

The Monthly Employment Report

Washington 5.1%

United States 5.4%

Seasonally adjusted

July 2021



Employment Security Department
WASHINGTON STATE



For workers and businesses affected by COVID-19, Employment Security has programs that may help. Please see ESD's website for more information. For labor market information questions, please send your emails to lmea@esd.wa.gov.

Employment estimates in this report are generated by the U.S. Bureau of Labor Statistics (BLS). Monthly employment estimates are subject to revision in subsequent months when more sample data become available. BLS data in this report are rounded to the nearest 100.

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 22,700 in July 2021.¹ BLS estimates the private sector gained 21,300 jobs during the month and the public sector gained 1,400 jobs.

On a not seasonally adjusted basis, estimates for July 2020 through July 2021 indicate an increase in employment of 190,100 for the state. The private sector gained 181,000 jobs while the public sector gained an estimated 9,100 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for July 2021 is 5.1 percent. The revised estimated June 2021 unemployment rate is at 5.2 percent. The July 2020 unemployment rate was 10.8 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The June 2021 preliminary estimated gain of 24,100 jobs was revised to a gain of 25,600 jobs.

For more information, call Paul Turek, labor economist at 360-706-3044.

Resident civilian labor force and unemployment, seasonally adjusted

The **resident civilian labor force** is the total number of people in the workforce, employed and unemployed, ages 16 and up.

The number of **unemployed** is the estimated number of people who currently do not have a job, are available for work and have actively looked for work in the last four weeks.

The **unemployment rate** is the ratio of the estimated number of unemployed divided by the civilian labor force.

Resident civilian labor force and unemployment, seasonally adjusted United States and Washington state, June and July 2020 and 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	July 2021 (Preliminary)	June 2021 (Revised)	July 2020 (Revised)	June 2020 (Revised)
United States				
Unemployment rate	5.4%	5.9%	10.2%	11.1%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	5.1%	5.2%	10.8%	10.8%
Resident labor force	3,905,900	3,887,100	3,920,400	3,877,600
Unemployed	199,200	201,600	423,200	420,300
Seattle/Bellevue/Everett				
Unemployment rate	5.1%	5.1%	9.3%	10.3%
Resident labor force	1,750,800	1,747,400	1,723,700	1,717,700
Unemployed	89,200	89,700	160,500	184,000

Labor Market and Economic Analysis
August 2021

¹Most of the employment numbers discussed in this report refers to jobs, not people. For example, if a person holds two positions, these positions are counted as two jobs in the employment series. In the section titled "Unemployment," these positions refer to individuals, not jobs. In this case, a person holding two jobs is counted only once.

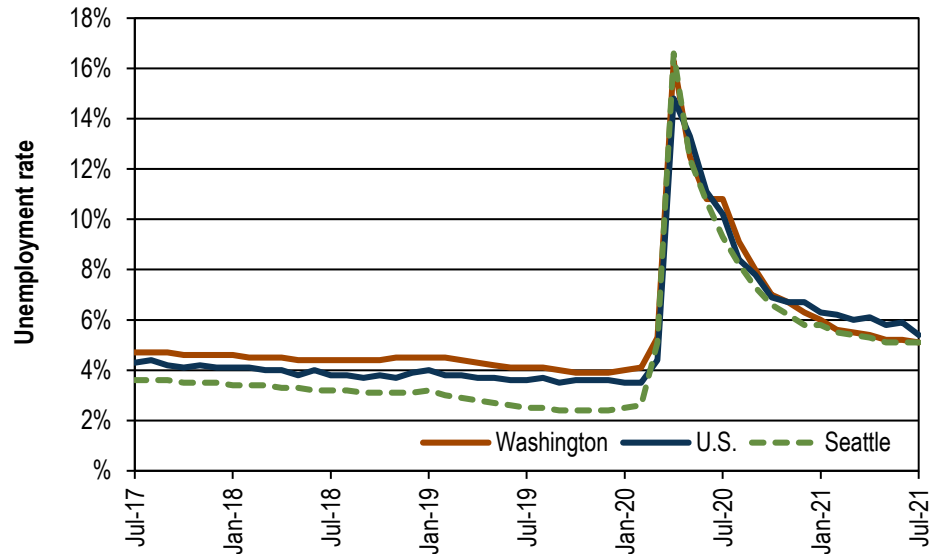
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for July 2021 is 5.1 percent. The revised estimated June 2021 unemployment rate is 5.2 percent.

