

Kittitas County Profile

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Overview

Regional context

Kittitas County is in the center of the state, 100 miles east of Seattle across the Cascade Mountain Range. The county is bordered by Chelan, Grant and Yakima counties. With 2,297 square miles, it is one of the largest counties in the state. Over two-thirds of its area is hilly and mountainous, making it sparsely populated with 17.8 persons per square mile compared to 101.1 in Washington state in 2010.

Local economy

Native American inhabitants in the Kittitas Valley date back over 300 years in official records. The forerunners of the contemporary Yakama Nation occupied the land along the Yakima River, including the Kittitas Valley. The 1840s saw an influx of Euro-American settlers who brought measles and other diseases deadly to the indigenous population. The Treaty of 1855, following the Cayuse Indian War, resulted in the tribes moving to the Yakama and Colville Reservations. The 1883 Washington Territorial Legislature split off the northern part of Yakima County and recognized it as Kittitas County.

White settlers engaged in livestock raising, crop farming, dairying, logging and lumber processing and mining. Irrigation promoted an expansion in agriculture and food processing. By 1950, agriculture was a major sector in employment and income. By the 1960's, the horse industry, including horseracing, showing and recreation horses, increased the demand for hay. Many ranchers switched to hay and grain production as feed costs rose and price controls limited beef profitability.

Today, Timothy hay is a major Kittitas County cash crop. According to an article prepared by the Federal Census of Agriculture and published in the *Daily Record* Spring 2016 edition of the *Ag Journal*: ‘The value to growers of all hay produced in Kittitas County is estimated at more than \$50 million annually, with timothy estimated to value up to \$45 million of that total. These estimates are for a typical good harvest year with stable hay prices. Timothy and alfalfa hay grown for the export market is the single-largest agricultural product raised in Kittitas County. In a good harvest year, about 90 percent of the timothy hay crop is exported overseas to Japan, South Korea, United Arab Emirates, Vietnam, and other Pacific Rim countries, with Japan being the single largest export customer.’ Agriculture and the wholesale trade of nondurable goods (primarily Timothy hay) provided 7.0 percent and 4.3 percent of total covered employment in Kittitas County in 2019.

Central Washington University (CWU) is the largest employer in, and is tremendously important to, the Kittitas County economy. According to the City of Ellensburg’s Comprehensive Plan (dated January 1, 2019): “Attributable to the presence of Central Washington University, Ellensburg’s median age has remained very young and fairly constant. CWU is a major presence in Ellensburg;

during the 2015-2016 school year there were 9,656 students attending the university on-campus in Ellensburg, or about half the population of Ellensburg. The University is projecting on-campus enrollment to increase to about 12,000 students over the next 10 years.”

Kittitas County residents enjoy an unparalleled quality of life. Nestled between the Cascade Mountains in the West and the Columbia River in the East, the county is surrounded by unmatched natural beauty. This sunny agricultural region provides perfect conditions for biking, hiking, fishing, and a host of other outdoor activities along with a year-round calendar of festivals and events. Major cities in the county (and estimated population in 2019) include: Ellensburg (19,960 residents), Cle Elum (1,915 residents), and Kittitas (1,530 residents).

Geographic facts

	Kittitas County	Washington state
Land area, 2010 (square miles)	2,297.27	66,455.52
People per square mile, 2010	17.8	101.2

Source: U.S. Census Bureau QuickFacts

Outlook

Kittitas County's nonfarm economy has expanded in each of the past six years (2014 through 2019). In fact, from 2014 through 2018, the local economy grew at, or above, a 2.5 percent clip annually. In 2019, the county's labor market averaged 17,570 jobs, a modest 200 job and 1.2 percent upturn since 2018. However, since the onset of COVID-19-related layoffs in April 2020, the local economy has watched nonfarm employment shrink substantially (in the -12 to -17 percent range) during each of the past seven months (April through October 2020). In October 2020, employment totaled 15,180, down by 2,770 jobs and 15.4 percent from the 17,950 jobs tallied in October 2019.

How long this economic downturn will last is uncertain. Much depends on how soon the COVID-19 virus can be contained and/or eradicated. This makes preparing an outlook during these COVID-19 times difficult. Nevertheless, official long-term, (i.e., ten-year) industry employment projections produced by the Employment Security Department are for a 1.1 percent average annual nonfarm growth rate from 2017 to 2027 for the four-county (Kittitas, Klickitat, Skamania and Yakima) South Central Workforce Development Area (WDA), and for a 1.5 percent growth rate for Washington state.

