State of the labor market: Kennewick-Pasco-Richland Metro Area
(Benton and Franklin Counties)

19th Annual
Tri-Cities Regional Economic Outlook

Ajsa Suljic, Regional Labor Economist
February 15th, 2018

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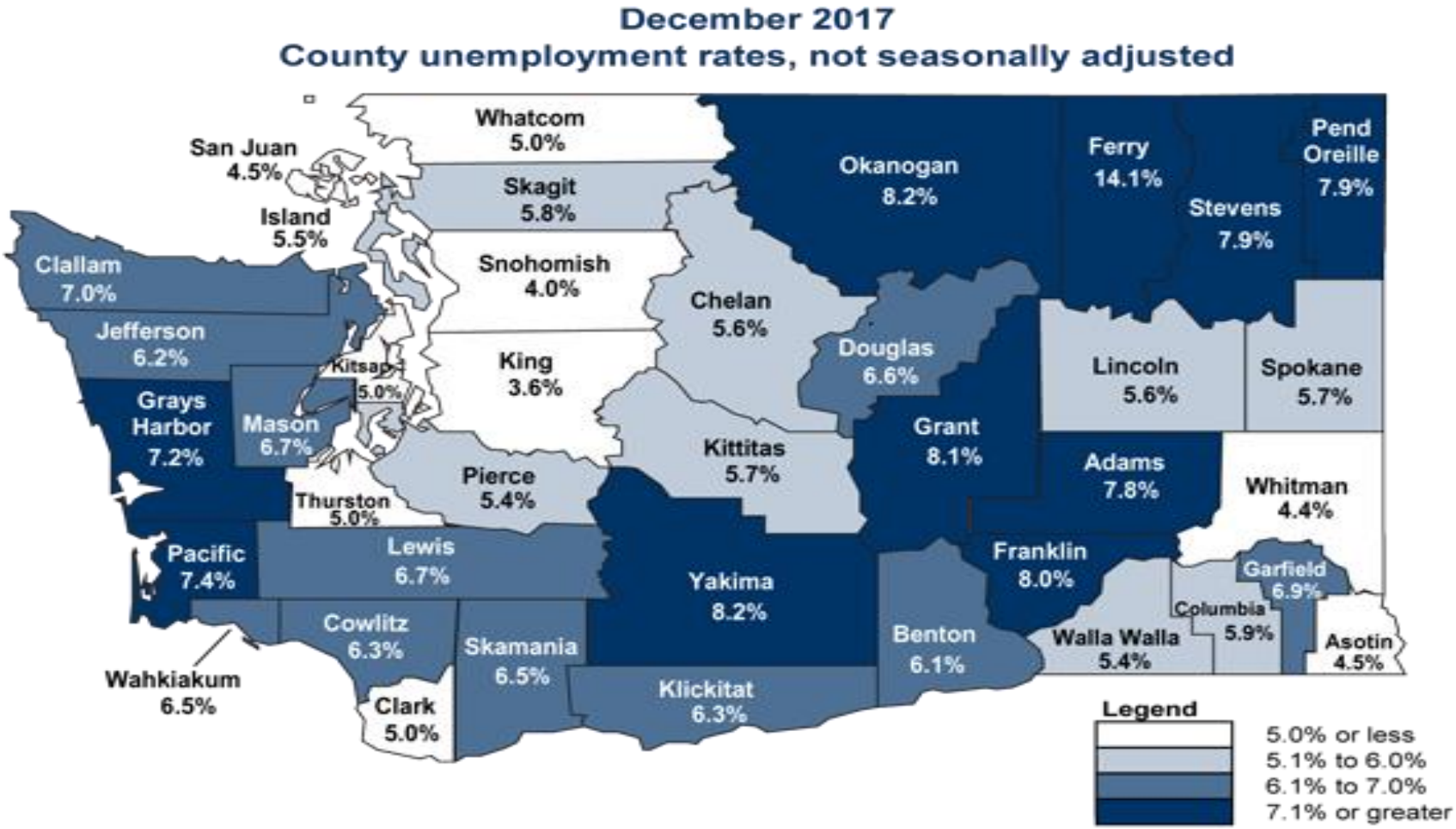
WASHINGTON STATE

Tri-Cities, Washington

- Tri-Cities has gone through boom and bust cycle in the past six years and embarked on an economic expansion phase.
- Tri-Cities are working on expanding current and attracting new businesses, entrepreneurs and population.
- Knowledge of top industries, worker characteristics and commuting information is vital for these efforts.
- The development of residential, retail and cultural infrastructure and a regional transport system can be planned around this information.

Unemployment around the state



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/LAUS

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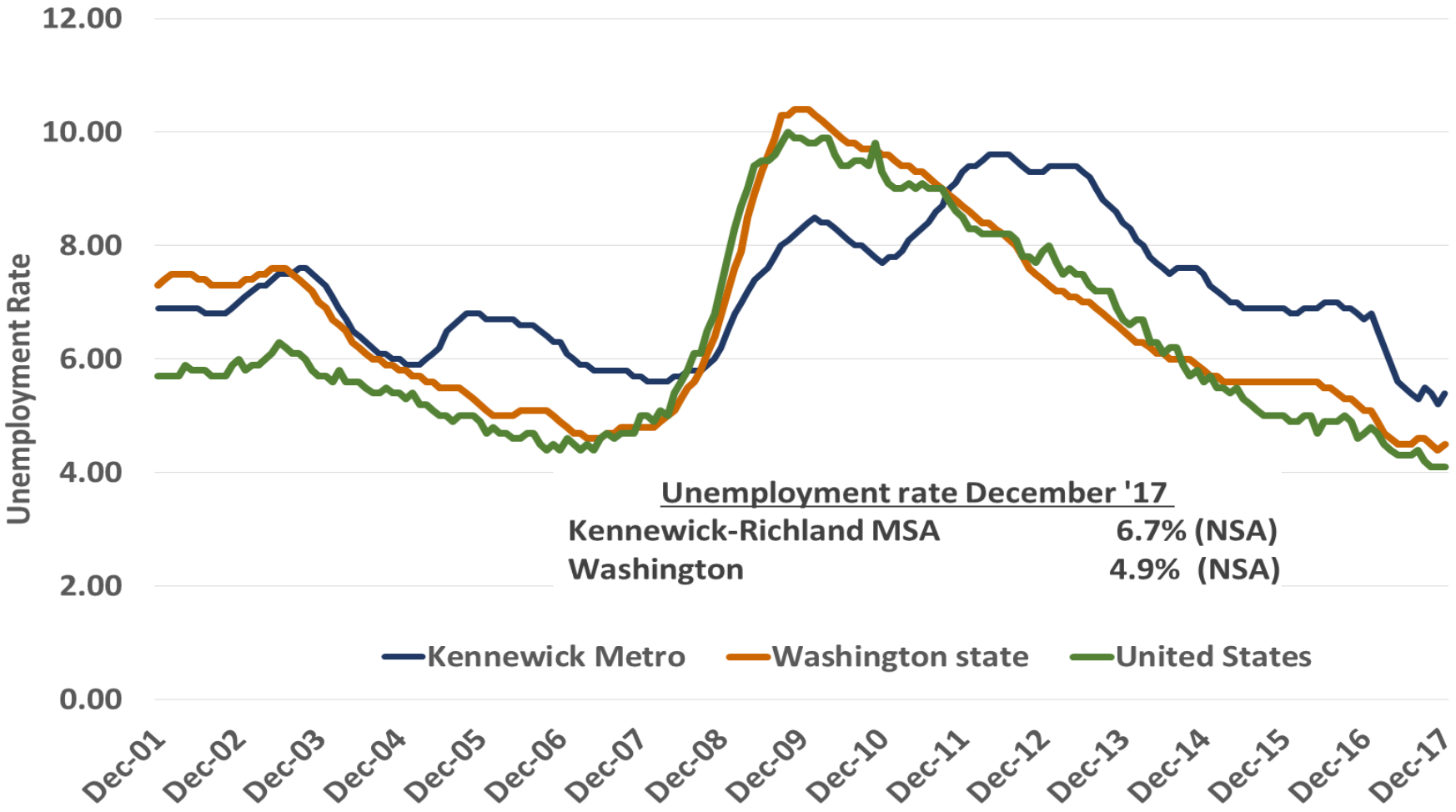
Unemployment rate continues to decrease



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/LAUS

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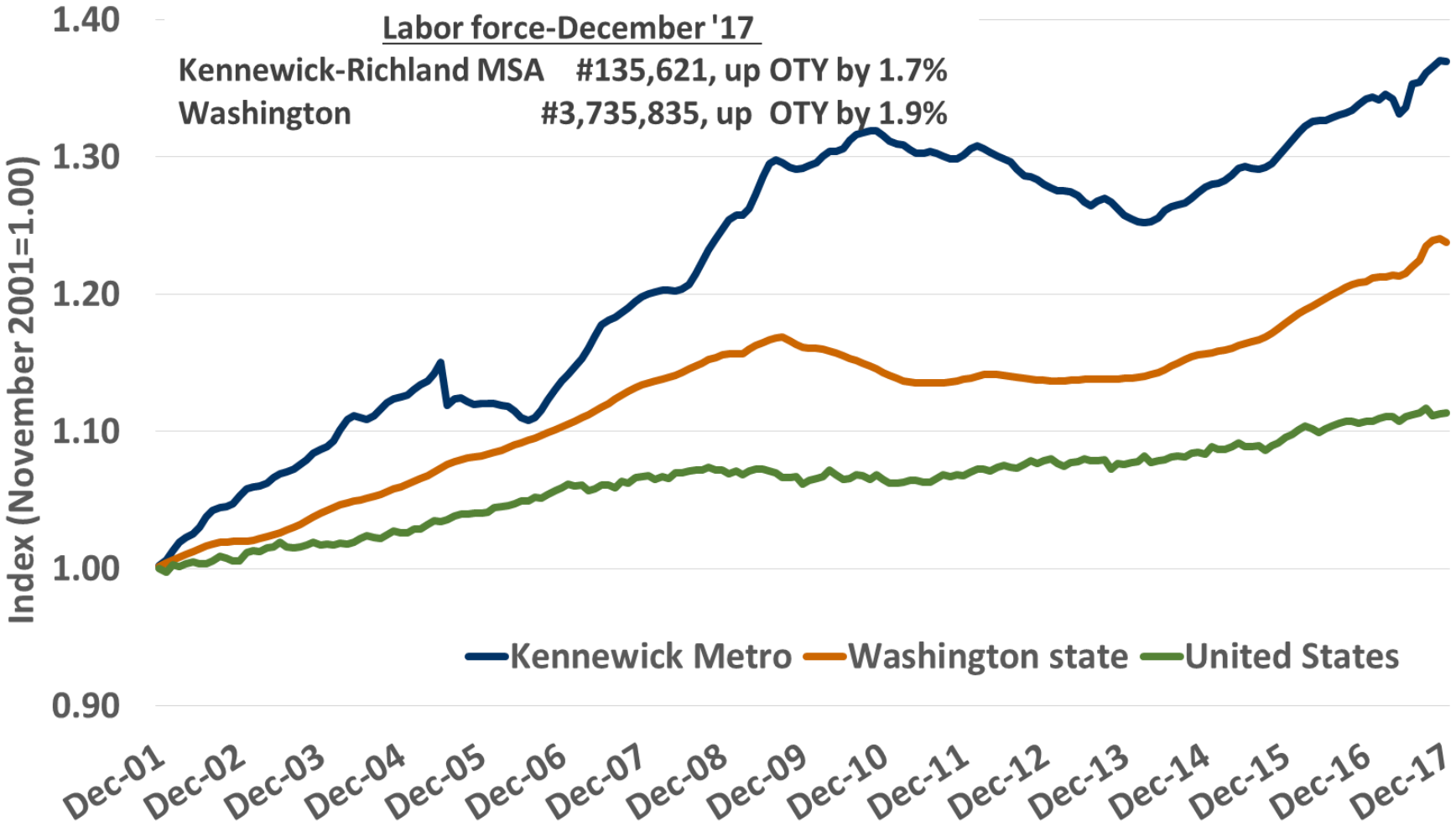
Labor force is growing