According to BLS estimates, the number of unemployed people fell by 2,400 in July 2021 compared to June 2021. At the same time, the number of employed people rose by an estimated 21,200. Overall, this amounted to an increase of 18,800 people in the labor force.

The preliminary July 2021 unemployment rate is 5.7 percentage points lower than the June 2020 rate of 10.8 percent.

Unemployment rates, seasonally adjusted
U.S., Washington and Seattle, July 2017 through July 2021
Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



July 2021 preliminary unemployment rates:

U.S. (preliminary) 5.4%
Washington (preliminary) 5.1%
Seattle area (preliminary) 5.1%

Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 22,700 jobs from June 2021 to July 2021.

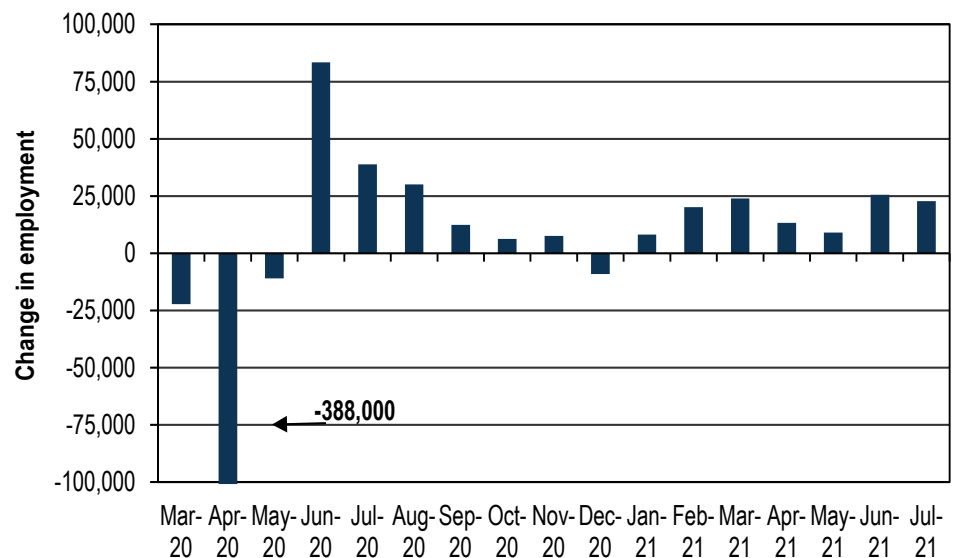
Recent employment change:

May 2021: up 9,100 jobs (revised)

June 2021: up 25,600 jobs (revised)

July 2021: up 22,700 jobs (preliminary)

Monthly employment change, seasonally adjusted
Washington state, March 2020 through July 2021
Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics



Employment and unemployment, seasonally adjusted

February 2020

(Start of 2020 employment recession in Washington)

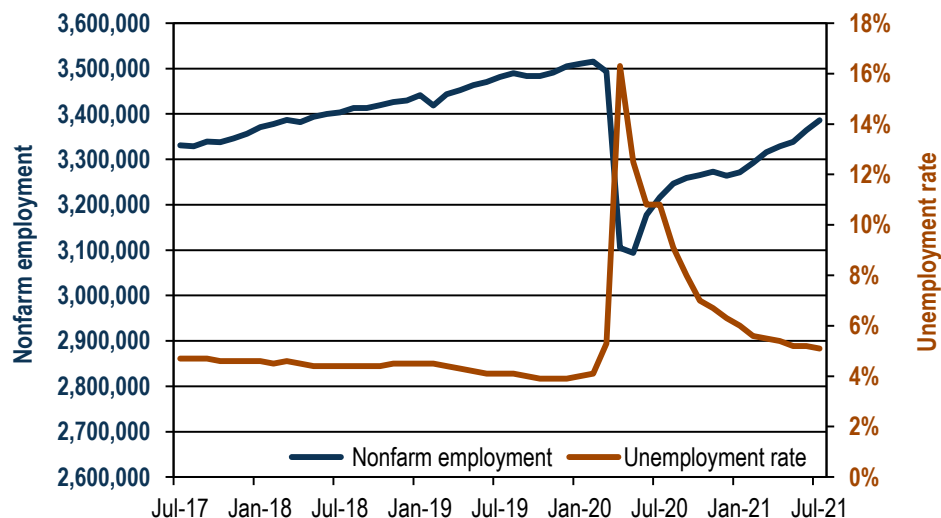
Nonfarm employment: 3,515,300
Unemployment rate: 4.1%