Labor force and unemployment

Current labor force and unemployment statistics are available on the [Labor area summaries](#) page on ESD's labor market information website.

Following the national recession which occurred from December 2007 through June 2009, the average annual, not seasonally adjusted unemployment rate in Kittitas County rose to an apex of 9.8 percent in 2010. The unemployment rate then fell for seven consecutive years (from 2011 to 2017, inclusive) to 5.4 percent in 2017. This 5.4 percent reading in 2017, along with a 5.4 percent rate recorded ten-years prior (in 2007) were the lowest average annual unemployment rates in Kittitas County since electronic records were implemented by ESD in 1990. The local rate then rose to 5.6 percent in 2018 before dipping to 5.5 percent in 2019. The take-away is that these average annual rates in Kittitas County from 2017 through 2019 were, historically, quite low.

Recent monthly Civilian Labor Force (CLF) and unemployment rates for Kittitas County paint a more negative picture of the local labor market. COVID-19-related layoffs pushed monthly rates upwards from April through October 2020. The local rate increased from 4.3 percent in October 2019 to 5.8 percent in October 2020, up one and five-tenths percentage points. This 5.8 percent rate is the highest October reading in Kittitas County in six years since the identical 5.8 percent rate in October 2014. CLF monthly estimates indicate that the labor force has retrenched from May through October 2020. Most recently, there were 2,425 fewer residents in the local labor force this October than in October 2019, a 9.9 percent downturn. Concurrently, the number of unemployed residents rose by 19.4 percent, from 1,070 in October 2019 to 1,278 in October 2020. Hence, a shrinking labor force coupled with growing numbers of unemployed nudged the rate upwards from 4.3 percent in October 2019 to 5.8 percent in October 2020. This current one and five-tenths percentage point increase in the rate is not good economic news. But it should be noted that between April 2019 and April 2020, Kittitas County's unemployment rate skyrocketed by 10.4 points (from 5.5 percent in April 2019 to 15.9 percent in April 2020), and that (at report preparation time) the pace of year-over-year unemployment rate increases generally decelerated from April through October 2020.

Source: Employment Security Department/LMEA, County Data Tables

Industry employment

Current industry employment statistics are available on the [Labor area summaries](#) page on ESD's labor market information website.

The analysis in the first part of this section is derived primarily from Quarterly Benchmarked (WA-QB) data. One advantage of these data is that the employment information is very current, and data are updated monthly using WA-QB employment estimates. However, estimates are nonfarm related – they do not include agricultural employment figures.

The analysis in the second part of this section is derived from the Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department. Although it takes a little longer to acquire QCEW data (than WA-QB data), the economic information provided is broader and more detailed than that which is provided by WA-QB data.

First, QCEW includes employment, wage and size of firm figures for the agricultural sector, which WA-QB does not include. Second, QCEW data provides employment, wage and size of firm figures for businesses and government organizations in Kittitas County down to the three-digit NAICS sub-sector level (i.e., more detail than WA-QB). QCEW data include agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. Also included are data for federal government agencies covered by Title 5, U.S.C. 85. Covered employment generally exceeds 85 percent of total employment in the state of Washington.

Types of jobs not covered under the unemployment compensation system, and hence not included in QCEW data, include casual laborers not performing duties in the course of the employer's trade or business; railroad personnel; newspaper delivery people; insurance or real estate agents paid on a commission basis only; non-covered employees working for parochial schools, religious or non-profit organizations; employees of sheltered workshops; inmates working in penal institutions; non-covered corporate officers; etc.

Analysis using Quarterly Benchmarked data:

Following is a summary/analysis of average annual local nonfarm employment trends in Kittitas County from 2017 through 2019:

