

# Monthly Employment Report for June 2016



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 500 from May 2016 to June 2016.<sup>1</sup> BLS estimates the private sector gained 1,000 jobs during the month and the public sector lost 1,500 jobs.

On a not seasonally adjusted basis, estimates for June 2015 through June 2016 indicate an increase in employment of 96,900 for the state. The private sector added 84,000 jobs while the public sector gained an estimated 12,900 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for June 2016 is 5.8 percent. The revised estimated May 2016 unemployment rate was also at 5.8 percent. The June 2015 unemployment rate was 5.6 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. May's preliminary estimated gain of 8,700 jobs was revised to a gain of 9,000 jobs.

For more information, call Paul Turek, labor economist at 360-407-2306.

## 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, May and June, 2015 and 2016  
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	June 2016 (Preliminary)	May 2016 (Revised)	June 2015 (Revised)	May 2015 (Revised)
<b>United States</b>				
Unemployment rate <i>Seasonally adjusted</i>	4.9%	4.7%	5.3%	5.5%
<b>Washington</b>				
Unemployment rate	5.8%	5.8%	5.6%	5.6%
Resident labor force	3,624,500	3,628,100	3,534,100	3,531,400
Unemployed	208,900	209,500	197,300	197,000
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	4.6%	4.9%	4.4%	4.4%
Resident labor force	1,604,000	1,608,900	1,577,700	1,576,300
Unemployed	74,200	78,600	69,000	69,000

<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 June 2016 was 5.8 percent. The revised estimated May 2016 unemployment rate was at 5.8 percent.

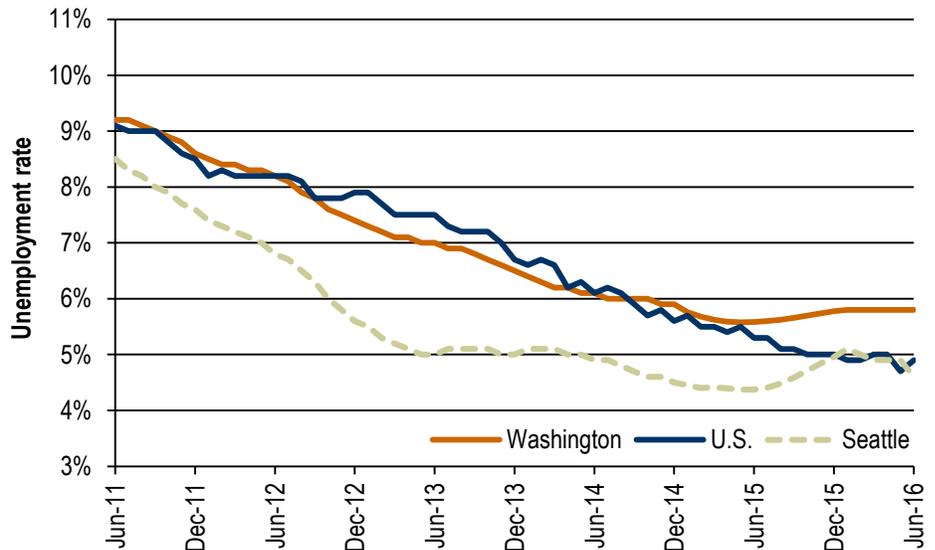
According to BLS estimates, the number of unemployed people fell by 600 in June 2016 compared to May 2016. At the same time, the number of employed people fell by an estimated 3,000. Overall, this amounted to a decrease of 3,600 people in the labor force.

The preliminary June 2016 unemployment rate is 0.2 percentage points above the June 2015 rate of 5.6 percent.

### Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, June 2011 through June 2016

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



**June 2016 preliminary unemployment rates:**

U.S. (preliminary) 4.9%  
 Washington (preliminary) 5.8%  
 Seattle area (preliminary) 4.6%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment decreased by 500 jobs from May 2016 to June 2016.

Recent employment change  
**April 2016:** up 6,900 jobs (revised)

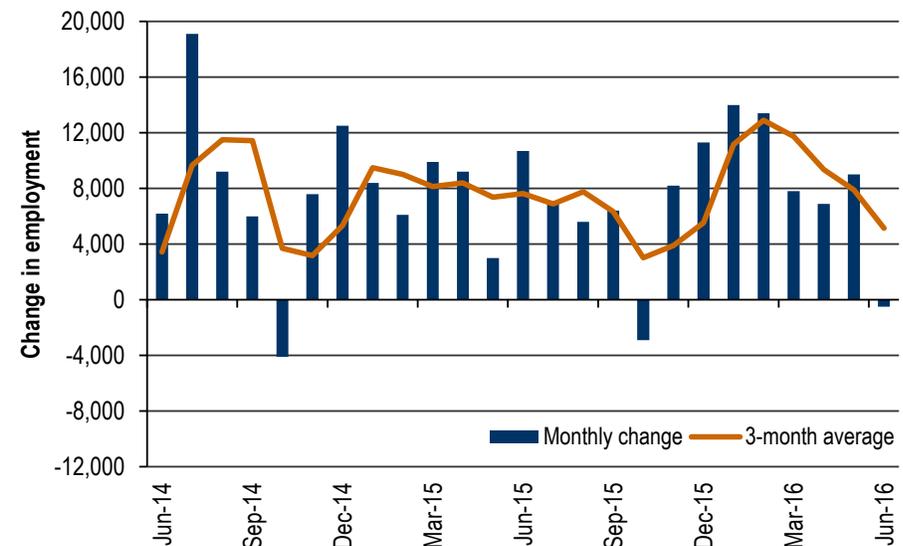
**May 2016:** up 9,000 jobs (revised)