July 2021 (preliminary)

Nonfarm employment: 3,386,400
Unemployment rate: 5.1%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, July 2017 through July 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics, Local Area Unemployment Statistics



Workers and businesses affected by COVID-19

Employment Security's **COVID-19 online information page** covers topics for businesses and workers impacted by COVID-19. Topics include:

- Subscribing for updates
- Frequently asked questions
- Workers Q&A
- Business Q&A
- CARES ACT
- Federal stimulus updates
- Eligibility checker
- COVID-19 rulemaking
- Action alerts and updates

We are all in this together. The COVID-19 pandemic has created an unprecedented demand for services, but we are building capacity, updating technology, and we thank you for your patience while we work to serve you better.

Did you know that you can subscribe for email updates on a number of Employment Security Department topics all at once? Go to esd.wa.gov/labormarketinfo and select the email icon at the top of the page.



Enter your email address and subscribe by checking the boxes for topics such as:

COVID-19
Labor market information
News releases
Employer news and resources
Paid Family and Medical Leave
Employer information
Shared work
WorkSource system
Unemployment insurance
Training

Many more to come, so sign up today for your email updates!

U-6 unemployment rate

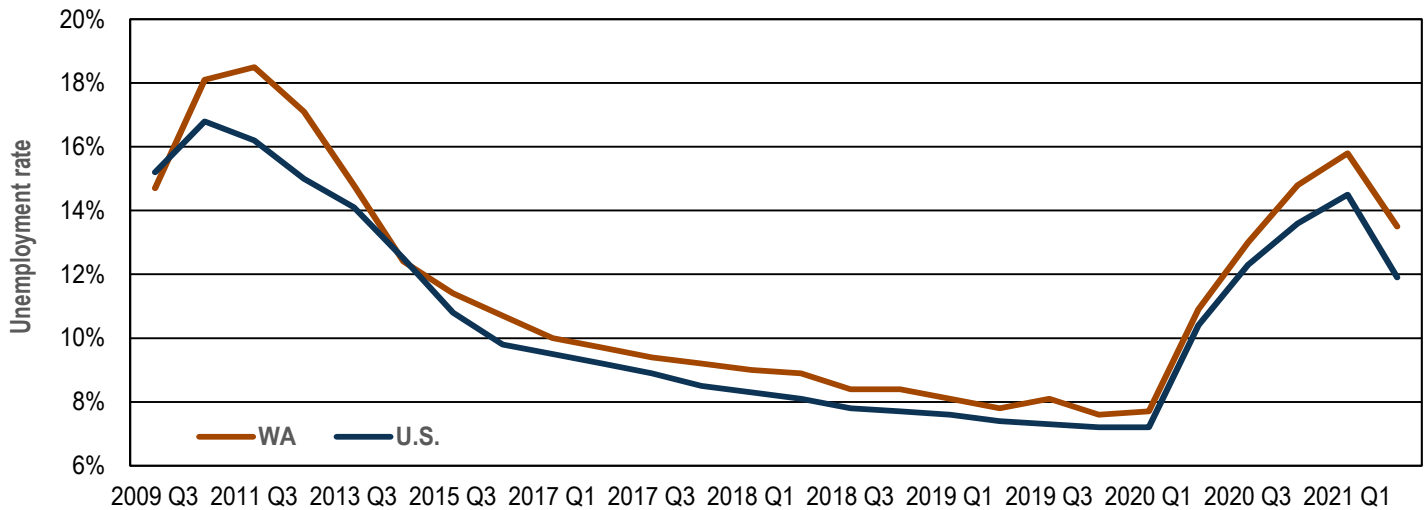
U-6: Broader unemployment measure decreased in the four-quarter period ending second quarter 2021

