



# Monthly Employment Report

## for January 2014

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 3,800 from December 2013 to January 2014. BLS estimates the private sector added 2,700 jobs over the month and the public sector gained 1,100 jobs.

On a not seasonally adjusted basis, estimates for January 2013 to January 2014 indicate an increase in employment of 61,400 for the state. Over the year the private sector added 58,700 jobs while the public sector added an estimated 2,700 jobs.

Washington's preliminary seasonally adjusted unemployment rate for January 2014 is 6.4 percent. The revised estimated December 2013 unemployment rate was 6.7 percent. The January 2013 unemployment rate was 7.3 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision.

For more information, call Paul Turek, State Economist at 360-407-2306.

Employment estimates in this report are generated by the U.S. Bureau of Labor Statistics (BLS).

Due to changes in the method BLS uses to produce these data, we expect increased volatility in the estimates.

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, December and January, 2013 and 2014  
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	January 2014 (Preliminary)	December 2013 (Revised)	January 2013 (Revised)	December 2012 (Revised)
<b>United States</b>				
Unemployment rate <i>Seasonally adjusted</i>	6.6%	6.7%	7.9%	7.9%
<b>Washington</b>				
Unemployment rate	6.4%	6.7%	7.3%	7.4%
Resident labor force	3,449,700	3,450,100	3,468,200	3,469,500
Unemployed	221,900	230,200	253,100	257,200
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	5.2%	5.3%	5.7%	5.9%
Resident labor force	1,539,600	1,536,700	1,520,600	1,521,300
Unemployed	80,000	81,000	86,200	89,300

## Unemployment, seasonally adjusted

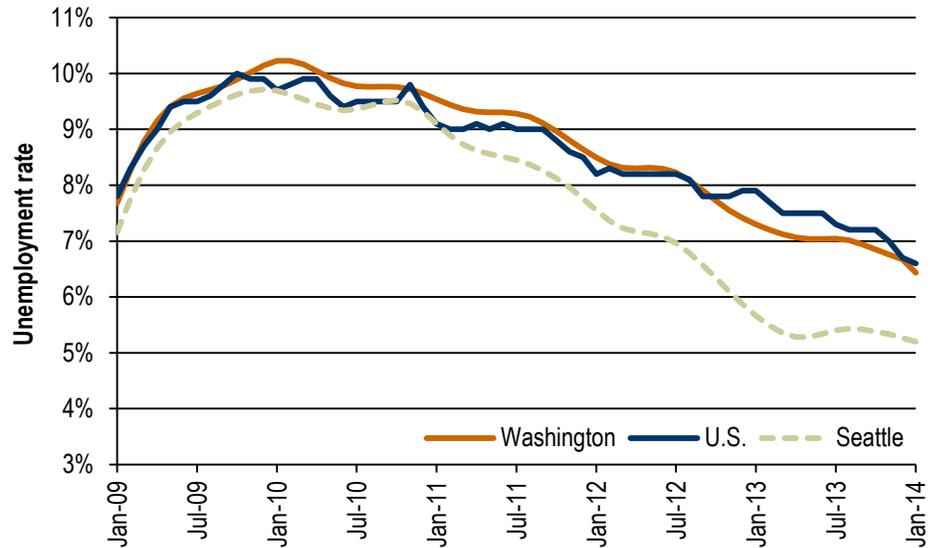
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for January 2014 was 6.4 percent. The revised estimated December 2013 unemployment rate was 6.7 percent.

According to BLS estimates, the number of unemployed people fell by 8,300 in January 2014 compared to December 2013. At the same time, the number of employed people increased by an estimated 7,900. Overall, this amounted to a decrease of 400 people in the labor force.

The preliminary January 2014 unemployment rate is 0.9 percentage points below the January 2013 rate of 7.3 percent.

U.S., Washington and Seattle unemployment rates, seasonally adjusted  
January 2009 through January 2014

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



January 2014 preliminary unemployment rates:  
U.S. (preliminary) 6.6%

Washington (preliminary) 6.4%  
Seattle area (preliminary) 5.2%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 3,800 jobs from December 2013 to January 2014.

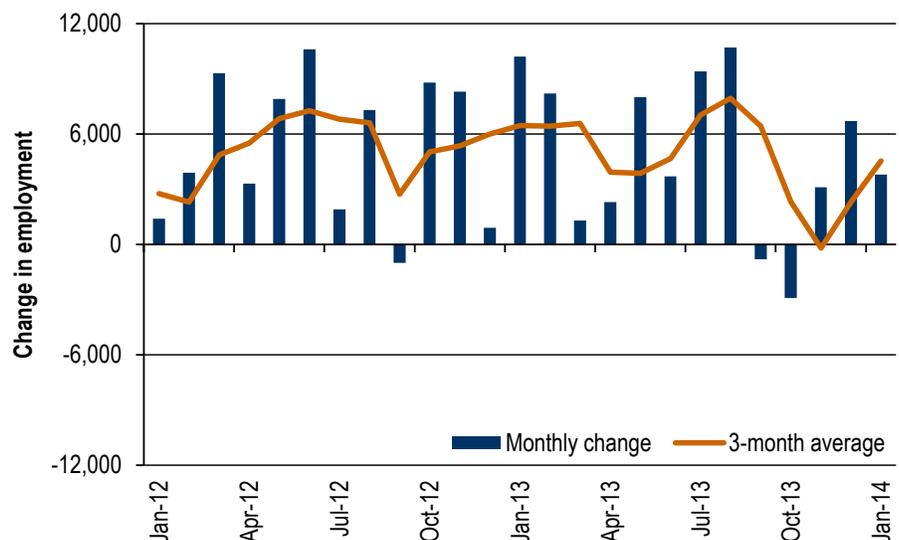
**Recent employment change**  
November 2013: up 3,100 jobs (revised)

