



Monthly Employment Report

September 2020



For workers and businesses affected by COVID-19, Employment Security has programs that may help. Please see ESD's website for more information. For labor market information questions, please send your emails to lmea@esd.wa.gov.

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 2,400 in September 2020.¹ BLS estimates the private sector gained 12,100 jobs during the month and the public sector lost 9,700 jobs.

On a not seasonally adjusted basis, estimates for September 2019 through September 2020 indicate a decrease in employment of 203,900 for the state. The private sector lost 179,100 jobs while the public sector lost an estimated 24,800 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for September 2020 is 7.8 percent. The revised estimated August 2020 unemployment rate is at 8.4 percent. The September 2019 unemployment rate was 4.1 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 19,800 jobs was revised to a gain of 69,000 jobs.

For more information, call Paul Turek, labor economist at 360-706-3044.

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, 2019 and 2020
Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	September 2020 (Preliminary)	August 2020 (Revised)	September 2019 (Revised)	August 2019 (Revised)
United States				
Unemployment rate				
Seasonally adjusted	7.9%	8.4%	3.5%	3.7%
Washington				
Unemployment rate	7.8%	8.4%	4.1%	4.2%
Resident labor force	3,901,400	3,957,200	3,940,100	3,930,700
Unemployed	303,400	333,600	161,100	163,800
Seattle/Bellevue/Everett				
Unemployment rate	7.0%	7.3%	2.7%	2.8%
Resident labor force	1,708,700	1,728,300	1,740,800	1,737,500
Unemployed	119,900	126,400	47,000	47,900



¹Most of the employment numbers discussed in this report refers to jobs, not people. 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 2020 is 7.8 percent. The revised estimated August 2020 unemployment rate is 8.4 percent.

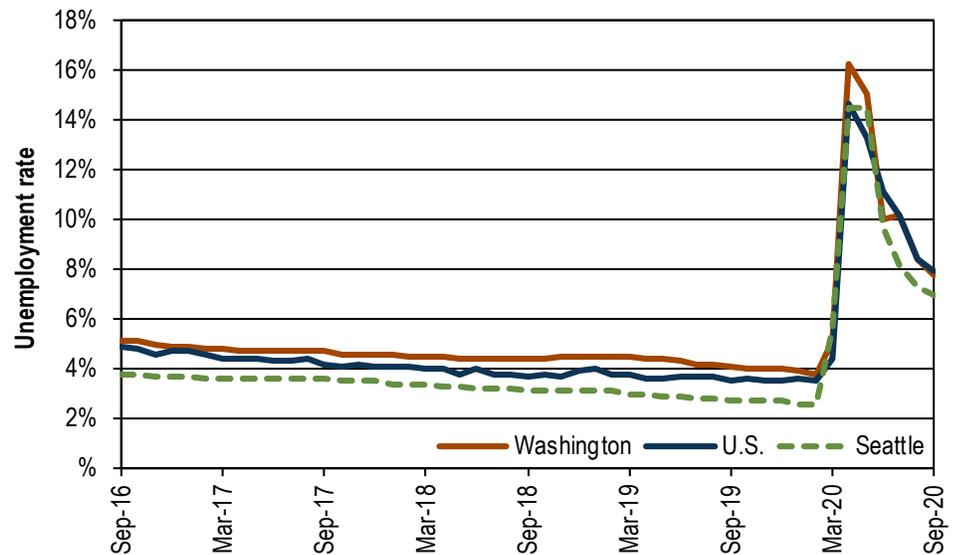
According to BLS estimates, the number of unemployed people fell by 30,200 in September 2020 compared to August 2020. At the same time, the number of employed people fell by an estimated 25,600. Overall, this amounted to a decrease of 55,800 people in the labor force.

The preliminary September 2020 unemployment rate is 3.7 percentage points higher than the September 2019 rate of 4.1 percent.

Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, September 2016 through September 2020

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



September 2020 preliminary unemployment rates:

U.S. (preliminary) 7.9%
 Washington (preliminary) 7.8%
 Seattle area (preliminary) 7.0%

Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 19,800 jobs from July 2020 to August 2020.