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include annual averages for second quarter 2021. One such alternative measure is the U-6 rate, which considers not only the unemployed population in the official “U-3” unemployment rate,

but also marginally attached workers and those employed part time for economic reasons. The U-6 rate is defined by BLS as the “total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.” This U-6 measure measures the “unemployed, underemployed, and those who are not looking but who want a job.”

The U-6 unemployment rate for the third quarter 2020 through the second quarter 2021 for Washington state was 13.5 percent. This was lower compared to the 15.8 percent U-6 unemployment rate for the second quarter 2020 through the first quarter 2021. The U.S. U-6 unemployment rate for the third quarter 2020 through the second quarter 2021 was 11.9 percent.

**Alternate measures of labor underutilization, four-quarter moving average
Washington state versus U.S. U-6 unemployment rate**



Year	WA/U.S.	Q1	Q2	Q3	Annual average
2021	WA	15.8%	13.5%		
	U.S.	14.5%	11.9%		
2020	WA	8.1%	10.9%	13.0%	14.8%
	U.S.	7.7%	10.4%	12.3%	13.6%
2019	WA	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	7.2%
2018	WA	9.0%	8.9%	8.4%	8.4%
	U.S.	8.3%	8.1%	7.8%	7.7%
2017	WA	10.0%	9.7%	9.4%	9.2%
	U.S.	9.5%	9.2%	8.9%	8.5%
2016	WA	10.9%	10.7%	10.7%	10.3%
	U.S.	10.1%	9.9%	9.8%	9.6%
2015	WA	12.0%	11.7%	11.4%	11.0%
	U.S.	11.6%	11.3%	10.8%	10.4%

Source: Bureau of Labor Statistics: <https://www.bls.gov/lau/stalt.htm>.

Industry employment in Washington, seasonally adjusted

One-month employment change by industry

Based on a BLS survey of businesses and governments, Washington gained an estimated 22,700 jobs during the month, on a seasonally adjusted basis:

- Overall, employment increased in nine major industries, decreased in three, and was unchanged in one in July.
- Private sector employment is estimated to have increased by 21,300 and government employment increased by 1,400.
- Employment in leisure and hospitality increased by 11,800, led by 10,600 jobs gained in food services and drinking places.
- Education and health services employment rose by 3,700 overall, with 2,600 jobs gained in health services and social assistance.
- The number of jobs in construction increased by 1,900 overall, with 1,200 jobs added in heavy and civil engineering.
- Employment in professional and business services increased by 1,700 overall, with 1,800 jobs gained in administrative and support services.
- Financial activities employment rose by 900, led by 800 jobs added in finance and insurance.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, June 2021 to July 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	22,700
Leisure and hospitality	11,800
Education and health services	3,700
Wholesale trade	2,200
Construction	1,900
Professional and business services	1,700
Government	1,400
Financial activities	900
Other services	200
Information	100
Retail trade	0
Mining and logging	-300
Manufacturing	-400
Transportation, warehousing and utilities	-500

As we navigate the COVID-19 developments in Washington state and beyond, we know Washington state businesses, nonprofits, city and county municipalities, educational institutions, as well as economic and workforce development professionals, are looking for sound data about the short and long term economic and workforce impacts to their individual businesses, industries and regions.

If you have specific questions regarding labor market information, please send your emails to lmea@esd.wa.gov.

Industry employment in Washington, not seasonally adjusted

Change by industry over the year

Based on a BLS survey of businesses and governments, Washington gained an estimated 190,100 jobs from July 2020 through July 2021.

