



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 9,100 in August 2018.<sup>1</sup> BLS estimates the private sector gained 9,300 jobs during the month and the public sector lost 200 jobs.

On a not seasonally adjusted basis, estimates for August 2017 through August 2018 indicate an increase in employment of 109,400 for the state. The private sector added 107,200 jobs while the public sector gained an estimated 2,200 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for August 2018 is 4.5 percent. The revised estimated July 2018 unemployment rate is at 4.6 percent. The August 2017 unemployment rate was 4.8 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. July's preliminary estimated gain of 12,400 jobs was revised to a gain of 11,800 jobs.

For more information, call Paul Turek, labor economist at 360-507-9599.

## 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, July and August 2017 and 2018  
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	August 2018 (Preliminary)	July 2018 (Revised)	August 2017 (Revised)	July 2017 (Revised)
<b>United States</b>				
Unemployment rate <i>Seasonally adjusted</i>	3.9%	3.9%	4.4%	4.3%
<b>Washington</b>				
Unemployment rate	4.5%	4.6%	4.8%	4.8%
Resident labor force	3,766,000	3,763,200	3,743,200	3,733,000
Unemployed	169,300	173,400	177,900	177,600
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	3.5%	3.6%	3.9%	3.9%
Resident labor force	1,683,200	1,683,500	1,657,400	1,652,100
Unemployed	58,900	60,900	64,500	64,000

<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.



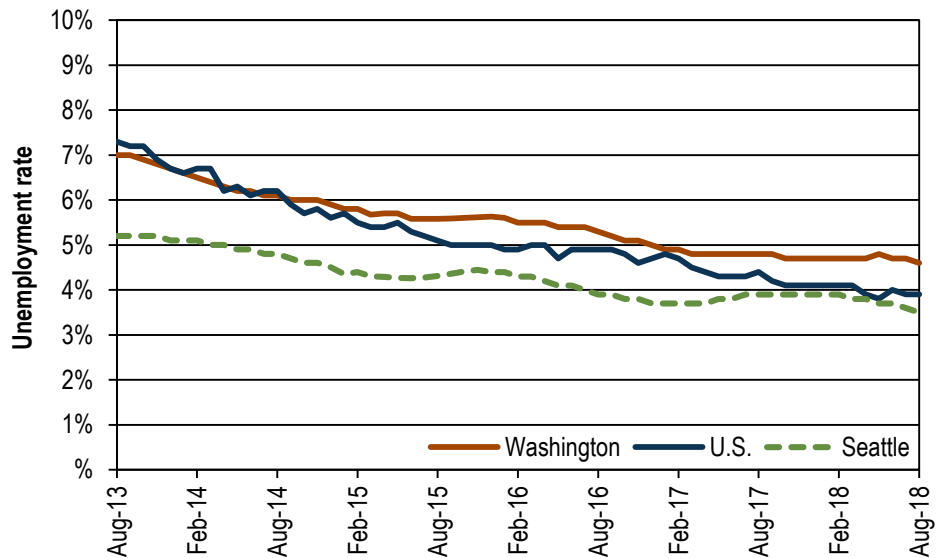
## Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for August 2018 is 4.5 percent. The revised estimated June 2018 unemployment rate is 4.6 percent.

According to BLS estimates, the number of unemployed people fell by 4,100 in August 2018 compared to July 2018. At the same time, the number of employed people rose by an estimated 6,900. Overall, this amounted to an increase of 2,800 people in the labor force.

The preliminary August 2018 unemployment rate is a 0.3 percentage point below the August 2018 rate of 4.8 percent.

Unemployment rates, seasonally adjusted  
U.S., Washington and Seattle, August 2013 through August 2018  
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



**August 2018 preliminary unemployment rates:**  
U.S. (preliminary) 3.9%  
Washington (preliminary) 4.5%  
Seattle area (preliminary) 3.5%

