

# Yakima MSA (Yakima County) Labor Area Summary February 2024



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## Overview

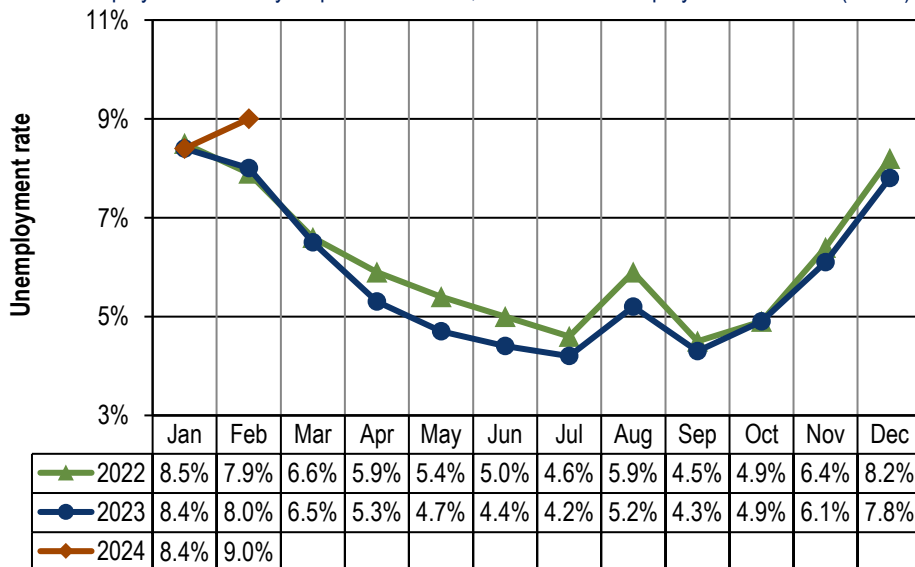
This report provides an update on the Yakima Metropolitan Statistical Area (MSA) economy using not seasonally adjusted nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (February 2023 through February 2024) and average annual data changes (between 2022 and 2023).

## Unemployment rates

Preliminary estimates indicate that Washington’s not seasonally adjusted average annual unemployment rate stabilized at 4.1% in 2022 and 2023. However, the monthly unemployment rate rose from 4.5% in February 2023 to 5.7% in February 2024, an upturn of one and two-tenths percentage points.

In Yakima County, the not seasonally adjusted average annual unemployment rate dropped from 6.1% to 5.8% between 2022 and 2023. However, year over year, the monthly rate increased from 8.0% in February 2023 to 9.0% in February 2024 (*Figure 1*). Although this current 9.0% unemployment rate is a relatively low reading for February, it was one and four-tenths points above the historic low February rate of 7.6% recorded in February 2020.

**Figure 1.** Yakima County unemployment rates, not seasonally adjusted  
 Washington state, January 2022 through February 2024  
 Source: Employment Security Department/DATA; Local Area Unemployment Statistics (LAUS)



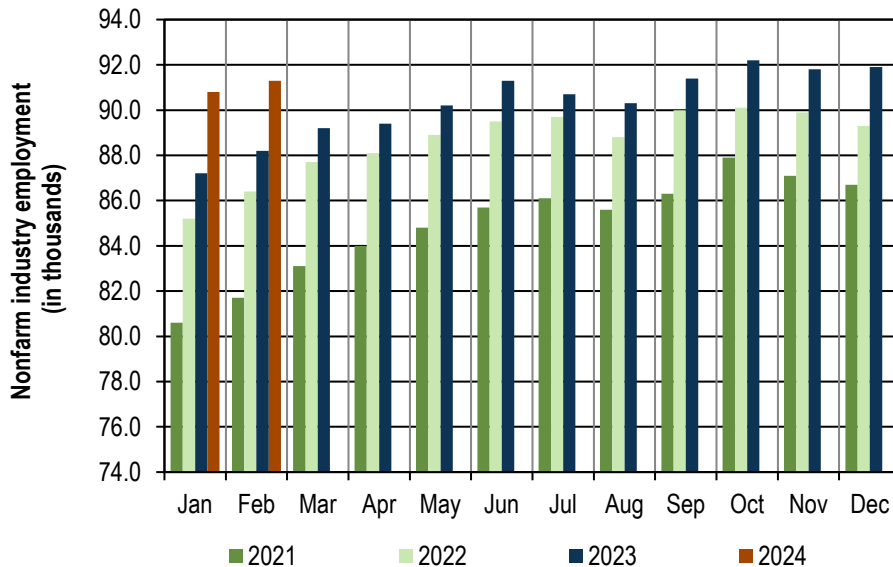
Yakima County’s unemployment rate rose one percentage point, from 8.0% in February 2023 to 9.0% in February 2024.

