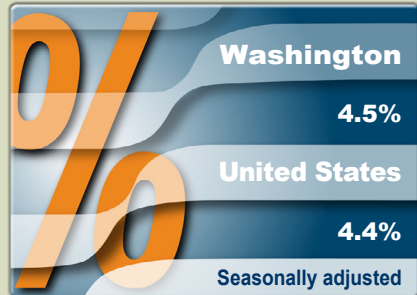


# Monthly Employment Report for June 2017



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 2,500 from May 2017 to June 2017.<sup>1</sup> BLS estimates the private sector lost 300 jobs during the month and the public sector gained 2,800 jobs.

On a not seasonally adjusted basis, estimates for June 2016 through June 2017 indicate an increase in employment of 81,000 for the state. The private sector added 63,500 jobs while the public sector gained an estimated 17,500 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for June 2017 is 4.5 percent. The revised estimated May 2017 unemployment rate was at 4.5 percent. The June 2016 unemployment rate was 5.5 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. May's preliminary estimated gain of 2,000 jobs was revised to a gain of 3,500 jobs.

For more information, call Paul Turek, labor economist at 360-407-2306.

## 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, May and June, 2016 and 2017  
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	June 2017 (Preliminary)	May 2017 (Revised)	June 2016 (Revised)	May 2016 (Revised)
<b>United States</b>				
Unemployment rate				
<i>Seasonally adjusted</i>	4.4%	4.3%	4.9%	4.7%
<b>Washington</b>				
Unemployment rate	4.5%	4.5%	5.5%	5.6%
Resident labor force	3,696,200	3,689,800	3,639,700	3,630,900
Unemployed	167,900	166,900	201,100	201,600
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	3.4%	3.3%	4.1%	4.2%
Resident labor force	1,639,900	1,645,500	1,618,500	1,614,700
Unemployed	56,400	54,400	65,900	67,100

<sup>1</sup>Most of the employment numbers discussed in this report refers to jobs, not persons. 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 June 2017 was 4.5 percent. The revised estimated May 2017 unemployment rate was 4.5 percent.

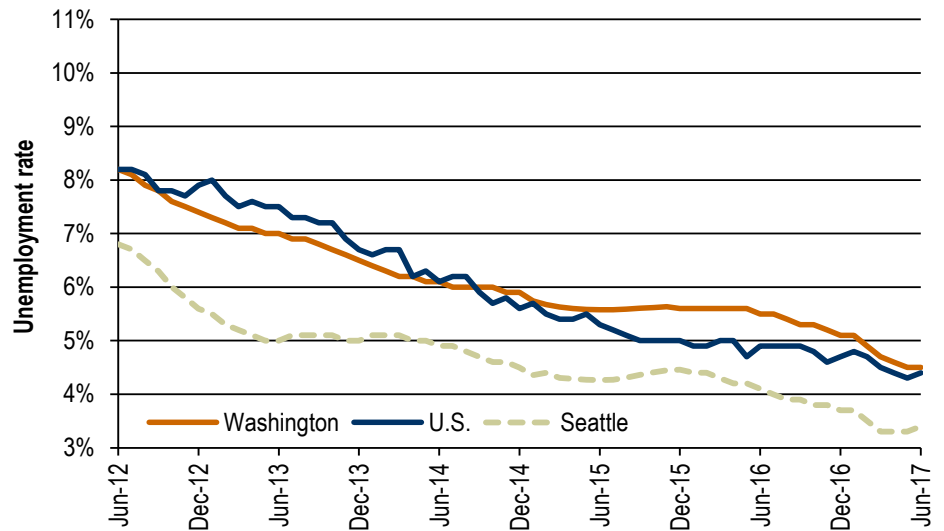
According to BLS estimates, the number of unemployed people rose by 1,000 in June 2017 compared to May 2017. At the same time, the number of employed people rose by an estimated 5,400. Overall, this amounted to an increase of 6,400 people in the labor force.

The preliminary June 2017 unemployment rate is 1.0 percentage points below the June 2016 rate of 5.5 percent.

### Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, June 2012 through June 2017

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



**June 2017 preliminary unemployment rates:**

U.S. (preliminary) 4.4%  
 Washington (preliminary) 4.5%  
 Seattle area (preliminary) 3.4%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 2,500 jobs from May 2017 to June 2017.

Recent employment change

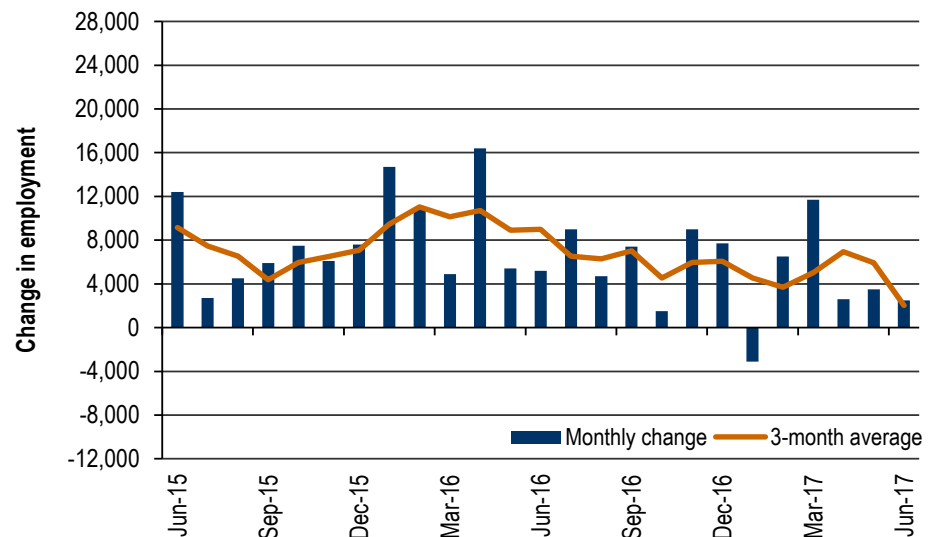
**April 2017:** up 2,600 jobs (revised)

**May 2017:** up 3,500 jobs (revised)

**June 2017:** up 2,500 jobs (preliminary)

### Monthly employment change and three-month moving average, seasonally adjusted

Washington state, June 2015 through June 2017  
 Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Current Employment Statistics



## Employment and unemployment, seasonally adjusted

### February 2008

(start of recent employment recession in Washington)

Nonfarm employment: 3,005,700  
Unemployment rate: 4.8%

### February 2010

(end of recent employment recession in Washington)

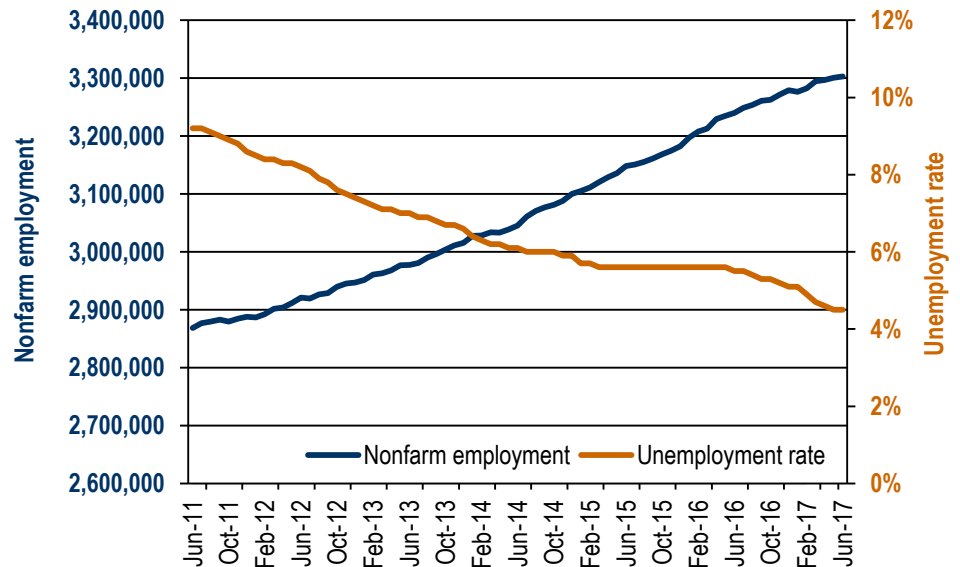
Nonfarm employment: 2,823,400  
Unemployment rate: 10.3%