## Employment change and moving average, seasonally adjusted

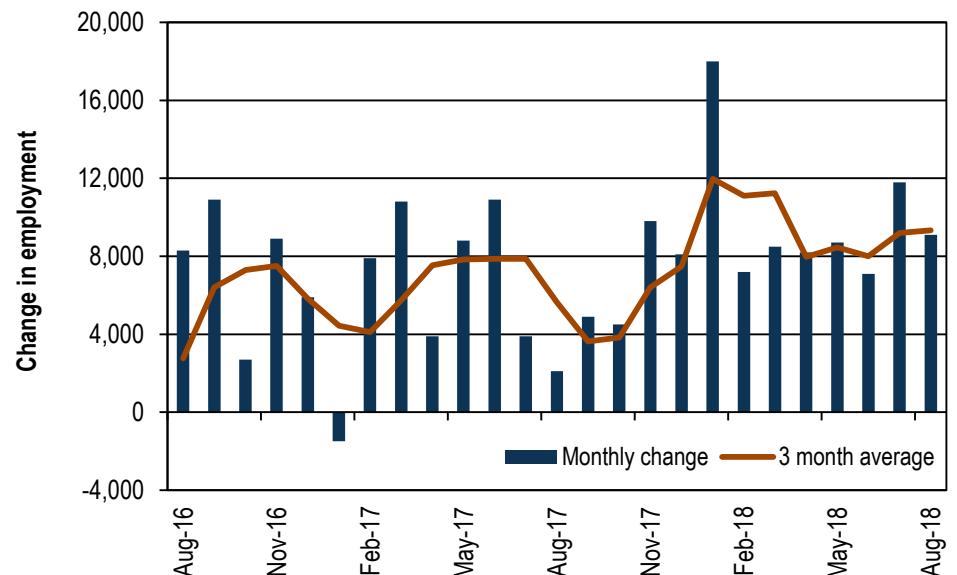
Based on BLS estimates, Washington state nonfarm employment increased by 9,100 jobs from July 2018 to August 2018.

Recent employment change  
**June 2018:** up 7,100 jobs (revised)

**July 2018:** up 11,800 jobs (revised)

**August 2018:** up 9,100 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted  
Washington state, August 2016 through August 2018  
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: 3,006,100  
Unemployment rate: 4.7%

### February 2010

(end of recent employment recession in Washington)

Nonfarm employment: 2,824,000  
Unemployment rate: 10.4%

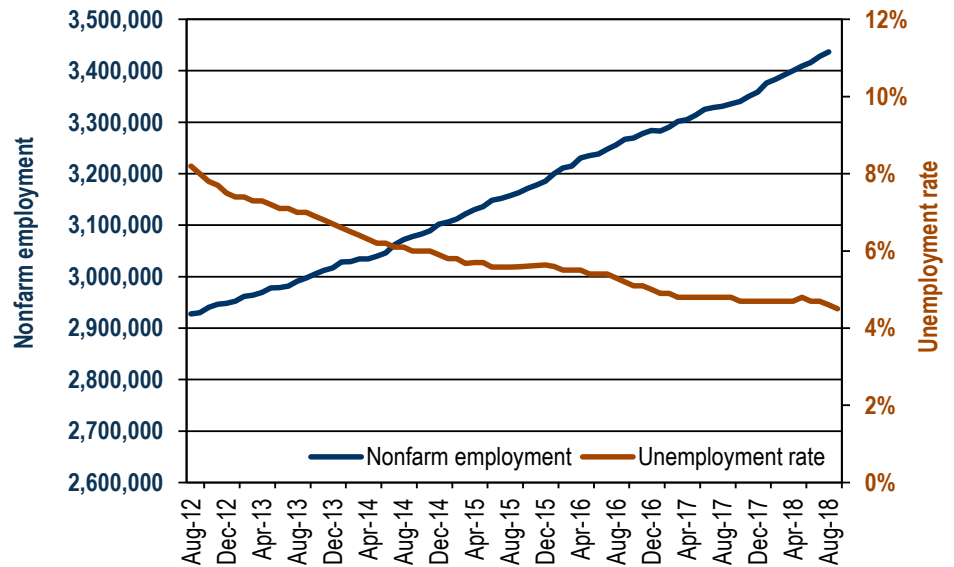
### August 2018 (preliminary)