Recent employment change:

July 2020: up 62,400 jobs (revised)

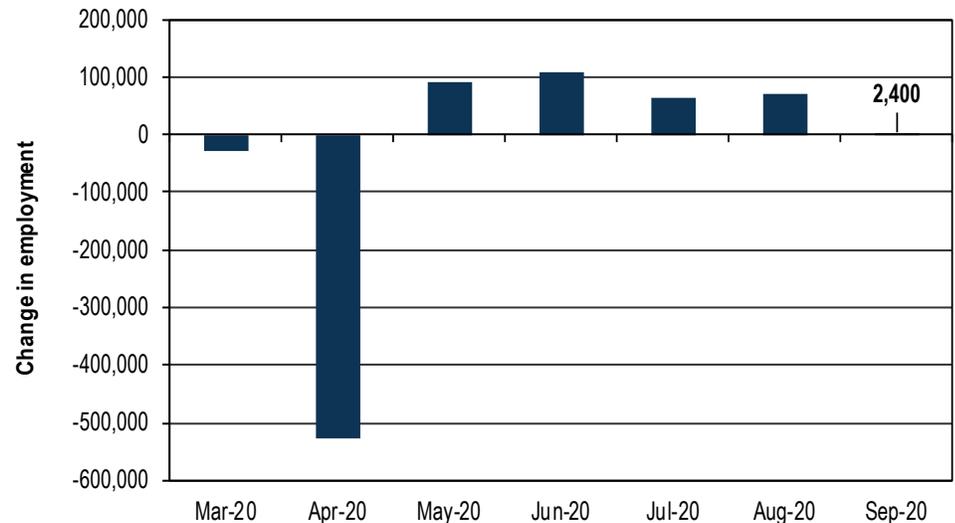
August 2020: up 69,000 jobs (revised)

September 2020: up 2,400 jobs (preliminary)

Monthly employment change, seasonally adjusted

Washington state, March 2020 through September 2020

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



Employment and unemployment, seasonally adjusted

February 2020

(Start of 2020 employment recession in Washington)

Nonfarm employment: 3,485,100

Unemployment rate: 3.8%

September 2020 (preliminary)

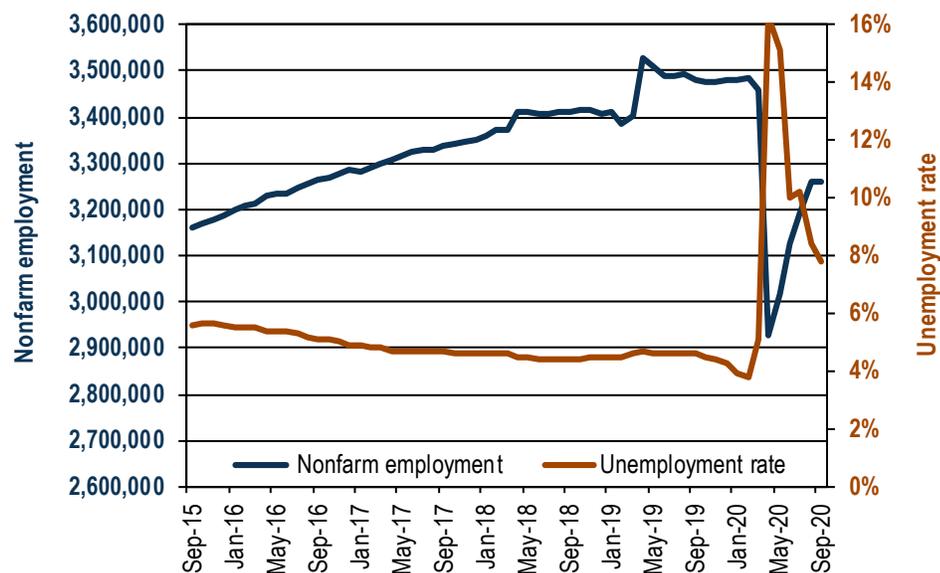
Nonfarm employment: 3,260,700

Unemployment rate: 7.8%

Nonfarm employment and unemployment rate, seasonally adjusted

Washington state, September 2015 through September 2020

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



Workers and businesses affected by COVID-19

Employment Security's **COVID-19 online information page** covers topics for businesses and workers impacted by COVID-19. Topics include:

- Subscribing for updates
- Frequently asked questions
- Workers Q&A
- Business Q&A
- CARES ACT
- Federal stimulus updates
- Eligibility checker
- COVID-19 rulemaking
- Action alerts and updates

We are all in this together. COVID-19 has created an unprecedented demand for services, but we are building capacity, updating technology, and we thank you for your patience while we work to serve you better.

