



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 12,400 in October 2018.¹ BLS estimates the private sector gained 8,800 jobs during the month and the public sector gained 3,600 jobs.

On a not seasonally adjusted basis, estimates for October 2017 through October 2018 indicate an increase in employment of 119,200 for the state. The private sector added 112,100 jobs while the public sector gained an estimated 7,100 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for October 2018 is 4.3 percent. The revised estimated September 2018 unemployment rate is at 4.4 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. September's preliminary estimated gain of 4,500 jobs was revised to a gain of 8,300 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, September and October 2017 and 2018
 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	October 2018 (Preliminary)	September 2018 (Revised)	October 2017 (Revised)	September 2017 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	3.7%	3.7%	4.1%	4.2%
Washington				
Unemployment rate	4.3%	4.4%	4.7%	4.7%
Resident labor force	3,782,200	3,770,700	3,756,600	3,751,600
Unemployed	162,900	165,000	177,100	177,600
Seattle/Bellevue/Everett				
Unemployment rate	3.3%	3.4%	3.9%	3.9%
Resident labor force	1,687,700	1,684,800	1,666,200	1,662,400
Unemployed	56,500	57,600	64,600	64,600



¹Most 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 October 2018 is 4.3 percent. The revised estimated September 2018 unemployment rate is 4.4 percent.

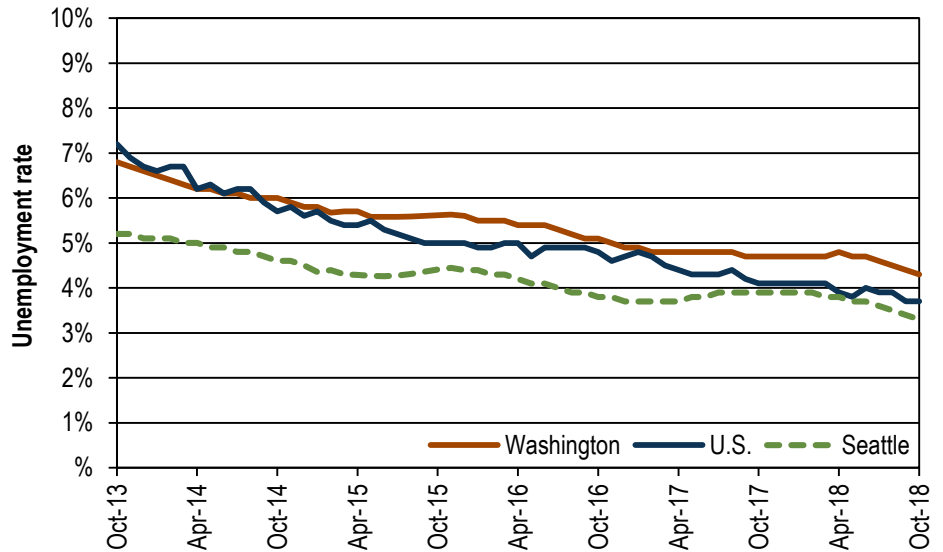
According to BLS estimates, the number of unemployed people fell by 2,100 in October 2018 compared to September 2018. At the same time, the number of employed people rose by an estimated 13,600. Overall, this amounted to an increase of 11,500 people in the labor force.

The preliminary October 2018 unemployment rate is a 0.4 percentage point below the October 2017 rate of 4.7 percent.

Unemployment rates, seasonally adjusted

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

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



October 2018 preliminary unemployment rates:

U.S. (preliminary) 3.7%
 Washington (preliminary) 4.3%
 Seattle area (preliminary) 3.3%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 12,400 jobs from September 2018 to October 2018.

Recent employment change
August 2018: up 9,400 jobs (revised)