- Overall, eleven major industries expanded, one contracted and one remained unchanged.
- Private sector employment rose 6.7 percent, up an estimated 181,000 jobs.
- Public sector employment rose 1.7 percent, up an estimated 9,100 jobs.
- Employment in leisure and hospitality is up by 59,400, with food services and drinking places adding 37,700 jobs.
- Professional and business services employment increased by 32,600, with 20,200 jobs added in professional, scientific, and technical services.
- Education and health services employment increased by 27,100, with 13,800 jobs added in education services.
- Retail trade employment rose 18,600 overall, with 6,100 jobs gained in food and beverage stores.
- Employment in manufacturing is down 10,100, led by a decrease of 11,800 in aerospace product and parts manufacturing.

Estimated employment change by industry over the year, not seasonally adjusted
Washington state, July 2020 through July 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	190,100
Leisure and hospitality	59,400
Professional and business services	32,600
Education and health services	27,100
Retail trade	18,600
Wholesale trade	13,700
Construction	10,500
Government	9,100
Information	9,000
Financial activities	8,900
Other services	8,600
Transportation, warehousing and utilities	2,700
Mining and logging	0
Manufacturing	-10,100

Seasonally adjusted employment

Seasonally adjusted numbers account for normal seasonal patterns that occur year after year, such as strong seasonal hiring in retail trade around the holidays. Taking into account normal seasonal variations makes it possible to see unusual changes in employment levels.

Normal seasonal change is the expected monthly change in employment based on history.

Estimated change is the employment change over the month based on BLS survey data.

Seasonally adjusted change is change in employment accounting for normal seasonal patterns.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, July 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-4,700	18,000	22,700
Professional and business services	5,000	6,700	1,700
Manufacturing	2,500	2,100	-400
Retail trade	2,200	2,200	0
Other services	1,700	1,900	200
Construction	1,600	3,500	1,900
Financial activities	1,400	2,300	900
Information	1,200	1,300	100
Transportation, warehousing and utilities	1,000	500	-500
Leisure and hospitality	700	12,500	11,800
Wholesale trade	500	2,700	2,200
Mining and logging	200	-100	-300
Education and health services	-4,400	-700	3,700
Government	-18,300	-16,900	1,400

Based on historical patterns, Washington employment typically decreases by 4,700 from June to July. This year the state gained an estimated 18,000 jobs, amounting to a seasonally adjusted increase of 22,700 jobs.

- The employment increase on a seasonally adjusted basis was 1,700 in professional and business services in July. The normal seasonal increase is 5,000. It is estimated to have increased this July by 6,700.
- Typically, manufacturing employment increases by 2,500 in July. On a seasonally adjusted basis, manufacturing employment decreased by 400 as the estimated increase was 2,100.
- The estimated employment increase in construction was 3,500. The normal seasonal increase is 1,600, so on a seasonally adjusted basis, construction employment rose by 1,900.
- Employment in retail trade normally rises by 2,200. It is estimated to have increased by 2,200 this July so it was unchanged on a seasonally adjusted basis.
- The normal seasonal gain in leisure and hospitality employment is 700 in July. The estimated gain was 12,500, so employment increased by 11,800 on a seasonally adjusted basis.

Benchmarking highlights

Benchmarking is a process that replaces employment estimates with the actual number of job gains or losses.

Each month, economists estimate monthly job gains and losses based on a survey of employers. Each quarter, economists benchmark the estimates by replacing them with data from employer tax records before applying seasonal adjustments.

Benchmarked employment data are now available through March 2021. Employment estimates for July 2021 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked March 2021 data:

- The two largest upward revisions were for financial activities and for professional and business services, up 5,200 and 5,100, respectively.
- Education and health services had the largest downward revision, 9,100.

Quarterly benchmarked industry employment, seasonally adjusted
Washington state, March 2021

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Industry sector	Revisions to March 2021 employment level
Total nonfarm	-5,500
Financial activities	5,200
Professional and business services	5,100
Information	700
Leisure and hospitality	400
Other services	100
Construction	0
Mining and logging	-100
Transportation, warehousing and utilities	-900
Wholesale trade	-1,200
Retail trade	-1,200
Government	-2,100
Manufacturing	-2,400
Education and health services	-9,100

Media inquiries and contact information

Due to the high volume of requests for information, please send your emails to media@esd.wa.gov so that we can forward your requests to the appropriate staff.