Nonfarm employment: 3,436,900  
Unemployment rate: 4.5%

### Nonfarm employment and unemployment rate, seasonally adjusted

Washington state, Augusty 2012 through August 2018

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

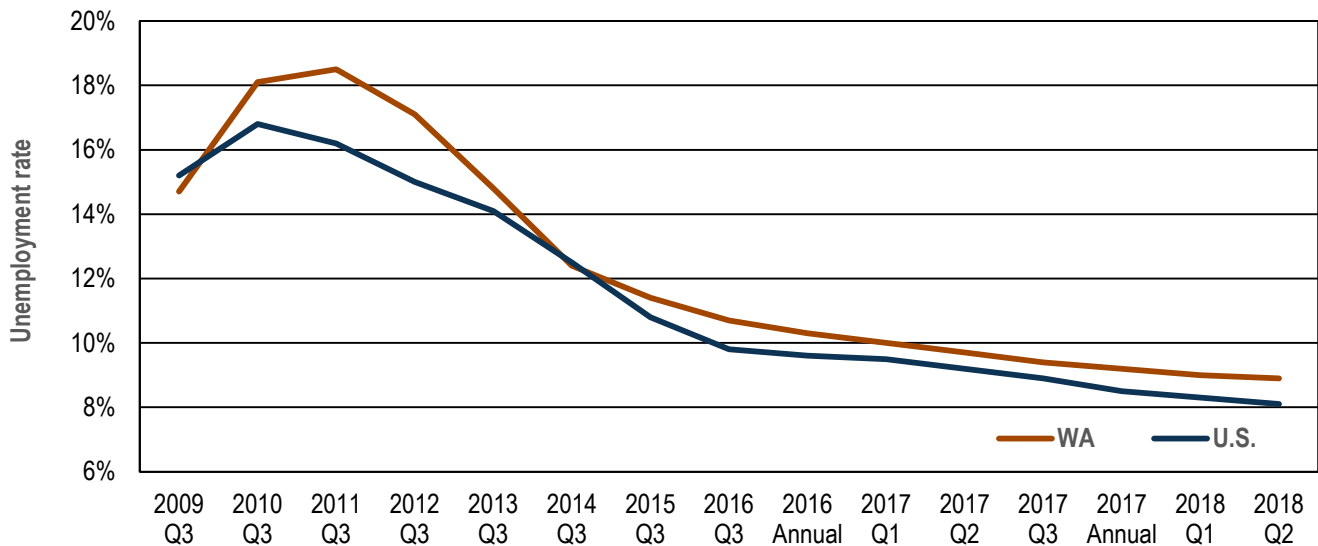
### U-6: Broader unemployment measure declined in the four quarter period ending June 2018

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the second quarter of 2018. 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 of 2017 through the second quarter of 2018 for Washington state was 8.9 percent. This was lower compared to the 9.7 percent U-6 unemployment rate one year prior and 9 percent the prior month. The U.S. U-6 unemployment rate was 8.1 percent over the same time period.

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
2018	WA	9.0%	8.9%		
	U.S.	8.3%	8.1%		
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%
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%

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 9,100 jobs during the month, on a seasonally adjusted basis:

- Overall, nine industries expanded employment in August, three contracted, and one remained unchanged.
- Private sector employment is estimated to have increased by 9,300 and government employment decreased by 200.
- Employment in professional and business services increased by 3,300 overall, with 3,200 jobs added in administrative and support services.
- Construction employment rose by 2,900 overall, mostly due to more jobs added by specialty trade contractors.
- The number of jobs in leisure and hospitality increased by 2,200, led by a gain of 1,500 jobs in food services and drinking places.
- Retail trade employment fell by 800, with 500 fewer jobs occurring in clothing and clothing accessories stores.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, July 2018 through August 2018

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

<b>Total nonfarm</b>	<b>9,100</b>
Professional and business services	3,300
Construction	2,900
Leisure and hospitality	2,200
Information	700
Wholesale trade	300
Education and health services	300
Transportation, warehousing and utilities	200
Financial activities	200
Other services	100
Mining and logging	0
Manufacturing	-100
Government	-200
Retail trade	-800

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## 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 109,400 jobs from August 2017 through August 2018:

- Overall, all thirteen major industries expanded.
- Private sector employment rose 3.9 percent, up an estimated 107,200 jobs.
- Public sector employment increased 0.4 percent, a net gain of 2,200 jobs.
- Professional and business services employment increased by 26,300, led by a 13,500 increase in professional, scientific and technical services.
- Employment in construction is up 15,300 with the number employed as specialty trade contractors up 9,600.
- Education and health services employment increased by 15,200 with 11,900 of the jobs added in health services and social assistance.
- Employment in leisure and hospitality is up by 11,100, led by a gain of 8,500 jobs in food services and drinking places.
- Retailers added 10,400 jobs. Other retail trade, which includes online retail trade, was up by 8,200 jobs.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, August 2017 through August 2018

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

<b>Total nonfarm</b>	<b>109,400</b>
Professional and business services	26,300
Construction	15,300
Education and health services	15,200
Leisure and hospitality	11,100
Retail trade	10,400
Information	8,100
Wholesale trade	7,400
Financial activities	5,000
Manufacturing	4,300
Other services	3,100
Government	2,200
Transportation, warehousing and utilities	800
Mining and logging	200

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#### Monthly unemployment rates

##### August 2018

Washington State:  
4.5% seasonally adjusted

Nationwide:  
3.9% seasonally adjusted

[Labor force by county snapshot](#)



## 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, August 2018  
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>-10,500</b>	<b>-1,400</b>	<b>9,100</b>
Construction	2,400	5,300	2,900
Education and health services	1,000	1,300	300
Professional and business services	700	4,000	3,300
Leisure and hospitality	700	2,900	2,200
Information	400	1,100	700
Transportation, warehousing and utilities	400	600	200
Mining and logging	0	0	0
Retail trade	-100	-900	-800
Financial activities	-100	100	200
Wholesale trade	-100	200	300
Manufacturing	-200	-300	-100
Other services	-200	-100	100
Government	-15,400	-15,600	-200

Based on historical patterns, Washington employment typically decreases by 10,500 from July to August. This year the state lost an estimated 1,400 jobs, amounting to a seasonally adjusted increase of 9,100 jobs.