### June 2017 (preliminary)

Nonfarm employment: 3,303,000  
Unemployment rate: 4.5%

### Nonfarm employment and unemployment rate, seasonally adjusted Washington state, June 2011 through June 2017

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



## Understanding what seasonally adjusted means

Over the course of a year, the size of the state's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvest, major holidays and the opening and closing of schools. The effect of such seasonal variation can be very large; seasonal fluctuations may account for as much as 95 percent of the month-to-month changes in unemployment at the national level.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from one month to the next. These adjustments make non-seasonal developments, such as declines in economic activity, easier to spot. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to May, making it difficult to determine if the level

of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. The adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Source: U.S. Bureau of Labor Statistics

## U-6 unemployment rate

### U-6: Broader unemployment measure declined during the first quarter

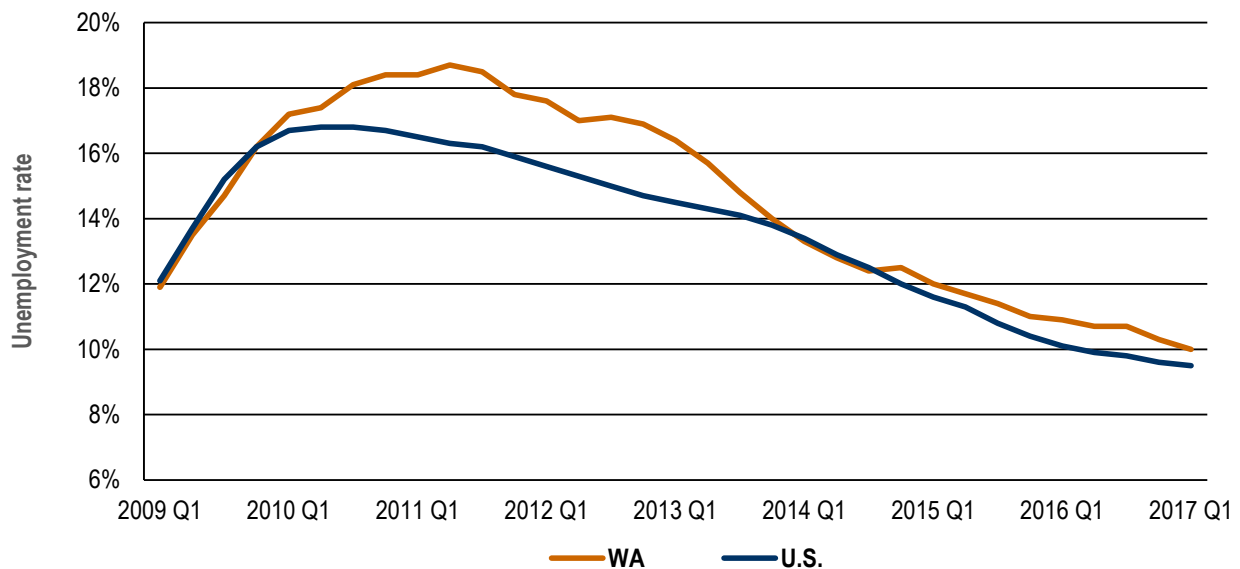
The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the 2016 annual averages. One such alternative measure is the U-6 rate, which considers not only the unemployed population in the official “U-3” unemployment rate, but

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 second quarter of 2016 through the first quarter of 2017 for Washington state was 10.0 percent. This was lower compared to the 10.9 percent U-6 unemployment rate one year prior. The U.S. U-6 unemployment rate was 9.5 percent over the same time period.

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

U-6: Total unemployed, plus all other marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force.