- In 2017 – Nonfarm employment in Kittitas County averaged 16,930, a 450 job and 2.7 percent upturn over the 16,480 jobs provided in 2016. This 2.7 percent average annual increase was slightly faster than the state's 2.4 percent job-growth rate and was the fourth consecutive year of job growth in Kittitas County following the economic damage done by the national recession (which occurred from December 2007 to June 2009, according the National Bureau of Economic Research or NBER). Employment gains were led by 90 job upturns in 2017 in professional and business services (up 17.3 percent) and in private education and health services (up 6.1 percent). Close behind was a 70 job average annual advance in state and local government (up 1.1 percent). During 2017, 60 job expansions occurred in both wholesale trade (up 11.3 percent) and retail trade (up 3.4 percent). Washington's economy saw employment advance by 2.4 percent in 2017, the seventh year of recovery as job numbers rose by 78,300 and nonfarm employment averaged 3,321,100.
- In 2018 – Nonfarm employment in Kittitas County averaged 17,370, a 440 job and 2.6 percent upturn over the 16,930 jobs tallied in 2017. This job-growth rate was slightly faster than the state's 2.4 percent job-growth rate in 2018. Calendar year 2018 was also the fifth consecutive year (from 2014 through 2018, inclusive) wherein Kittitas County's nonfarm economy grew at or above a 2.5 percent clip. Job growth was recorded in: state and local government education, which netted 150 new jobs (up 3.1 percent), construction which added 70 jobs (up 7.1 percent), followed by education and health services (up 3.2 percent) and leisure and hospitality (up 1.8 percent) where each added 50 jobs. In 2018, Washington's nonfarm labor economy escalated by 2.4 percent, the eighth year of economic expansion, as employment rose by 80,000 and averaged 3,401,200 jobs.
- In 2019 – Nonfarm employment in Kittitas County averaged 17,570, a modest 200 job and 1.2 percent upturn over the 17,370 jobs tallied in 2018. This 1.2 percent annual increase was slower than the state's 2.0 percent job-growth rate. State and local government education increased by 90 jobs (up 1.8 percent) rising from an average of 5,000 jobs in 2018 to 5,090 in 2019. The industry adding the second-highest number of jobs in 2019 was construction which advanced by 4.8 percent and 50 jobs, from 1,050 in 2018 to 1,100 in 2019. On the downside, information and financial services contracted from 620 to 600 jobs (down 3.2 percent) in 2019. Washington's economy saw employment expand by 2.0 percent in 2019, the ninth year of recovery, as job numbers rose by 67,100 with nonfarm employment averaging 3,468,300.

Analysis using QCEW data:

The North American Industry Classification System (NAICS) is an industry classification system that groups businesses and organizations into categories or sectors based on the activities in which they are primarily engaged. There are 19 private sectors and three government sectors (for a total of 22 sectors) at the two-digit NAICS code level, within each county-level economy. One can observe much about the structure of a county's economy by quantifying and comparing the number of jobs and the percentage of jobs in these sectors by using average annual QCEW data. The most recent average annual employment data available for Kittitas County are for 2019.

The top five Kittitas County industries in 2019 in terms of employment were:

Sector	Number of jobs	Share of employment
1. Accommodation and food services	2,684	17.4%
2. Local government	2,403	15.6%
3. Retail trade	1,827	11.8%
4. State government	1,574	10.2%
5. Health services	1,396	9.1%
All other industries	5,536	35.9%
Total covered employment	15,420	100%

Source: Employment Security Department/LMEA, QCEW

Approximately 64.1 percent of all jobs in Kittitas County were in five, two-digit NAICS industries or sectors (accommodation and food services, local government, retail trade, state government and private health services). Following are some key points when comparing employment in these key Kittitas County sectors with the wages and payrolls earned therein:

- Accommodation and food services (primarily hotels and restaurants) provided 17.4 percent of all jobs countywide, but only 9.0 percent of total payroll or wages – indicating that many of these jobs are part time and/or seasonal. The percent of total covered employment in Kittitas County in accommodation and food services is high when compared with other counties. For example, in neighboring Yakima County, only 5.9 percent of total covered employment in 2019 was in the accommodation and food services industry. This indicates both the importance of tourism to the Kittitas County economy and the availability of workers (i.e., relatively large numbers of CWU students) seeking part-time and/or seasonal jobs.
- Local government had 15.6 percent of all jobs, but 19.1 percent of wages during 2019. This category includes Kittitas Valley Hospital (KVH), local public schools, police and fire departments, libraries, city and county government administrative offices, etc.
- State government provided just 10.2 percent of all jobs countywide, but 20.1 percent of total payroll or wages across Kittitas County in 2019. Hence, more than one in every five dollars of earned wage income countywide comes from state government employment (in which CWU is a major employer).