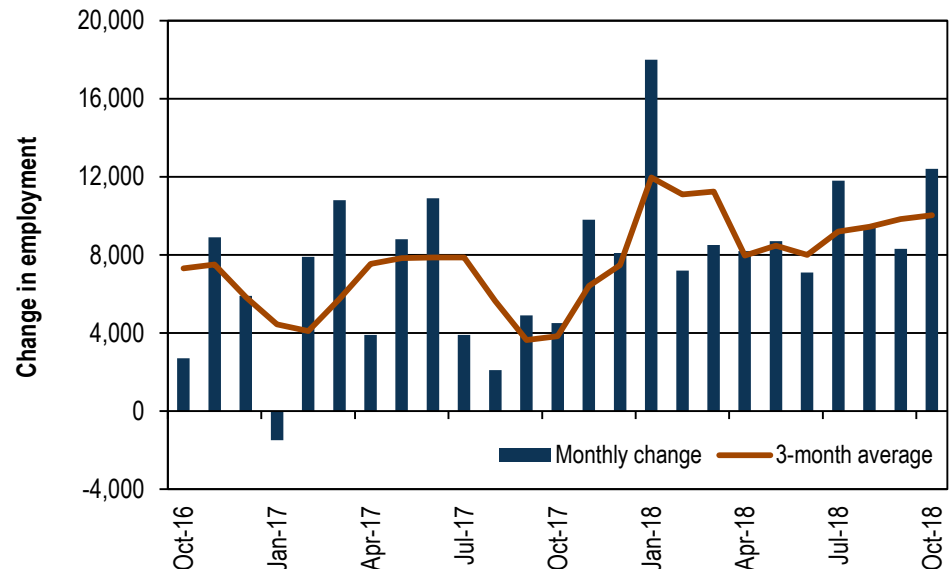
September 2018: up 8,300 jobs (revised)

October 2018: up 12,400 jobs (preliminary)

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

Washington state, October 2016 through October 2018

Source: Employment Security Department/LMEA; 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)

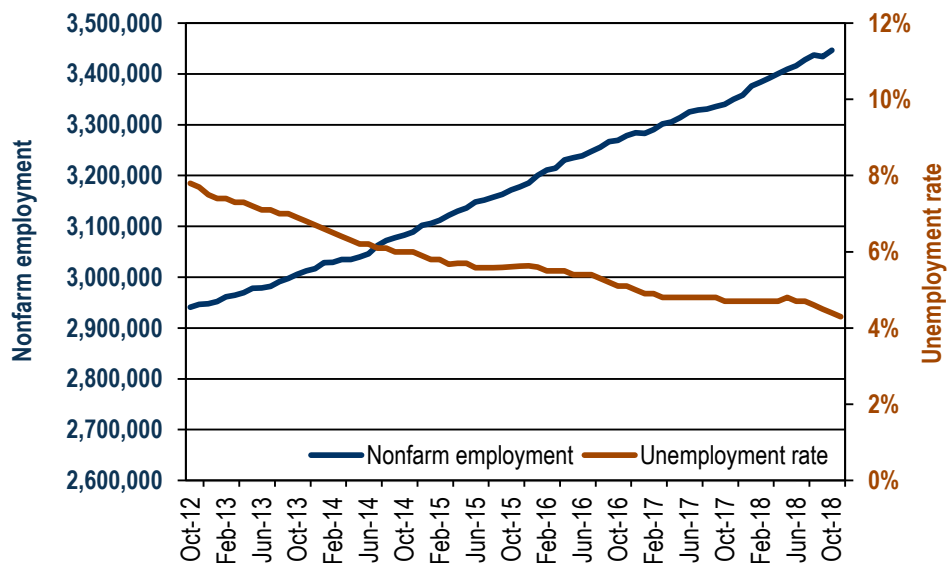
Nonfarm employment: 2,824,000
Unemployment rate: 10.4%

October 2018 (preliminary)

Nonfarm employment: 3,446,400
Unemployment rate: 4.3%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, October 2012 through October 2018

Source: Employment Security Department/LMEA; 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