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/LAUS

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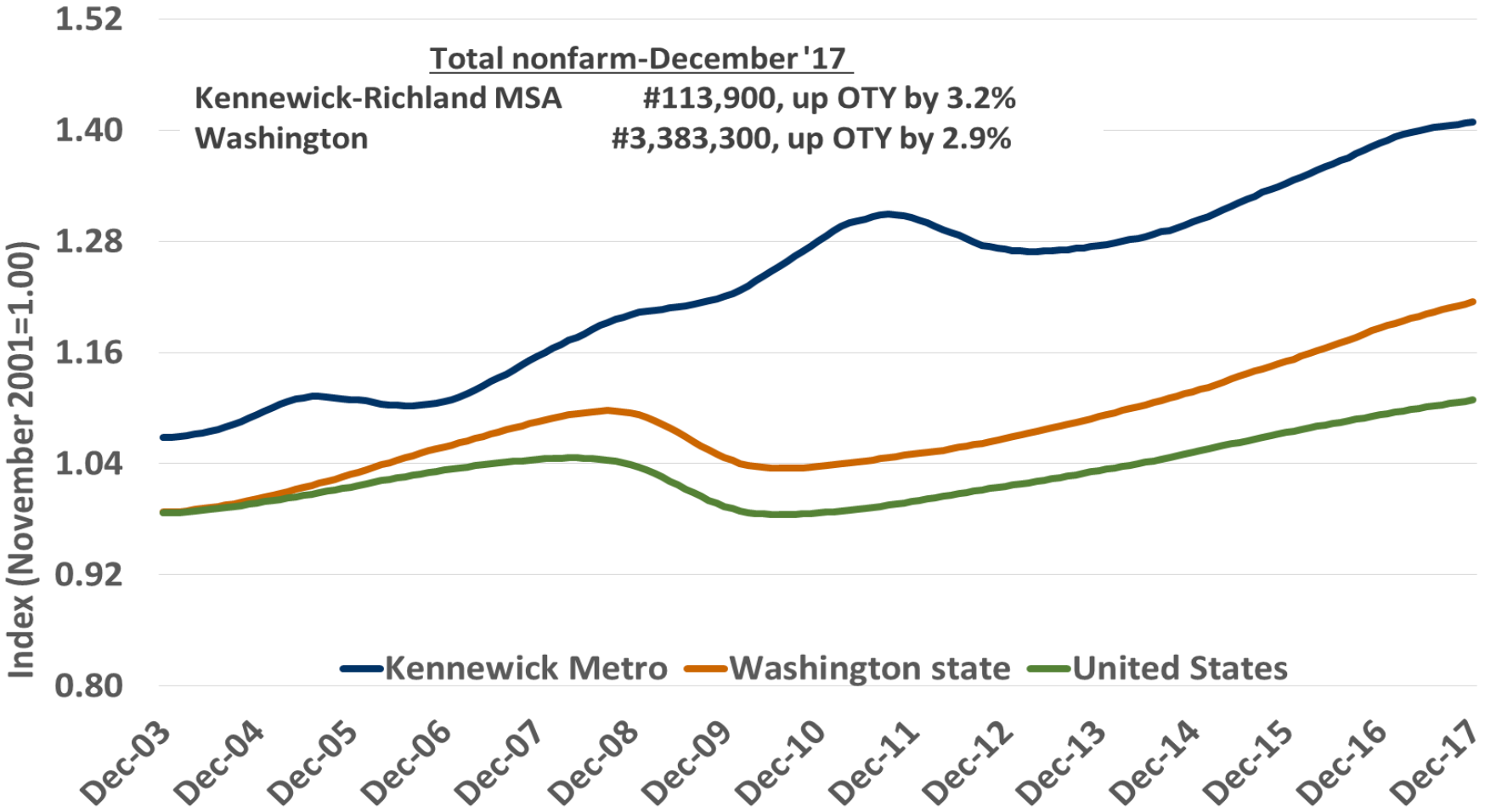
Nonfarm employment



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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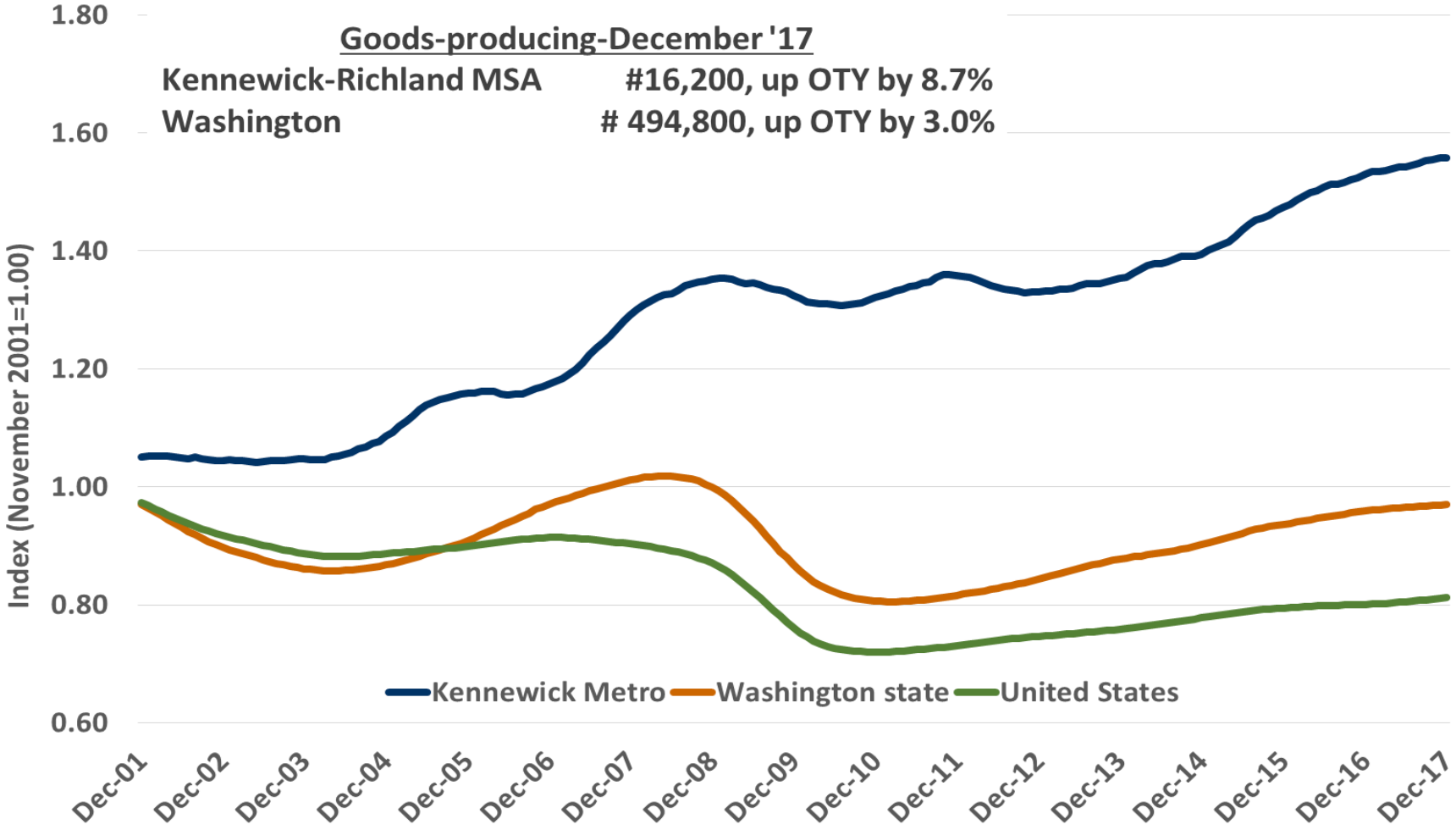
Goods-producing moving ahead with growth