An analysis of covered employment changes in Kittitas County in the past ten years (2009 to 2019) using ESD's average annual QCEW data, shows that total covered employment increased from 13,300 in 2009 to 15,420 in 2019, a 2,120 job and 15.9 percent expansion, with an annualized growth rate of 1.5 percent. Of the 22 NAICS sectors mentioned earlier, the sector that added the most jobs during this period was NAICS 72 (accommodation and food services). It provided 2,061 jobs in 2009 versus 2,684 jobs ten years later (in 2019) equating to a 623 job and 30.2 percent expansion. Many of these jobs are at local hotels and eating and drinking places. Accommodation and food services accounted for 29.4 percent of all covered jobs added (from all 22 NAICS sectors in Kittitas County) between 2009 and 2019. Looking at these data, it is safe to say that tourism is extremely important to the Kittitas County labor market. The industry which added the second-highest number of jobs to the economy during this ten-year period was private health services. This sector grew from 902 jobs in 2009 to 1,396 in 2019, a gain of 494 jobs and a 54.8 percent upturn.

One of the biggest surprises however, in terms of the percentage gain in employment in Kittitas County between 2009 and 2019, occurred in the construction industry. Construction was the seventh-largest provider of jobs in Kittitas County in 2019, and had the fastest job-growth pace of any major sector countywide during the past ten years. Specifically, in 2009, construction businesses provided 615 jobs, and by 2019, this industry tallied 1,072 jobs – equating to a dramatic 457 job and 74.3 percent increase in employment with an annualized growth rate of 5.7 percent.

For historical industry employment data, [contact an economist](#).

Source: Employment Security Department/LMEA, QCEW

Industry employment by age and gender

The Local Employment Dynamics (LED) database, a joint project of state employment departments and the U.S. Census Bureau, matches state employment data with federal administrative data. Among the products is industry employment by age and gender. All workers covered by state unemployment insurance data are included; federal workers and non-covered workers, such as the self-employed, are not. Data are presented by place of work, not place of residence.

Kittitas County highlights:

The two largest job holder age groups in Kittitas County were the 25 to 34-year-old and the 35 to 44-year old categories. These two categories accounted for 21.3 percent and 19.6 percent of employment respectively in 2019.

In 2019, women held 49.2 percent of all jobs in Kittitas County. However, there were substantial differences in gender ratios by industry.

- Male-dominated industries included transportation and warehousing (85.6 percent), construction (81.8 percent) and utilities (73.2 percent).
- Female-dominated industries included healthcare and social assistance (74.2 percent), finance and insurance (73.8 percent) and educational services (63.9 percent).

Source: The Local Employment Dynamics

Wages and income

In 2019, there were 15,420 covered employment jobs (which included the agricultural industry) in Kittitas County, based on revised figures. The total payroll for 2019 was approximately \$669.5 million. The average annual wage was \$43,420 or 62.4 percent of the state average of \$69,606.

The top five Kittitas County industries in 2019 in terms of payrolls were:

Sector	Payroll	Share of payrolls
1. State government	\$134,440,677	20.1%
2. Local government	\$127,560,055	19.1%
3. Construction	\$60,329,170	9.0%
4. Accommodation and food services	\$60,190,000	9.0%
5. Retail trade	\$53,520,196	8.0%
All other industries	\$233,488,754	34.9%
Total covered payrolls	\$669,528,852	100%

Source: Employment Security Department/LMEA, QCEW

As shown in the table above, QCEW data showed that Kittitas County's workers received \$669.5 million in wages in 2019. Approximately 65.1 percent, nearly two-thirds, of total covered wage income was earned in five, two-digit NAICS industries or sectors (state government, local government, construction, accommodation and food services, and retail trade). Looking at wages generated in the local economy, state government and local government were ranked first and second, respectively, in terms of payroll. In fact, nearly four in every ten dollars (39.1 percent) of wage income earned in Kittitas County in 2019 originated with a state or local government organization. Three of the largest government organizations, from an employment perspective, in Kittitas County (according the Ellensburg Downtown Association or EDA website) are: Central Washington University (CWU) a state government organization; and Kittitas Valley Hospital (KVH) and the Ellensburg School District, both local government organizations. It is safe to say that these three institutions were also major contributors to the 2019 state and local government payroll figures, mentioned in the previous table.

Average annual wages in 2019 were highest in government (\$66,084), information (\$56,576), and construction (\$56,247). Conversely, average annual wages were lowest in arts, entertainment and recreation (\$19,083), accommodation and food services (\$22,425) and in other services (\$28,140).

Personal income

Personal income includes earned income, investment income, and government payments such as Social Security and Veterans Benefits. Investment income includes income imputed from pension funds and from owning a home. Per capita personal income equals total personal income divided by the resident population.

Inflation adjusted per capita income in Kittitas County was estimated at \$43,562 in 2019, 67.3 percent of the state average (\$64,758) and 77.1 percent of the U.S. average (\$56,490). Kittitas County ranks 29th in the state (out of 39 counties) for per capita income.

