



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 11,400 in December 2018.<sup>1</sup> BLS estimates the private sector gained 9,800 jobs during the month and the public sector gained 1,600 jobs.

On a not seasonally adjusted basis, estimates for December 2017 through December 2018 indicate an increase in employment of 101,900 for the state. The private sector added 98,400 jobs while the public sector gained an estimated 3,500 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for December 2018 is 4.3 percent. The revised estimated November 2018 unemployment rate is at 4.3 percent. The December 2017 unemployment rate was 4.7 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. November's preliminary estimated gain of 5,100 jobs was revised to a gain of 7,300 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.

Resident civilian labor force and unemployment, seasonally adjusted  
United States and Washington state, November and December 2017 and 2018  
Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

|   | December<br>2018<br>(Preliminary) | November<br>2018<br>(Revised) | December<br>2017<br>(Revised) | November<br>2017<br>(Revised) |
|---|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>United States</b>                            |                                   |                               |                               |                               |
| Unemployment rate<br><i>Seasonally adjusted</i> | 3.9%                              | 3.7%                          | 4.1%                          | 4.2%                          |
| <b>Washington</b>                               |                                   |                               |                               |                               |
| Unemployment rate                               | 4.3%                              | 4.3%                          | 4.7%                          | 4.7%                          |
| Resident labor force                            | 3,812,300                         | 3,796,000                     | 3,754,900                     | 3,756,200                     |
| Unemployed                                      | 165,700                           | 163,100                       | 176,900                       | 176,900                       |
| <b>Seattle/Bellevue/Everett</b>                 |                                   |                               |                               |                               |
| Unemployment rate                               | 3.3%                              | 3.3%                          | 3.9%                          | 3.9%                          |
| Resident labor force                            | 1,696,600                         | 1,692,100                     | 1,666,000                     | 1,666,600                     |
| Unemployed                                      | 56,700                            | 56,100                        | 64,400                        | 64,400                        |



<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 December 2018 is 4.3 percent. The revised estimated November 2018 unemployment rate is 4.3 percent.

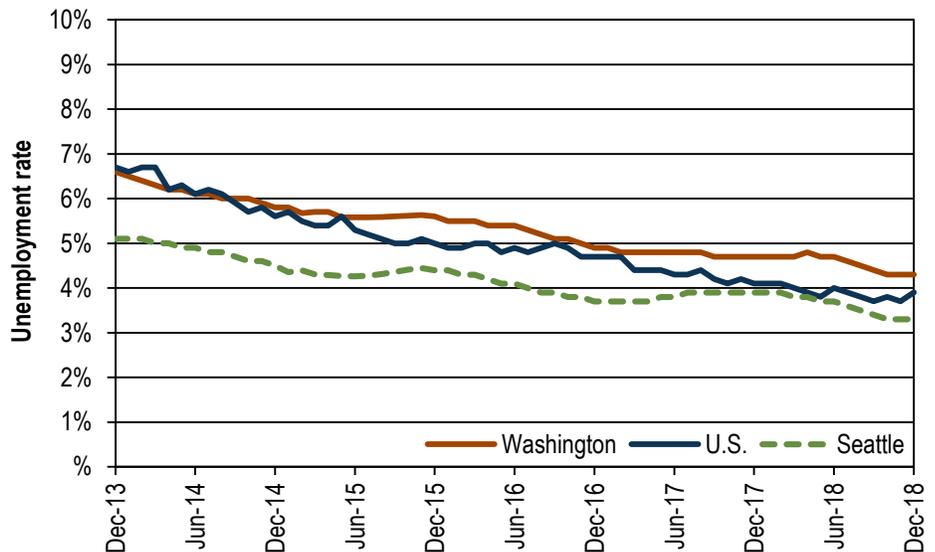
According to BLS estimates, the number of unemployed people rose by 2,600 in December 2018 compared to November 2018. At the same time, the number of employed people rose by an estimated 13,700. Overall, this amounted to an increase of 16,300 people in the labor force.

