

Monthly Employment Report for November 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 rose by 3,600 from October 2016 to November 2016.¹ BLS estimates the private sector gained 4,700 jobs during the month and the public sector lost 1,100 jobs.

On a not seasonally adjusted basis, estimates for November 2015 through November 2016 indicate an increase in employment of 95,100 for the state. The private sector added 81,500 jobs while the public sector gained an estimated 13,600 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for November 2016 is 5.3 percent. The revised estimated October 2016 unemployment rate was at 5.4 percent. The November 2015 unemployment rate was 5.7 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. October's preliminary estimated gain of 10,600 jobs was revised to a gain of 9,500 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, October and November, 2015 and 2016
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	November 2016 (Preliminary)	October 2016 (Revised)	November 2015 (Revised)	October 2015 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	4.6%	4.9%	5.0%	5.0%
Washington				
Unemployment rate	5.3%	5.4%	5.7%	5.7%
Resident labor force	3,691,000	3,676,100	3,562,600	3,555,900
Unemployed	194,400	199,000	204,400	202,500
Seattle/Bellevue/Everett				
Unemployment rate	3.7%	3.8%	4.8%	4.7%
Resident labor force	1,649,500	1,639,100	1,587,000	1,585,300
Unemployed	61,400	61,900	76,800	74,800

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 November 2016 was 5.3 percent. The revised estimated October 2016 unemployment rate was at 5.4 percent.

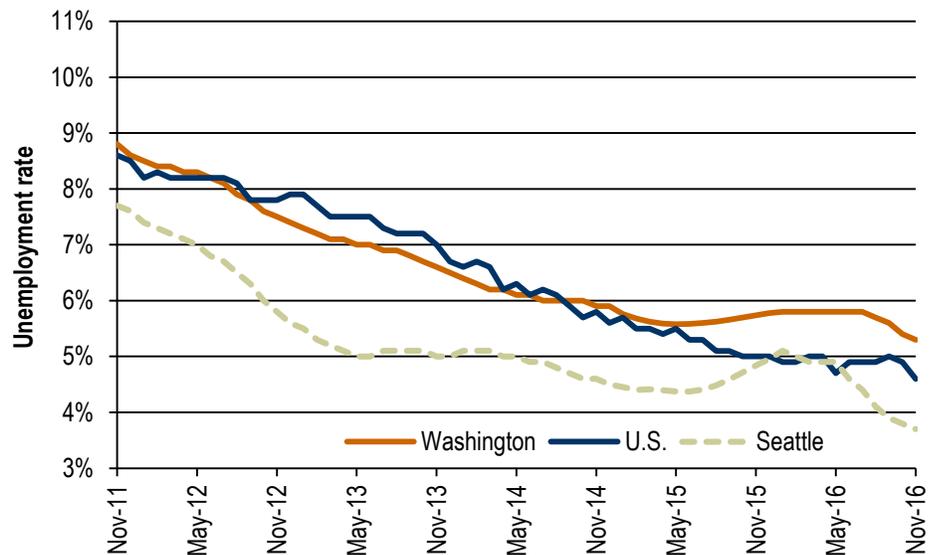
According to BLS estimates, the number of unemployed people fell by 4,600 in November 2016 compared to October 2016. At the same time, the number of employed people rose by an estimated 19,500. Overall, this amounted to an increase of 14,900 people in the labor force.

The preliminary November 2016 unemployment rate is 0.4 percentage points below the November 2015 rate of 5.7 percent.

Unemployment rates, seasonally adjusted

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

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



November 2016 preliminary unemployment rates:

U.S. (preliminary) 4.6%
 Washington (preliminary) 5.3%
 Seattle area (preliminary) 3.7%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 3,600 jobs from October 2016 to November 2016.

