

Yakima MSA (Yakima County) Labor Area Summary April 2024



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Overview

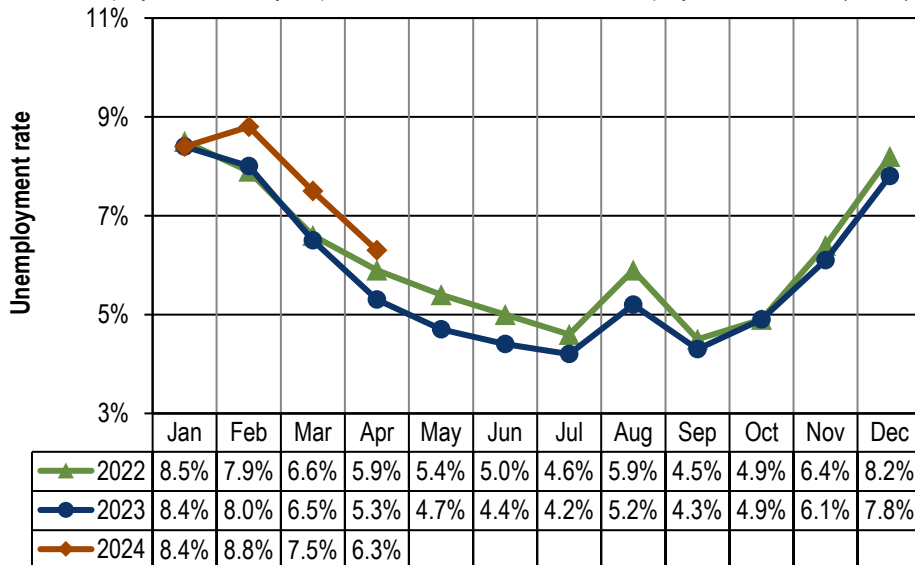
This report provides an update on the Yakima Metropolitan Statistical Area (MSA) economy using not seasonally adjusted nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (April 2023 through April 2024) and average annual data changes (between 2022 and 2023).

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 3.5% in April 2023 to 4.4% in April 2024, a nine-tenths percentage point increase.

In Yakima County, the not seasonally adjusted average annual unemployment rate declined from 6.1% to 5.8% between 2022 and 2023. Year over year, the monthly unemployment rate elevated from 5.3% in April 2023 to 6.3% this April (*Figure 1*), up by one full percentage point. However, the 5.3% reading in April 2023 was the lowest unemployment rate for April in Yakima County since county-level data began to be recorded electronically in 1990.

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



Yakima County’s unemployment rate rose one percentage point, from 5.3% in April 2023 to 6.3% in April 2024.

Total nonfarm employment

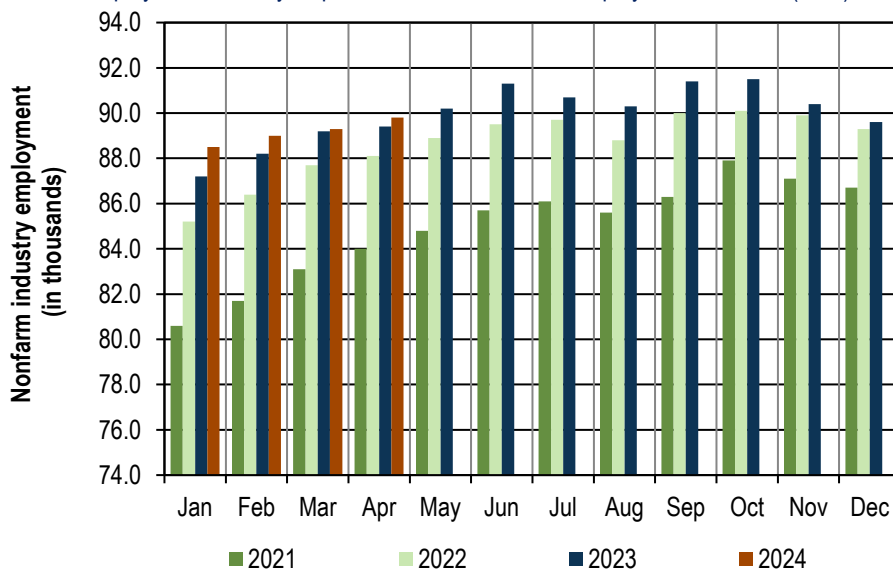
Between 2022 and 2023, Washington’s labor market netted 69,700 new nonfarm jobs, an average annual increase of 2.0%. Although this 2.0% growth rate in 2023 is good news for Washington’s labor market, it should be noted that the average annual increase in 2022 was a more robust 4.7%. Year over year, Washington’s nonfarm market has expanded for 37 consecutive months (April 2021 through April 2024). In April 2024, business and government organizations across the state tallied 3,635,100 jobs (not seasonally adjusted) compared with 3,584,500 in April 2023, up by 50,600 jobs and by 1.4% (*Figure 4*).

