

Washington
4.6%

United States
3.7%
Seasonally adjusted

Monthly Employment Report

August 2019

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 2,300 in August 2019.¹ BLS estimates the private sector gained 2,800 jobs during the month and the public sector lost 500 jobs.

On a not seasonally adjusted basis, estimates for August 2018 through August 2019 indicate an increase in employment of 65,200 for the state. The private sector added 61,800 jobs while the public sector gained an estimated 3,400 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for August 2019 is 4.6 percent. The revised estimated July 2019 unemployment rate is at 4.6 percent. The August 2018 unemployment rate was 4.4 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. July's preliminary estimated gain of 13,400 jobs was revised to a gain of 5,900 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, July and August 2018 and 2019
Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	August 2019 (Preliminary)	July 2019 (Revised)	August 2018 (Revised)	July 2018 (Revised)
United States				
Unemployment rate				
Seasonally adjusted	3.7%	3.7%	3.8%	3.9%
Washington				
Unemployment rate	4.6%	4.6%	4.4%	4.4%
Resident labor force	3,895,600	3,884,700	3,802,400	3,791,900
Unemployed	180,100	179,200	167,600	167,300
Seattle/Bellevue/Everett				
Unemployment rate	3.1%	3.2%	3.3%	3.3%
Resident labor force	1,722,300	1,717,900	1,688,500	1,684,800
Unemployed	53,500	55,000	56,000	56,200



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 August 2019 is 4.6 percent. The revised estimated July 2019 unemployment rate is 4.6 percent.

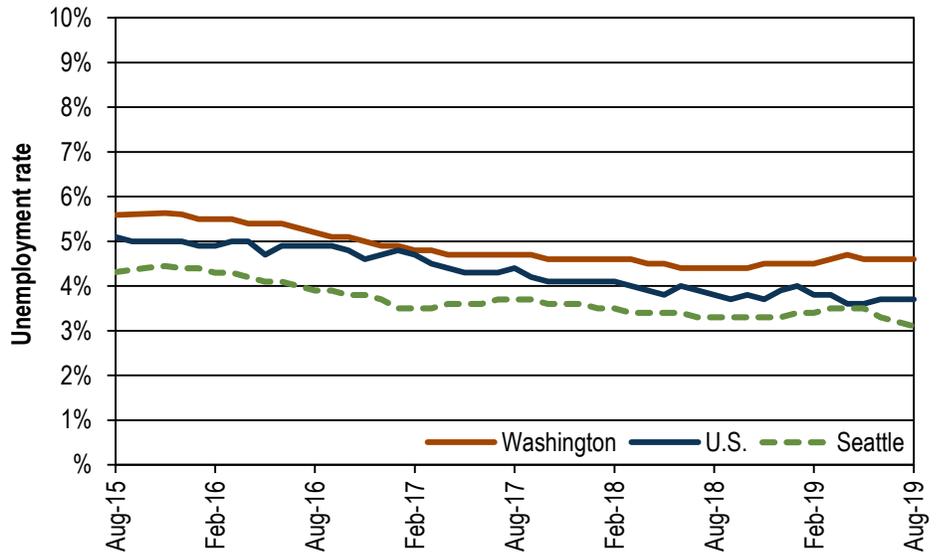
According to BLS estimates, the number of unemployed people rose by 900 in August 2019 compared to July 2019. At the same time, the number of employed people rose by an estimated 10,000. Overall, this amounted to an increase of 10,900 people in the labor force.

The preliminary August 2019 unemployment rate is 0.2 percentage point higher than the August 2018 rate of 4.4 percent.

Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, August 2015 through August 2019

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



August 2019 preliminary unemployment rates:

U.S. (preliminary) 3.7%
 Washington (preliminary) 4.6%
 Seattle area (preliminary) 3.1%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 2,300 jobs from July 2019 to August 2019.

Recent employment change
June 2019: up 7,600 jobs (revised)

