



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 4,500 in September 2018.<sup>1</sup> BLS estimates the private sector gained 3,900 jobs during the month and the public sector gained 600 jobs.

On a not seasonally adjusted basis, estimates for September 2017 through September 2018 indicate an increase in employment of 99,700 for the state. The private sector added 97,100 jobs while the public sector gained an estimated 2,600 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for September 2018 is 4.4 percent. The revised estimated August 2018 unemployment rate is at 4.5 percent. The September 2017 unemployment rate was 4.7 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. August's preliminary estimated gain of 9,100 jobs was revised to a gain of 9,400 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, August and September 2017 and 2018  
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	September 2018 (Preliminary)	August 2018 (Revised)	September 2017 (Revised)	August 2017 (Revised)
<b>United States</b>				
Unemployment rate <i>Seasonally adjusted</i>	3.7%	3.9%	4.2%	4.4%
<b>Washington</b>				
Unemployment rate	4.4%	4.5%	4.7%	4.8%
Resident labor force	3,770,900	3,765,700	3,751,600	3,743,200
Unemployed	165,200	169,000	177,600	177,900
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	3.4%	3.5%	3.9%	3.9%
Resident labor force	1,685,000	1,683,100	1,662,400	1,657,400
Unemployed	57,700	58,800	64,600	64,500

<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 September 2018 is 4.4 percent. The revised estimated August 2018 unemployment rate is 4.5 percent.

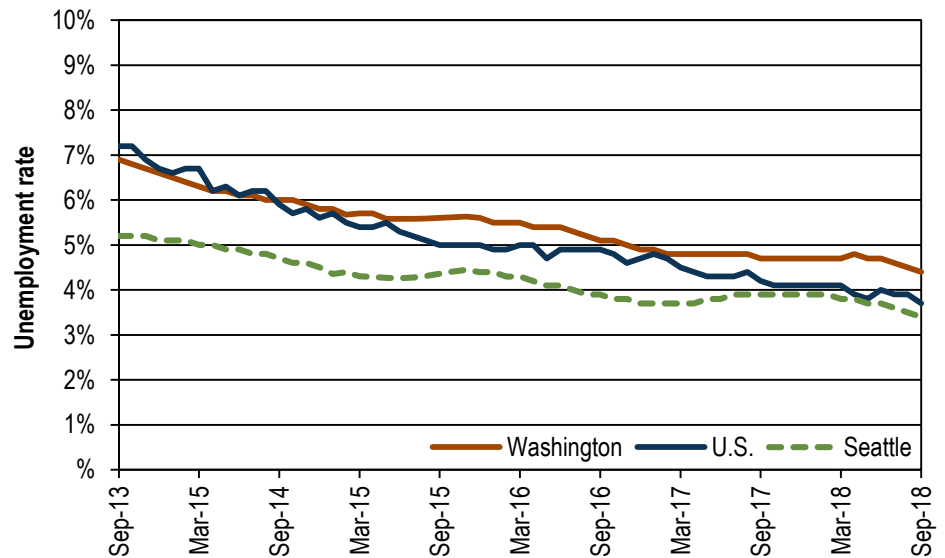
According to BLS estimates, the number of unemployed people fell by 3,800 in September 2018 compared to August 2018. At the same time, the number of employed people rose by an estimated 9,000. Overall, this amounted to an increase of 5,200 people in the labor force.

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

### Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, September 2013 through September 2018

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



**September 2018 preliminary unemployment rates:**

U.S. (preliminary) 3.7%  
 Washington (preliminary) 4.4%  
 Seattle area (preliminary) 3.4%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 4,500 jobs from August 2018 to September 2018.