Yakima County’s nonfarm economy added 1,300 jobs between 2022 and 2023, an average annual increase of 1.5%, slower than Washington’s 2.0% job growth pace last year. Year over year, nonfarm employment in Yakima County has expanded for 37 months (April 2021 through April 2024), but local job growth rates lagged statewide growth rates from February through April 2024, as partially shown in *Figure 2* and *4*.

Current Employment Statistics (CES) estimates indicate that total nonfarm employment advanced from 89,400 jobs in April 2023 to 89,800 in April 2024, up by 400 jobs and 0.4% (*Figure 3*).

Figure 2. Yakima County nonfarm industry employment, not seasonally adjusted, in thousands Washington state, January 2021 through April 2024

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



In April 2024, nonfarm employment increased to 89,800, a modest 400-job advance from the 89,400 jobs tallied in April 2023.

Employment and unemployment

Washington’s Civilian Labor Force (CLF) increased by 55,795 residents (a 1.4% upturn) between 2022 and 2023. Year over year, Washington’s CLF expanded for 32 months (June 2021 through January 2024), stagnated in February 2024, and retrenched in March and April 2024. Specifically, this April there were 4,006,523 Washington residents in the CLF versus 4,010,290 in April 2023, a -0.1% contraction. Hence, year over year, Washington’s labor force has been dwindling in the first four months of 2024.

Yakima County’s CLF decreased by -0.8% between 2022 (130,551 residents) and 2023 (129,466 residents). Between April 2023 and April 2024, the local Civilian Labor Force contracted by 762 residents (-0.6%). This April there were 126,942 residents in the labor force versus 127,704 in April 2023 (*Figure 3*). Simultaneously, the number of unemployed jumped from 6,707 Yakima County residents out of work in April 2023 to 7,955 unemployed in April 2024 (up 18.6%). This increase in the number of unemployed coupled with the labor force contraction caused Yakima County’s unemployment rate to rise to 6.3% in April 2024, one percentage

point above the 5.3 percent reading in April 2023.

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

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

Yakima County	Preliminary Apr-24	Revised Mar-24	Revised Apr-23	Change (in #)		Change (in %)
				Mar-24	Apr-23	Apr-23
				Apr-24	Apr-24	Apr-24
Labor force and unemployment						
Civilian labor force	126,942	128,001	127,704	-1,059	-762	-0.6%
Resident employment	118,987	118,420	120,997	567	-2,010	-1.7%
Unemployment	7,955	9,581	6,707	-1,626	1,248	18.6%
Unemployment rate	6.3	7.5	5.3	-1.2	1.0	
Industry employment (numbers are in thousands)						
Total nonfarm ¹	89.8	89.3	89.4	0.5	0.4	0.4%
Total private	71.3	70.8	70.9	0.5	0.4	0.6%
Goods producing	12.4	12.3	12.5	0.1	-0.1	-0.8%
Mining, logging and construction	4.5	4.4	4.6	0.1	-0.1	-2.2%
Manufacturing	7.9	7.9	7.9	0.0	0.0	0.0%
Nondurable goods	5.1	5.1	5.0	0.0	0.1	2.0%
Service providing	77.4	77.0	76.9	0.4	0.5	0.7%
Private service providing	58.9	58.5	58.4	0.4	0.5	0.9%
Trade, transportation and utilities	19.7	19.7	19.9	0.0	-0.2	-1.0%
Wholesale trade	4.4	4.4	4.4	0.0	0.0	0.0%
Retail trade	11.4	11.4	11.5	0.0	-0.1	-0.9%
Transportation and utilities	3.9	3.9	4.0	0.0	-0.1	-2.5%
Professional and business services	4.9	4.9	5.0	0.0	-0.1	-2.0%
Education and health services	20.0	19.9	19.4	0.1	0.6	3.1%
Health care and social assistance	18.5	18.3	17.9	0.2	0.6	3.4%
Leisure and hospitality	8.2	8.2	8.4	0.0	-0.2	-2.4%
Food services	6.3	6.3	6.5	0.0	-0.2	-3.1%
Government	18.5	18.5	18.5	0.0	0.0	0.0%
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	14.7	14.7	14.7	0.0	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.

