



Monthly Employment Report for March 2018

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 3,900 from February 2018 to March 2018.¹ BLS estimates the private sector gained 3,400 jobs during the month and the public sector gained 500 jobs.

On a not seasonally adjusted basis, estimates for March 2017 through March 2018 indicate an increase in employment of 93,500 for the state. The private sector added 83,700 jobs while the public sector gained an estimated 9,800 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for March 2018 is 4.8 percent. The revised estimated February 2018 unemployment rate was at 4.7 percent. The March 2017 unemployment rate was 4.8 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. February's preliminary estimated gain of 8,700 jobs was revised to a gain of 8,500 jobs.

For more information, call Paul Turek, labor economist at 360-507-9599.

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.

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, February and March 2017 and 2018
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	March 2018 (Preliminary)	February 2018 (Revised)	March 2017 (Revised)	February 2017 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	4.1%	4.1%	4.5%	4.7%
Washington				
Unemployment rate	4.8%	4.7%	4.8%	4.8%
Resident labor force	3,761,800	3,760,000	3,691,800	3,683,200
Unemployed	178,700	178,100	176,200	176,900
Seattle/Bellevue/Everett				
Unemployment rate	3.8%	3.9%	3.7%	3.7%
Resident labor force	1,686,800	1,681,900	1,637,500	1,634,600
Unemployed	64,800	65,900	60,500	60,200

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.

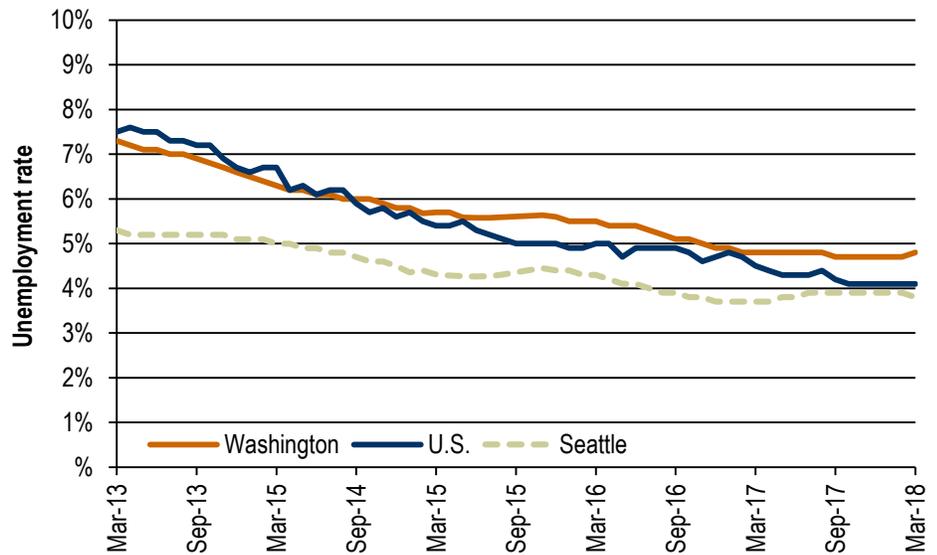
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for March 2018 is 4.8 percent. The revised estimated February 2018 unemployment rate is 4.7 percent.

According to BLS estimates, the number of unemployed people rose by 600 in March 2018 compared to February 2018. At the same time, the number of employed people rose by an estimated 1,200. Overall, this amounted to an increase of 1,800 people in the labor force.

The preliminary March 2018 unemployment rate is the same as the March 2017 rate at 4.8 percent.

Unemployment rates, seasonally adjusted
U.S., Washington and Seattle, March 2013 through March 2018
Source: Employment Security Department/WITS; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



March 2018 preliminary unemployment rates:

U.S. (preliminary) 4.1%
Washington (preliminary) 4.8%
Seattle area (preliminary) 3.8%