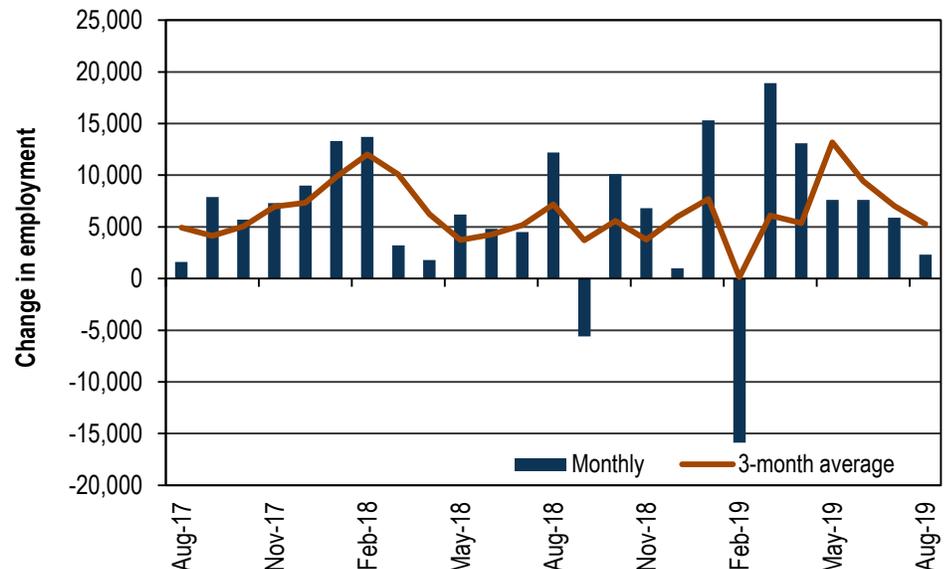
July 2019: up 5,900 jobs (revised)

August 2019: up 2,300 jobs (preliminary)

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

Washington state, August 2017 through August 2019

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



Employment and unemployment, seasonally adjusted

March 2008

(start of recent employment recession in Washington)

Nonfarm employment: 3,008,000
Unemployment rate: 4.8%

February 2010

(end of recent employment recession in Washington)

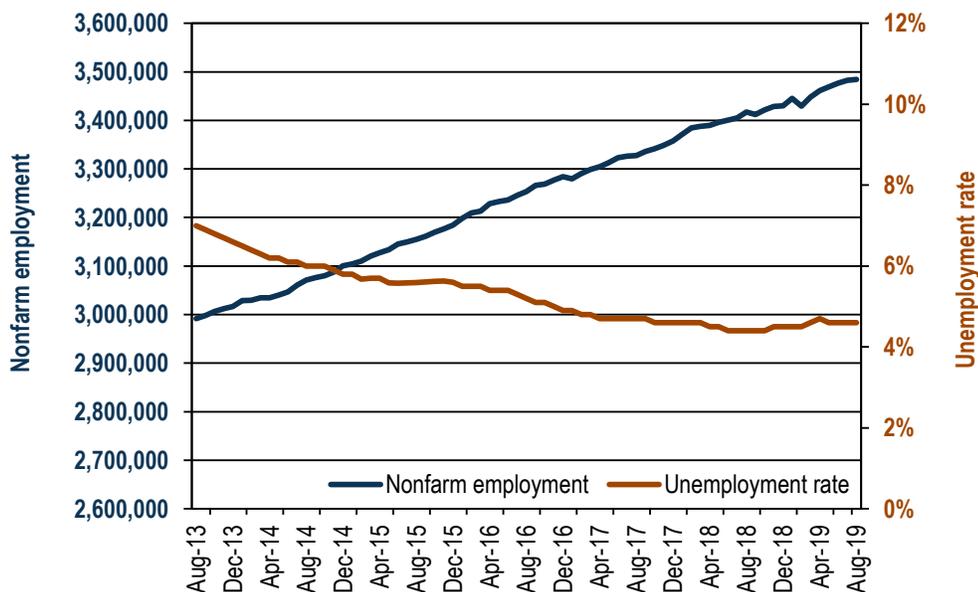
Nonfarm employment: 2,824,000
Unemployment rate: 10.4%

August 2019 (preliminary)

Nonfarm employment: 3,484,600
Unemployment rate: 4.6%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, August 2013 through August 2019