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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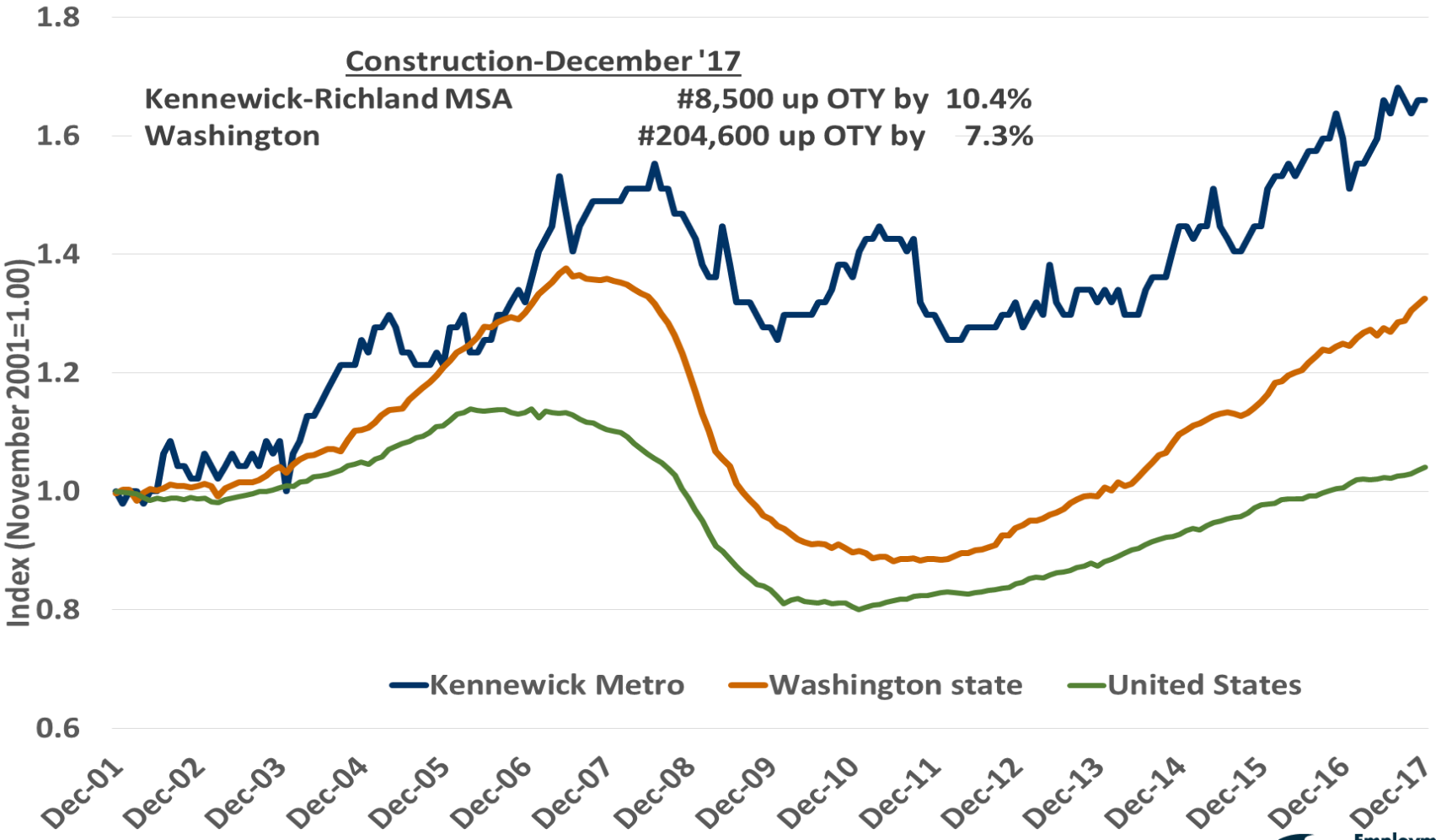
Construction



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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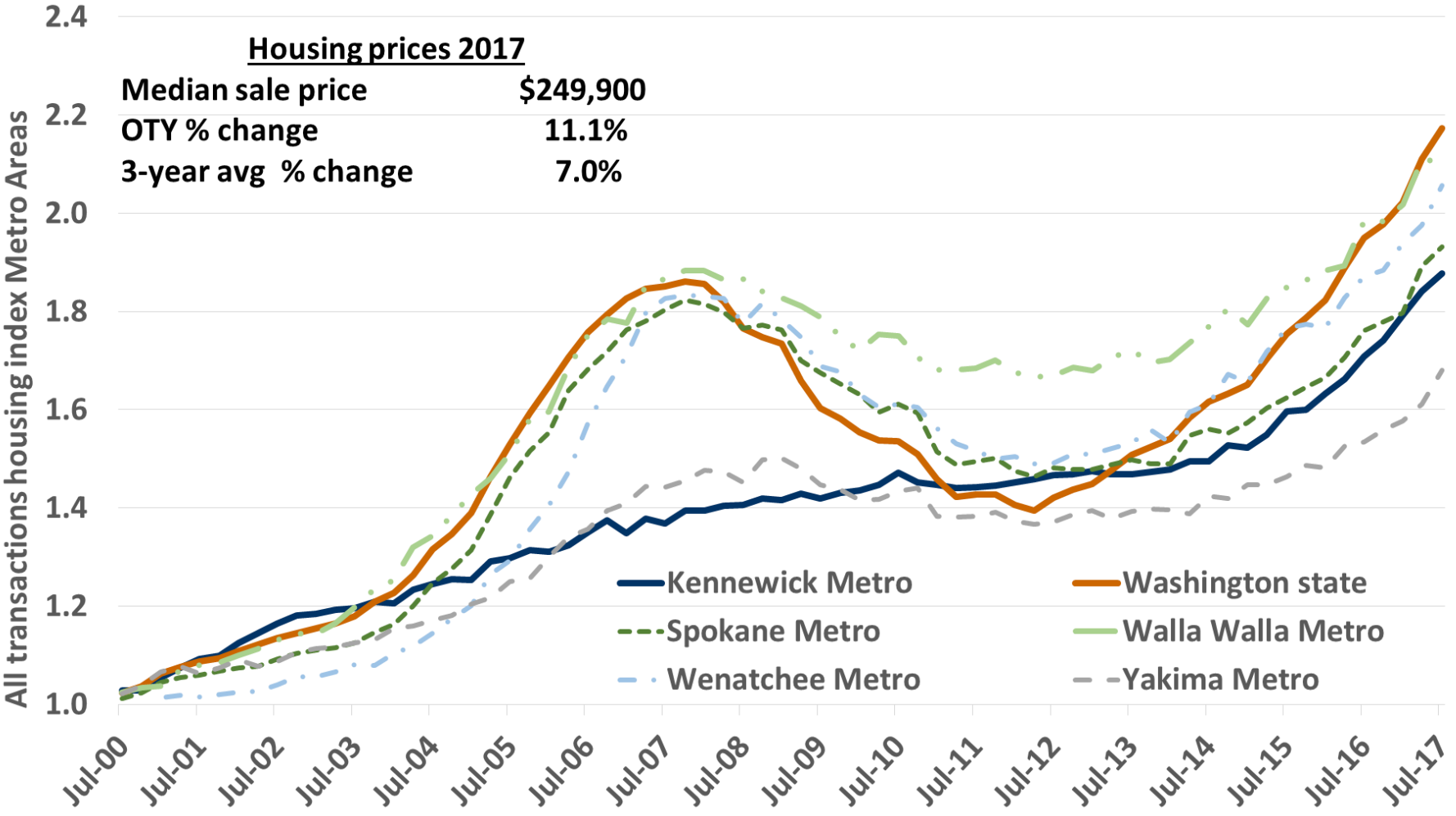
Housing Index (All-transactions)



Source: US. Federal Housing Finance Agency; Tri-City Realtor Association

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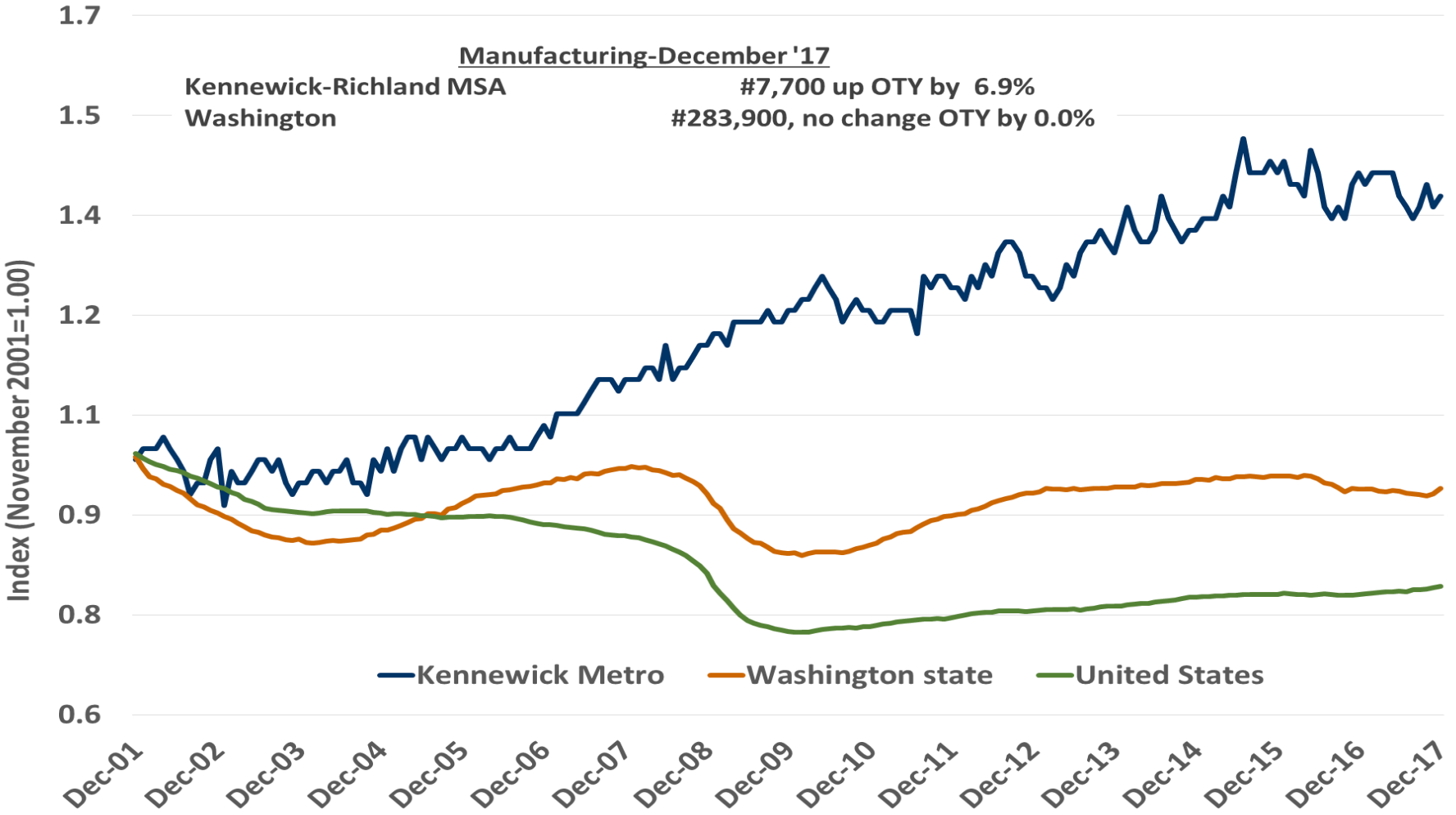
Manufacturing