Earnings as a percent of total personal income in 1978 made up 68 percent of total income of the typical Kittitas County resident, but by 2019, earned income was only 56 percent of total personal income – a substantial 12 percentage-point drop during this 40-year period.

Investments as a proportion of county residents' personal income have increased from 17 percent in 1978 to 25 percent in 2019 – up eight percentage points in 40 years.

Government transfer payments as a proportion of county residents' personal income have increased from 15 percent in 1978 to 20 percent in 2019 – up five percentage points during this timeframe.

According to the U.S. Census Bureau QuickFacts, the median household income in Kittitas County was \$55,193 (in 2018 dollars) from 2014 to 2018. This was 78.7 percent of the statewide median household income (\$70,116) and 91.5 percent of the national median household income of \$60,293 during this timeframe.

Kittitas County's poverty rate of 15.8 percent in the period 2014 to 2018 was higher than the state's rate of 9.8 percent, and the nation's rate of 10.5 percent, according to U.S Census Bureau QuickFacts. Relatively low student wages often increase poverty statistics in college-dominant counties such as Kittitas (where a major employer is Central Washington University or CWU).

Source: Employment Security Department/LMEA, County Data Tables, Bureau of Economic Analysis, U.S. Census Bureau

Population

Kittitas County's population in 2019 was 47,935. The population grew 17.2 percent from April 1, 2010 through July 1, 2019, faster than the state's 13.2 percent growth rate during this timeframe. This population growth is primarily driven by people retiring and moving to Kittitas County and to increases in the student population at CWU's Ellensburg campus through calendar year 2019. However, it is conceivable that this rapid population growth in Kittitas County may further accelerate in 2020 due to COVID-19 effects on, and attitudes towards, teleworking. This pandemic has enabled some employees who formerly lived and worked in large metropolitan areas, such as the Seattle-Bellevue-Everett primarily Metropolitan Statistical Area (PMSA), to telework from and reside in less-densely populated areas (such as Kittitas County).

Population facts

	Kittitas County	Washington state
Population 2019	47,935	7,614,893
Population 2010	40,910	6,724,540
Percent change, 2010 to 2019	17.2%	13.2%

Source: U.S. Census Bureau QuickFacts

Age, gender and ethnicity

In 2019, a slightly larger portion (16.8 percent) of Kittitas County's population was 65 years and older compared to the state (15.9 percent).

The county had a lower proportion of its residents under the age of 18 (16.8 percent) in 2019 than the state (21.8 percent).

Females in 2019 made up 49.5 percent of the population, just below that of the state at 49.9 percent.

In 2019, 91.6 percent of Kittitas County's residents were white, higher than the state (78.5 percent) and the nation (76.5 percent).

Source: U.S. Census Bureau QuickFacts

Demographics

	Kittitas County	Washington state
Population by age, 2019		
Under 5 years old	4.6%	6.0%
Under 18 years old	16.8%	21.8%
65 years and older	16.8%	15.9%
Females, 2019	49.5%	49.9%
Race/ethnicity, 2019		
White	91.6%	78.5%
Black	1.2%	4.4%
American Indian, Alaskan Native	1.3%	1.9%
Asian, Native Hawaiian, and other Pacific Islander	2.4%	10.4%
Hispanic or Latino, any race	9.0%	13.0%

Source: U.S. Census Bureau QuickFacts

Educational attainment

Slightly more Kittitas County residents age 25 and older (92.1 percent) were high school graduates compared to the state (91.1 percent) and the nation (87.7 percent) over the period of 2014 to 2018.

From 2014 to 2018, those with a bachelor's degree or higher comprised 34.8 percent of Kittitas County residents age 25 and older, which roughly compares with 35.3 percent of state residents. Across the U.S. approximately 31.5 percent of residents have earned a bachelor's degree.

Source: U.S. Census Bureau QuickFacts

Useful links

- [Economic Development Group/Kittitas County Chamber of Commerce](#)
- [County data tables](#)
- [Census Bureau Profile](#)
- [Ellensburg Business Development Authority](#)
- [Kittitas County - About the County](#)
- [Kittitas County home page](#)
- [Kittitas County on ChooseWashington.com](#)
- [Kittitas County History](#)
- [Kittitas County on ofm.wa.gov](#)
- [South Central Workforce Council](#)
- [Self-sufficiency calculator for Washington state](#)
- [Census Bureau QuickFacts](#)
- [Washington Ports](#)
- [Workforce Development Areas and WorkSource Office Directory](#)

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