Employment change and moving average, seasonally adjusted

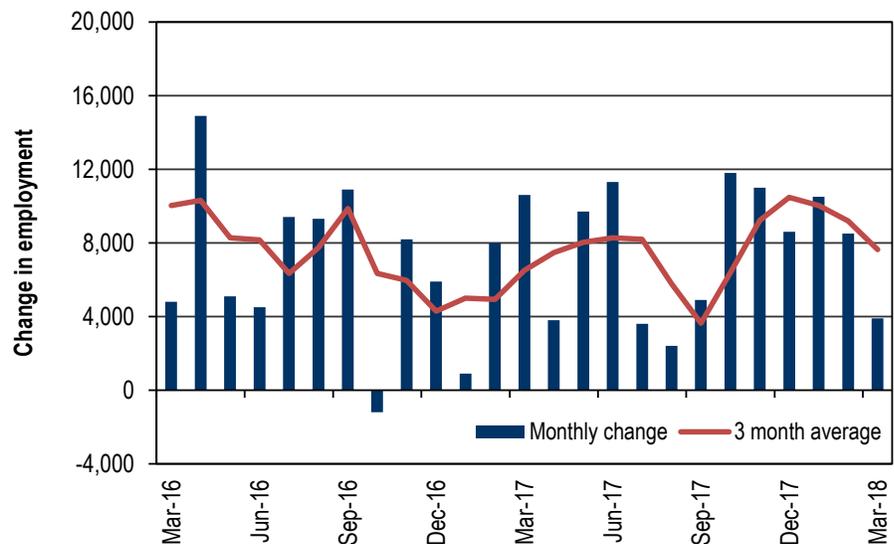
Based on BLS estimates, Washington state nonfarm employment increased by 3,900 jobs from February 2018 to March 2018.

Recent employment change
January 2018: up 10,500 jobs (revised)

February 2018: up 8,500 jobs (revised)

March 2018: up 3,900 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted
Washington state, March 2016 through March 2018
Source: Employment Security Department/WITS; 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: 3,005,900
Unemployment rate: 4.7%

February 2010

(end of recent employment recession in Washington)

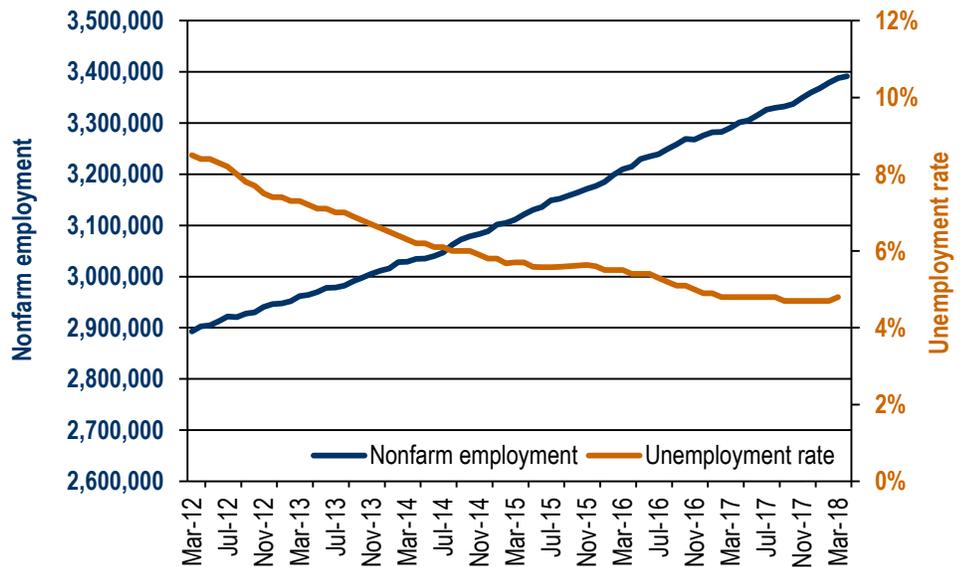
Nonfarm employment: 2,823,800
Unemployment rate: 10.4%

March 2018 (preliminary)

Nonfarm employment: 3,391,400
Unemployment rate: 4.8%

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

Source: Employment Security Department/WITS; 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 labor force, the levels of employment and unemployment, and other measures of labor market activity undergo fluctuations due to seasonal events including changes in weather, harvests, major holidays and school schedules. 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 over the course of 2017