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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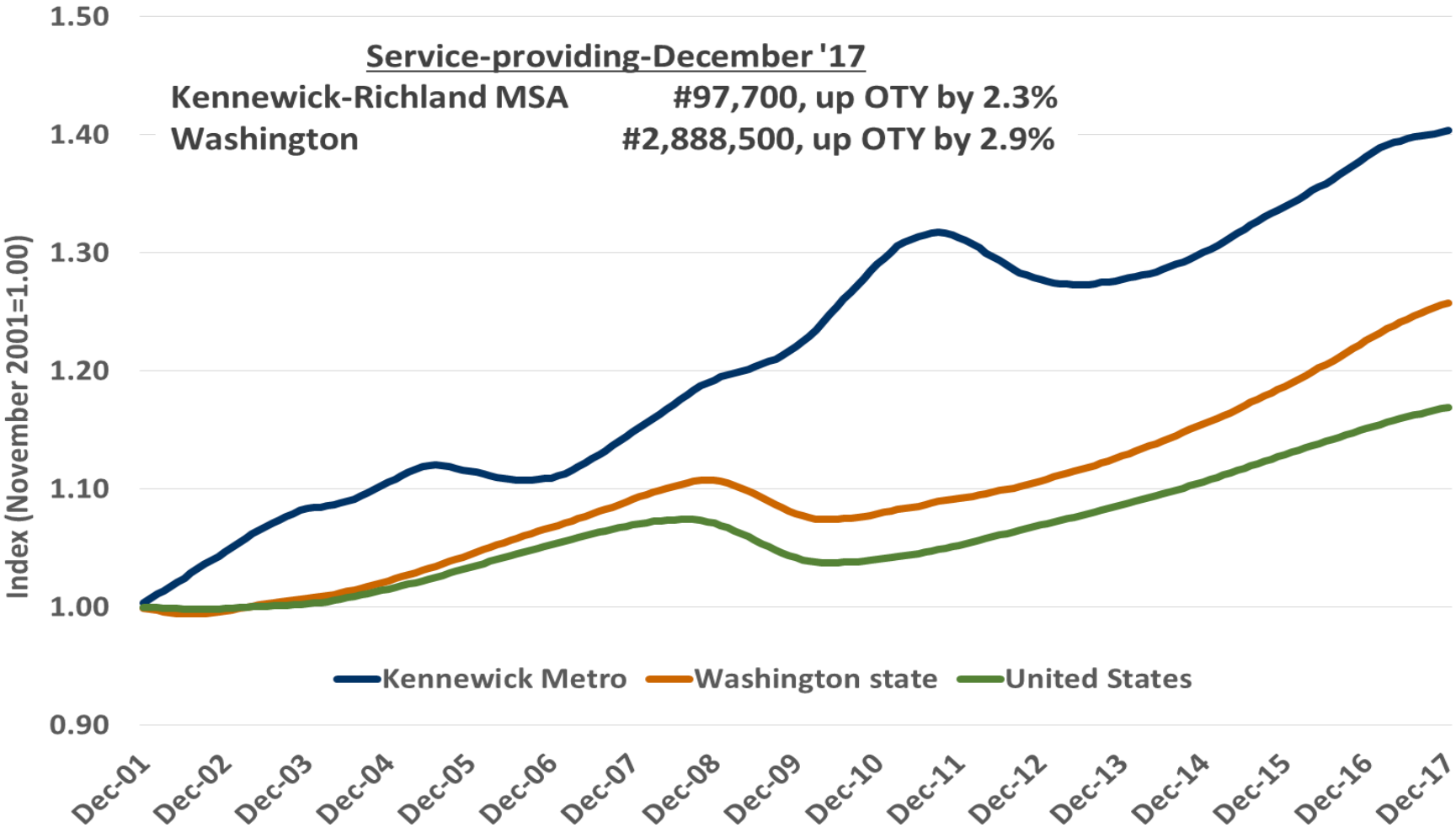
Service-providing



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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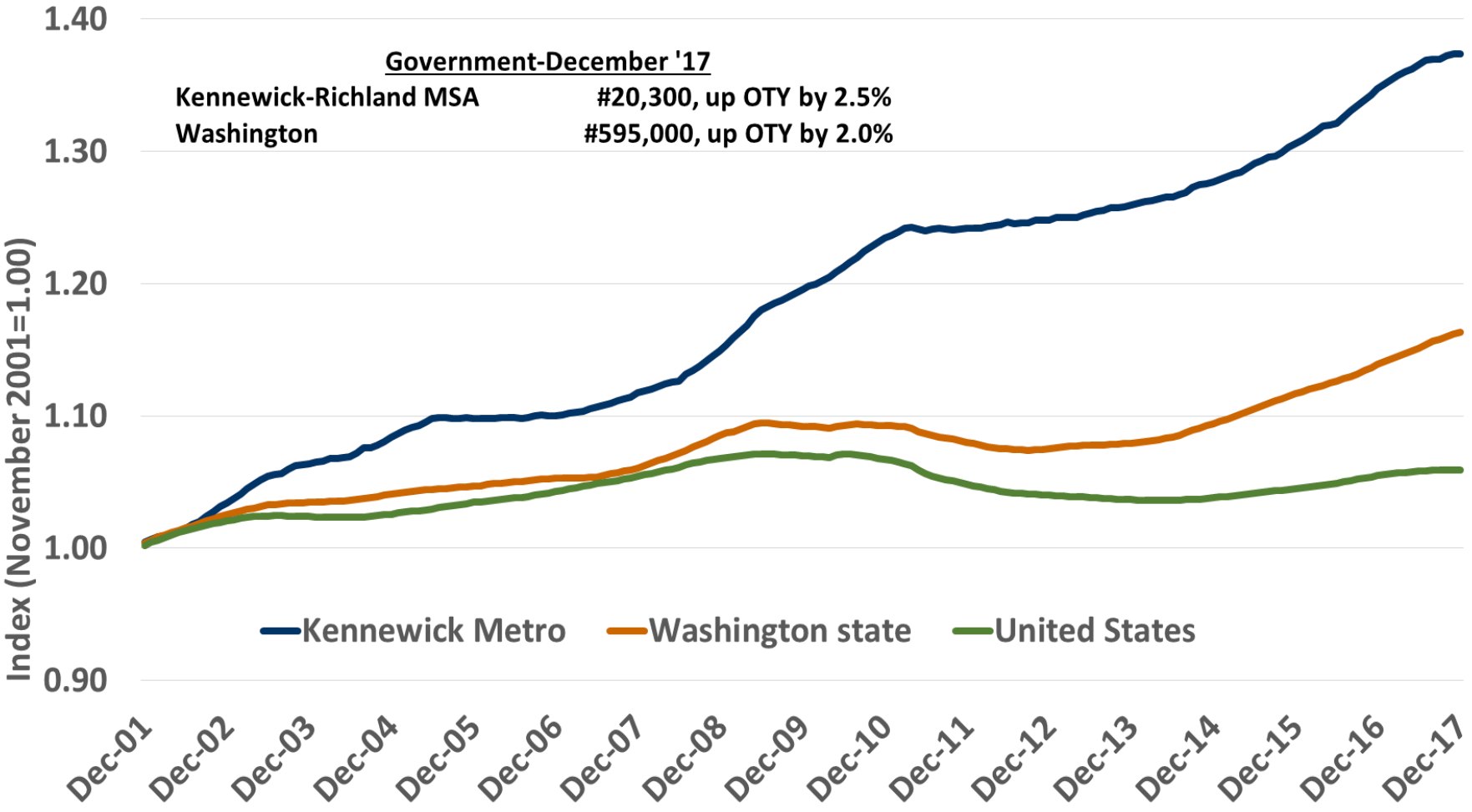
Government employment
(includes public healthcare and education)