Did you know that you can subscribe for email updates on a number of Employment Security Department topics all at once? Go to esd.wa.gov/labormarketinfo and select the email icon at the top of the page.



Enter your email address and subscribe by checking the boxes for topics such as:

COVID-19
Labor market information
News releases
Employer news and resources
Paid Family and Medical Leave
Employer information
Shared work
WorkSource system
Unemployment insurance
Training

Many more to come, so sign up today for your email updates!

U-6 unemployment rate

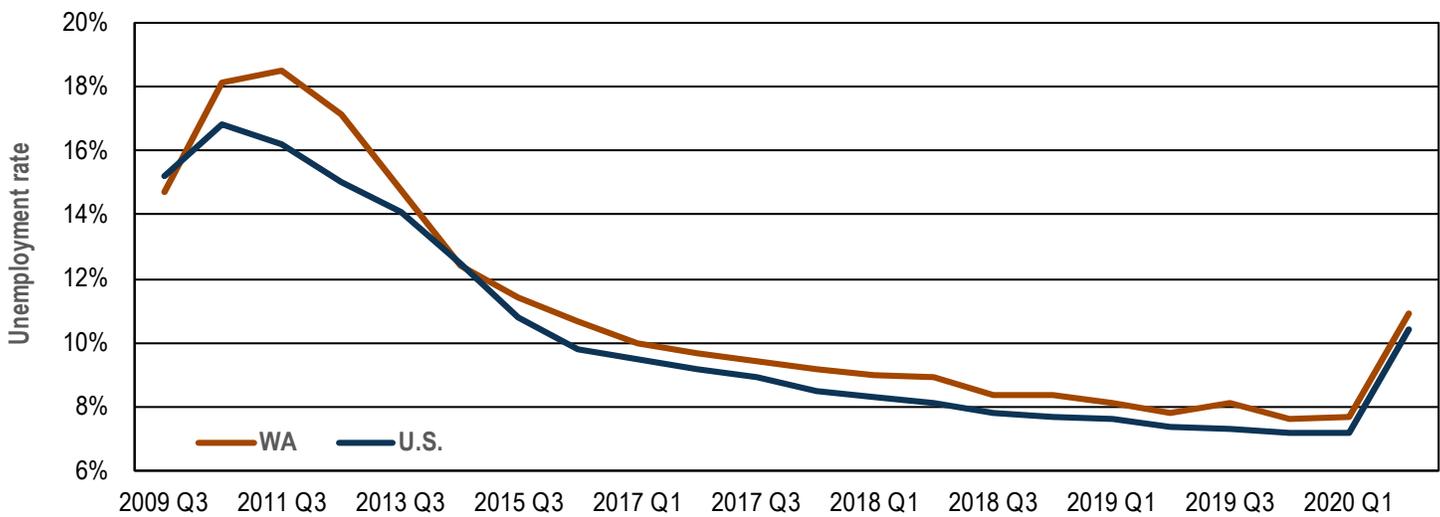
U-6: Broader unemployment measure increased in the four-quarter period ending second quarter 2020

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include annual averages for first quarter 2020. 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 annual unemployment rate for second quarter 2020 for Washington state was 10.9 percent. This was higher compared to the 7.7 percent U-6 unemployment 2020 first quarter rate. The U.S. U-6 unemployment rate was 10.4 percent in second quarter 2020.



