

# Klickitat County Profile

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## Overview

### *Regional context*

Klickitat County is located in south central Washington. It was once home to the Klickitat and Wishram tribes. Non-Indian settlers began arriving in the 1850s. The economic history of the county includes sheep and cattle raising, wheat, orchards, timber, aluminum and now drones. Klickitat County has three distinct economic regions. The western third of the county relies on advanced manufacturing, orchards and fruit packing and wood products. The eastern third is dominated by vegetable farming, as well as the Roosevelt regional landfill. The central third boasts the county seat, Goldendale, the Maryhill Museum, windsurfing and kite boarding beaches, as well as the now-shuttered aluminum smelter. Vineyards and wineries seem to be everywhere.

### *Local economy*

Nonfarm employment in Klickitat County grew rapidly in the mid-1990s, peaked in 2000, and dropped sharply over the next four years before starting a recovery in 2005 that continued into mid-2009. The Great Recession was short and sharp in Klickitat: employment declined for twelve months (August 2009 to August 2010), falling by 450 jobs (8 percent). Recovery finally began in mid-2015, and job growth has been strong since then, reaching 4.8 percent in both 2016 and 2017. Preliminary estimates show that in 2018, the county averaged 6,470 nonfarm jobs, 350 more (5.7 percent) than in 2017. Klickitat was the fastest-growing county in the state.

## Geographic facts

	<b>Klickitat County</b>	<b>Rank in state</b>
Land area, 2010 (square miles)	1,871.31	24
People per square mile, 2010	10.9	35

Source: U.S. Census Bureau QuickFacts

## Outlook

Manufacturing employment has accounted for 680 out of 900 net new jobs (three-fourths) in the county over the past three years, much of it related to the unmanned aerial vehicle (UAV, a.k.a. drones) industry. That has obviously been an economic strength that other

areas would envy, and at the same time may mean the county could be vulnerable to industry-specific downturns in the future. Excluding manufacturing, employment growth has averaged 1.6 percent since 2015.

## 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.

Over the past 25 years, unemployment in Klickitat County has slowly trended lower, as the county economy has become less dependent on resource-based jobs that tend to have large seasonal and cyclical patterns. The gap between the county and the state unemployment rate, which was typically 4 to 6 percentage points in the 1990s, has also closed, and was only a point (state) to a point and a half (national) in 2018. The preliminary rate for 2018 was only 5.6 percent, the lowest rate since the current methodology was adopted in 1990.

Census data suggest that labor force participation rates in Klickitat County have been particularly low, compared with the state and nation. Much of the gap had to do with Klickitat’s older population. However, the labor force participation rate for the prime working-age population (25 to 54) was still substantially lower, as shown in the following table. The low participation rate means the county has relatively fewer wage earners, which affects other economic variables such as household income and personal income.

Source: Employment Security Department

### *Labor force participation rate for residents aged 25 to 54 years - the prime age working population - for 2013 to 2017*

Group	Klickitat	State	U.S.
Total	71.9%	77.3%	77.0%
Male	78.0%	83.5%	82.1%
Female	65.6%	71.1%	71.9%

Source: Census Bureau, American Community Survey

## Industry employment

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

Major trends and events over the last 20 years include:

- The expansion of agriculture throughout the county, but especially in vegetable farming and vineyards in east Klickitat and fruit orchards in the western portion.
- The closure of the aluminum smelter in Goldendale in 2001.
- The development of the regional landfill at Roosevelt in 1992 and its subsequent expansion.
- The establishment of Insitu, a designer and fabricator of unmanned drones, in Bingen, along with a number of local suppliers.

As 2018 came to a close, preliminary estimates showed that:

- The county averaged 6,470 nonfarm jobs, up 350 jobs, or 5.7 percent over the year.
- Private sector employment had grown by 300 jobs or 6.9 percent.
- Construction and mining employment increased by 50 jobs over the year, while logging lost 30 jobs.
- Manufacturing added 230 jobs, almost two-thirds of total job growth.
- Trade, transportation and utilities added 20 jobs.
- Professional and business services was unchanged.
- Education and health services expanded by 40 jobs.
- Leisure and hospitality slipped by 20 jobs.
- Government payrolls rose by 60 jobs.