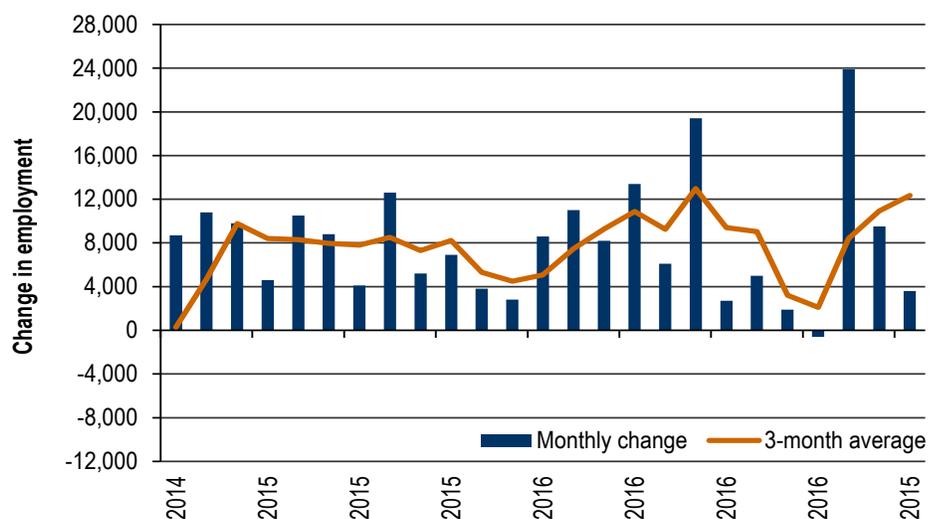
Recent employment change
September 2016: up 23,900 jobs (revised)

October 2016: up 9,500 jobs (revised)

November 2016: up 3,600 jobs (preliminary)

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

Washington state, November 2014 through November 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: 3,010,200
Unemployment rate: 4.8%

February 2010

(end of recent employment recession in Washington)

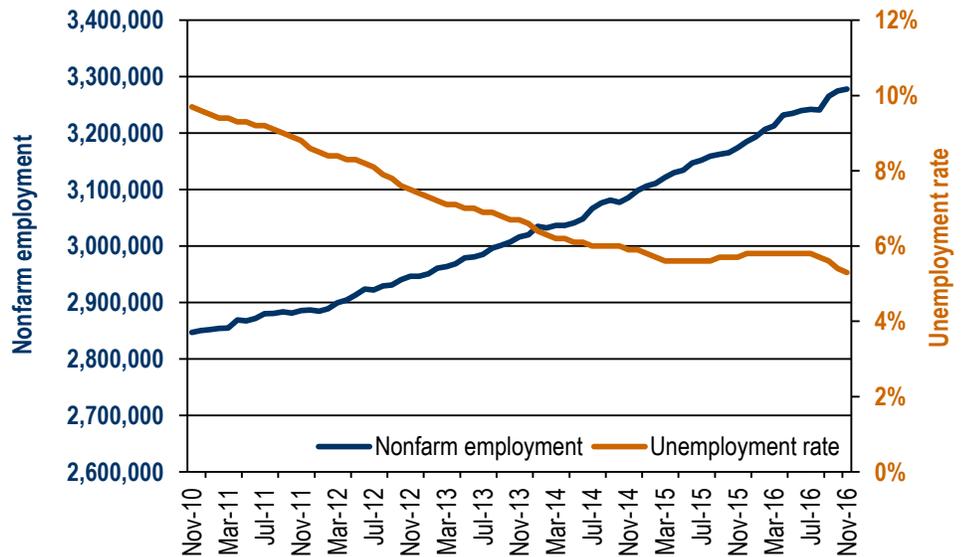
Nonfarm employment: 2,818,400
Unemployment rate: 10.3%

November 2016 (preliminary)

Nonfarm employment: 3,278,300
Unemployment rate: 5.3%

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

U-6 unemployment rate

U-6: Broader unemployment measure improves in second quarter.

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the third quarter of 2016. One such alternative measure is the U-6 rate, which considers not only the unemployed population in the official “U-3” unemployment rate, but