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
2020	WA	7.7%	10.9%		
	U.S.	7.2%	10.4%		
2019	WA	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	7.2%
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%

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 2,400 jobs during the month, on a seasonally adjusted basis:

- Overall, employment increased in eight major industries and contracted in five in September.
- Private sector employment is estimated to have increased by 12,100 and government employment decreased by 9,700.
- Employment in leisure and hospitality increased by 6,700, with 3,600 jobs added in food services and drinking places.
- Construction employment rose by 2,700 overall, with 1,900 jobs added by specialty trade contractors.
- Employment in professional and business services increased by 2,000, with 1,600 jobs added in computer systems design and related services.
- Retail trade employment rose by 600 overall, with 800 jobs gained in building material and garden supply stores.
- The number of jobs in manufacturing decreased by 1,900 overall, with a decrease of 1,600 in aerospace product and parts manufacturing.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, August 2020 to September 2020

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

Total nonfarm	2,400
Leisure and hospitality	6,700
Construction	2,700
Professional and business services	2,000
Information	1,900
Education and health services	900
Retail trade	600
Financial activities	300
Mining and logging	100
Other services	-100
Transportation, warehousing and utilities	-400
Wholesale trade	-700
Manufacturing	-1,900
Government	-9,700

As we navigate the COVID-19 developments

in Washington state and beyond, we know Washington state businesses, nonprofits, city and county municipalities, educational institutions, as well as economic and workforce development professionals, are looking for sound data about the short and long term economic and workforce impacts to their individual businesses, industries and regions.

Since the current situation is still evolving, we will share information as soon as possible. In the meantime, if you have specific questions regarding labor market information, please send your emails to lmea@esd.wa.gov.

Industry employment in Washington, not seasonally adjusted

Change by industry over the year

Based on a BLS survey of businesses and governments, Washington lost an estimated 203,900 jobs from September 2019 through September 2020.

- Overall, two major industries expanded and eleven contracted.
- Private sector employment fell 6.1 percent, down an estimated 179,100 jobs.
- Public sector employment fell 4.3 percent, down an estimated 24,800 jobs.
- Retail trade employment rose 5,700 overall, with the most jobs gained in other retail trade.
- Professional and business services employment increased by 2,800 overall, with the most jobs gained in professional, scientific and technical services.
- Education and health services employment decreased by 23,400, with 5,800 jobs lost in social assistance.
- Employment in manufacturing is down 27,100, led by a decrease of 13,800 in aerospace product and parts manufacturing.
- Employment in leisure and hospitality is down by 90,100, with food services and drinking places shedding 48,600 jobs.

Estimated employment change by industry over the year, not seasonally adjusted
Washington state, September 2019 through September 2020

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

Total nonfarm	-203,900
Retail trade	5,700
Professional and business services	2,800
Mining and logging	-500
Financial activities	-1,000
Transportation, warehousing and utilities	-3,300
Information	-3,400
Wholesale trade	-11,100
Construction	-11,200
Other services	-16,500
Education and health services	-23,400
Government	-24,800
Manufacturing	-27,100
Leisure and hospitality	-90,100

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 2020

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	8,100	10,500	2,400
Government	12,300	2,600	-9,700
Education and health services	6,100	7,000	900
Manufacturing	1,800	-100	-1,900
Transportation, warehousing and utilities	400	0	-400
Professional and business services	200	2,200	2,000
Mining and logging	0	100	100
Wholesale trade	-300	-1,000	-700
Financial activities	-600	-300	300
Information	-1,200	700	1,900
Other services	-2,200	-2,300	-100
Construction	-2,400	300	2,700
Retail trade	-2,600	-2,000	600
Leisure and hospitality	-3,400	3,300	6,700

Based on historical patterns, Washington employment typically increases by 8,100 from August to September. This year the state gained an estimated 10,500 jobs, amounting to a seasonally adjusted increase of 2,400 jobs.

- Typically, manufacturing increases by 1,800 in September. On a seasonally adjusted basis, manufacturing employment decreased by 1,900 as the estimated decrease was 100.
- The employment increase on a seasonally adjusted basis was 2,000 in professional and business services in September. The normal seasonal increase is 200. It is estimated to have increased this September by 2,200.
- The estimated employment increase in construction was 300. The normal seasonal decrease is 2,400, so on a seasonally adjusted basis, construction employment rose by 2,700.
- Employment in retail trade normally falls by 2,600. It is estimated to have decreased by 2,000 this September, so it increased by 600 on a seasonally adjusted basis.
- The normal seasonal loss in leisure and hospitality employment is 3,400 in September. The estimated gain was 3,300, so employment increased by 6,700 on a seasonally adjusted basis.