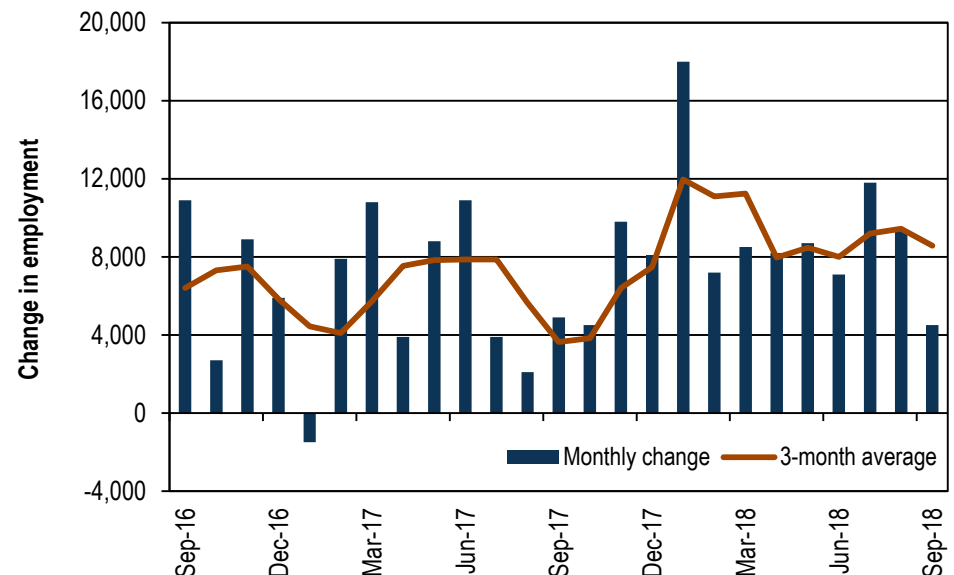
Recent employment change  
**July 2018:** up 11,800 jobs (revised)

**August 2018:** up 9,400 jobs (revised)

**September 2018:** up 4,500 jobs (preliminary)

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

Washington state, September 2016 through September 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

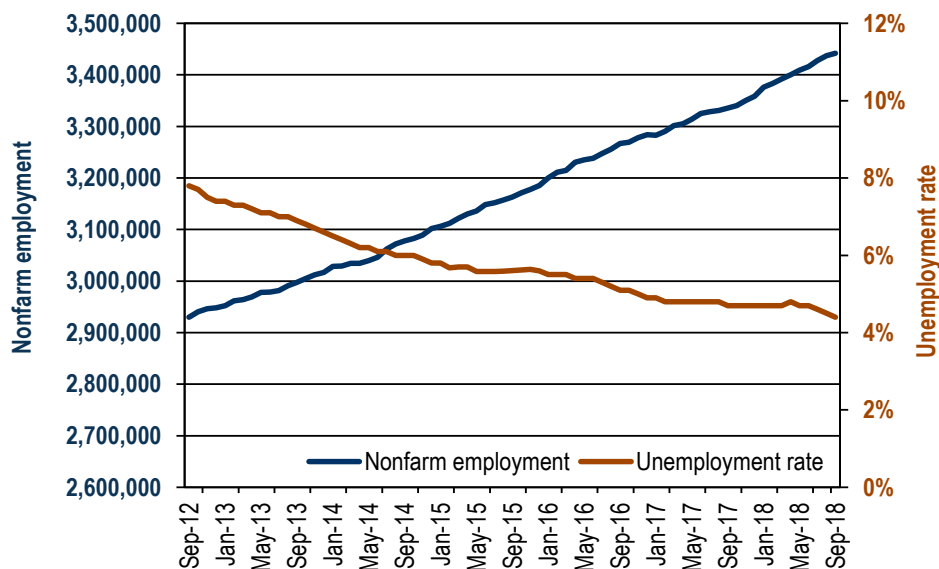
(end of recent employment recession in Washington)

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

### September 2018 (preliminary)

Nonfarm employment: 3,441,700  
Unemployment rate: 4.4%

Nonfarm employment and unemployment rate, seasonally adjusted  
Washington state, September 2012 through September 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