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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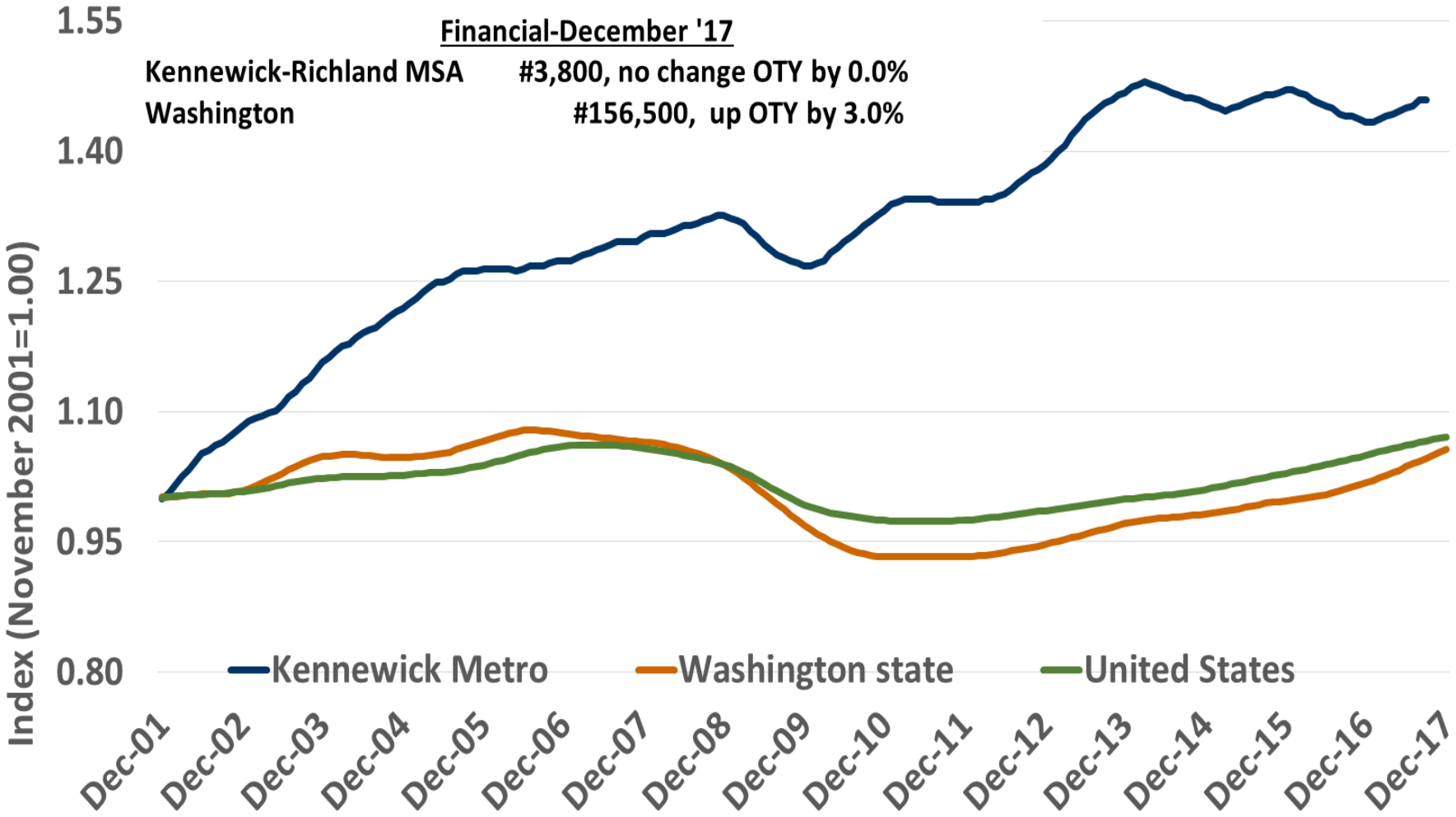
Financial services stable



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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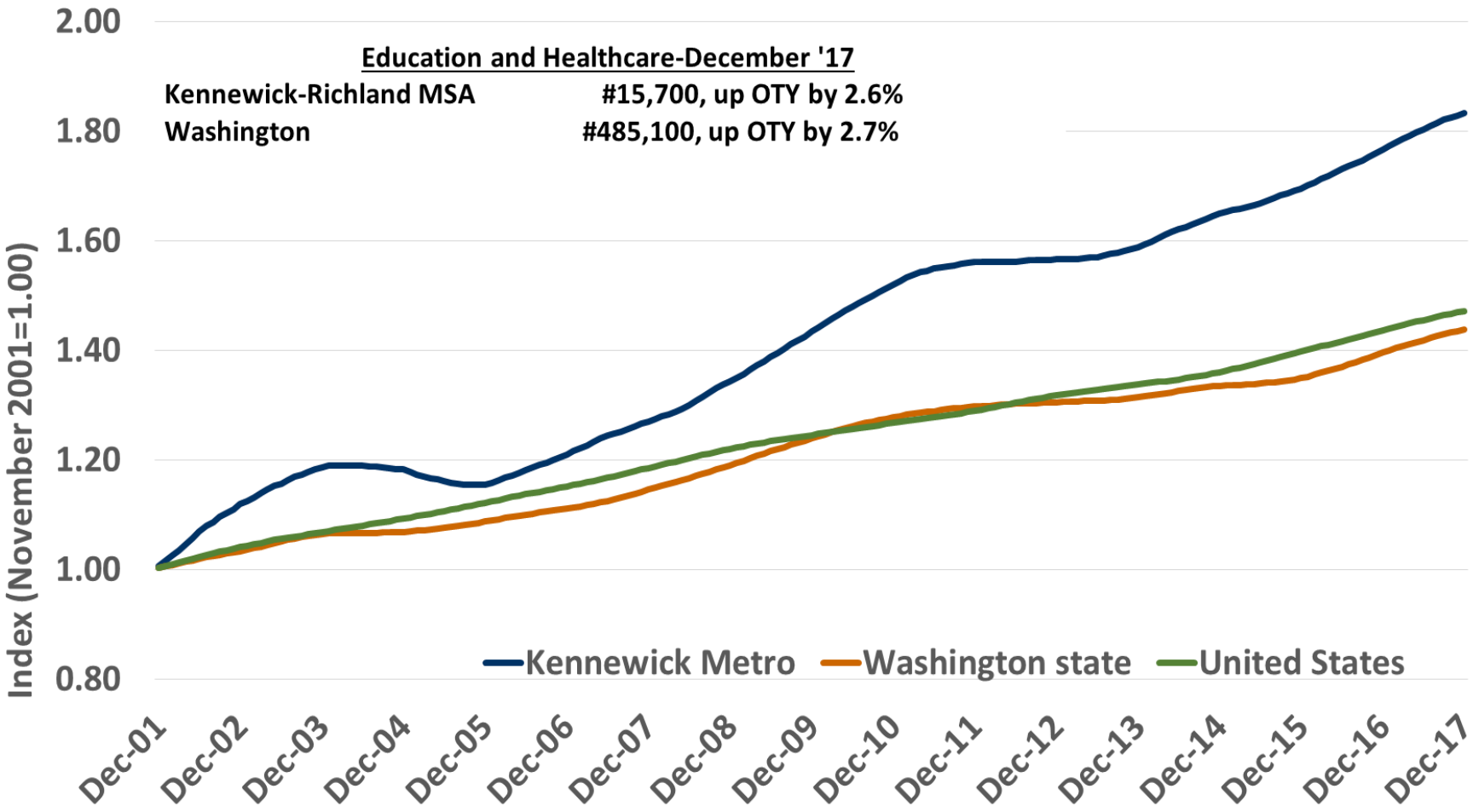
Education and healthcare
(private education and healthcare services)



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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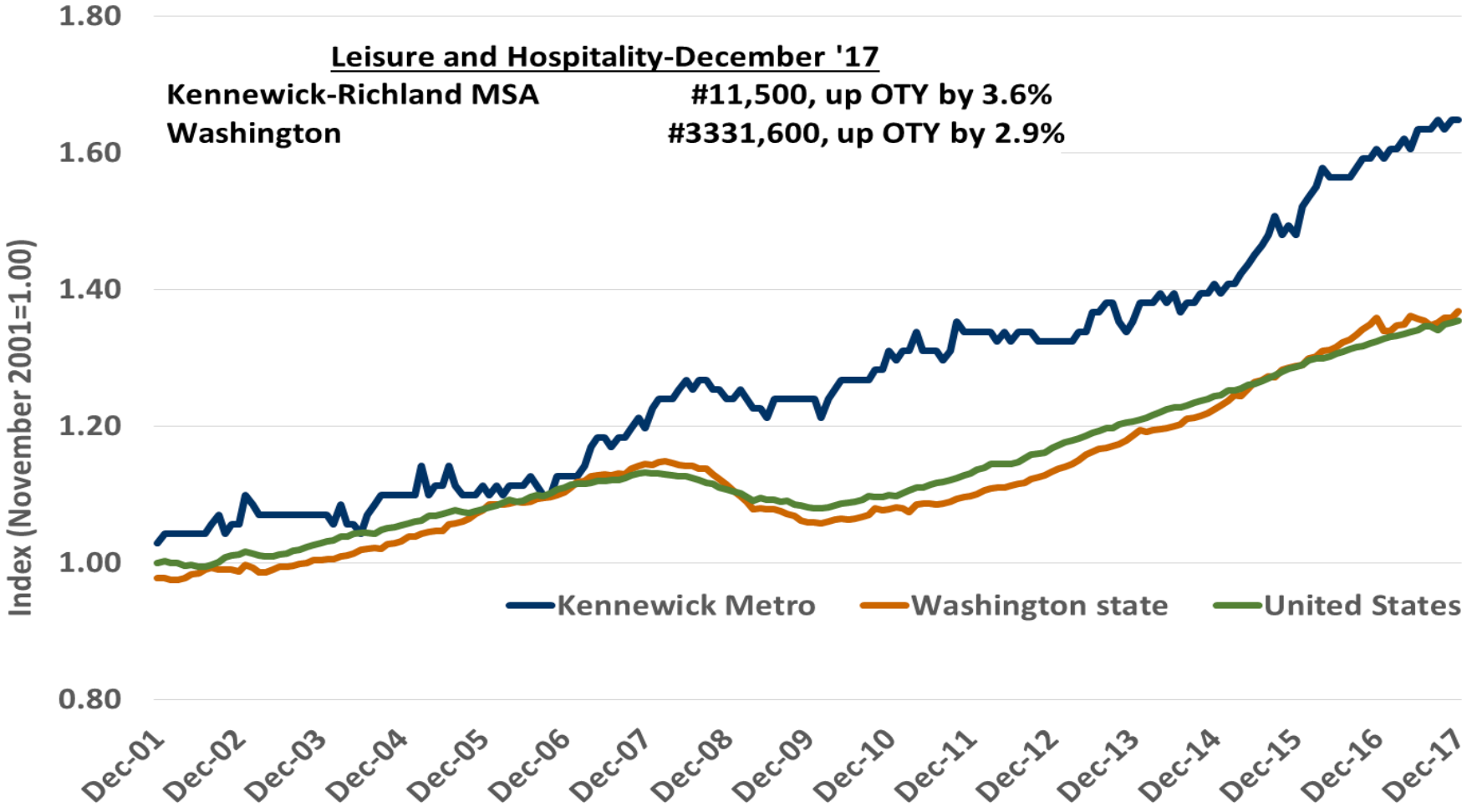
Leisure and hospitality