The preliminary December 2018 unemployment rate is a 0.4 percentage point below the December 2017 rate of 4.7 percent.

### Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, December 2013 through December 2018

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



**December 2018 preliminary unemployment rates:**

U.S. (preliminary) 3.9%  
 Washington (preliminary) 4.3%  
 Seattle area (preliminary) 3.3%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 11,400 jobs from November 2018 to December 2018.

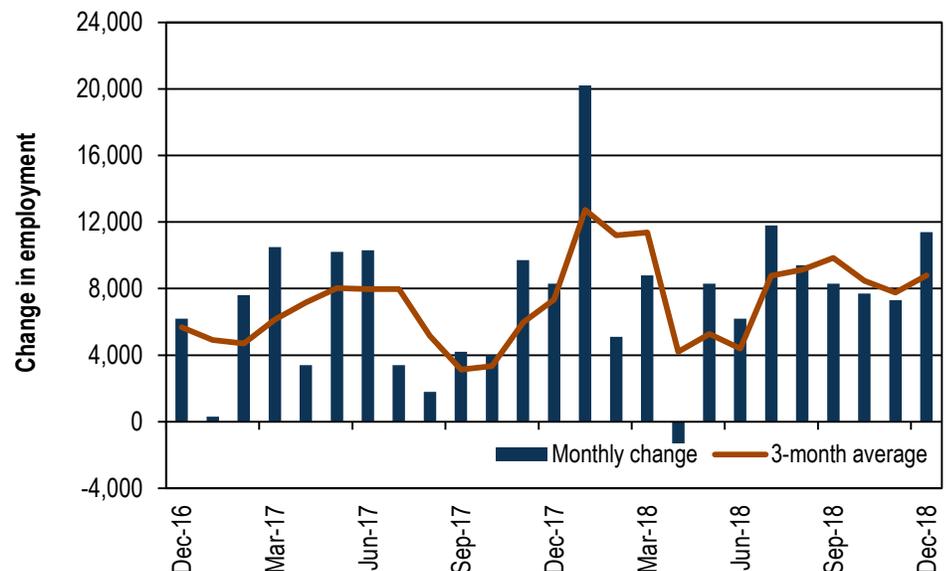
Recent employment change  
**October 2018:** up 7,700 jobs (revised)

**November 2018:** up 7,300 jobs (revised)

**December 2018:** up 11,400 jobs (preliminary)

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

Washington state, December 2016 through December 2018  
 Source: Employment Security Department/LMEA; 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: 3,006,100  
Unemployment rate: 4.7%

### February 2010

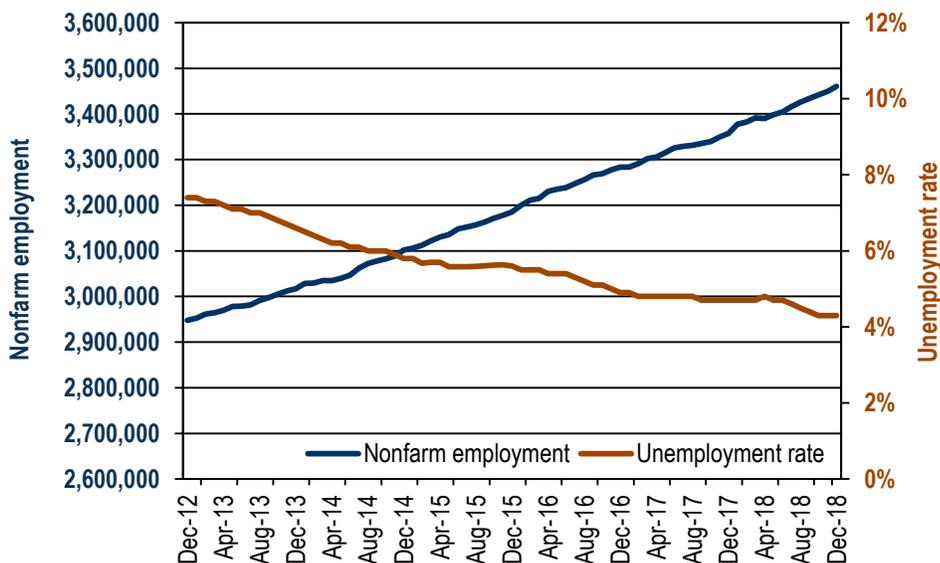
(end of recent employment recession in Washington)