## Total nonfarm employment

Between 2022 and 2023, Washington’s labor market netted 71,300 new nonfarm jobs, an average annual increase of 2.0%. Although this 2.0% growth rate in 2023 is good news for Washington’s labor market, it should be noted that the average annual increase in 2022 was a more robust 4.7%. Year over year, Washington’s nonfarm market has expanded for 35 consecutive months (April 2021 through February 2024). In February 2024, business and government organizations across the state tallied 3,596,900 jobs (not seasonally adjusted) compared with 3,544,900 in February 2023, up by 52,000 jobs and by 1.5% (*Figure 4*).

Yakima County’s nonfarm economy added 1,700 jobs between 2022 and 2023, an average annual increase of 1.9%, a tad slower than Washington’s 2.0% job growth pace last year. Nonfarm employment has risen, year over year, during the past 35 months (April 2021 through February 2024), as partially shown in *Figure 2*. Current Employment Statistics (CES) estimates indicate that total nonfarm employment advanced from 88,200 jobs in February 2023 to 91,300 in February 2024, up by 3,100 jobs and 3.5% (*Figures 3 and 4*).

**Figure 2.** Yakima County nonfarm industry employment, not seasonally adjusted, in thousands Washington state, January 2021 through February 2024  
Source: Employment Security Department/ DATA; Current Employment Statistics (CES)



In February 2024, nonfarm employment increased to 91,300, a 3,100-job advance from the 88,200 jobs tallied in February 2023.

## Employment and unemployment

Washington’s Civilian Labor Force (CLF) increased by 55,795 residents (a 1.4% upturn) between 2022 and 2023, according to estimates. Statewide, the CLF has posted year-over-year growth for 33 months (June 2021 through February 2024). However, Washington’s labor force growth rates have been slowing. In February 2024 Washington’s CLF inched upwards to 4,027,517 residents, a 4,026-resident and marginal 0.1% upturn above the 4,023,491 residents in the labor force back in February 2023.

Yakima County’s CLF shrank by -0.8% between 2022 (130,551 residents) and 2023 (129,466 residents). The local labor force contracted from September through November 2023 and expanded from December 2023 through February 2024. This February there were 1,371 more residents in the labor force than in February 2023 (*Figure 3*). However, the number of unemployed jumped from 10,161 Yakima County residents out of work in February 2023 to 11,518 unemployed in February 2024 (up 13.4%). This increase in the number of unemployed thwarted the labor force expansion and caused Yakima County’s unemployment rate to rise to 9.0% in February 2024, one percentage point above the 8.0 percent reading in February 2023.

It should also be noted that in each of the past 12 months (March 2023 through February 2024), Yakima County's CLF was smaller than in the pre-pandemic months of March 2019 through February 2020 – and a shrinking labor force is seldom good economic news. It is likely that some of this labor force shrinkage is attributable to baby boomers retiring and exiting the CLF. Statewide, the labor force expanded from March through December 2023 above corresponding pre-pandemic months in 2019 before shrinking by -0.7% in January 2024 and by -0.6 percent in February 2024.