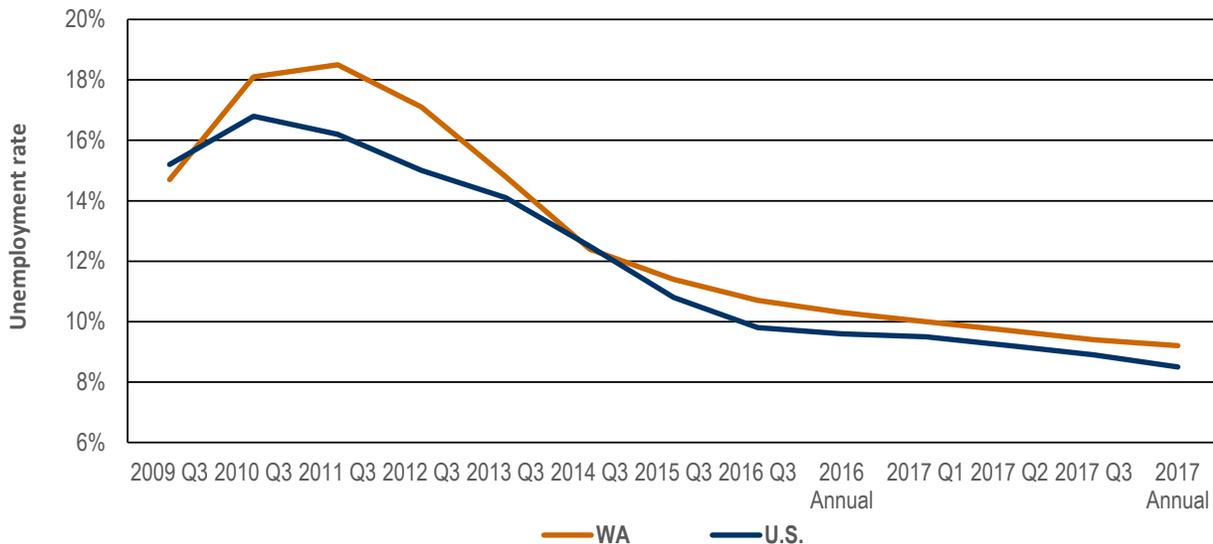
The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the 2017 annual averages. One such alternative measure is the U-6 rate, which considers not only the unemployed population

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 2017 through the fourth quarter of 2017 for Washington state was 9.2 percent. This was lower compared to the 10.3 percent U-6 unemployment rate one year prior. The U.S. U-6 unemployment rate was 8.5 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
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%
2010	WA	17.2%	17.4%	18.1%	18.4%
	U.S.	16.7%	16.8%	16.8%	16.7%

Source: Bureau of Labor Statistics: <http://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 3,900 jobs during the month, on a seasonally adjusted basis:

- Overall, eight industries expanded employment in March, four contracted and one remained the same.
- Private sector employment is estimated to have increased by 3,400 and government employment increased by 500.
- Manufacturing employment rose by 1,600, with 1,200 jobs added in food manufacturing.
- The number of jobs in retail trade increased by 1,300 led by an increase of 1,000 jobs in other retail trade.
- Employment in leisure and hospitality rose by 1,100 overall, with 1,200 jobs gained in arts, entertainment and recreation and 100 jobs lost in accommodation and food services.
- Employment in financial activities decreased by 1,200 overall with 800 fewer jobs occurring in credit intermediation and related activities.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, February 2018 through March 2018

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

Total nonfarm	3,900
Manufacturing	1,600
Retail trade	1,300
Leisure and hospitality	1,100
Information	700
Wholesale trade	600
Government	500
Education and health services	200
Professional and business services	200
Mining and logging	0
Transportation, warehousing and utilities	-200
Other services	-400
Construction	-500
Financial activities	-1,200

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 93,500 jobs from March 2017 through March 2018:

- Overall, twelve major industries expanded and one was unchanged.
- Private sector employment rose 3.1 percent, up an estimated 83,700 jobs.
- Public sector employment increased 1.7 percent, a net gain of 9,800 jobs.
- Retailers added 17,000 jobs. Other retail trade, which includes online retail trade, was up by 13,200 jobs.
- Professional and business services employment increased by 14,800, led by a 7,600 increase in professional, scientific and technical services.
- Education and health services employment increased by 14,500 with 9,600 of the jobs added in health services and social assistance.
- Employment in construction is up 9,600 with the number employed as specialty trade contractors up 5,800.
- Employment in leisure and hospitality is up by 7,500, led by a gain of 5,200 jobs in food services and drinking places.