Year	WA/U.S.	Q1	Q2	Q3	Annual average
2017	WA	10.0%			
	U.S.	9.5%			
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%
2014	WA	13.3%	12.8%	12.4%	12.5%
	U.S.	13.4%	12.9%	12.5%	12.0%
2013	WA	16.4%	15.7%	14.8%	14.0%
	U.S.	14.5%	14.3%	14.1%	13.8%
2012	WA	17.6%	17.0%	17.1%	16.9%
	U.S.	15.6%	15.3%	15.0%	14.7%
2011	WA	18.4%	18.7%	18.5%	17.8%
	U.S.	16.5%	16.3%	16.2%	15.9%
2010	WA	17.2%	17.4%	18.1%	18.4%
	U.S.	16.7%	16.8%	16.8%	16.7%

Source: Bureau of Labor Statistics: <http://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 2,500 jobs during the month, on a seasonally adjusted basis:

- Overall, eight industries expanded employment in May and five contracted.
- Private sector employment is estimated to have decreased by 300 and government employment increased by 2,800.
- Employment in other services increased by 1,900 overall with a gain of 900 in repair and maintenance.
- Construction employment rose by 1,400 overall, led by an increase of 800 in the employment of specialty trade contractors.
- Financial activities employment rose by 1,100, with the greatest number of jobs added in real estate, rental and leasing.
- Employment in leisure and hospitality decreased by 1,200 overall, primarily due to 1,500 fewer jobs occurring in food services and drinking places.
- The number of jobs in retail trade decreased by 2,700, with 1,100 less jobs occurring in food and beverage stores.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, May 2017 through June 2017

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

<b>Total nonfarm</b>	<b>2,500</b>
Government	2,800
Wholesale trade	2,000
Other services	1,900
Construction	1,400
Financial activities	1,100
Information	600
Mining and logging	100
Transportation, warehousing and utilities	100
Manufacturing	-400
Professional and business services	-600
Leisure and hospitality	-1,200
Education and health services	-2,600
Retail trade	-2,700

## Industry employment in Washington, not seasonally adjusted

### Change by industry over the year

Based on a BLS survey of businesses and governments, Washington added an estimated 81,000 jobs from June 2016 through June 2017:

- Overall, eleven major industries expanded and two declined.
- Private sector employment rose 2.3 percent, up an estimated 63,500 jobs.
- Public sector employment increased 3.0 percent, a net gain of 17,500 jobs.
- Employment in construction is up 15,100 with the number employed as specialty trade contractors up 10,500.
- Retailers added 11,000 jobs. Other retail trade, which includes online retail trade, was up by 7,600 jobs.
- Education and health services employment increased by 10,300 with 5,800 of the jobs added in ambulatory healthcare services.
- Professional and business services employment increased by 9,800, led by an 8,400 increase in professional, scientific and technical services.
- Employment in manufacturing is down by 6,700 overall, with a decrease of 8,300 in durable goods production outweighing an increase of 1,600 in nondurable goods production.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, June 2016 through June 2017

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

<b>Total nonfarm</b>	<b>81,000</b>
Government	17,500
Construction	15,100
Retail trade	11,000
Education and health services	10,300
Professional and business services	9,800
Leisure and hospitality	6,300
Financial activities	5,700
Other services	4,200
Information	4,100
Transportation, warehousing and utilities	2,400
Wholesale trade	1,400
Mining and logging	-100
Manufacturing	-6,700

## 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.

Based on historical patterns, Washington employment typically increases by 13,600 from May to June. This year the state gained an estimated 16,100 jobs, amounting to a seasonally adjusted increase of 2,500 jobs.

- Employment in leisure and hospitality normally rises by 7,500. It is estimated to have increased by 6,300 this June yielding a loss of 1,200 on a seasonally adjusted basis.
- Typically, retail trade employment increases by 4,400 in June. On a seasonally adjusted basis, retail trade employment declined by 2,700 as the estimated increase was 1,700.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, June 2017