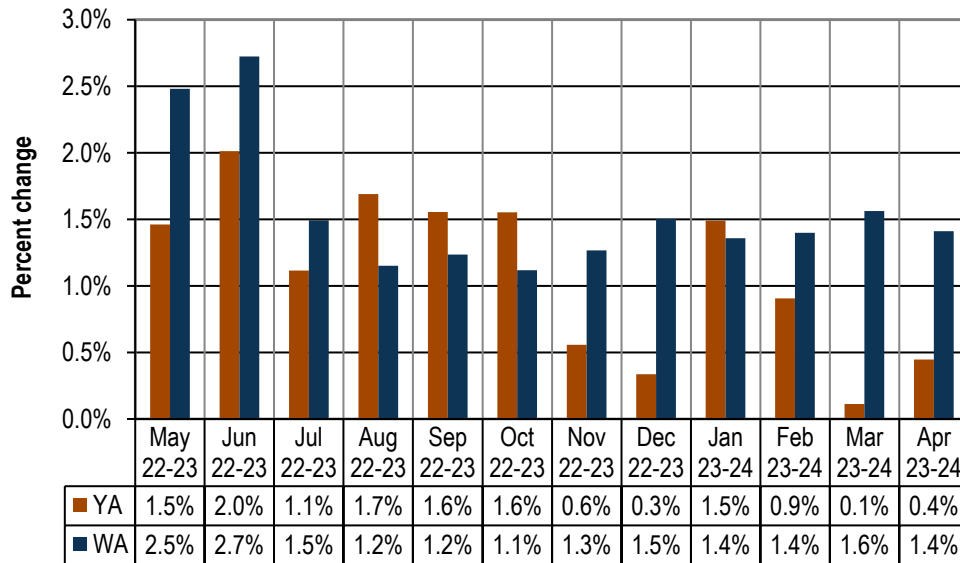
Between April 2023 and April 2024, the Yakima County nonfarm labor market edged upwards by 0.4%.

Nonfarm industry employment

In April 2024, total nonfarm employment in Yakima County rose to 89,800 jobs, a net gain of 0.4% above the 89,400 jobs tallied in April 2023 (Figures 3 and 4). Year over year, nonfarm employment in Yakima County has expanded for 37 months (April 2021 through April 2024), but local job growth rates have lagged

statewide growth rates from February through April 2024 (Figure 4). On the downside, construction, retail trade, transportation and utilities, professional and business services, and leisure and hospitality provided fewer jobs this April than in April 2023. On the positive side, the nondurable goods manufacturing and healthcare and social assistance sectors tallied more jobs in April 2024 than in April of last year (Figure 3). There was no change in the number of government jobs in Yakima County (at the federal, state, and local levels) between the Aprils of 2023 and 2024.

Figure 4. Yakima County and Washington, total nonfarm employment changes
 Washington state, May 2023 through April 2024
 Source: Employment Security Department/ DATA, Current Employment Statistics (CES)



Year over year, nonfarm employment in Yakima County has expanded for 37 months (April 2021 through April 2024), but local job growth rates have lagged statewide growth rates from February through April 2024. Washington's nonfarm job market has also expanded in each of the past 37 months.