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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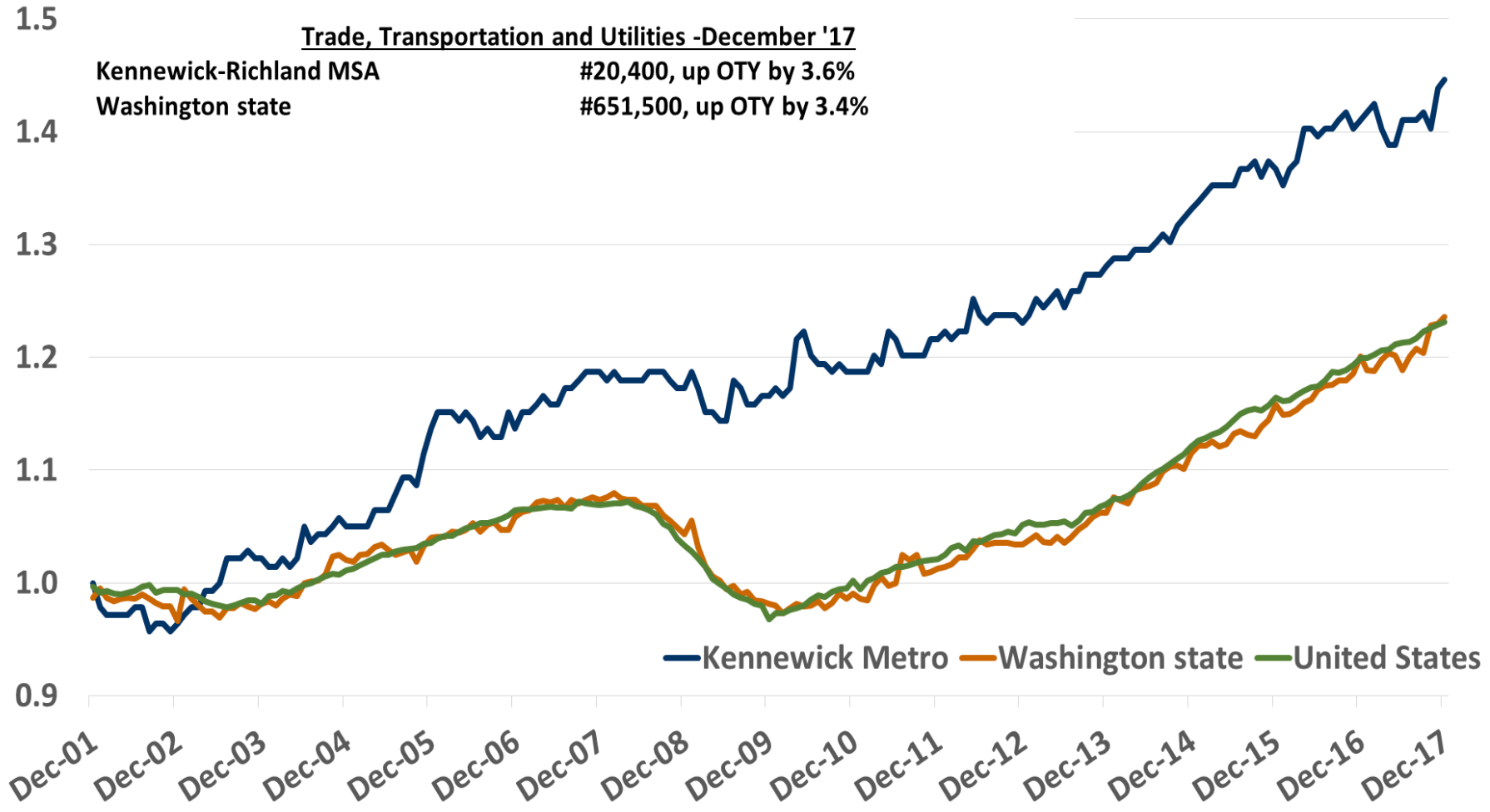
Trade, transportation and utilities



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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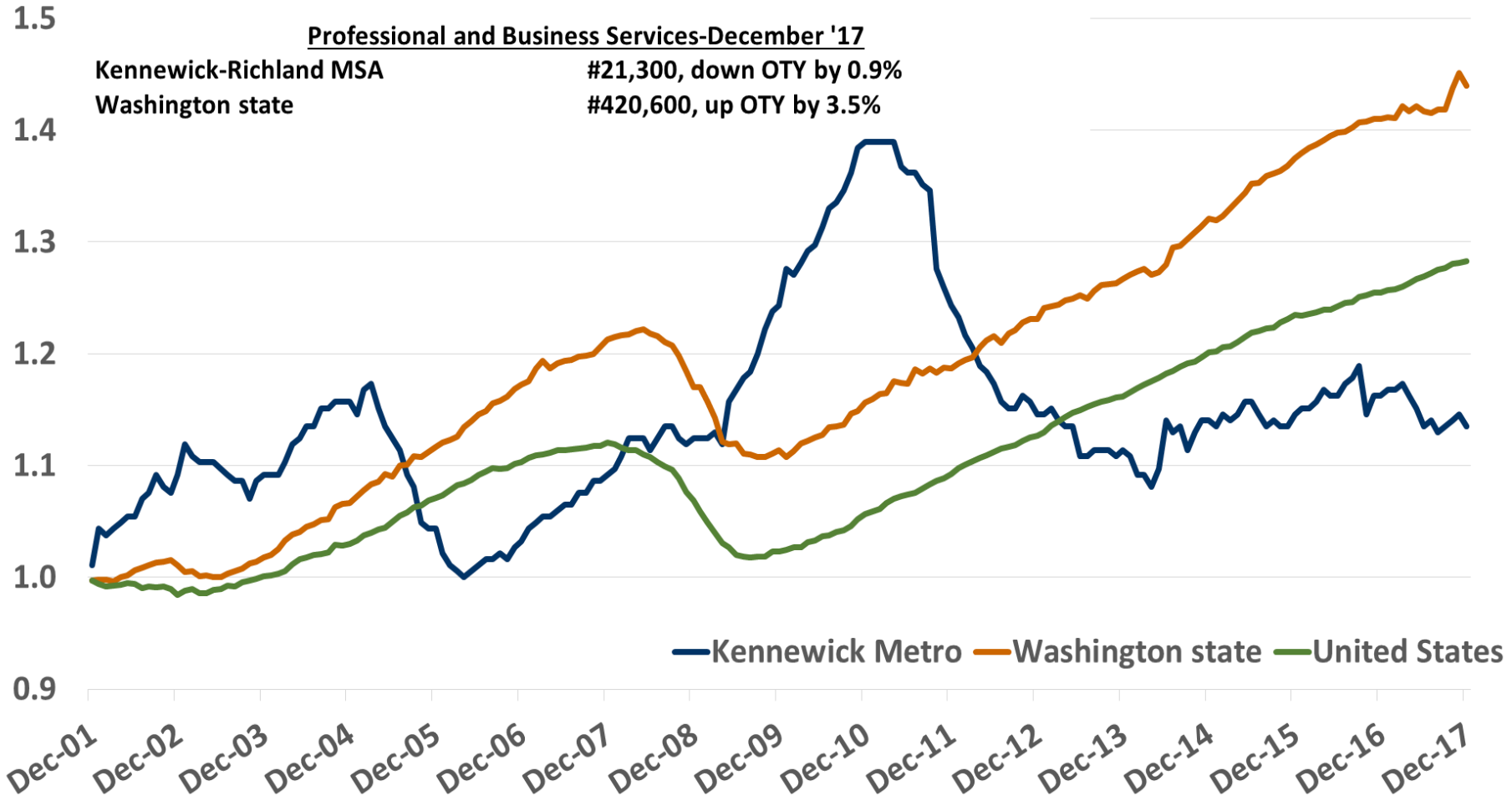
Professional and business services



Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics/CES

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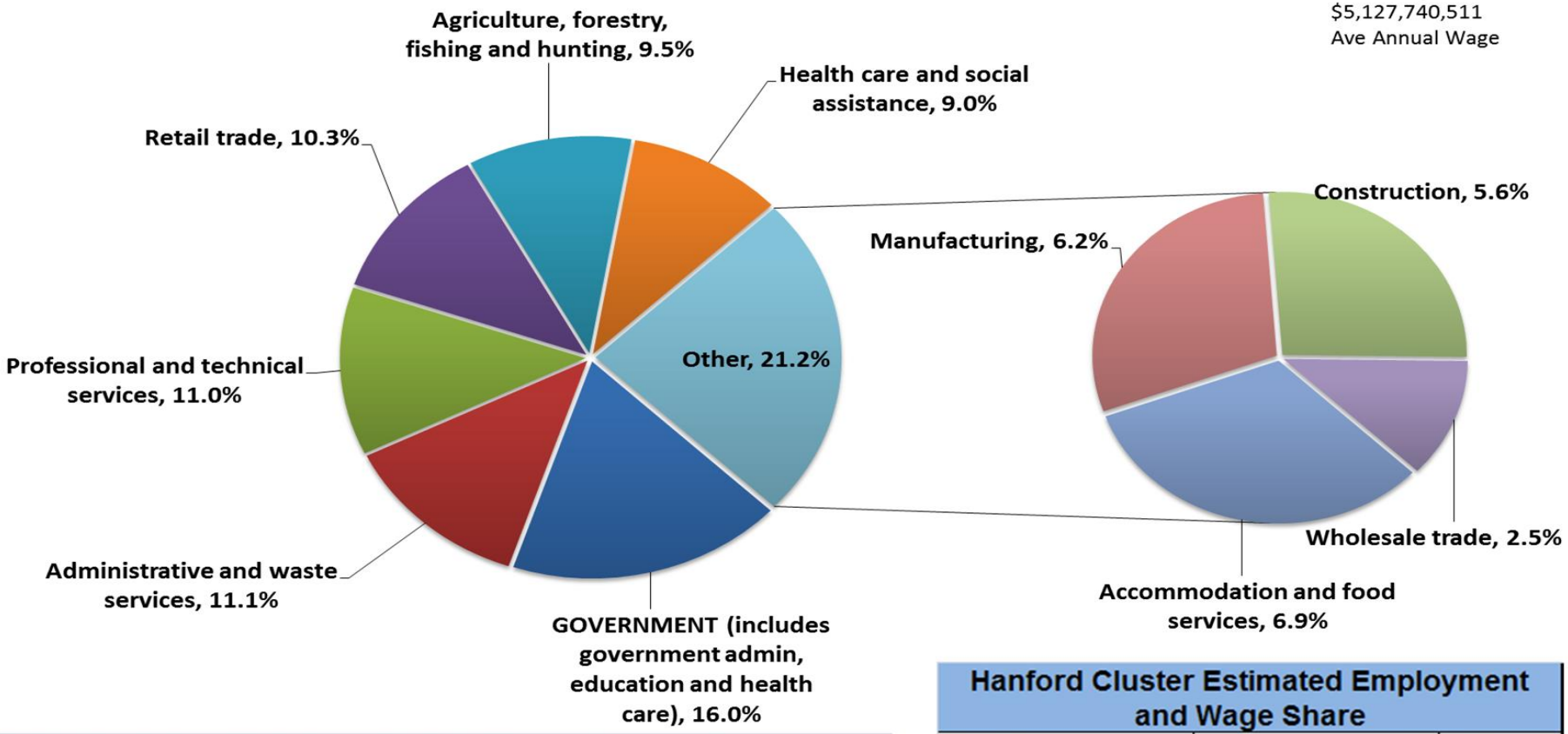
Industries