**Figure 3. Yakima County Labor force and industry employment, not seasonally adjusted**  
Washington state, February 2024

Source: Employment Security Department/ DATA; Local Area Unemployment Statistics (LAUS), Current Employment Statistics (CES)

Yakima County	Preliminary Feb-24	Revised Jan-24	Revised Feb-23	Change (in #)		Change (in %)
				Jan-24	Feb-23	Feb-23
				Feb-24	Feb-24	Feb-24
<b>Labor force and unemployment</b>						
Civilian labor force	128,622	127,318	127,251	1,304	1,371	1.1%
Resident employment	117,104	116,669	117,090	435	14	0.0%
Unemployment	11,518	10,649	10,161	869	1,357	13.4%
Unemployment rate	9.0	8.4	8.0	0.6	1.0	
<b>Industry employment (numbers are in thousands)</b>						
Total nonfarm <sup>1</sup>	91.3	90.8	88.2	0.5	3.1	3.5%
Total private	72.3	72.0	69.8	0.3	2.5	3.6%
Goods producing	12.8	12.6	12.4	0.2	0.4	3.2%
Mining, logging and construction	4.4	4.3	4.4	0.1	0.0	0.0%
Manufacturing	8.4	8.3	8.0	0.1	0.4	5.0%
Nondurable goods	5.5	5.3	5.1	0.2	0.4	7.8%
Service providing	78.5	78.2	75.8	0.3	2.7	3.6%
Private service providing	59.5	59.4	57.4	0.1	2.1	3.7%
Trade, transportation and utilities	20.2	20.2	19.8	0.0	0.4	2.0%
Wholesale trade	4.6	4.6	4.4	0.0	0.2	4.5%
Retail trade	11.6	11.6	11.4	0.0	0.2	1.8%
Transportation and utilities	4.0	4.0	4.0	0.0	0.0	0.0%
Professional and business services	5.1	5.0	4.8	0.1	0.3	6.3%
Education and health services	20.1	20.0	19.1	0.1	1.0	5.2%
Health care and social assistance	18.5	18.5	17.6	0.0	0.9	5.1%
Leisure and hospitality	8.3	8.2	8.0	0.1	0.3	3.8%
Food services	6.6	6.5	6.3	0.1	0.3	4.8%
Government	19.0	18.8	18.4	0.2	0.6	3.3%
Federal government	1.3	1.3	1.3	0.0	0.0	0.0%
State government	2.5	2.5	2.5	0.0	0.0	0.0%
Local government	15.2	15.0	14.6	0.2	0.6	4.1%
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 12<sup>th</sup> of the month. Columns may not add due to rounding.

*Between February 2023 and February 2024, the Yakima County nonfarm labor market grew by 3.5%.*

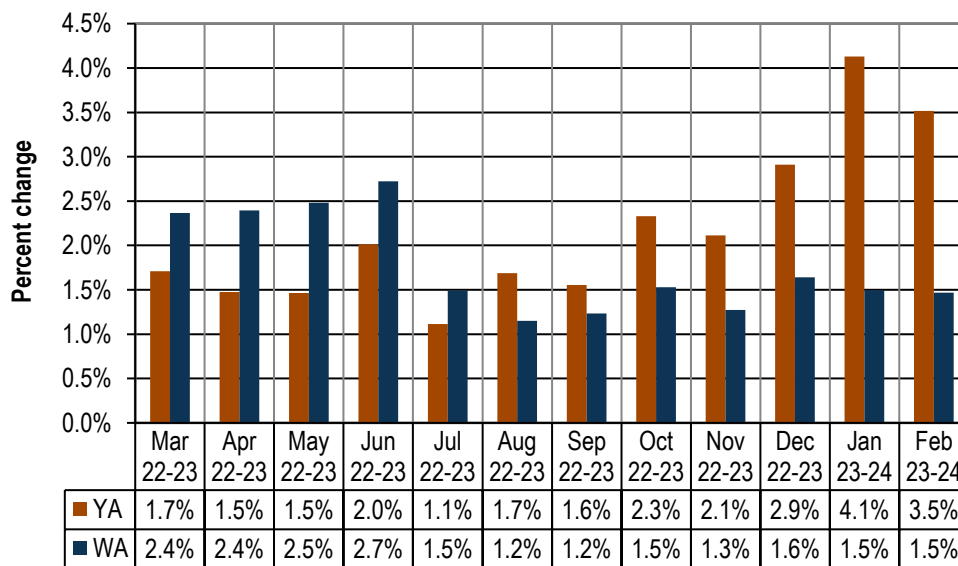
## Nonfarm industry employment

In February 2024, total nonfarm employment in Yakima County rose to 91,300 jobs, up 3.5% from the 88,200 jobs tallied in February 2023. Year over year, nonfarm employment in Yakima County has expanded for 35 months (April 2021 through February 2024), as shown in *Figures 2 and 4*.