The following paragraphs summarize employment changes in construction, leisure and hospitality, and health care and social assistance between April 2023 and April 2024:

- The Yakima County construction industry experienced a modest slowdown during the COVID-19 pandemic in 2020, as employment dropped from an average of 4,200 jobs in 2019 to 4,100 in 2020, a -2.0% downturn. Employment then rose by 3.5% in 2021, 5.5% in 2022, and by 3.2% in 2023. By 2023, employment in the County's construction sector stood at 4,600 – but the number of construction jobs has tapered off recently. Specifically, construction employment in Yakima County has either stagnated or decreased, year over year, for the past six months (November 2023 through April 2024), as shown in Figure 5. This industry provided 4,500 jobs in April 2024, down 100 jobs and -2.2% from the 4,600 jobs tallied in April 2023 (Figure 3). It is likely that relatively high interest rates have been putting the dampers on construction hiring in Yakima County.

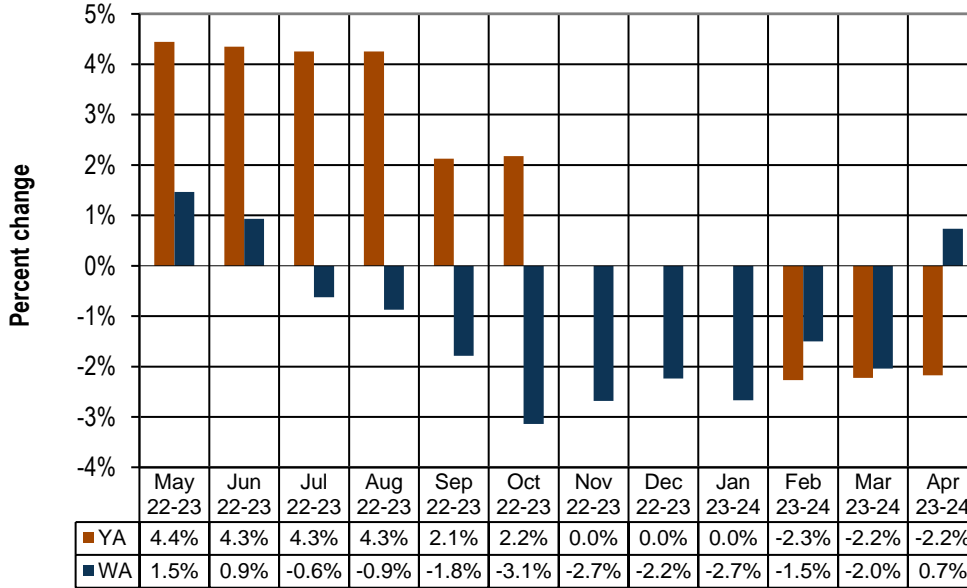
Statewide, construction employment had contracted for nine consecutive months (July 2023 through March 2024) before rising by 0.7% this April (Figure 5) – an encouraging sign, after such a long “dry spell.” Specifically, between the Aprils of 2023 and 2024, the number of construction jobs across Washington elevated from 232,000 to 233,700, a 1,700-job upturn. Two of the main drivers of this statewide expansion between the Aprils of 2023 and 2024 were residential building construction and heavy and civil engineering construction. Residential building construction rose from 38,400 jobs to 40,500, a 2,100-job and 5.5% increase. Heavy and civil engineering construction advanced from 20,900 jobs to 22,600, a 1,700-job and 8.1% increase. Unfortunately, specialty trade contractors (a

subsector which includes concrete, masonry, roofing, electrical, plumbing, drywall, and painting contractors, etc.) provided 1,700 fewer jobs this April (147,300 jobs) than in April 2023 (149,000 jobs), a -1.1% contraction.

Figure 5. Yakima County & WA, construction employment changes

Washington state, May 2023 through April 2024

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



Year over year, construction employment in Yakima County either stagnated or decreased in the past six months (November 2023 through April 2024). Statewide, construction employment had contracted for nine consecutive months (July 2023 through March 2024) before rising by 0.7% this April,

- Year over year, employment in Yakima County's leisure and hospitality businesses has decreased in the past two months (March and April 2024). This April, leisure and hospitality firms (primarily hotels, eating and drinking places, and amusement and recreation services businesses) provided 8,200 jobs in Yakima County, a 200-job and -2.4% retrenchment from the 8,400 jobs recorded in April 2023 (Figure 3).