Nonfarm employment: 2,824,000  
Unemployment rate: 10.4%

### December 2018 (preliminary)

Nonfarm employment: 3,460,400  
Unemployment rate: 4.3%

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

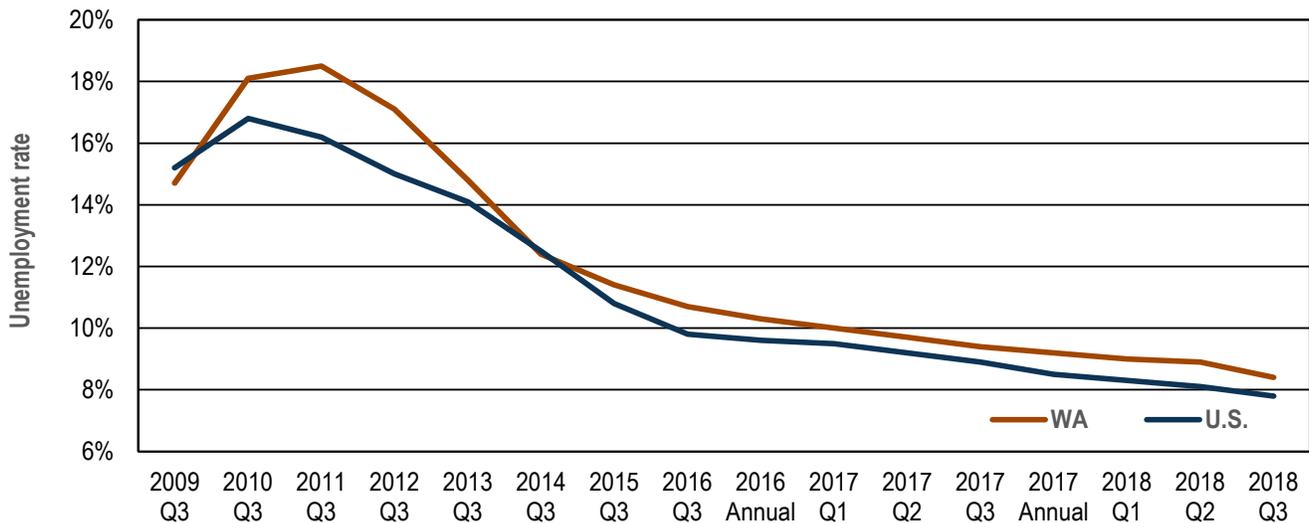
### U-6: Broader unemployment measure declined in the four quarter period ending September 2018

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the third quarter of 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 fourth quarter of 2017 through the third quarter of 2018 for Washington state was 8.4 percent. This was lower compared to the 9.4 percent U-6 unemployment rate one year prior and 8.9 percent the prior month. The U.S. U-6 unemployment rate was 7.8 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%  |                |
|      | U.S.    | 8.3%  | 8.1%  | 7.8%  |                |
| 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 gained an estimated 11,400 jobs during the month, on a seasonally adjusted basis:

- Overall, eleven industries expanded employment in December and two contracted.
- Private sector employment is estimated to have increased by 9,800 and government employment increased by 1,600.
- Employment in construction rose by 2,400, led by a gain of 1,000 in heavy and civil engineering.
- Manufacturing employment rose by 1,800, with 900 jobs added in durable goods manufacturing and 900 jobs added in nondurable goods manufacturing.
- Employment in retail trade increased by 1,100 overall, with 500 jobs added in food and beverage stores.
- The number of jobs in information increased by 500, primarily due to gains in software publishing.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, November 2018 to December 2018