Year over year, as of February 2024, nonfarm employment in all major Yakima County industries either stabilized or increased. Job growth was robust in manufacturing (up 400 jobs), healthcare and social assistance (up 900 jobs), and in local government (up 600 jobs). Local government includes a diverse array of organizations at the city and county levels, such as public elementary, middle, and high schools, police and fire departments, courts, road crews, parks departments, public health clinics and hospitals, Native American organizations and businesses, etc. Yakima County’s transportation and utilities and federal and state government sectors tallied the same number of jobs in February 2024 as in February 2023 (*Figure 3*).

**Figure 4.** Yakima County and Washington, total nonfarm employment changes  
Washington state, March 2023 through February 2024

Source: Employment Security Department/ DATA, Current Employment Statistics (CES)



Year over year, nonfarm employment in Yakima County has expanded for 35 months (April 2021 through February 2024). Washington’s nonfarm job market has also expanded from April 2021 through February 2024.

The following paragraphs summarize employment changes in manufacturing, health care and social assistance, and local government between February 2023 and February 2024:

- The Yakima County manufacturing industry experienced severe job losses during the COVID-19 pandemic in 2020. Employment dropped from an average of 8,700 jobs in 2019 to 8,100 in 2020, a 600-job and -6.2% downturn. Employment inched ahead in 2021 to 8,200 jobs (up 0.6%) and to 8,400 jobs in 2022 (up 3.0%) before backsliding to 8,200 jobs in 2023 (-2.6%). Hence, by 2023, employment in the County’s manufacturing sector (8,200 jobs) was still 500 jobs and -5.4% below the 8,700-job average in 2019 (i.e., in the pre-COVID era). It is also interesting to note that in 2023 nearly two-thirds (65.9%) of these 8,200 manufacturing jobs in Yakima County were in non-durable goods manufacturing sub-sectors (i.e., food manufacturing/processing, beverage product manufacturing, paper manufacturing, etc.).

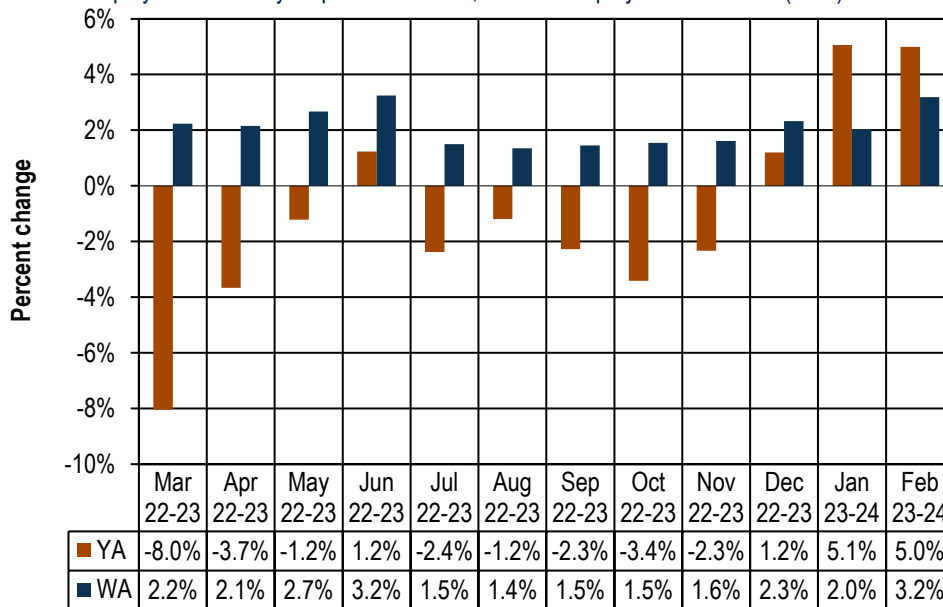
Current estimates show that, year over year, manufacturing employment in Yakima County has expanded from December 2023 through February 2024 (*Figure 5*). Between February 2023 and February 2024 local manufacturing employment climbed from 8,000 jobs to 8,400, a 400-job and