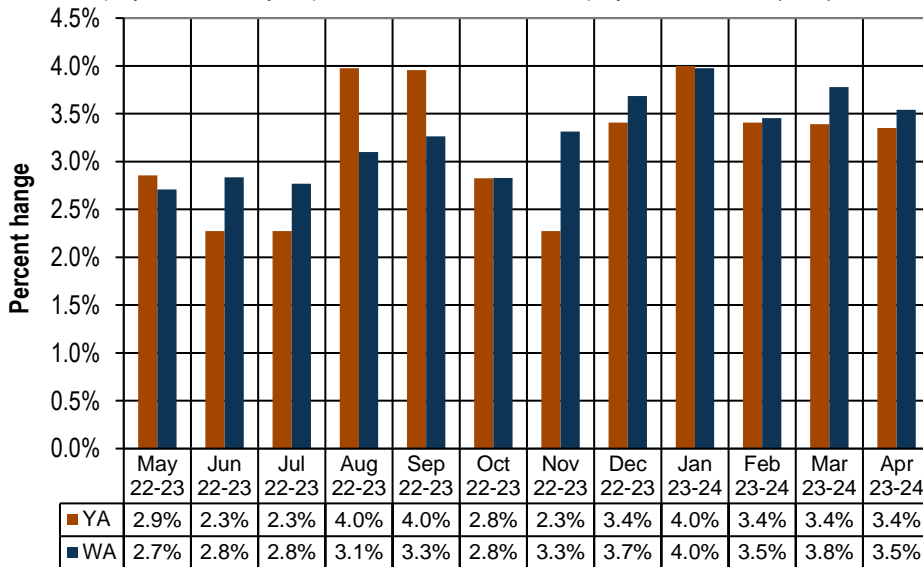
Employment in Washington's leisure and hospitality industry has been expanding for 37 months (from April 2021 through April 2024), although growth rates are decelerating). Current Employment Statistics (CES) estimates indicate that Washington's leisure and hospitality employers tallied 339,800 jobs in April 2023 versus 342,000 in April 2024, a 2,200-job and 0.6% upturn. On the downside, the number of jobs in food services and drinking places contracted from 253,100 in April 2023 to 252,500 jobs in April 2024, a 600-job and -0.2% loss rate. On the positive side, arts, entertainment, and recreation (NAICS 71), a subsector within Washington's broader leisure and hospitality industry, moved upwards from 54,200 jobs in April 2023 to 56,500 jobs in April 2024, a 2,300-job and 4.2% growth rate. Arts, entertainment, and recreation includes businesses/organizations such as movie theaters, museums, golf courses, fitness centers, etc.

- Private health care and social assistance employment in Yakima County has been increasing year over year for 28 consecutive months (January 2022 through April 2024). Current Employment Statistics (CES) estimates indicate that this industry provided 18,500 jobs in April 2024, up 600 jobs and 3.4% from the 17,900 jobs tallied in April 2023 (Figure 3). Private healthcare and social assistance providers added more jobs between the Aprils 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 37 months between April 2021 and April 2024. Payrolls lengthened in this sector from 457,500 jobs in April 2023 to 473,700 in April 2024, a 16,200-job and 3.5% upturn (*Figure 6*). This advance in health care and social assistance employment was greatly assisted by hiring at nursing and residential care facilities which netted 4,800 new jobs between April 2023 (59,600 jobs) and April 2024 (64,400 jobs) for a robust growth pace of 8.1%. Also contributing were social assistance providers (i.e., services for the elderly and persons with disabilities, community food and housing organizations, vocational rehabilitation services, child day care, etc.) which netted 5,300 new jobs, a 3.9% upturn, between April 2023 (134,600 jobs) and April 2024 (139,900 jobs). Job gains at nursing and residential care facilities and in social assistance accounted for 62.3% of all health care and social assistance jobs added between the Aprils of 2023 and 2024.

Figure 6. Yakima County and Washington, health care and social assistance employment changes Washington state, May 2023 through April 2024

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



Year over year, private health care and social assistance employment in Yakima County has been growing for 28 consecutive months (January 2022 through April 2024). Statewide, this industry has added jobs for 37 months (April 2021 through April 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>