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

|   |               |
|---|---------------|
| <b>Total nonfarm</b>                      | <b>11,400</b> |
| Construction                              | 2,400         |
| Transportation, warehousing and utilities | 2,100         |
| Manufacturing                             | 1,800         |
| Government                                | 1,600         |
| Other services                            | 1,100         |
| Retail trade                              | 1,100         |
| Education and health services             | 800           |
| Leisure and hospitality                   | 500           |
| Information                               | 500           |
| Financial activities                      | 500           |
| Mining and logging                        | 100           |
| Professional and business services        | -500          |
| Wholesale trade                           | -600          |

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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 101,900 jobs from December 2017 through December 2018:

- Overall, twelve major industries expanded and one contracted.
- Private sector employment rose 3.6 percent, up an estimated 98,400 jobs.
- Public sector employment increased 0.6 percent, a net gain of 3,500 jobs.
- Employment in construction is up 14,500 with the number employed as specialty trade contractors up 8,400.
- Education and health services employment increased by 14,200 with 9,800 of the jobs added in health services and social assistance.
- Professional and business services employment increased by 12,100, led by a 6,000 increase in professional, scientific and technical services.
- Manufacturing added 11,600 jobs, with 9,800 jobs added in durable goods production and 1,800 jobs added in nondurable goods production.
- Employment in leisure and hospitality is up by 9,800, led by a gain of 6,300 jobs in food services and drinking places.

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

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

|   |                |
|---|----------------|
| <b>Total nonfarm</b>                      | <b>101,900</b> |
| Construction                              | 14,500         |
| Education and health services             | 14,200         |
| Professional and business services        | 12,100         |
| Manufacturing                             | 11,600         |
| Information                               | 9,900          |
| Leisure and hospitality                   | 9,800          |
| Transportation, warehousing and utilities | 7,700          |
| Financial activities                      | 7,200          |
| Other services                            | 4,900          |
| Retail trade                              | 4,200          |
| Government                                | 3,500          |
| Wholesale trade                           | 2,400          |
| Mining and logging                        | -100           |

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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](mailto:SRoss@esd.wa.gov)

#### Monthly unemployment rates

##### December 2018

Washington State:  
4.3% seasonally adjusted

Nationwide:  
3.9% 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.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, December 2018

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

|   | Normal seasonal change | Estimated change | Seasonally adjusted change |
|---|------------------------|------------------|----------------------------|
| <b>Total nonfarm</b>                      | <b>-16,600</b>         | <b>-5,200</b>    | <b>11,400</b>              |
| Leisure and hospitality                   | 1,600                  | 2,100            | 500                        |
| Transportation, warehousing and utilities | 1,500                  | 3,600            | 2,100                      |
| Mining and logging                        | -200                   | -100             | 100                        |
| Financial activities                      | -200                   | 300              | 500                        |
| Information                               | -200                   | 300              | 500                        |
| Retail trade                              | -500                   | 600              | 1,100                      |
| Other services                            | -600                   | 500              | 1,100                      |
| Wholesale trade                           | -800                   | -1,400           | -600                       |
| Education and health services             | -1,500                 | -700             | 800                        |
| Manufacturing                             | -1,600                 | 200              | 1,800                      |
| Construction                              | -2,600                 | -200             | 2,400                      |
| Professional and business services        | -4,100                 | -4,600           | -500                       |
| Government                                | -7,400                 | -5,800           | 1,600                      |

Based on historical patterns, Washington employment typically decreases by 16,600 from November to December. This year the state lost an estimated 5,200 jobs, amounting to a seasonally adjusted increase of 11,400 jobs.