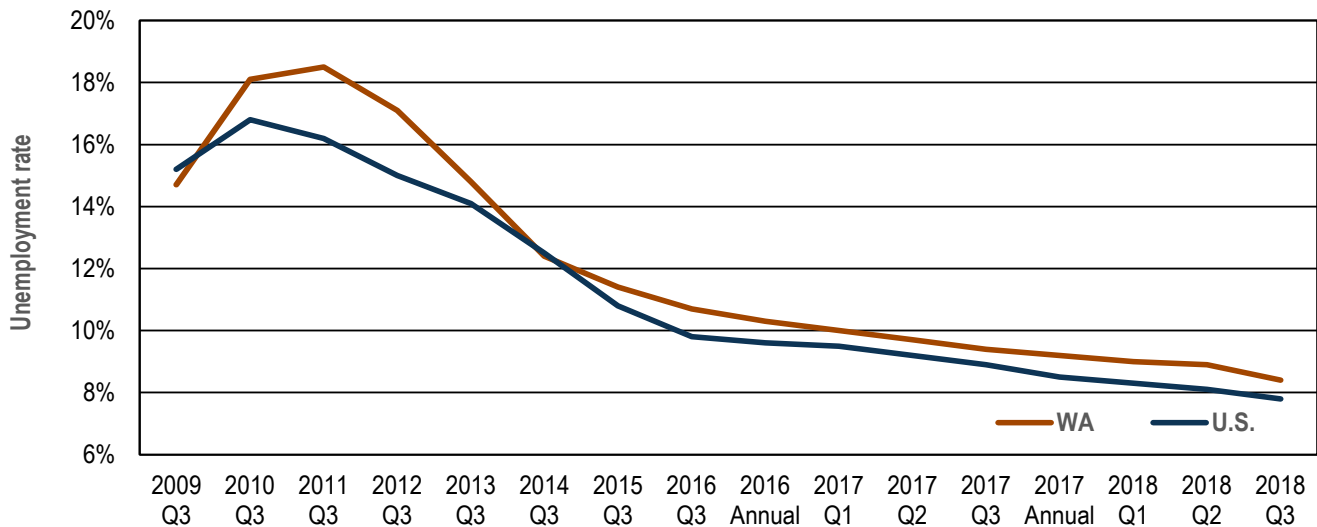
U-6: Broader unemployment measure declined in the four quarter period ending September 2018

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the third 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 fourth quarter of 2017 through the third quarter of 2018 for Washington state was 8.4 percent. This was lower compared to the 9.4 percent U-6 unemployment rate one year prior and 8.9 percent the prior month. The U.S. U-6 unemployment rate was 7.8 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%	8.4%	
	U.S.	8.3%	8.1%	7.8%	
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 12,400 jobs during the month, on a seasonally adjusted basis:

- Overall, twelve industries expanded employment in October and one contracted.
- Private sector employment is estimated to have increased by 8,800 and government employment increased by 3,600.
- Construction employment rose by 2,500 overall, primarily due to a gain in employment by specialty trade contractors.
- The number of jobs in leisure and hospitality increased by 1,400, led by a gain of 1,300 jobs in arts, entertainment and recreation.
- Employment in financial activities increased by 1,000, with 900 jobs added in real estate, rental and leasing.
- Manufacturing employment rose by 1,000, with 1,300 jobs added in durable goods production outweighing 300 jobs lost in nondurable goods production.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, September 2018 to October 2018

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

Total nonfarm	12,400
Government	3,600
Construction	2,500
Leisure and hospitality	1,400
Information	1,300
Financial activities	1,000
Manufacturing	1,000
Professional and business services	1,000
Other services	800
Wholesale trade	700
Transportation, warehousing and utilities	600
Education and health services	400
Mining and logging	100
Retail trade	-2,000

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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 119,200 jobs from October 2017 through October 2018:

- Overall, all thirteen major industries expanded.
- Private sector employment rose 4.1 percent, up an estimated 112,100 jobs.
- Public sector employment increased 1.2 percent, a net gain of 7,100 jobs.
- Professional and business services employment increased by 17,800, led by an 8,800 increase in professional, scientific and technical services.
- Employment in construction is up 17,300 with the number employed as specialty trade contractors up 11,800.
- Education and health services employment increased by 16,300 with 9,800 of the jobs added in health services and social assistance.
- Employment in leisure and hospitality is up by 12,200, led by a gain of 7,800 jobs in food services and drinking places.
- Information added 10,400 jobs, with 4,300 jobs added by software publishers.

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

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

Total nonfarm	119,200
Professional and business services	17,800
Construction	17,300
Education and health services	16,300
Leisure and hospitality	12,200
Information	10,400
Manufacturing	8,200
Financial activities	8,000
Government	7,100
Retail trade	6,000
Other services	5,800
Wholesale trade	5,400
Transportation, warehousing and utilities	4,500
Mining and logging	200

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Monthly unemployment rates

October 2018

Washington State:
4.3% seasonally adjusted

Nationwide:
3.7% 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, October 2018

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	15,600	28,000	12,400
Government	20,800	24,400	3,600
Education and health services	7,300	7,700	400
Other services	900	1,700	800
Retail trade	600	-1,400	-2,000
Wholesale Trade	400	1,100	700
Mining and logging	0	100	100
Transportation, warehousing and utilities	-200	400	600
Construction	-200	2,300	2,500
Financial activities	-400	600	1,000
Information	-800	500	1,300
Professional and business services	-1,100	-100	1,000
Manufacturing	-2,100	-1,100	1,000
Leisure and hospitality	-9,600	-8,200	1,400

Based on historical patterns, Washington employment typically increases by 15,600 from September to October. This year the state gained an estimated 28,000 jobs, amounting to a seasonally adjusted increase of 12,400 jobs.