**June 2016:** down 500 jobs (preliminary)

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

Washington state, June 2014 through June 2016

Source: Employment Security Department/LMPA; 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: 3,010,100  
Unemployment rate: 4.8%

### February 2010

(end of recent employment recession in Washington)

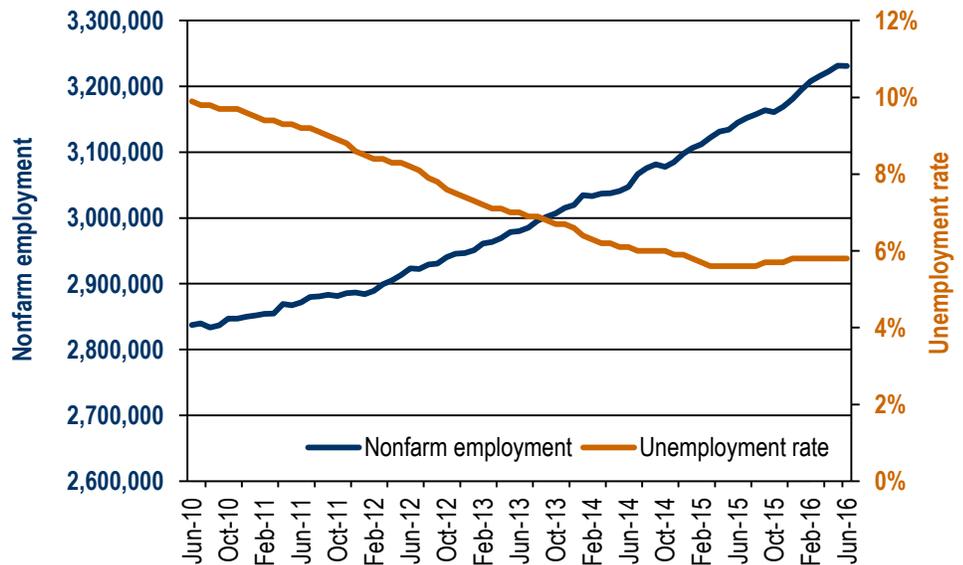
Nonfarm employment: 2,818,400  
Unemployment rate: 10.3%

### June 2016 (preliminary)

Nonfarm employment: 3,231,200  
Unemployment rate: 5.8%

Nonfarm employment and unemployment rate, seasonally adjusted  
Washington state, June 2010 through June 2016

Source: Employment Security Department/LMPA; 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 nonseasonal 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

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

- Overall, six industries expanded employment in June, six contracted and one was unchanged
- Private-sector employment is estimated to have increased by 1,000 and government employment decreased by 1,500.
- Professional and business services employment rose by 1,800, with 1,500 jobs added in administrative and support services.
- Construction employment increased by 1,700, with 800 jobs added by specialty trade contractors.
- Financial activities employment increased by 1,300, with 800 jobs added in real estate, rental and leasing.
- The number of jobs in education and health services decreased by 2,200, with 1,300 of the loss occurring in health services and social assistance.
- Employment in leisure and hospitality decreased by 2,800, with 1,300 less jobs occurring in food services and drinking places.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, May 2016 to June 2016

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

<b>Total nonfarm</b>	<b>-500</b>
Professional and business services	1,800
Construction	1,700
Financial activities	1,300
Other services	800
Information	700
Transportation, warehousing and utilities	400
Mining and logging	0
Manufacturing	-100
Retail trade	-300
Wholesale trade	-300
Government	-1,500
Education and health services	-2,200
Leisure and hospitality	-2,800

## 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 96,900 jobs from June 2015 through June 2016:

- Overall, eleven major industries expanded, one declined and one was unchanged.
- Private-sector employment rose 3.2 percent, up an estimated 84,000 jobs.
- Public-sector employment increased 2.3 percent, a net gain of 12,900 jobs.
- Professional and business services employment increased by 17,400, led by a 9,700 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.
- Retailers added 12,000 jobs. Other retail trade, which includes online retail trade, was up by 10,100 jobs.
- Education and health services employment increased by 10,700 with 4,000 of the jobs added by hospitals.
- Employment in the leisure and hospitality industry is up by 6,800, with 5,700 jobs added in food services and drinking places.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, June 2015 to June 2016

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

<b>Total nonfarm</b>	<b>96,900</b>
Professional and business services	17,400
Construction	15,300
Government	12,900
Retail trade	12,000
Education and health services	10,700
Leisure and hospitality	6,800
Transportation, warehousing and utilities	6,700
Information	5,700
Financial activities	5,500
Other services	5,300
Wholesale trade	3,400
Mining and logging	0
Manufacturing	-4,800

## 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 rises by 18,500 from May to June. This year the state gained an estimated 18,000 jobs, amounting to a seasonally adjusted decrease of 500 jobs.