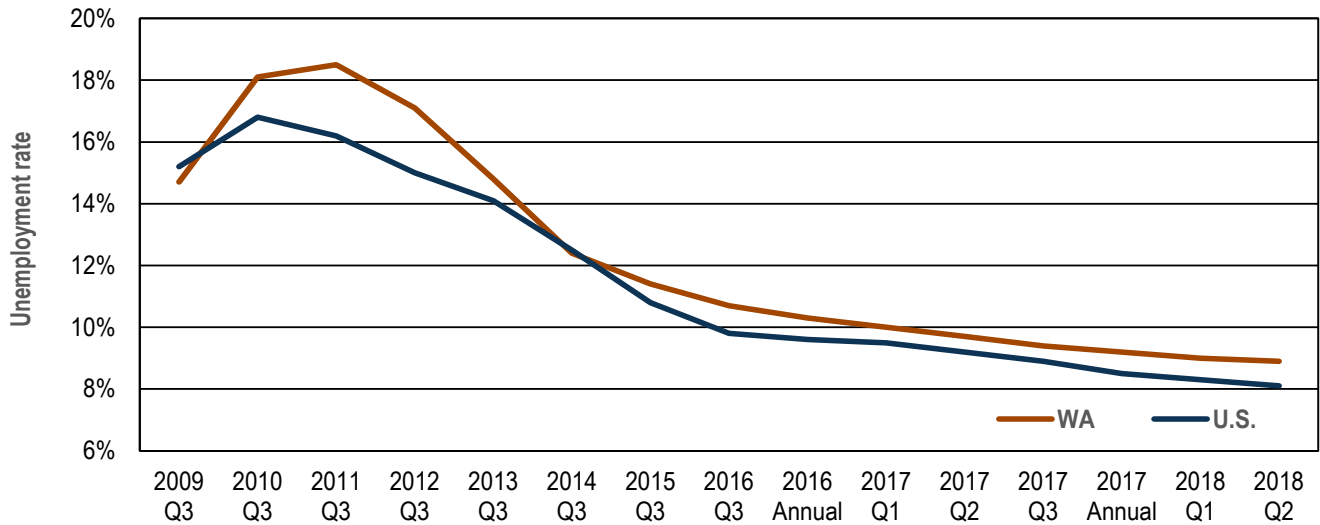
### U-6: Broader unemployment measure declined in the four quarter period ending June 2018

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: <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 4,500 jobs during the month, on a seasonally adjusted basis:

- Overall, eight industries expanded employment in September, three contracted, and two remained unchanged.
- Private sector employment is estimated to have increased by 3,900 and government employment increased by 600.
- Retail trade employment rose by 2,100, led by a gain of 1,200 jobs in motor vehicles and parts dealers.
- Employment in education and health services increased by 2,000 overall, with 1,000 jobs added in education services and 1,000 jobs added in health services and social assistance.
- Manufacturing employment rose by 1,400, with 1,100 jobs added in aerospace product and parts manufacturing.
- The number of jobs in leisure and hospitality decreased by 2,500, led by a loss of 1,700 jobs in food services and drinking places.

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

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

<b>Total nonfarm</b>	<b>4,500</b>
Retail trade	2,100
Education and health services	2,000
Financial activities	1,700
Manufacturing	1,400
Government	600
Other services	500
Information	300
Transportation, warehousing and utilities	100
Professional and business services	0
Mining and logging	0
Wholesale trade	-300
Construction	-1,400
Leisure and hospitality	-2,500

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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 99,700 jobs from September 2017 through September 2018:

- Overall, all thirteen major industries expanded.
- Private sector employment rose 3.5 percent, up an estimated 97,100 jobs.
- Public sector employment increased 0.5 percent, a net gain of 2,600 jobs.
- Professional and business services employment increased by 24,000, led by a 13,900 increase in professional, scientific and technical services.
- Employment in construction is up 11,700 with the number employed as specialty trade contractors up 6,300.
- Education and health services employment increased by 15,200 with 11,400 of the jobs added in health services and social assistance.
- Employment in leisure and hospitality is up by 6,100, led by a gain of 4,900 jobs in food services and drinking places.
- Retailers added 10,400 jobs. Other retail trade, which includes online retail trade, was up by 7,000 jobs.

Estimated employment change by industry over the year, not seasonally adjusted  
Washington state, September 2017 through September 2018  
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Current Employment Statistics

<b>Total nonfarm</b>	<b>99,700</b>
Professional and business services	24,000
Construction	11,700
Education and health services	15,200
Leisure and hospitality	6,100
Retail trade	10,400
Information	7,600
Wholesale trade	5,700
Financial activities	5,700
Manufacturing	6,300
Other services	3,000
Government	2,600
Transportation, warehousing and utilities	1,200
Mining and logging	200

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#### Monthly unemployment rates

##### September 2018

Washington State:  
4.4% 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, September 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>6,600</b>	<b>11,100</b>	<b>4,500</b>
Government	20,900	21,500	600
Education and health services	4,600	6,600	2,000
Transportation, warehousing and utilities	200	300	100
Manufacturing	200	1,600	1,400
Mining and logging	0	0	0
Wholesale trade	-800	-1,100	-300
Information	-1,500	-1,200	300
Financial activities	-1,500	200	1,700
Professional and business services	-1,600	-1,600	0
Other services	-2,000	-1,500	500
Construction	-2,100	-3,500	-1,400
Retail trade	-3,700	-1,600	2,100
Leisure and hospitality	-6,100	-8,600	-2,500

Based on historical patterns, Washington employment typically increases by 4,500 from August to September. This year the state gained an estimated 11,100 jobs, amounting to a seasonally adjusted increase of 4,500 jobs.