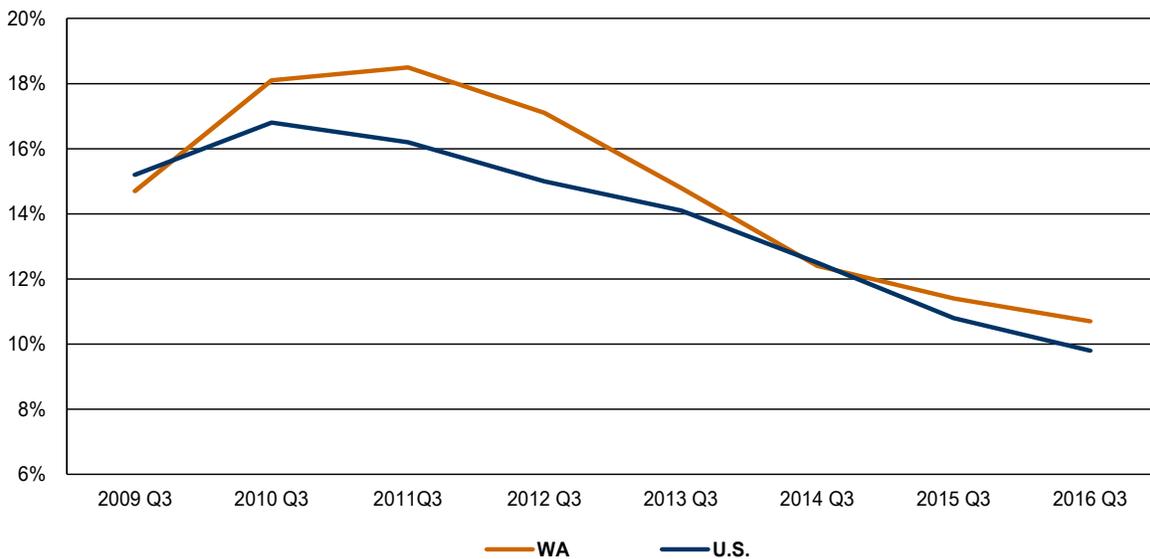
also marginally attached workers and those employed part-time for economic reasons. The U-6 rate is defined by BLS as the “total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.” This U-6 measure measures the “unemployed, underemployed, and

those who are not looking but who want a job.”

For the four quarters ending September 2016, the U-6 rate for Washington state averaged 10.7 percent. This was the same rate as compared to the 10.7 percent U-6 rate for the four quarters ending June 2016.

Alternate measures of labor underutilization, four-quarter moving average Washington state versus U.S. U-6 unemployment rate

U-6: Total unemployed, plus all other marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force.



		Q1	Q2	Q3	Q4
2016	WA	10.9%	10.7%	10.7%	
	U.S.	10.1%	9.9%	9.8%	
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%
2010	WA	17.2%	17.4%	18.1%	18.4%
	U.S.	16.7%	16.8%	16.8%	16.7%
2009	WA	11.9%	13.5%	14.7%	16.2%
	U.S.	12.1%	13.7%	15.2%	16.2%

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 3,600 jobs during the month, on a seasonally adjusted basis:

- Overall, seven industries expanded employment in November, five contracted, and one was unchanged.
- Private-sector employment is estimated to have increased by 4,700 and government employment decreased by 1,100.
- The number of jobs in education and health services increased by 3,200, led by a gain of 2,700 in health services and social assistance.
- Construction employment increased by 2,400 overall with gains in employment by specialty trade contractors and in building construction outweighing losses in heavy civil engineering.
- Professional and business services employment rose by 1,200, with 800 jobs gained in administrative and support services.
- Manufacturing employment rose by 1,100, with 600 jobs added in durable goods manufacturing and 500 jobs added in nondurable goods manufacturing.
- Employment in leisure and hospitality decreased by 3,100 overall, as a loss of 3,300 jobs in arts, entertainment and recreation offset a gain of 200 jobs in accommodation and food services.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, October 2016 to November 2016

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

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

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 95,100 jobs from November 2015 through November 2016:

- Overall, twelve major industries expanded and one declined.
- Private-sector employment rose 3.1 percent, up an estimated 81,500 jobs.
- Public-sector employment increased 2.4 percent, a net gain of 13,600 jobs.
- Education and health services employment increased by 22,200 with 7,400 of the jobs added in social assistance.
- Employment in construction is up 12,800 with the number employed as specialty trade contractors up 9,500.
- Retailers added 10,700 jobs. Other retail trade, which includes online retail trade, was up by 6,500 jobs.
- Professional and business services employment increased by 10,300, led by a 7,400 increase in professional, scientific and technical services.
- Employment in leisure and hospitality is up by 10,100, with 5,200 jobs added by food services and drinking places.

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

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

Total nonfarm	95,100
Education and health services	22,200
Government	13,600
Construction	12,800
Retail trade	10,700
Professional and business services	10,300
Leisure and hospitality	10,100
Other services	6,500
Information	5,800
Transportation, warehousing and utilities	3,800
Wholesale trade	2,800
Financial activities	2,100
Mining and logging	100
Manufacturing	-5,700

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 decreases by 3,200 from October to November. This year the state gained an estimated 400 jobs, amounting to a seasonally adjusted increase of 3,600 jobs.