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 June 2019

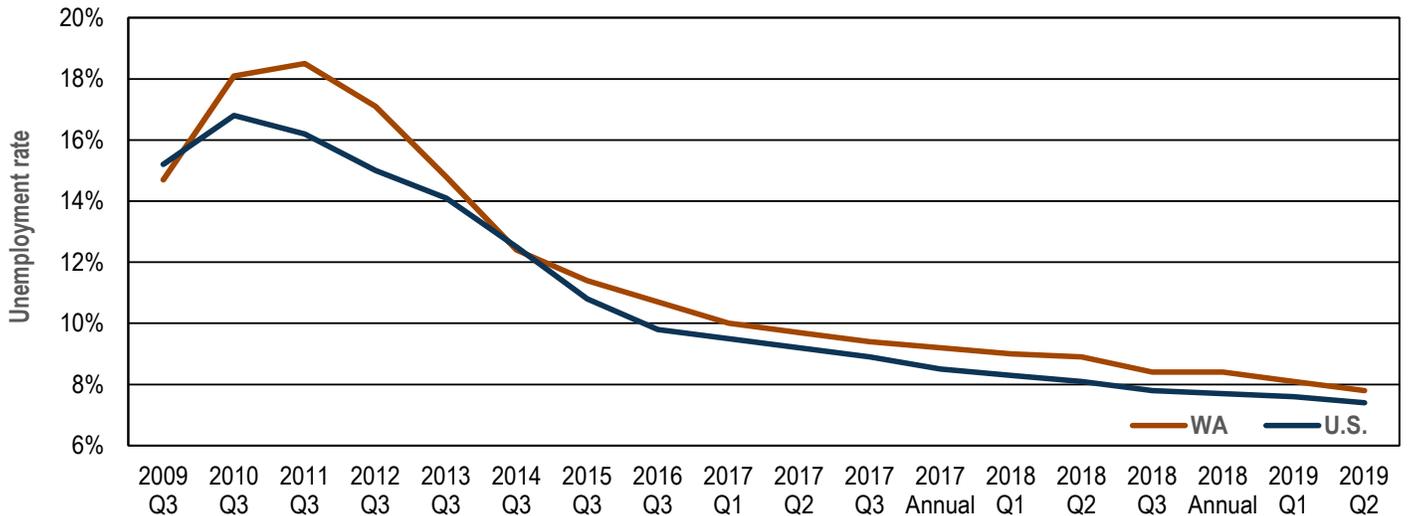
The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include the annual average for 2018. One such alternative measure is the U-6 rate, which considers not only the unemployed population in

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 third quarter of 2018 through the second quarter of 2019 for Washington state was 7.8 percent. This was lower compared to the 8.9 percent U-6 unemployment rate one year prior. The U.S. U-6 unemployment rate was 7.4 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
2019	WA	8.1%	7.8%		
	U.S.	7.6%	7.4%		
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 2,300 jobs during the month, on a seasonally adjusted basis:

- Overall, five industries expanded employment in August and eight contracted.
- Private sector employment is estimated to have increased by 2,800 and government employment decreased by 500.
- Education and health services employment grew by 2,800, with 2,500 jobs added in health services and social assistance.
- Professional and business services employment rose by 600, with professional, scientific and technical services contributing most of the gain.
- Employment in manufacturing increased by 600 overall, with 200 jobs added in food manufacturing.
- Employment in construction decreased by 700 overall with specialty trade contractors losing the most jobs.
- The number of jobs in leisure and hospitality decreased by 1,400 overall, primarily due to a reduction in employment in food services and drinking places.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, August 2019 to August 2019

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

Total nonfarm	2,300
Education and health services	2,800
Wholesale trade	1,400
Information	1,200
Professional and business services	600
Manufacturing	600
Transportation, warehousing and utilities	-100
Mining and logging	-100
Financial activities	-300
Other services	-400
Government	-500
Construction	-700
Retail trade	-800
Leisure and hospitality	-1,400

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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 65,200 jobs from August 2018 through August 2019.

- Overall, ten major industries expanded and three contracted.
- Private sector employment rose 2.2 percent, up an estimated 61,800 jobs.
- Public sector employment rose 0.6 percent, up an estimated 3,400 jobs.
- Professional and business services employment increased by 14,200, led by a 13,300 increase in professional, scientific and technical services.
- Education and health services employment increased by 13,700 with 12,900 of the jobs added in health services and social assistance.
- Employment in information is up 10,300 with the number employed as software publishers up 5,300.
- Manufacturing added 8,400 jobs, with 5,300 jobs added in durable goods production and 3,100 jobs added in nondurable goods production.
- Employment in leisure and hospitality is up by 3,300, led by a gain of 1,400 jobs in accommodation.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, August 2018 through August 2019

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

Total nonfarm	65,200
Professional and business services	14,200
Education and health services	13,700
Information	10,300
Manufacturing	8,400
Other services	7,100
Wholesale trade	4,200
Government	3,400
Leisure and hospitality	3,300
Construction	2,200
Financial activities	1,600
Mining and logging	-300
Transportation, warehousing and utilities	-700
Retail trade	-2200

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EMPLOYMENT

Monthly employment report
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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

Monthly unemployment rates

August 2019

Washington state:
4.6% seasonally adjusted

Nationwide:
3.7% 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, August 2019

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-13,700	-11,400	2,300
Construction	2,300	1,600	-700
Education and health services	1,400	4,200	2,800
Leisure and hospitality	1,000	-400	-1,400
Information	600	1,800	1,200
Wholesale trade	400	1,800	1,400
Transportation, warehousing and utilities	200	100	-100
Professional and business services	100	700	600
Mining and logging	0	-100	-100
Retail trade	-500	-1,300	-800
Financial activities	-700	-1,000	-300
Other services	-800	-1,200	-400
Manufacturing	-1,000	-400	600
Government	-16,700	-17,200	-500

Based on historical patterns, Washington employment typically decreases by 13,700 from July to August. This year the state lost an estimated 11,400 jobs, amounting to a seasonally adjusted increase of 2,300 jobs.