- Typically, manufacturing employment increases by 200 in September. On a seasonally adjusted basis, manufacturing employment increased by 1,400 as the estimated increase was 1,600.
- The employment change on a seasonally adjusted basis was zero in professional and business services in September. The normal seasonal decrease is 1,600. It is estimated to have decreased by 1,600 this September.
- The estimated employment decrease in construction was 3,500. The normal seasonal decrease is 2,100, so on a seasonally adjusted basis, construction employment fell by 1,400.
- Employment in retail trade normally falls by 3,700. It is estimated to have decreased by 1,600 this September, so it increased by 2,100 on a seasonally adjusted basis.
- The normal seasonal loss in leisure and hospitality employment is 6,100 in September. The estimated loss was 8,600, so employment decreased by 2,500 on a seasonally adjusted basis.

## 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

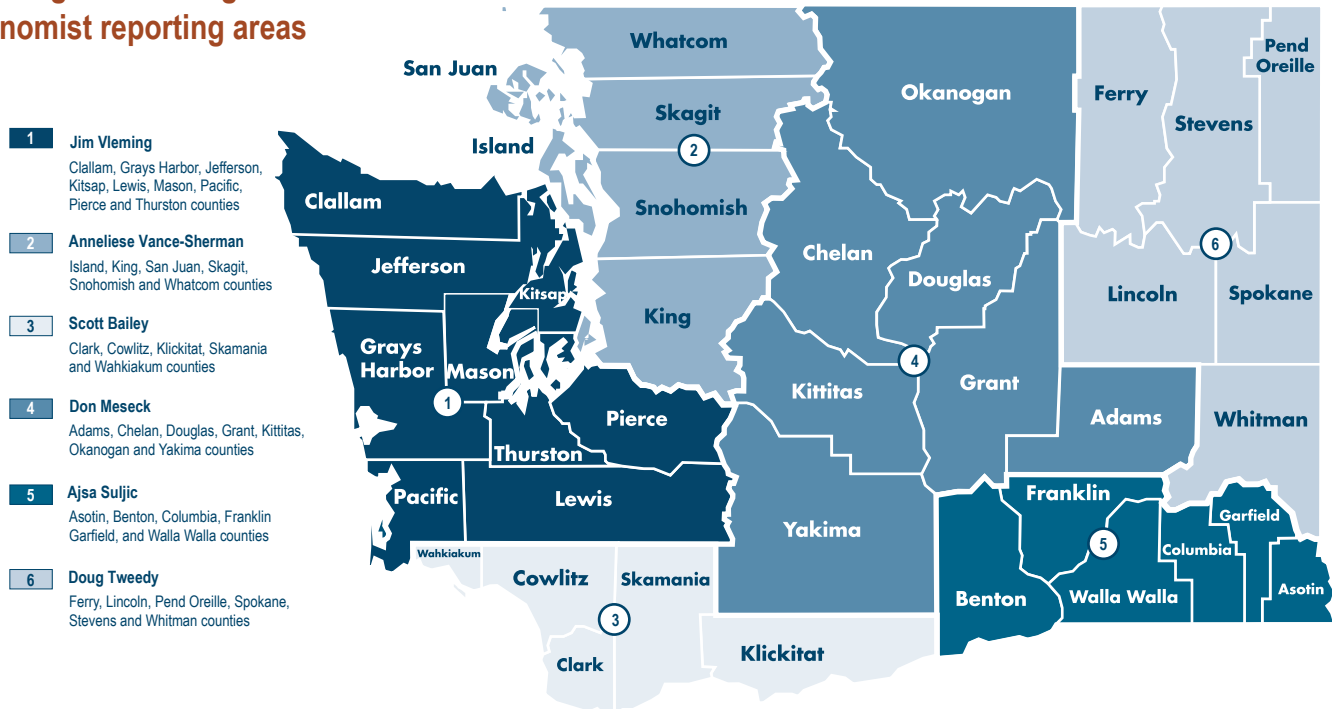
Doug Tweedy  
dtweedy@esd.wa.gov  
509-434-5278

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



The county level information will be available at 10 a.m., October 23, 2018. The publication schedule for 2018 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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