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

Source: Employment Security Department

### *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.

#### *Klickitat County highlights:*

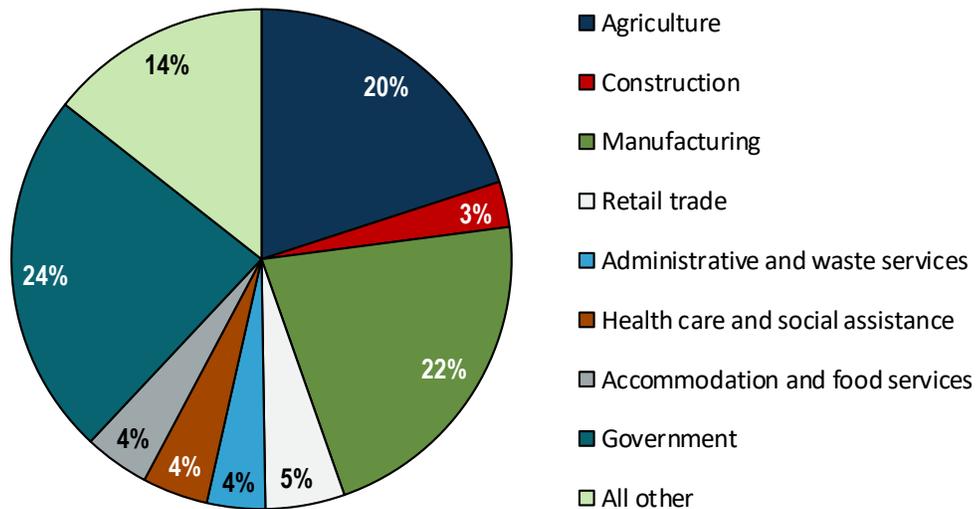
- Males held a majority (57 percent) of the jobs in Klickitat County in 2016. The state was much closer to a 52/48 split.
- Female-dominated industries included healthcare (77 percent), education (69 percent), accommodation and food services (60 percent) and retail trade (57 percent).
- Male-dominated industries included construction (82 percent), administration and waste services (78 percent), manufacturing (74 percent) and agriculture (59 percent).

Source: The Local Employment Dynamics

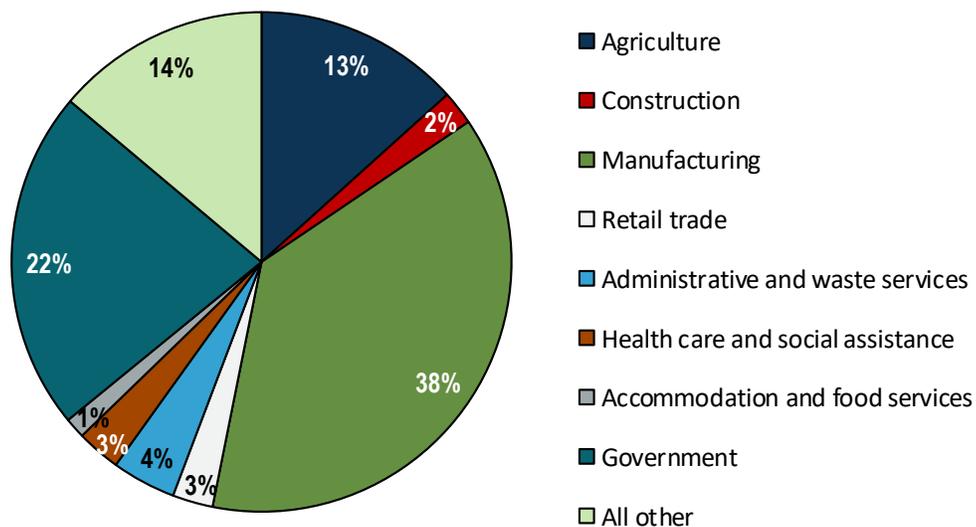
## Wages and income

The charts below contrast industry shares of employment and wages covered by unemployment insurance in the county. The biggest difference: manufacturing supplies 22 percent of the jobs in the county, and 38 percent of total wages. The average wage for all jobs in the county was \$50,184, for manufacturing: \$87,020. The average wage has been trending up over time, in line with the average for the rest of the state if King County is excluded.