Media inquiries and contact information

Due to the high volume of requests for information, please send your emails to media@esd.wa.gov so that we can forward your requests to the appropriate staff.

For labor market information questions, please send your emails to lmea@esd.wa.gov.

Statewide labor economist:

Paul Turek, Ph.D.
pturek@esd.wa.gov
 360-706-3044

Regional labor economists:

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

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

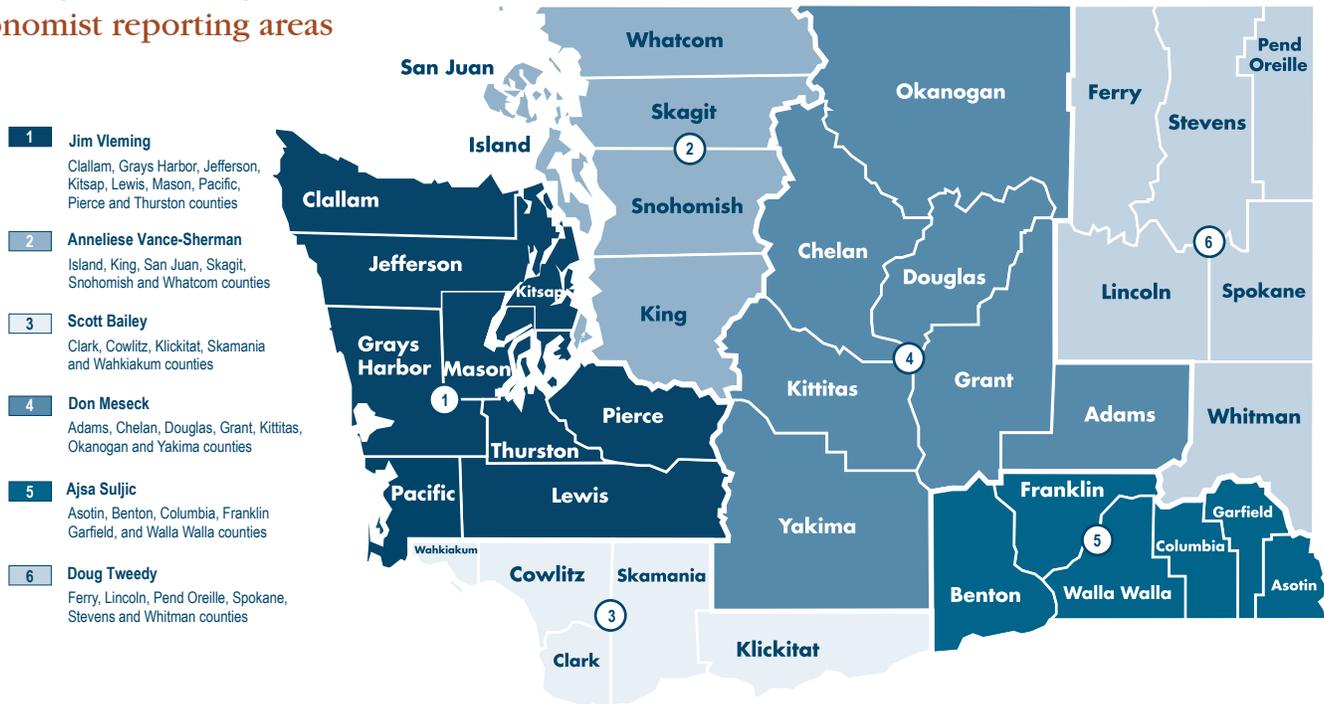
Ajsa Suljic
asuljic@esd.wa.gov
 509-734-5928

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
 360-819-3427

Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., October 20, 2020. The publication schedule for 2020 is posted at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

Employment Security Department is an equal opportunity employer/programs. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711.

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, expressed or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.