- Employment in leisure and hospitality normally rises by 9,200. It is estimated to have increased by 6,400 this June yielding a loss of 2,800 on a seasonally adjusted basis.
- Typically retail trade employment increases by 4,700 in June. On a seasonally adjusted basis, retail trade employment decreased by 300 as the estimated increase was 4,400.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, June 2016

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
<b>Total nonfarm</b>	<b>18,500</b>	<b>18,000</b>	<b>-500</b>
Leisure and hospitality	9,200	6,400	-2,800
Retail trade	4,700	4,400	-300
Professional and business services	2,900	4,700	1,800
Manufacturing	2,700	2,600	-100
Construction	2,500	4,200	1,700
Information	1,500	2,200	700
Transportation, warehousing and utilities	1,100	1,500	400
Wholesale trade	1,000	700	-300
Other services	300	1,100	800
Financial activities	200	1,500	1,300
Mining and logging	200	200	0
Education and health services	-2,500	-4,700	-2,200
Government	-5,300	-6,800	-1,500

- The normal seasonal gain in manufacturing employment is 2,700 in June. The estimated increase was 2,600 so employment fell by 100 on a seasonally adjusted basis.
- The estimated employment increase in construction was 4,200. The normal seasonal increase is 2,500, so on a seasonally adjusted basis, construction employment rose by 1,700.
- The change on a seasonally adjusted basis was a loss of 2,200 jobs in education and health services in June. The normal seasonal decrease is 2,500. It is estimated to have decreased by 4,700 this June.

## Contact an economist

We have seven regional economists serving local labor markets in Washington. Regional economists can help you find and use labor-market data, fulfill special data requests and answer questions about the labor market in your area. They serve professionals and organizations in their areas for WorkSource offices, workforce development councils, non-profit organizations, higher education, businesses and the news media.

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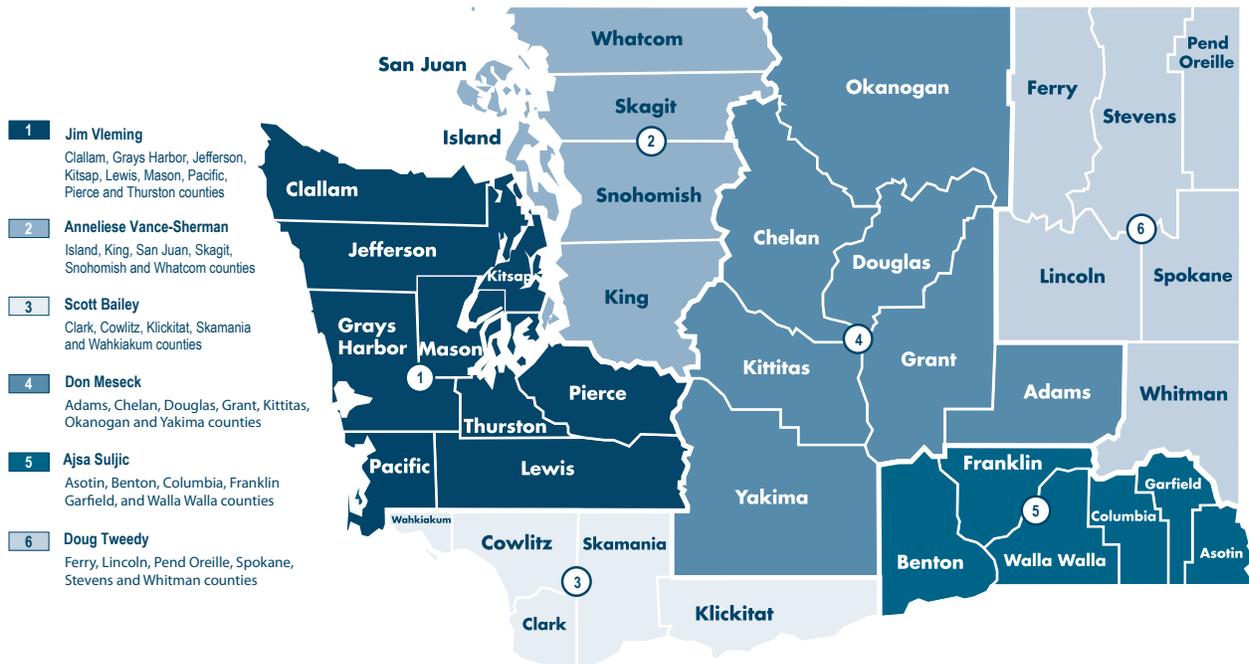
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### Washington state regional labor economist reporting areas



**Note:** Due to changes in the processing of the monthly employment data by the U.S. Bureau of Labor Statistics, the county-level information will be available at 10 a.m., July 26, 2016. The publication schedule for 2016 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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