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

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

Total nonfarm	93,500
Retail trade	17,000
Professional and business services	14,800
Education and health services	14,500
Government	9,800
Construction	9,600
Leisure and hospitality	7,500
Information	5,600
Financial activities	4,400
Transportation, warehousing and utilities	3,800
Wholesale trade	3,000
Manufacturing	1,900
Other services	1,600
Mining and logging	0

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, March 2018

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	16,300	20,200	3,900
Leisure and Hospitality	4,800	5,900	1,100
Construction	3,700	3,200	-500
Professional and Business Services	2,700	2,900	200
Government	2,100	2,600	500
Retail Trade	1,700	3,000	1,300
Manufacturing	900	2,500	1,600
Other Services	600	200	-400
Financial Activities	600	-600	-1,200
Information	400	1,100	700
Wholesale Trade	-100	500	600
Mining and Logging	-100	-100	0
Transportation, Warehousing and Utilities	-200	-400	-200
Education and Health Services	-800	-600	200

Based on historical patterns, Washington employment typically increases by 16,300 from February to March. This year the state gained an estimated 20,200 jobs, amounting to a seasonally adjusted increase of 3,900 jobs.

- Employment in leisure and hospitality normally rises by 4,800. It is estimated to have increased by 5,900 this March, so it increased by 1,100 on a seasonally adjusted basis.
- The estimated employment increase in construction was 3,200. The normal seasonal increase is 3,700, so on a seasonally adjusted basis, construction employment fell by 500.
- The change on a seasonally adjusted basis was a gain of 200 jobs in professional and business services in March. The normal seasonal increase is 2,700. It is estimated to have increased by 2,900 this March.
- Typically, retail trade employment increases by 1,700 in March. On a seasonally adjusted basis, retail trade employment increased by 1,300 as the estimated increase was 3,000.
- The normal seasonal gain in manufacturing employment is 900 in March. The estimated change was 2,500 so employment increased by 1,600 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.

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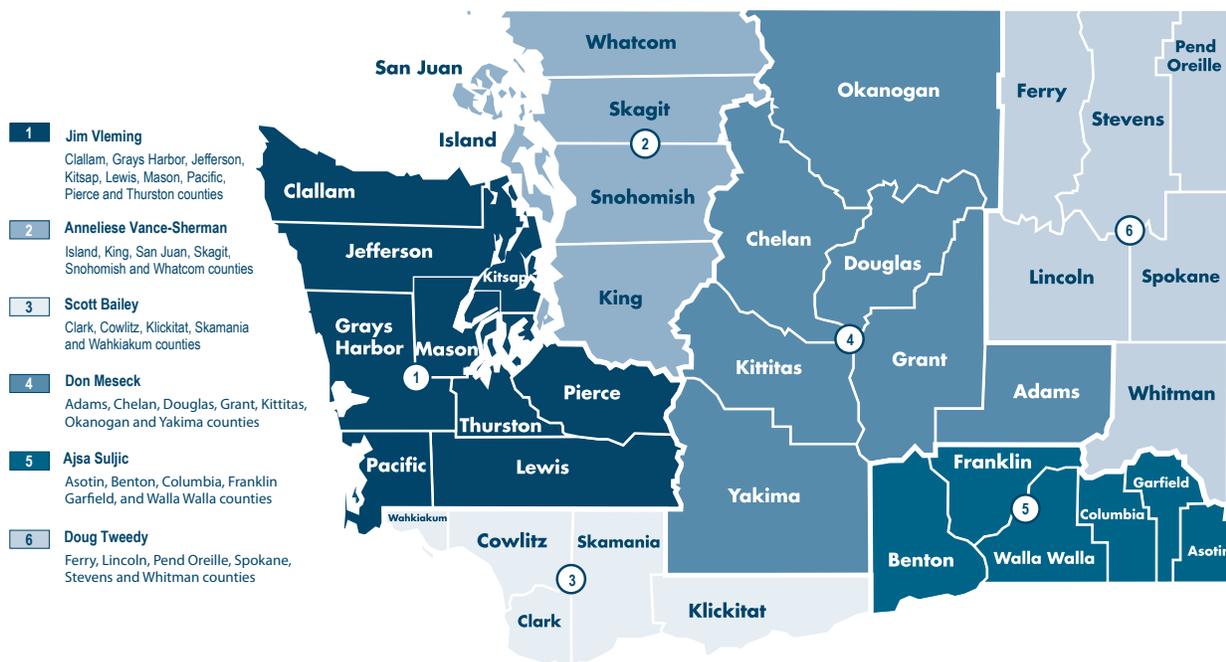
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., April 24, 2018. The publication schedule for 2018 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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