- The estimated employment increase in construction was 1,600. The normal seasonal increase is 2,300, so on a seasonally adjusted basis, construction employment fell by 700.
- The normal seasonal gain in leisure and hospitality employment is 1,000 in August. The estimated loss was 400, so employment decreased by 1,400 on a seasonally adjusted basis.
- The employment increase on a seasonally adjusted basis was 600 in professional and business services in August. The normal seasonal increase is 100. It is estimated to have increased by 700 this August.
- Employment in retail trade normally falls by 500. It is estimated to have decreased by 1,300 this August, so it decreased by 800 on a seasonally adjusted basis.
- Typically, manufacturing decreases by 1,000 in August. On a seasonally adjusted basis, manufacturing employment increased by 600 as the estimated decrease was 400.

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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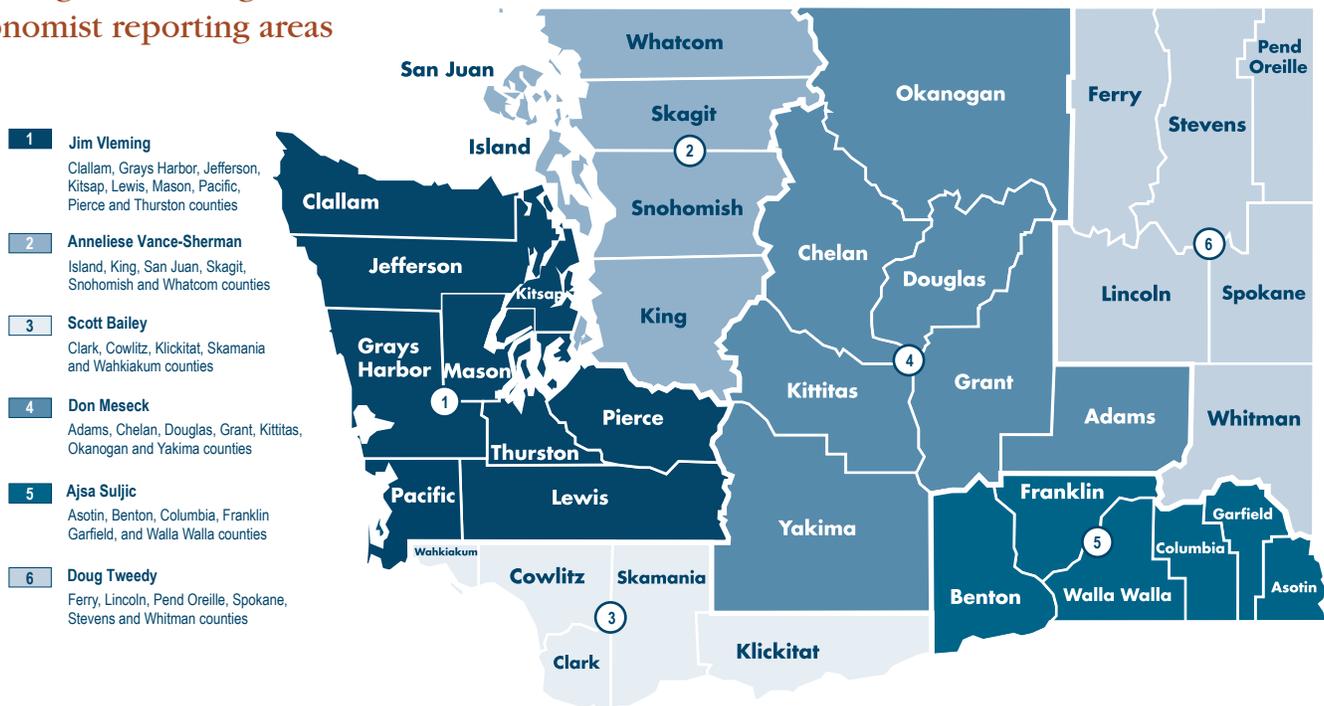
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., September 24, 2019. The publication schedule for 2019 is posted at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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