*Covered employment in 2017*



*Covered wages in 2016*

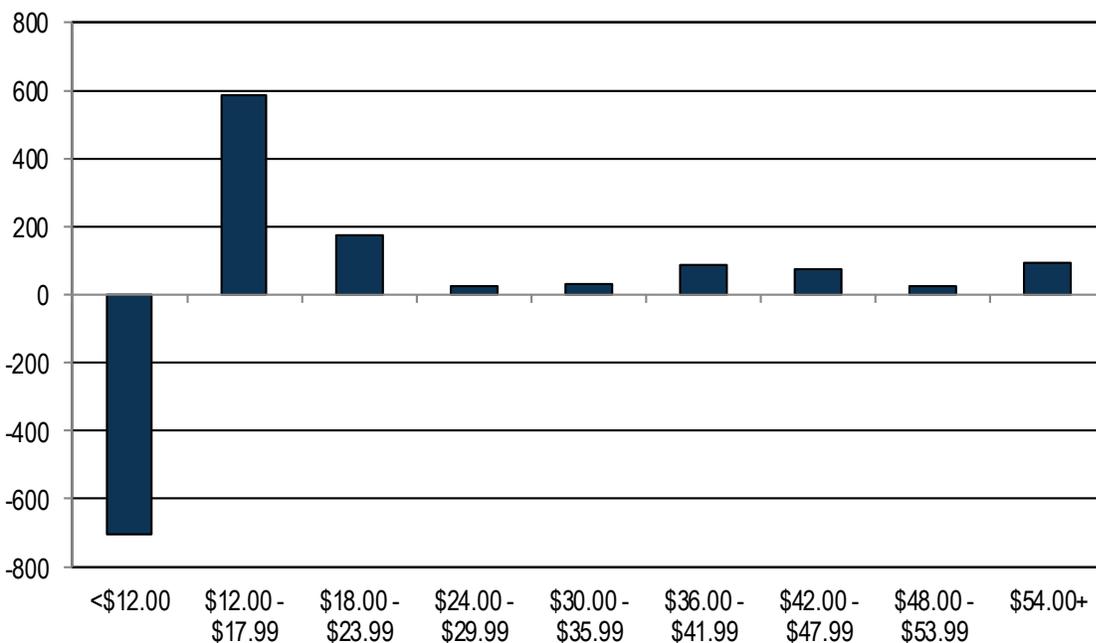


The median hourly wage for non-federal jobs in Klickitat County was \$21.05 in 2017. In comparison, the state median was \$24.89 (\$22.00 if King County was excluded). The 2017 median was 4.1 percent above the 2016 figure, the second consecutive year with a large increase.

In 2017, 9 percent of the jobs in Klickitat paid below \$12 per hour – vs. 7 percent statewide and 10 percent for the state when King County is excluded. On the upper end, 31 percent of the jobs in the county paid \$30.00 per hour or more, slightly less than the 32 percent for non-King counties, and further below the 40 percent at the state level.

Since 2010, there has been a marked shift to higher-income jobs. Partly that has been due to the increase in the minimum wage, which has pushed some lower-wage jobs above the \$12.00 per hour threshold. There has also been a net gain in the number of jobs in higher wages as well.

*Change in FTE jobs by hourly wage range, 2010 to 2017*



Source: Employment Security Department; Bureau of Labor Statistics; Bureau of Economic Analysis; U.S. Census Bureau; U.S. Census Bureau, American Community Survey

*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.

Per capita income increased to \$45,143 in 2017, the highest on record. Over the past ten years, Klickitat has moved from 78 percent of the national average to 87 percent, and from 72 percent of the state average to 78 percent. Earned income, investment income, and transfer payments have all grown faster at the county level than for the state and nation.

Beginning in 1990, an increasing share of income earned by Klickitat residents came from jobs held outside the county. The percent of earned income coming from cross-county commuters increased from 15 percent in 1990 to 29 percent in 2009 before declining and stabilizing at 21 to 22 percent over the past six years. Meanwhile the percent of earnings from jobs within the county that was earned by non-county residents has grown from 16 percent in 2006 to risen sharply in the past three years from 15 percent to 23 percent in 2016 to 2017.

Transfer payments are an important source of income for county residents. On a per capita basis, payments are 40 percent higher in Klickitat than nationally, due to factors like a more elderly population, poverty and a higher proportion of veterans.