For labor market information questions, please send your emails to lmea@esd.wa.gov.

Statewide labor economist:

Paul Turek, Ph.D.
pturek@esd.wa.gov
 360-706-3044

Ajsa Suljic
asuljic@esd.wa.gov
 509-734-5928

Doug Tweedy
dtweedy@esd.wa.gov
 509-434-5278

Regional labor economists:

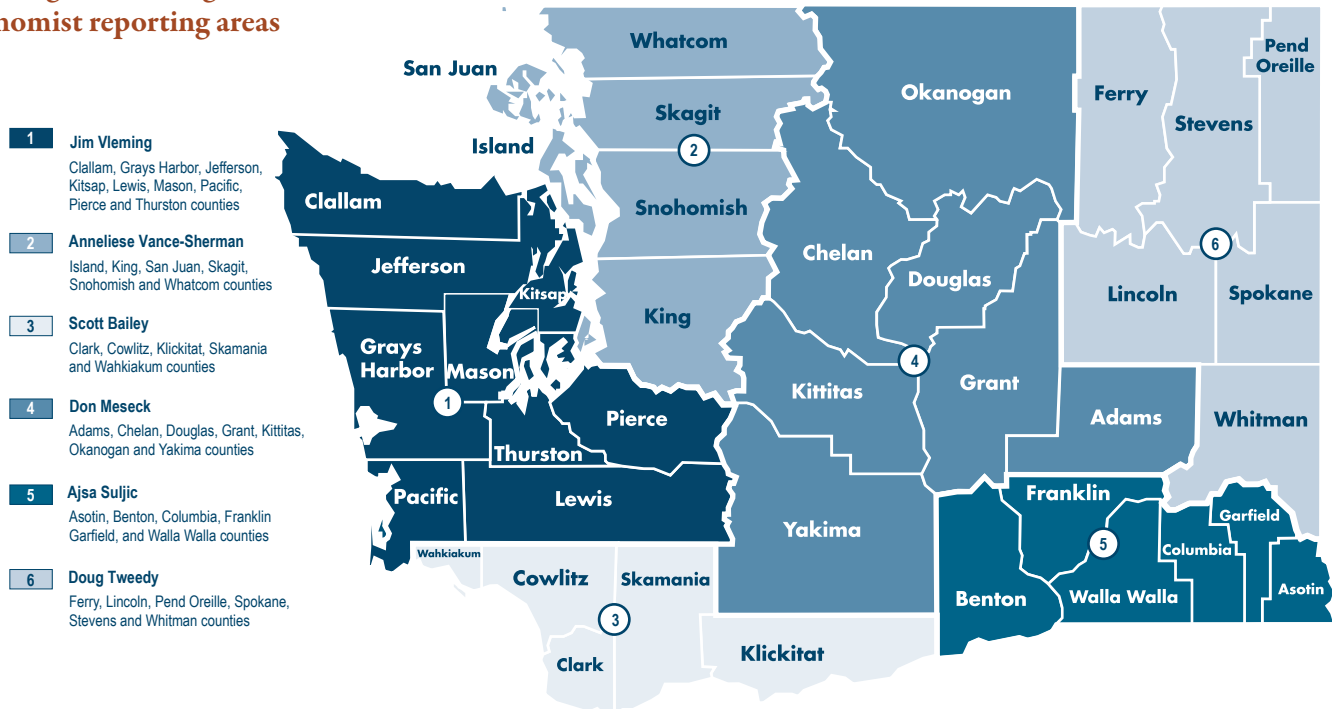
Scott Bailey
scott.bailey@esd.wa.gov
 360-810-0048

Anneliese Vance-Sherman, Ph.D.
avancesherman@esd.wa.gov
 425-258-6315

Don Meseck
dmeseck@esd.wa.gov
 509-574-0176

Jim Vleming
jvleming@esd.wa.gov
 360-819-3427

Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., August 24, 2021.

The publication schedule for 2021 is posted at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

Employment Security Department is an equal opportunity employer/programs. 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.

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, expressed or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.