5.0% upturn (Figure 3). However, according to a Worker Adjustment and Retraining Notification (WARN) posted on the Washington State Employment Security Department (ESD) website (<https://fortress.wa.gov/esd/file/warn/Public/SearchWARN.aspx>) Del Monte Foods, Inc. will close its food processing/manufacturing plant in Toppenish on April 26, 2024 and lay off 127 employees and Thermoforming Systems, LLC will close its Union Gap facility on March 31, 2024 and lay off 66 employees – certainly not good news for the local manufacturing sector..

Across Washington, manufacturing employment trends during the past 12 months have been more stable (Figure 5). In fact, employment in this industry has increased for 28 consecutive months (November 2021 through February 2024). Between February 2023 and February 2024, the number of manufacturing jobs statewide advanced by 3.2% and by 8,600 jobs, from 269,500 jobs to 278,100. This expansion in Washington’s manufacturing sector was dominated by hiring in aerospace products and parts manufacturing which accelerated by 10.8% between February 2023 (74,400 jobs) and February 2024 (82,400 jobs) – a solid gain of 8,000 jobs.

**Figure 5. Yakima County & WA, manufacturing employment changes**  
Washington state, March 2023 through February 2024

Source: Employment Security Department/DATA, Current Employment Statistics (CES)



Year over year, manufacturing employment in Yakima County expanded in the past three months (December 2023 through February 2024). Statewide, manufacturing employment has increased in each of the past 28 months (November 2021 through February 2024).

- Private health care and social assistance employment in Yakima County has been growing over the year for 26 consecutive months (January 2022 through February 2024). Current Employment Statistics (CES) estimates indicate that this industry provided 18,500 jobs in February 2024, up 900 jobs and 5.1% from the 17,600 jobs tallied in February 2023 (Figure 3). Private healthcare and social assistance providers added more jobs between the Februaries of 2023 and 2024 than any other major Yakima County industry.

Across Washington state, the health care and social assistance sector added jobs in each of the 35 months between April 2021 and February 2024. Payrolls lengthened in this sector from 454,500 jobs in February 2023 to 470,600 in February 2024, a 16,100-job and 3.5% upturn. This advance in health care and social assistance employment was helped by 5,000 new jobs (up 8.5%) generated at nursing and residential care facilities between February 2023 (59,100 jobs) and February 2024 (64,100 jobs). Also contributing was ambulatory health care services (i.e., physician and dentist offices, medical and

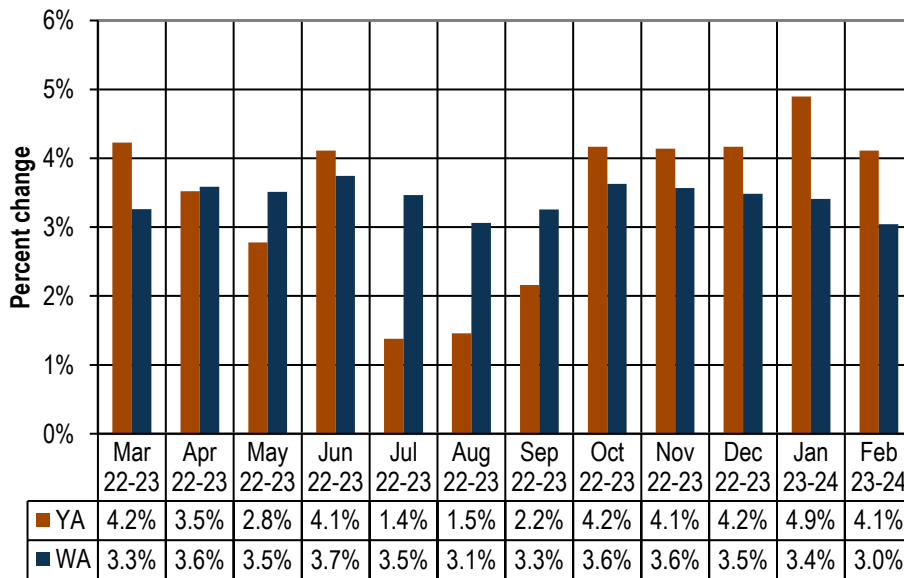
diagnostic laboratories, home health care services, etc.) which netted 7,200 new jobs (up 4.2%) between February 2023 (170,000 jobs) and February 2024 (177,200 jobs).