*Per capita transfer payments in 2017*

Type	Klickitat	Washington state	U.S.
Total	\$12,254	\$8,779	40%
Social Security benefits	\$4,296	\$2,843	51%
Medicare benefits	\$2,828	\$2,135	32%
Medicaid	\$2,764	\$1,808	53%
Supplemental Security Income (SSI) benefits	\$210	\$173	21%
Supplemental Nutrition Assistance Program (SNAP)	\$259	\$196	32%
Other income maintenance benefits	\$369	\$240	54%
Unemployment insurance compensation	\$111	\$91	23%
Veterans' benefits	\$421	\$303	39%

*Household income*

Recent estimates of household income from the Census Bureau showed that median household income in Klickitat County has improved considerably of late. The median for the five years spanning 2013 to 2017 was \$51,258, an increase of 20 percent from the 2008 to 2012 period. Income at the state (5 percent) and national (2 percent) levels both advanced much more slowly.

Poverty in Klickitat County dropped more than four percentage points, from 19.1 percent for the 2007 to 2012 period to 14.9 percent in 2013 to 2017, which essentially matched the U.S. rate. The poverty rate for children dropped even more precipitously, from 32.3 percent to 20.6 percent; nationally, the rate dropped from 20.8 percent to 20.3 percent. Klickitat remained above the state rates of 12.2 percent for the total population and 15.8 percent for children.

It seems reasonable to conclude that the lower median income in the county is connected with the higher level of lower-wage jobs. A challenge for the county is to facilitate the development of more middle-income jobs to help lower poverty – no easy task these days.

## Population

Klickitat County's population was 21,980 in 2018. Some recent trends:

- Over the past decade, the county has grown at an average of 0.8 percent per year, faster than the average for rural counties in the state and for the nation (0.8 percent), but slower than for the state overall (1.2 percent).
- Growth is projected to be less than half as much in the coming decades.

Source: U.S. Bureau of Economic Analysis; Office of Financial Management

### *Population facts*

	Klickitat County	Washington state
Population 2017	21,980	7,427,570
Population 2000	19,161	5,894,121
Percent change, 2000 to 2017	14.7%	26.0%

### *Age, gender and ethnicity*

Klickitat's population is somewhat older than the state and nation. In 2017:

- 22 percent of the county was below the age of 20, versus 25 percent statewide.
- 18 percent was aged 20 to 39, versus 27 percent statewide.
- 26 percent was aged 40 to 59, slightly above the state figure of 26 percent.
- 34 percent was aged 60 or older, far more than the state average of 22 percent.

The county is also less diverse. In 2017, 82 percent of the population was white and non-Hispanic, compared to 69 percent statewide and 61 percent nationally.

(Source: U.S. Census Bureau QuickFacts)

### *Demographics*

	Klickitat County	Washington state
<b>Population by age, 2017</b>		
Under 5 years old	4.8%	6.2%
Under 18 years old	19.6%	22.6%
65 years and older	24.8%	15.3%
<b>Females, 2017</b>	49.5%	50.0%
<b>Race/ethnicity, 2017</b>		
White alone, not Hispanic or Latino	82.0%	69.2%
Black	0.3%	3.7%
American Indian, Alaskan Native	1.6%	1.3%
Asian, Native Hawaiian, other Pacific Islander	0.8%	8.9%
Hispanic or Latino, any race	12.6%	12.8%

Source: Office of Financial Management

### *Educational attainment*

In 2013 to 2017, an average of 25.8 percent of the Klickitat population aged 25 and older had a bachelor's degree or higher education, up from 19.0 percent in 2008 to 2012. The nearly 7 percent increase was much greater than for the state or nation, though the level still lagged the 34.5 percent statewide and 30.9 percent nationally.

Source: U.S. Census Bureau QuickFacts

### **Useful links**

- [County data tables](#)
- [Goldendale area Chamber of Commerce](#)
- [Klickitat County on ofm.wa.gov](#)
- [Klickitat County home page](#)
- [Klickitat County History](#)
- [Klickitat County on ChooseWashington.com](#)
- [Mount Adams Chamber of Commerce](#)
- [Port of Klickitat](#)
- [U.S. Census Bureau QuickFacts](#)
- [Self Sufficiency Calculator for Washington State](#)
- [South Central Workforce Council](#)
- [WorkSource Office Directory](#)

Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711.