Benton and Franklin Region Industry Share

Source: Bureau of Labor Statistics-QCEW-LMEA-Avg Employment 2011

Total Avg Employment
110,741
Total Wages
$5,127,740,511
Ave Annual Wage



Hanford cluster is mainly in two major industries:			
Professional and technical services			
Administrative and waste services			
Hanford Cluster represents 58.2 % of their combined employment			

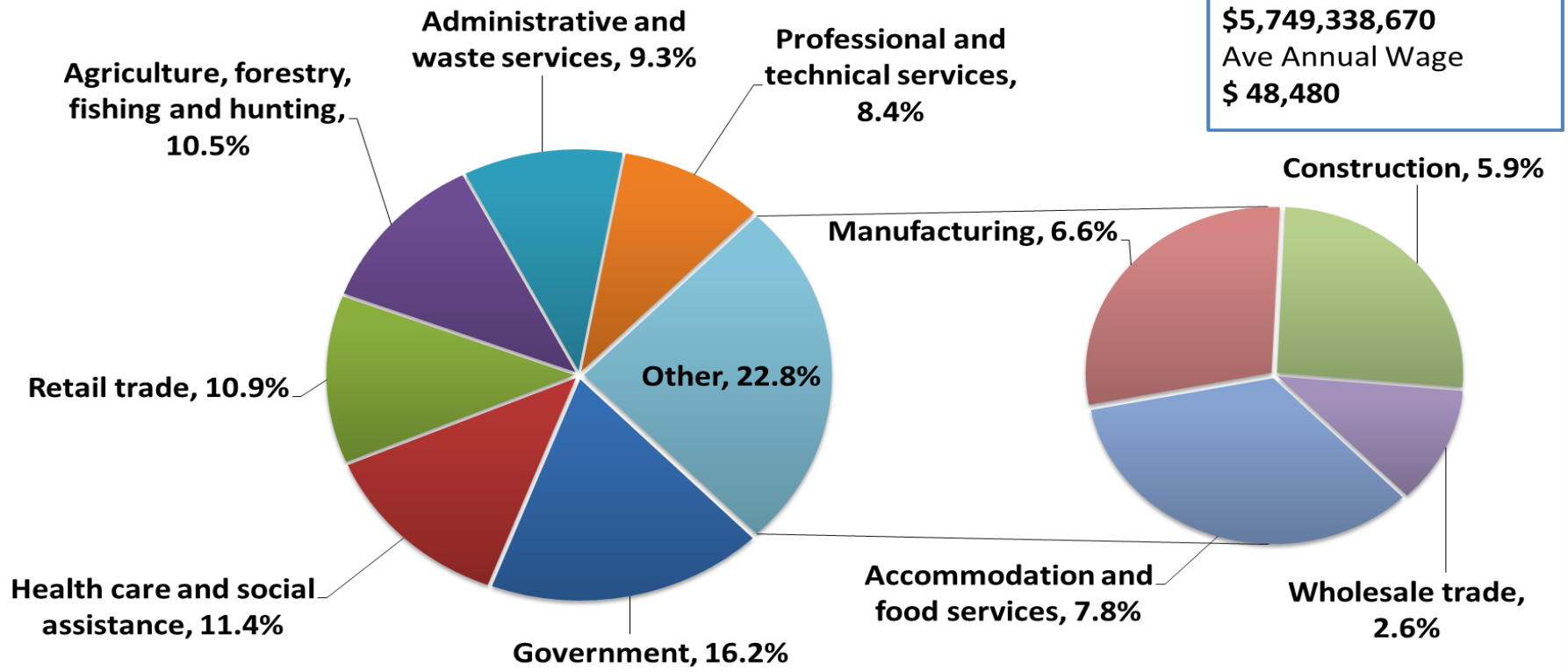
Hanford Cluster Estimated Employment and Wage Share		
Employment	18,387	16.60%
Wages	$ 1,746,859,221	34.07%
Average Wage	$95,005	

Industries

Benton and Franklin Region Industry Share

Source: Bureau of Labor Statistics-QCEW-WITS-Avg Employment 2016

Total Avg Employment
118,593
Total Wages
$5,749,338,670
Ave Annual Wage
$ 48,480



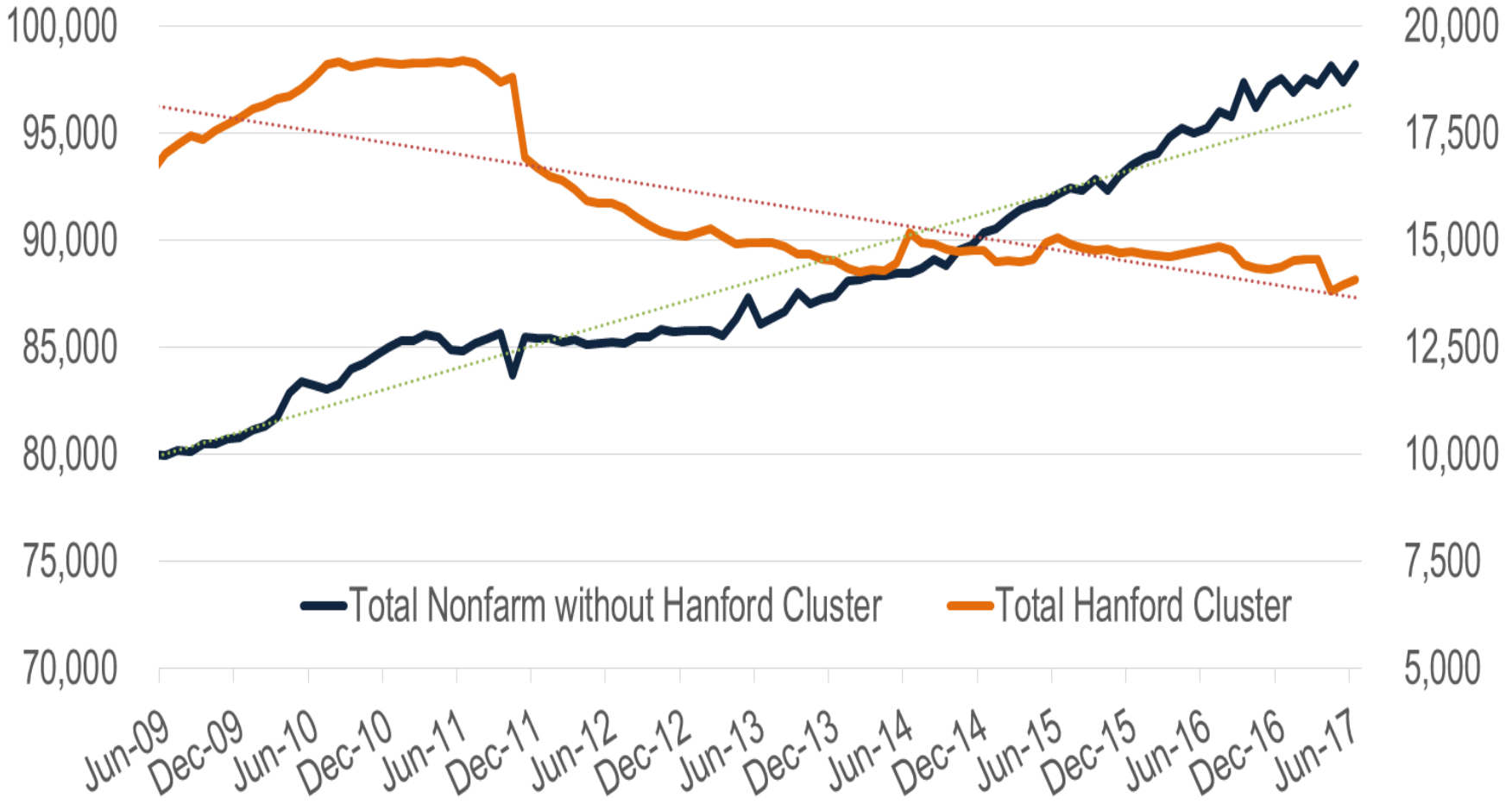
Hanford cluster is mainly in two major industries:

- Professional and technical services
- Administrative and waste services

Hanford Cluster represents 69.5 % of their combined employment

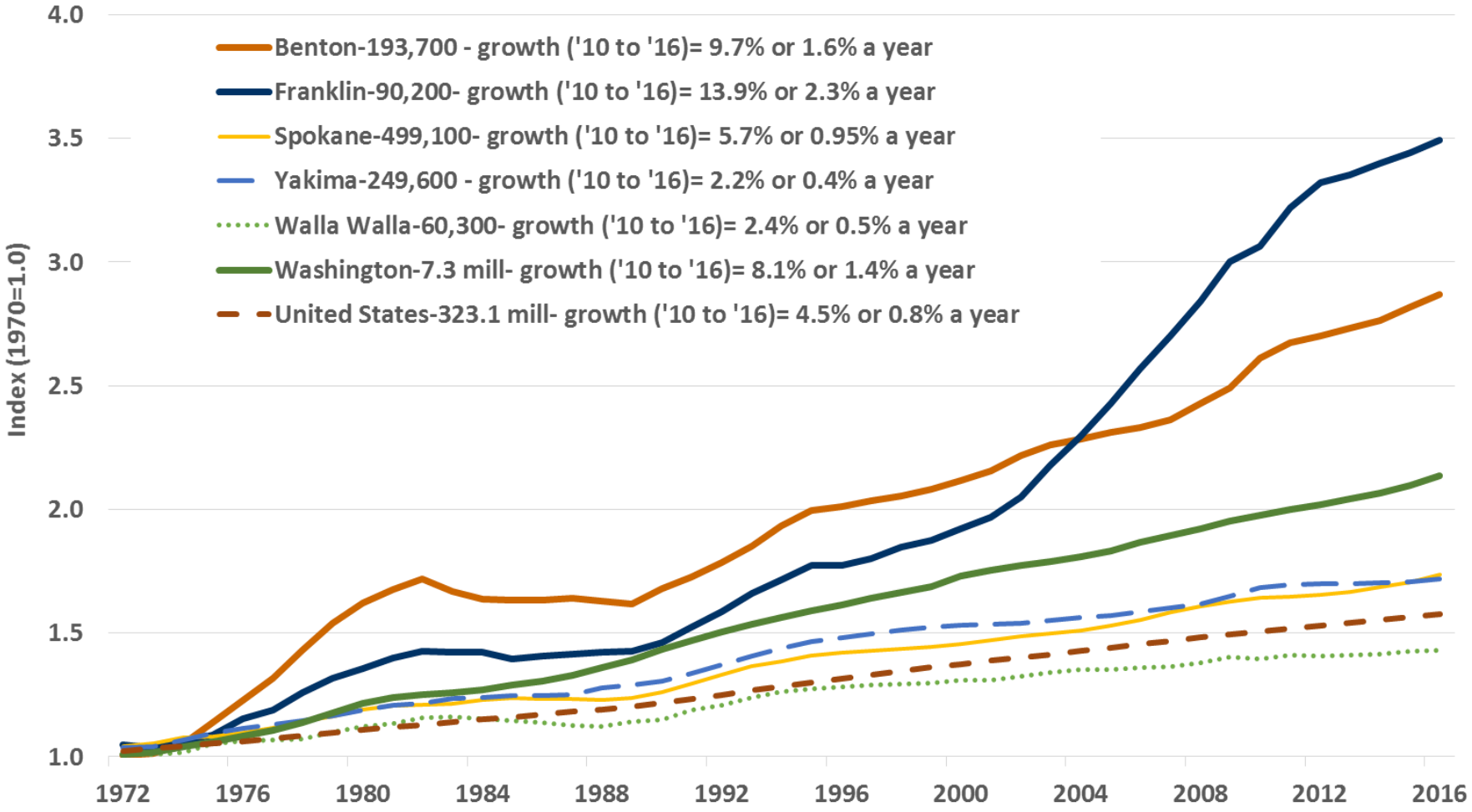
Hanford Cluster Estimated Employment and Wage Share 2016		
Employment	14,595	12.30%
Wages	$ 1,541,351,857	26.80%
Average Wage	$ 105,609	

Hanford employment vs. Other nonfarm employment



Source: Analyst estimates and visualization

Population



Source: US Census Bureau

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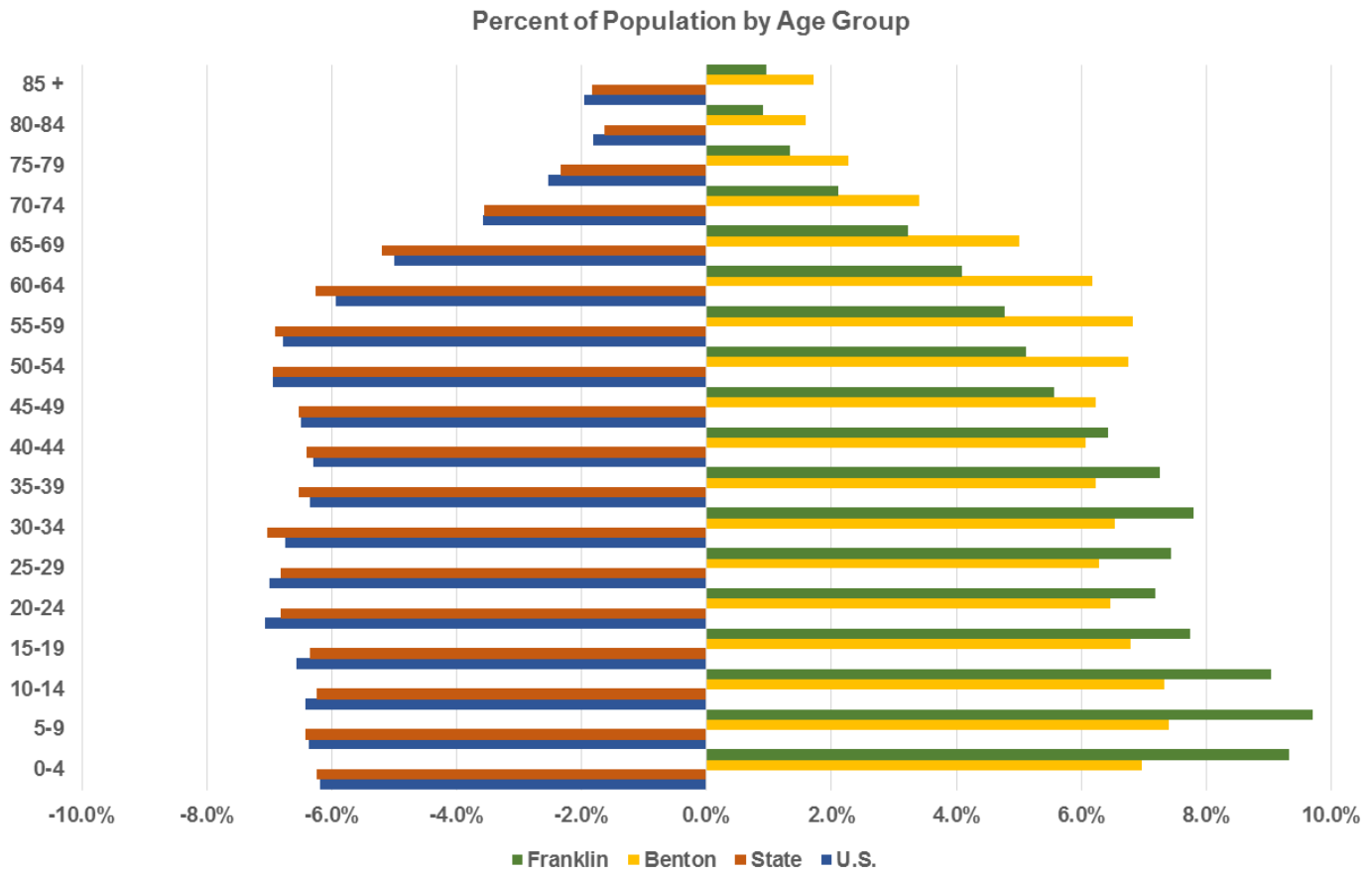
Population distribution by age group



Source: U.S. Census Bureau-American Community Survey 2015

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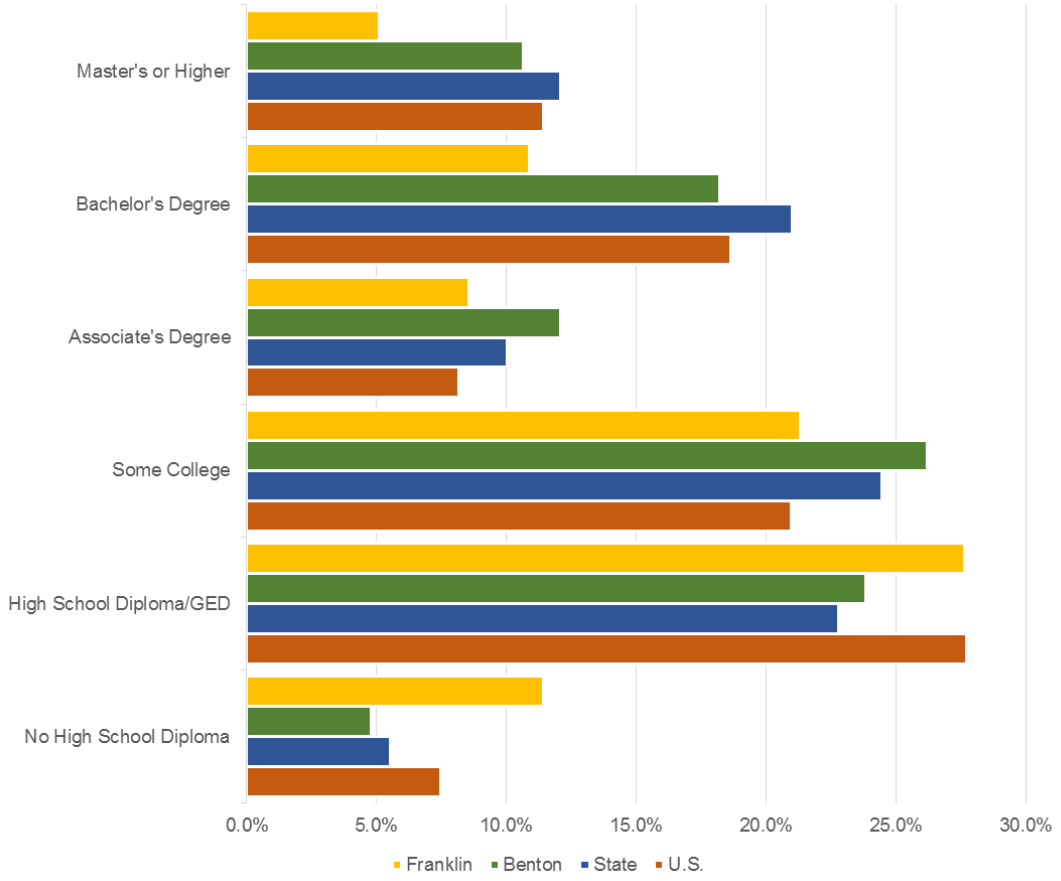
Population distribution by educational attainment



Source: U.S. Census Bureau-American Community Survey 2015

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Outlook

- For the next year, bi-county area is expected to have a good run in employment.
- Labor force rebound to shape the supply and demand.
- Consumer expended incomes and increased confidence in spending to drive much of the growth.
- Industries to look for are: Manufacturing, Healthcare, Education, Transportation and Warehousing, and Leisure and Hospitality

Thank you

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