- Typically, education and health services employment increases by 7,300 in October. On a seasonally adjusted basis, education and health services employment increased by 400 as the estimated increase was 7,700.

- Employment in retail trade normally rises by 600. It is estimated to have decreased by 1,400 this October, so it decreased by 2,000 on a seasonally adjusted basis.
- The estimated employment increase in construction was 2,300. The normal seasonal decrease is 200, so on a seasonally adjusted basis, construction employment rose by 2,500.
- The employment change on a seasonally adjusted basis was 1,000 in professional and

business services in October. The normal seasonal decrease is 1,100. It is estimated to have decreased by 100 this October.

- The normal seasonal loss in leisure and hospitality employment is 9,600 in October. The estimated loss was 8,200, so employment increased by 1,400 on a seasonally adjusted basis.

Contact an economist

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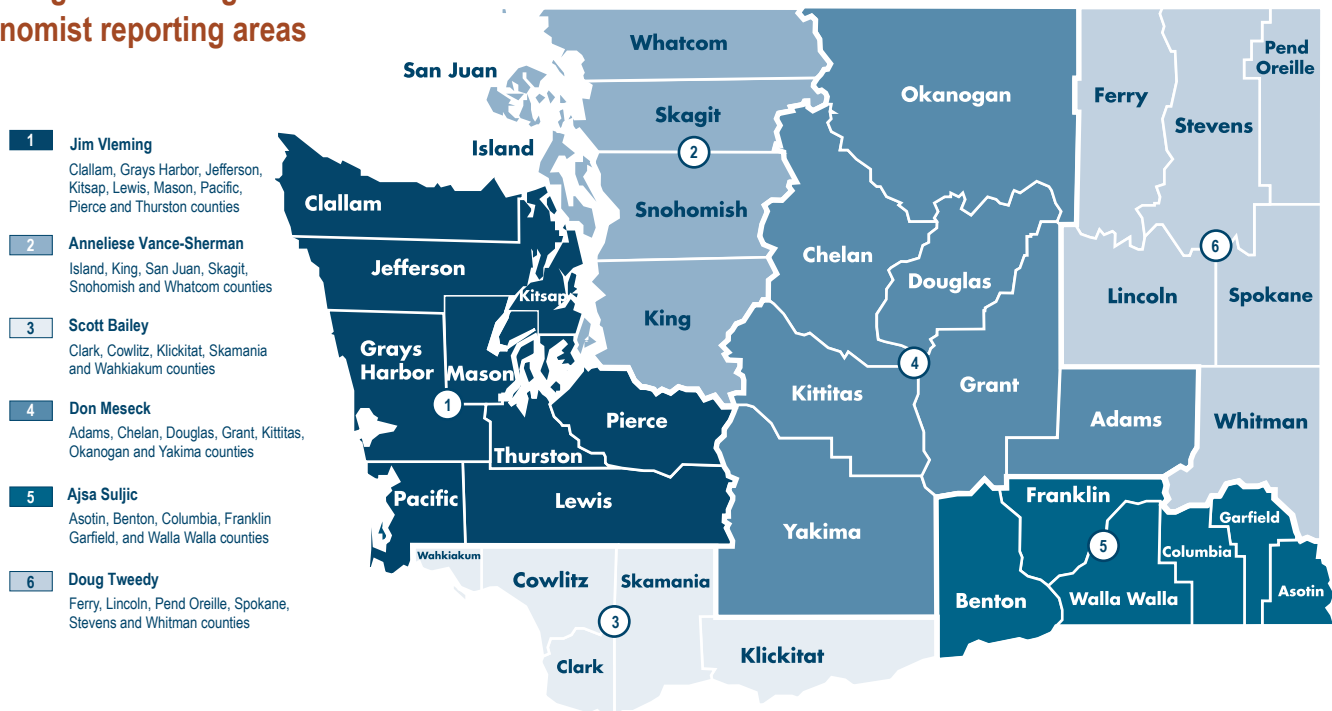
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., November 20, 2018. The publication schedule for 2018 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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