- Local government in Yakima County has been growing year over year for 35 consecutive months, or from April 2021 through February 2024 (Figure 6). Local government organizations provided 14,600 jobs countywide in February 2023 versus 15,200 in February 2024, a healthy 600-job and 4.1% upturn (Figure 3).

Statewide the local government sector has added jobs in every month during the past 34 months (May 2021 through February 2024). Current Employment Statistics (CES) estimates indicate that Washington’s local government organizations tallied 364,800 jobs in February 2023 versus 375,900 in February 2024, an 11,100-job and 3.0% expansion (Figure 6).

**Figure 6.** Yakima County and Washington, local government employment changes Washington state, March 2023 through February 2024

Source: Employment Security Department/DATA, Current Employment Statistics (CES)



Employment in Yakima County’s local government sector posted year-over-year gains for 35 months (April 2021 through February 2024). Statewide, local government has expanded for the past 34 months (May 2021 through February 2024).

## 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 2023, revised annual average QCEW data for calendar year 2022 became available. An analysis of employment changes from the most recent 10-year period (2012 through 2022) shows that in Yakima County:

- Total covered employment rose from 102,748 in 2012 to 115,247 in 2022, a 12,499 job and 12.2% upturn, with annualized employment growth between 2012 and 2022 of 1.2%. The number of agricultural jobs (a subset of total covered employment) increased from 27,029 in 2012 to 29,091 in 2022, a 2,062 job and 7.6% uptrend, with annualized employment growth of 0.7%. In 2012, Yakima County’s agricultural industry accounted for 26.3% of total covered employment. In 2022,

agricultural employment accounted for 25.2% of total covered employment countywide. Hence, the agricultural share of total employment slipped by 1.1 percentage points (from 26.3 to 25.2%) in Yakima County from 2012 to 2022. Within this 10-year period, it should be noted that the percent of total covered employment provided by the local agricultural sector (NAICS 11) was highest in 2016, at 28.1%.

- Total covered wages rose from \$3.40 billion in 2012 to \$5.46 billion in 2022, a \$2.05 billion and 60.4% upturn, with annualized payroll growth between 2012 and 2022 of 4.8%. The agricultural payroll (a subset of total covered wages) advanced from \$651.9 million in 2012 to \$1.07 billion in 2022, a \$414.4 billion and 63.6% uptrend, with annualized wage growth between 2012 and 2022 of 5.0%. In 2012, Yakima County's agricultural industry accounted for 19.2% of total covered wages. In 2022, agricultural wages accounted for 19.5% of total covered payroll countywide. Hence, the share of total wages provided by the agricultural sector (NAICS 11) edged upwards by 0.3 percentage point (from 19.2 to 19.5%) during this period.
- One could generalize that in this most recent ten-year period, the agricultural industry, in terms of *employment*, has become relatively less influential in the Yakima County economy, since the agricultural share of total covered employment slipped by 1.1 percentage points. However, the agricultural industry, in terms of *wages/payroll*, has become marginally more influential in the Yakima County economy, since the agricultural share of total covered wages inched upwards by three-tenths of a percentage point between 2012 and 2022.
- It also should be noted that covered agricultural employment peaked in Yakima County in 2018 at 32,320 jobs and tapered off yearly to 29,091 jobs in 2022. Anecdotal evidence suggests at least three possibilities for this more recent (i.e., 2018 through 2022) agricultural employment decline in Yakima County: automation, the gradual conversion of some seasonal agricultural jobs to year-round positions, and the increased use of H-2A agricultural labor.

## **Web link to Monthly Employment Report (MER) for Washington state**

<https://esd.wa.gov/labormarketinfo/monthly-employment-report>