- The estimated employment increase in construction was 5,300. The normal seasonal increase is 2,400, so on a seasonally adjusted basis, construction employment rose by 2,900.
- The change on a seasonally adjusted basis was a gain of 3,300 jobs in professional and business services in August. The normal seasonal increase is 700. It is estimated to have increased by 4,000 this August.
- The normal seasonal gain in leisure and hospitality employment is 700 in August. The estimated gain was 2,900, so employment increased by 2,200 on a seasonally adjusted basis.
- Employment in retail trade normally falls by 100. It is estimated to have decreased by 900 this August, so it decreased by 800 on a seasonally adjusted basis.
- Typically, manufacturing employment decreases by 200 in August. On a seasonally adjusted basis, manufacturing employment decreased by 100 as the estimated decrease was 300.

## 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.

### Statewide labor economist:

Paul Turek, Ph.D.  
pturek@esd.wa.gov  
360-507-9599

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

### Regional labor economists:

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

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

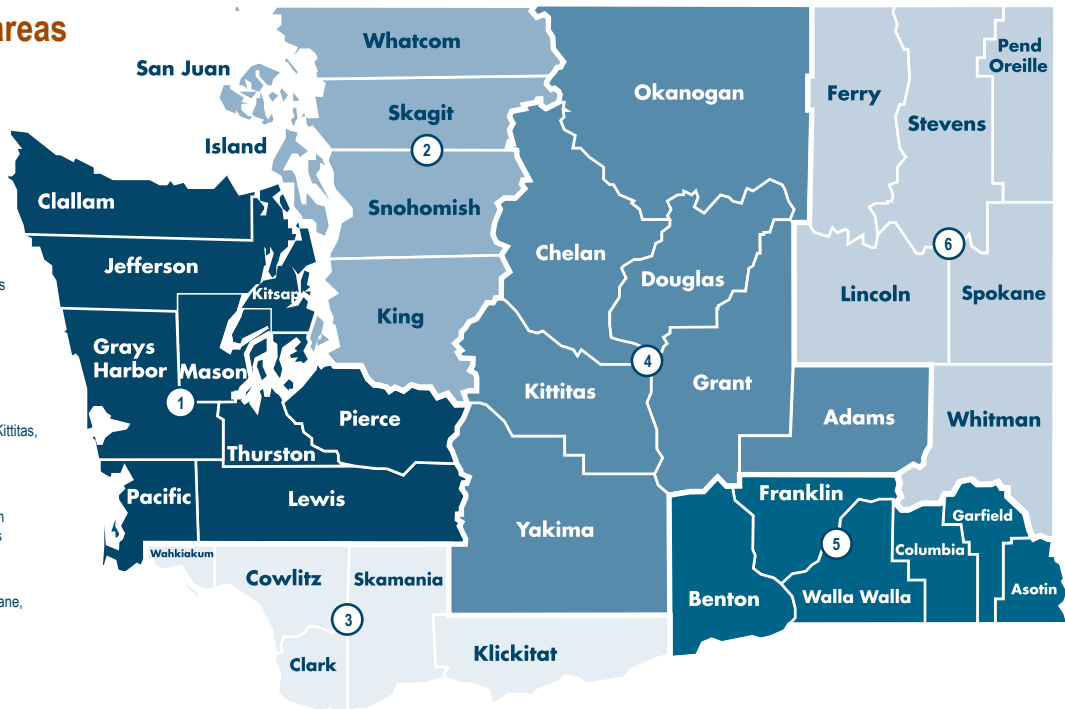
Anneliese Vance-Sherman, Ph.D.  
avancesherman@esd.wa.gov  
425-258-6315

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

Jim Vleming  
jvleming@esd.wa.gov  
360-507-9601

## Washington state regional labor economist reporting areas

- 1 Jim Vleming**  
Clallam, Grays Harbor, Jefferson, Kitsap, Lewis, Mason, Pacific, Pierce and Thurston counties
- 2 Anneliese Vance-Sherman**  
Island, King, San Juan, Skagit, Snohomish and Whatcom counties
- 3 Scott Bailey**  
Clark, Cowlitz, Klickitat, Skamania and Wahkiakum counties
- 4 Don Meseck**  
Adams, Chelan, Douglas, Grant, Kittitas, Okanogan and Yakima counties
- 5 Ajsa Suljic**  
Asotin, Benton, Columbia, Franklin, Garfield, and Walla Walla counties
- 6 Doug Tweedy**  
Ferry, Lincoln, Pend Oreille, Spokane, Stevens and Whitman counties



The county level information will be available at 10 a.m., September 25, 2018. The publication schedule for 2018 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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