- The normal seasonal gain in leisure and hospitality employment is 1,600 in November. The estimated gain was 2,100, so employment increased by 500 on a seasonally adjusted basis.
- Employment in retail trade normally falls by 500. It is estimated to have increased by 600 this December, so it increased by 1,100 on a seasonally adjusted basis.
- Typically, education and health services employment decreases by 1,500 in December. On a seasonally adjusted basis, education and health services employment increased by 800 as the estimated decrease was 700.
- The estimated employment decrease in construction was 200. The normal seasonal decrease is 2,600, so on a seasonally adjusted basis, construction employment rose by 2,400.
- The employment decrease on a seasonally adjusted basis was 500 in professional and business services in December. The normal seasonal decrease is 4,100. It is estimated to have decreased by 4,600 this December.

## 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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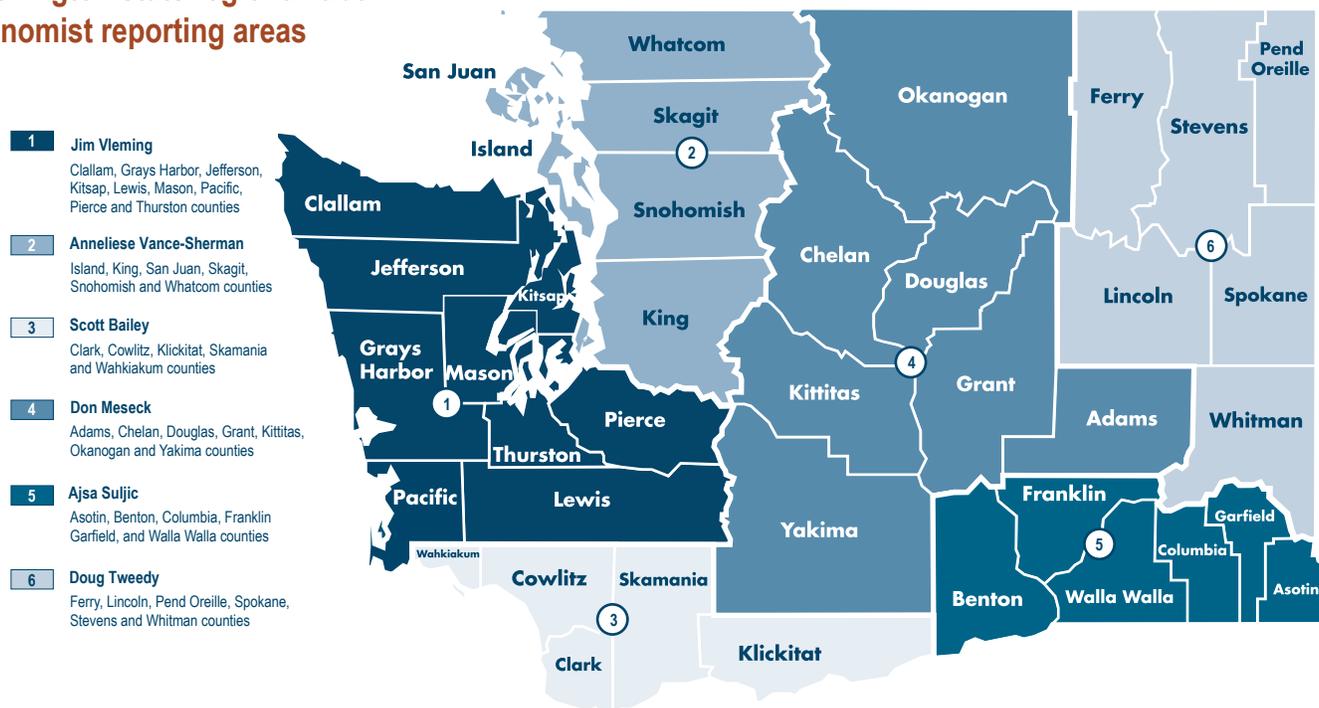
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## Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., January 23, 2019. The publication schedule for 2019 is posted at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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