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
<b>Total nonfarm</b>	<b>13,600</b>	<b>16,100</b>	<b>2,500</b>
Leisure and hospitality	7,500	6,300	-1,200
Retail trade	4,400	1,700	-2,700
Professional and business services	3,800	3,200	-600
Manufacturing	3,200	2,800	-400
Construction	2,700	4,100	1,400
Information	1,800	2,400	600
Transportation, warehousing and utilities	1,200	1,300	100
Wholesale trade	700	2,700	2,000
Financial activities	500	1,600	1,100
Other services	300	2,200	1,900
Mining and logging	200	300	100
Education and health services	-4,100	-6,700	-2,600
Government	-8,600	-5,800	2,800

- The change on a seasonally adjusted basis was a loss of 600 jobs in professional and business services in June. The normal seasonal increase is 3,800. It is estimated to have increased by 3,200 this June.
- The normal seasonal gain in manufacturing employment is 3,200 in June. The estimated increase was 2,800 so employment decreased by 400 on a seasonally adjusted basis.
- The estimated employment increase in construction was 4,100. The normal seasonal increase is 2,700, so on a seasonally adjusted basis, construction employment rose by 1,400.



## Contact an economist

Our statewide economist and six regional economists serve customers in their areas for WorkSource offices, workforce development councils, non-profit organizations, higher education, businesses and the news media. They can help you find and use labor market data, fulfill special data requests and answer questions about the state and local labor markets. Get in touch with your regional economist to get the local information you need.

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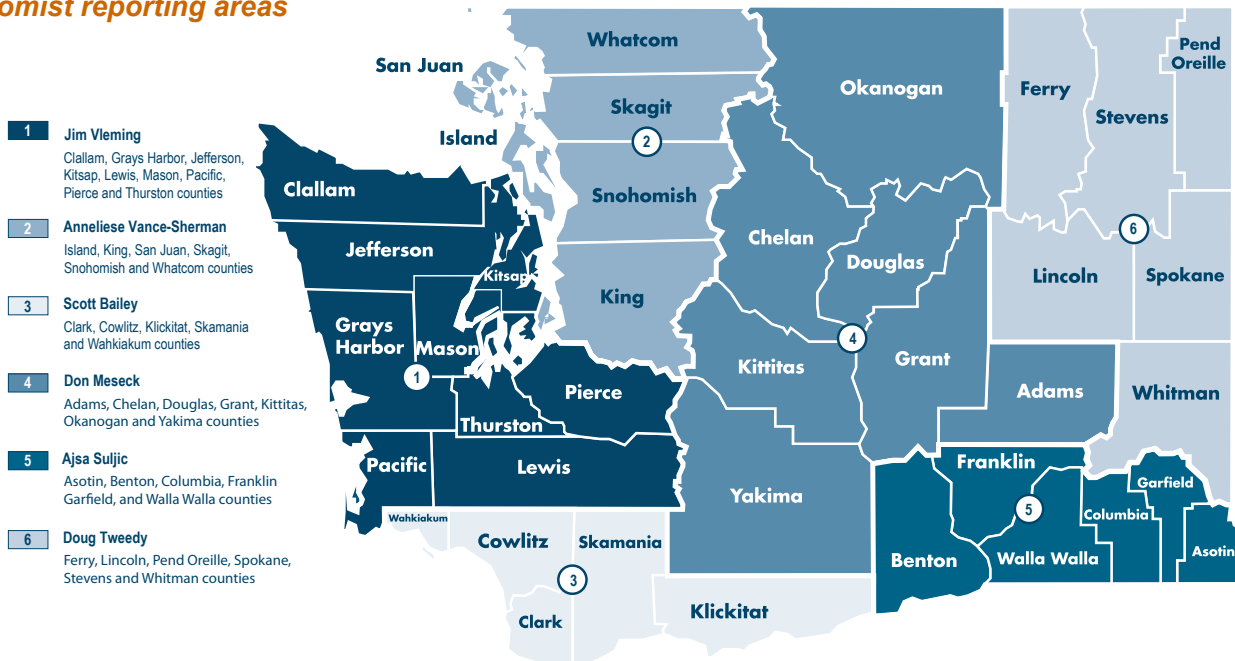
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### Washington state regional labor economist reporting areas



**Note:** Due to changes in the processing of the monthly employment data by the U.S. Bureau of Labor Statistics, the county level information will be available at 10 a.m., July 25, 2017. The publication schedule for 2017 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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