- Typically retail trade employment increases by 8,400 in November. On a seasonally adjusted basis, retail trade employment decreased by 1,200 as the estimated increase was 7,200.
- The change on a seasonally adjusted basis was a gain of 3,200 jobs in education and health services in November. The normal seasonal decrease is 300. It is estimated to have increased by 2,900 this November.

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

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-3,200	400	3,600
Retail trade	8,400	7,200	-1,200
Government	3,900	2,800	-1,100
Financial activities	400	-600	-1,000
Information	0	-100	-100
Mining and logging	-200	-200	0
Education and health services	-300	2,900	3,200
Other services	-400	-100	300
Transportation, warehousing and utilities	-400	700	1,100
Wholesale trade	-500	300	800
Professional and business services	-2,500	-1,300	1,200
Leisure and hospitality	-3,400	-6,500	-3,100
Manufacturing	-3,500	-2,400	1,100
Construction	-4,700	-2,300	2,400

- Employment in leisure and hospitality normally falls by 3,400. It is estimated to have decreased by 6,500 this November yielding a loss of 3,100 on a seasonally adjusted basis.
- The normal seasonal loss in manufacturing employment is 3,500 in November. The estimated decrease was 2,400, so employment rose by 1,100 on a seasonally adjusted basis.
- The estimated employment decrease in construction was 2,300. The normal seasonal decrease is 4,700, so on a seasonally adjusted basis, construction employment rose by 2,400.

Contact an economist

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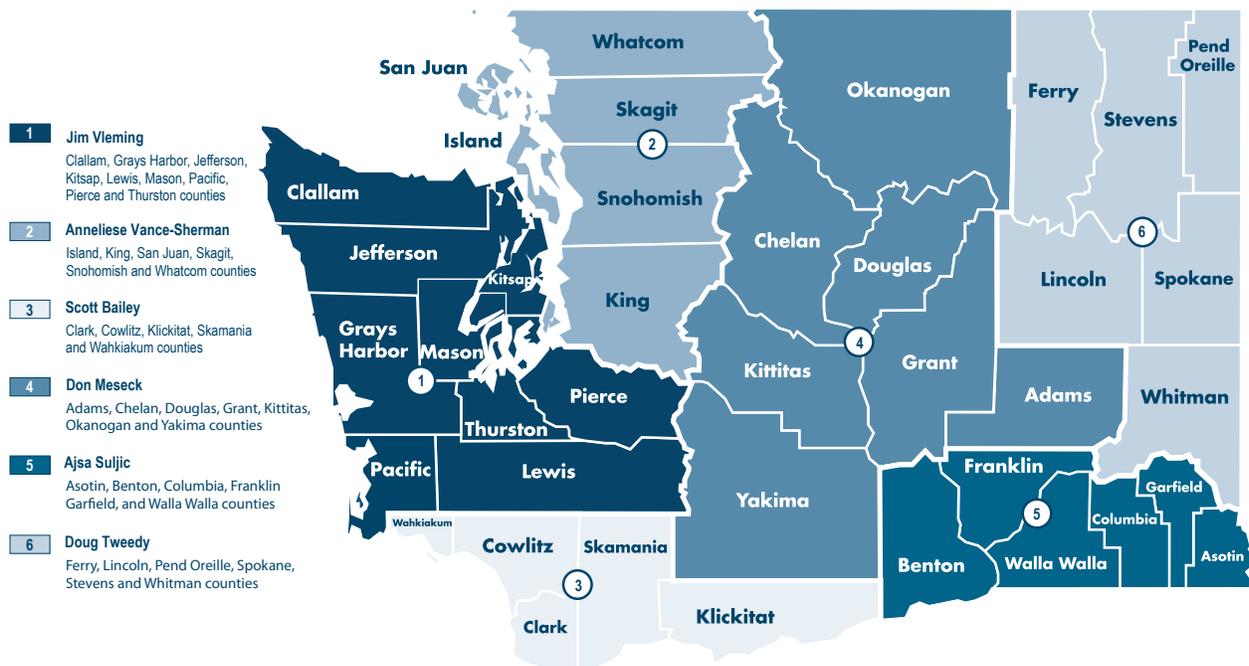
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Washington state regional labor economist reporting areas



To provide feedback or view additional reports, visit <https://esd.wa.gov/labormarketinfo>

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., December 20, 2016. The publication schedule for 2016 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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