

Monthly Employment Report



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 fell by 8,700 in February 2019.¹ BLS estimates the private sector lost 7,900 jobs during the month and the public sector lost 800 jobs.

On a not seasonally adjusted basis, estimates for February 2018 through February 2019 indicate an increase in employment of 64,400 for the state. The private sector added 70,700 jobs while the public sector lost an estimated 6,300 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for February 2019 is 4.5 percent. The revised estimated January 2019 unemployment rate is at 4.5 percent. The February 2018 unemployment rate was 4.6 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. January's preliminary estimated gain of 12,300 jobs was revised to a gain of 10,400 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.

Employment Security Department WASHINGTON STATE

Labor Market and Economic Analysis March 2019 Resident civilian labor force and unemployment, seasonally adjusted United States and Washington state, January and February, 2018 and 2019 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	February 2019 (Preliminary)	January 2019 (Revised)	February 2018 (Revised)	January 2018 (Revised)
United States				
Unemployment rate				
Seasonally adjusted	3.8%	4.0%	4.1%	4.1%
Washington				
Unemployment rate	4.5%	4.5%	4.6%	4.6%
Resident labor force	3,849,800	3,835,800	3,758,900	3,752,500
Unemployed	174,600	172,200	173,500	173,800
Seattle/Bellevue/Everett				
Unemployment rate	3.4%	3.4%	3.5%	3.5%
Resident labor force	1,707,600	1,702,200	1,676,400	1,674,100
Unemployed	58,300	57,100	58,300	58,800

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.

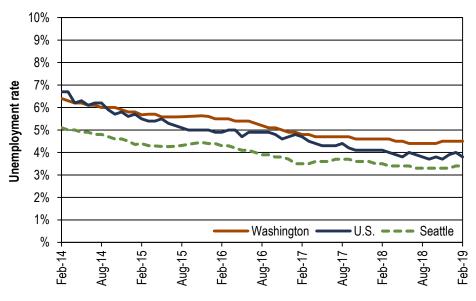
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for February 2019 is 4.5 percent. The revised estimated January 2019 unemployment rate is 4.5 percent.

According to BLS estimates, the number of unemployed people rose by 2,400 in February 2019 compared to January 2019. At the same time, the number of employed people rose by an estimated 11,600. Overall, this amounted to an increase of 14,000 people in the labor force.

The preliminary February 2019 unemployment rate is a 0.1 percentage point below the February 2018 rate of 4.6 percent. Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, February 2014 through February 2019 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



February 2019 preliminary unemployment rates:

Current Employment Statistics

U.S. (preliminary) 3.8% Washington (preliminary) 4.5% Seattle area (preliminary) 3.4%

Employment change and moving average, seasonally adjusted

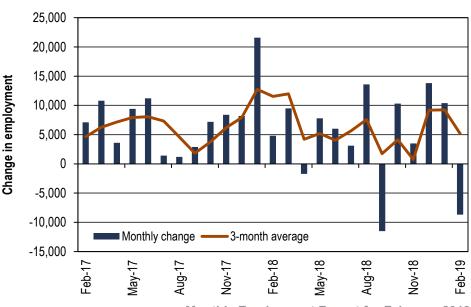
Based on BLS estimates, Washington state nonfarm employment decreased by 8,700 jobs from January 2019 to February 2019.

Recent employment change December 2018: up 13,800 jobs (revised)

January 2019: up 10,400 jobs (revised)

February 2019: down 8,700 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted Washington state, February 2017 through February 2019 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics,



Monthly Employment Report for February 2019

Employment and unemployment, seasonally adjusted

February 2008

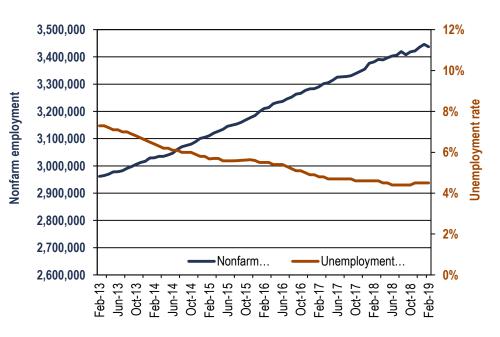
(start of recent employment recession in Washington) Nonfarm employment: 3,006,200 Unemployment rate: 4.7%

February 2010

(end of recent employment recession in Washington) Nonfarm employment: 2,824,100 Unemployment rate: 10.4%

February 2019 (preliminary)Nonfarm employment: 3,437,500Unemployment rate:4.5%

Nonfarm employment and unemployment rate, seasonally adjusted Washington state, February 2013 through February 2019 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

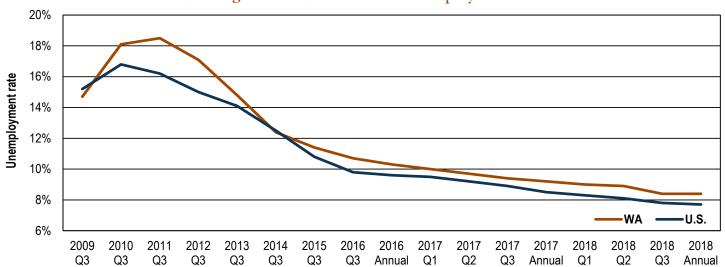
U-6 unemployment rate

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

The U.S. Bureau of Labor Statistics (BLS) recently updated its "alternative measures of labor underutilization" for states to include the annual average for 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 first quarter of 2018 through the fourth quarter of 2018 for Washington state was 8.4 percent. This was lower compared to the 9.2 percent U-6 unemployment rate one year prior. The U.S. U-6 unemployment rate was 7.7 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%	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%
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 lost an estimated 8,700 jobs during the month, on a seasonally adjusted basis:

- Overall, three industries expanded employment in February and ten contracted.
- Private sector employment is estimated to have decreased by 7,900 and government employment decreased by 800.
- Retail trade employment rose by 1,200, with food and beverage stores adding 800 jobs.
- Information employment grew by 1,100, with 800 jobs added by software publishers.
- The number of jobs in leisure and hospitality decreased by 1,200 with 2,100 jobs lost in arts, entertainment and recreation outweighing 900 jobs gained in accommodation and food services.
- Employment in other services decreased by 2,000 overall, with 800 jobs subtracted from personal and laundry services.
- Employment in construction declined by 3,400, led by a loss of 2,900 in heavy and civil engineering.

Estimated one-month employment change by industry, seasonally adjusted Washington state, January 2019 to February 2019 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	-8,700
Retail trade	1,200
Information	1,100
Financial activities	1,000
Mining and logging	-100
Manufacturing	-300
Wholesale trade	-500
Government	-800
Leisure and hospitality	-1,200
Professional and business services	-1,200
Transportation, warehousing and utilities	-1,200
Education and health services	-1,300
Other services	-2,000
Construction	-3,400

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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 64,400 jobs from February 2018 through February 2019:

- Overall, ten major industries expanded, one contracted, and two were unchanged.
- Private sector employment rose 2.6 percent, up an estimated 70,700 jobs.
- Public sector employment decreased 1.1 percent, a net loss of 6,300 jobs.
- Education and health services employment increased by 16,900 with 16,400 of the jobs added in health services and social assistance.
- Manufacturing added 10,600 jobs, with 9,100 jobs added in durable goods production and 1,500 jobs added in nondurable goods production.
- Employment in leisure and hospitality is up by 10,300, led by a gain of 9,300 jobs in food services and drinking places.
- Employment in construction is up 8,300 with the number employed as specialty trade contractors up 8,500.
- Professional and business services employment increased by 4,100, led by a 2,000 increase in professional, scientific and technical services.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, February 2018 through February 2019 Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	64,400
Education and health services	16,900
Manufacturing	10,600
Leisure and hospitality	10,300
Construction	8,300
Information	7,200
Financial activities	4,900
Retail trade	4,200
Professional and business services	4,100
Transportation, warehousing and utilities	3,400
Other services	800
Wholesale trade	0
Mining and logging	0
Government	-6,300

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EMPLOYMENT

Monthly employment report Employment estimates (WA-QB and CES) Covered employment (QCEW) Occupations (OES) The Labor Market and Economic Analysis (LMEA) Division is pleased to announce our new Labor Market Information Director, Mr. Steven Ross. Steven presides over the LMEA team and their products, services and publications.

Steven can be reached by phone at: 360-507-9615 and email at: SRoss@esd.wa.gov

Monthly unemployment rates

February 2019 Washington State: 4.5% seasonally adjusted

Nationwide: 3.8% seasonally adjusted

Labor force by county snapshot not seasonally adjusted

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 4,700 from January to February. This year the state lost an estimated 4,000 jobs, amounting to a seasonally adjusted decrease of 8,700 jobs.

• Typically, education and health services employment increases by 4,000 in February. On a seasonally adjusted basis, education and health services employment decreased by 1,300 as the estimated increase was 2,700. Normal seasonal change, estimated change and seasonally adjusted change Washington state, February 2019

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	-4,000	-8700
Education and health services	4,000	2,700	-1,300
Government	2,400	1,600	-800
Leisure and hospitality	1,500	300	-1,200
Professional and business services	1,200	0	-1,200
Manufacturing	400	100	-300
Information	400	1,500	1,100
Financial activities	400	1,400	1,000
Other services	300	-1700	-2,000
Mining and logging	100	0	-100
Wholesale trade	-100	-600	-500
Construction	-700	-4,100	-3,400
Transportation, warehousing and utilities	-1,200	-2,400	-1,200
Retail trade	-4,000	-2,800	1,200

- The normal seasonal gain in leisure and hospitality employment is 1,500 in February. The estimated gain was 300, so employment decreased by 1,200 on a seasonally adjusted basis.
- The employment decrease on a seasonally adjusted basis was 1,200 in professional and business services in February. The normal seasonal increase is 1,200. It is estimated to have remained unchanged this February.
- The estimated employment decrease in construction was 4,100. The normal seasonal decrease is 700, so on a seasonally adjusted basis, construction employment fell by 3,400.
- Employment in retail trade normally falls by 4,000. It is estimated to have decreased by 2,800 this February, so it increased by 1,200 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

Regional labor economists:

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

Don Meseck dmeseck@esd.wa.gov 509-574-0176 Ajsa Suljic asuljic@esd.wa.gov 509-734-5928

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

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

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



The county level information will be available at 10 a.m., March 26, 2019. The publication schedule for 2019 is posted at: https://esd.wa.gov/labormarketinfo/monthly-employment-report.

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