**  
 Yakima County, January 2011 through October 2014  
 Source: Employment Security Department/LMPA



*Nonfarm employment in Yakima County increased 1.6 percent from October 2013 to October 2014.*

## Employment and unemployment

Washington's Civilian Labor Force (CLF) shrank by 23,600 residents (a 0.7 percent downturn) between 2012 and 2013 and it continued to decline during the first six months of 2014. However, the CLF expanded year over year in July, August, September and October 2014. Between the Octobers of 2013 and 2014 the state's labor force increased 1.5 percent. This October, Washington's CLF tallied 3,507,310 residents versus 3,456,140 in October 2013, equating to 51,170 more Washingtonians in the labor force.

Yakima County's CLF shrank by 1,330 residents from 2012 to 2013 (a 1.1 percent downturn). The County's labor force continued to contract during the first six months of 2014, before posting year over year expansions in July, August, September and October 2014. Between the Octobers of 2013 and 2014 the CLF jumped 4.2 percent, from 130,070 to 135,520 residents (meaning that 5,440 more residents were in the labor force). No doubt, one of the factors that helped draw workers back into the labor force in October 2014 was this year's bumper apple crop. The net result was that Yakima County's unemployment rate fell four-tenths of a percentage point between the Octobers of 2013 and 2014 (see *Figure 3*).

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

Yakima County	Preliminary Oct-14	Revised Sep-14	Revised Oct-13	Change		
				Sep-14	Oct-13	Oct-13
				Oct-14	Oct-14	Oct-14 %
<b>Labor force and unemployment</b>						
Civilian labor force	135,520	131,450	130,070	4,070	5,450	4.2%
Resident employment	126,550	124,130	120,960	2,420	5,590	4.6%
Unemployment	8,970	7,320	9,110	1,650	-140	-1.5%
Unemployment rate	6.6	5.6	7.0	1.0	-0.4	
<b>Industry employment (numbers are in thousands)</b>						
Total nonfarm <sup>1</sup>	83.0	82.0	81.7	1.0	1.3	1.6%
Total private	66.1	65.8	64.5	0.3	1.6	2.5%
Goods producing	12.6	12.5	12.3	0.1	0.3	2.4%
Mining, logging and construction	3.8	3.8	3.4	0.0	0.4	11.8%
Manufacturing	8.8	8.7	8.9	0.1	-0.1	-1.1%
Nondurable goods	6.1	6.1	6.0	0.0	0.1	1.7%
Service providing	70.4	69.5	69.4	0.9	1.0	1.4%
Private service providing	53.5	53.3	52.2	0.2	1.3	2.5%
Trade, transportation and utilities	18.2	18.5	18.5	-0.3	-0.3	-1.6%
Wholesale trade	4.6	4.6	4.6	0.0	0.0	0.0%
Retail trade	10.2	10.5	10.4	-0.3	-0.2	-1.9%
Transportation and utilities	3.4	3.4	3.5	0.0	-0.1	-2.9%
Professional and business services	3.9	3.9	4.1	0.0	-0.2	-4.9%
Education and health services	16.9	16.7	16.6	0.2	0.3	1.8%
Health care and social assistance	15.7	15.7	15.5	0.0	0.2	1.3%
Leisure and hospitality	6.8	7.1	6.7	-0.3	0.1	1.5%
Food services	5.1	5.2	4.9	-0.1	0.2	4.1%
Government	16.9	16.2	17.2	0.7	-0.3	-1.7%
Federal government	1.2	1.3	1.2	-0.1	0.0	0.0%
State government	2.7	2.5	2.8	0.2	-0.1	-3.6%
Local government	13.0	12.4	13.2	0.6	-0.2	-1.5%
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 Octobers of 2013 and 2014, the Yakima County nonfarm labor market gained 1,300 jobs, a 1.6 percent increase.

## Nonfarm industry employment

Not seasonally adjusted estimates indicate that Yakima County's employment rose to 83,000 in October 2014 from the 81,700 jobs tallied in October 2013, a 1,300 job and 1.6 percent increase. Highlights of year-over-year changes follow (as shown in *Figure 3*):

- Construction employment advanced by 400 (up 11.8 percent) countywide between October 2013 and October 2014. Mining, logging and construction registered 3,800 jobs across Yakima County in October 2014 and 3,400 jobs in October 2013, with construction accounting for the lion's share of the jobs in this combined category. This industry has posted strong year-over-year growth for the last ten months (from January to October 2014). Statewide, construction employment rose 6.8 percent between the Octobers of 2013 and 2014 and has grown for 32 months (from March 2012 through October 2014). Commercial and residential sales have also been faring well in Yakima County. The October 2014 edition of Headwaters – the Source newsletter published by KMW Enterprises LLC in Selah, WA stated that commercial and residential sales increased in the first ten months of 2014 compared with the first ten of 2013. Specifically, the number of commercial and residential real estate sales countywide rose from 2,476 from January through October 2013 to 2,710 during the first ten months of 2014, a 9.5 percent upturn. The value of these sales increased 16.8 percent, from \$500.3-million from January through October 2013 to \$584.1-million in the corresponding ten-month period this year. The average home price in Yakima County increased 2.1 percent between the first ten calendar months of 2013 and 2014, from \$170,241 to \$173,759.
- Manufacturing employment dipped 1.1 percent (down 100 jobs) between the Octobers of 2013 and 2014, due to a downturn amongst durable goods manufacturers. Nondurable goods (primarily at food processors) rebounded by 1.7 percent, to 6,100 jobs in October 2014, compared with the 6,000 tallied in October of last year (*see Table 3*). On an annual average basis, food processors account for 60-70 percent of all manufacturing jobs in Yakima County.
- Health care and social assistance netted 200 new jobs (up 1.3 percent) in Yakima County between the Octobers of 2013 and 2014. Countywide, this industry has posted year over year job gains for the past eleven months. Washington's health care and social assistance providers have added jobs for the past 22 consecutive months (from January 2013 through October 2014).
- Yakima County's food services sector expanded from 4,900 to 5,100 jobs between the Octobers of 2013 and 2014 (up 4.1 percent). The only limitation to this good economic news is that the food service industry has a relatively high proportion of part-time and below family wage jobs.

## Agricultural employment/production

Despite the fact that the 2014 bumper apple crop is great news for Central Washington's economy, the recent labor dispute affecting seaports up and down the West Coast has hurt local fruit and hay exporters. The Pacific Maritime Association, or PMA, represents terminal companies, and the International Longshore and Warehouse Union, or ILWU, represents about 13,600 workers at 29 West Coast ports, including Tacoma and Seattle. The two groups have lacked a contract since June.

On November 23, 2014 the Yakima Herald Republic provided an excellent update on this labor dispute, as follows: "Washington's fruit and hay industries typically export about one-third of their harvest. Apple trade officials had hoped this year to find a home for an estimated record crop of 155 million boxes. Fruit and hay shippers now are cutting back on employees, while hundreds of containers of apples might be thrown away. "The situation is worse, not better," said Mark Powers, vice president of the Northwest Horticultural Council, which represents the fruit industry in federal government and international trade affairs. Either way, the dispute has caused a slowdown at the ports, leaving hundreds of containers full of apples and hay either stacked on docks for more than two weeks or turned away completely. The U.S. apple industry overall has reported losses of \$19 million per week, Powers said; Washington grows more than 70 percent of the nation's apples and Yakima is the state's highest apple-packing county. "This is going to have an impact throughout the (new) year, in my opinion," Powers said."