December 2013: up 6,700 jobs (revised)

January 2014: up 3,800 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted  
Washington state, January 2012 through January 2014

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: 3,010,400

Unemployment rate: 4.6%

February 2010

(end of recent employment  
recession in Washington)

Nonfarm employment: 2,821,100

Unemployment rate: 10.2%

January 2014 (preliminary)

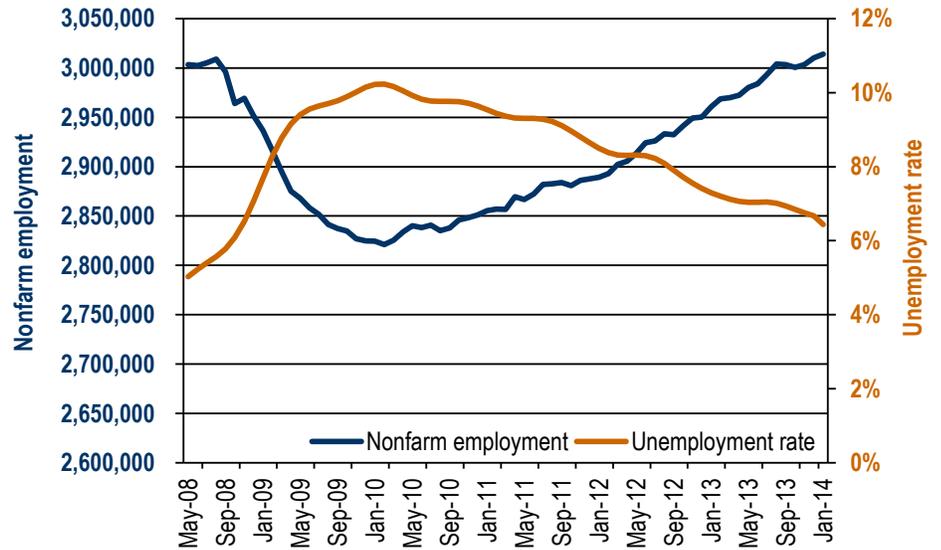
Nonfarm employment: 3,014,000

Unemployment rate: 6.4%

Nonfarm employment and unemployment rate, seasonally adjusted

Washington state, May 2008 through January 2014

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



## 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 3,800 jobs, over the month, on a seasonally adjusted basis:

- Overall, nine industries expanded in January and four contracted.
- Private-sector employment is estimated to have increased by 2,700 and government employment rose by 1,100.
- Specialty trade contractor employment increased by 1,400 which accounted for most of the 2,500 jobs gained in construction.
- Education and health services employment increased by 2,300 with private education services accounting for all of the increase.
- Manufacturing employment rose by a net of 600, with a gain of 1,800 in nondurable goods offsetting a loss of 1,200 in durable goods.
- Retail trade employment fell by 1,700, with 1,400 of the decline occurring in clothing stores.
- The number of jobs in professional and business services fell by 2,700 and was led by a decline of 1,800 in accounting and bookkeeping services employment.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, December 2013 to January 2014

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

<b>Total nonfarm</b>	<b>3,800</b>
Construction	2,500
Education and health services	2,300
Government	1,100
Transportation, warehousing and utilities	900
Information	800
Leisure and hospitality	700
Manufacturing	600
Mining and logging	200
Other services	200
Financial activities	-500
Wholesale trade	-600
Retail trade	-1,700
Professional and business services	-2,700

## Industry employment in Washington, not seasonally adjusted

### Year-over-year change by industry

Based on a BLS survey of businesses and governments, Washington added an estimated 61,400 jobs over the year:

- Overall, all major industries expanded, except for manufacturing which declined.
- Private-sector employment rose 2.5 percent, up an estimated 58,700 jobs.
- Public-sector employment increased 0.5 percent, a net gain of 2,700 jobs.
- Construction employment is estimated to have grown by 6,300 with the number employed in the specialty trade contractor category up 4,000.
- Professional and business services employment increased by 7,000 with administration and support and waste management and remediation up 5,600.
- Retailers added 11,400 jobs with 2,400 of the increase in building material and garden supply stores.

Estimated year-over-year employment change by industry, not seasonally adjusted Washington state, January 2013 to January 2014

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

<b>Total nonfarm</b>	<b>61,400</b>
Education and health services	11,600
Retail trade	11,400
Leisure and hospitality	8,900
Professional and business services	7,000
Construction	6,300
Wholesale trade	4,700
Financial activities	2,700
Other services	2,700
Government	2,700
Information	2,100
Transportation, warehousing and utilities	1,800
Mining and logging	200
Manufacturing	-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 falls by 47,400 from December to January. This year the state had an estimated loss of 43,600, amounting to a seasonally adjusted increase of 3,800 jobs.

- The normal seasonal decline in retail trade is 13,600 in January. The estimated decrease was 15,300 yielding a 1,700 decline on a seasonally adjusted basis.
- Employment in construction normally falls by 5,700. It is estimated to have decreased by 3,200 this January yielding a gain of 2,500 on a seasonally adjusted basis.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, January 2014

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>-47,400</b>	<b>43,600</b>	<b>3,800</b>
Government	0	1,100	1,100
Mining and logging	-400	-200	200
Information	-800	0	800
Wholesale trade	-800	-1,400	-600
Financial activities	-1,200	-1,700	-500
Other services	-2,000	-1,800	200
Manufacturing	-2,600	-2,000	600
Transportation, warehousing and utilities	-3,000	-2,100	900
Professional and business services	-3,700	-6,400	-2,700
Construction	-5,700	-3,200	2,500
Education and health services	-5,800	-3,500	2,300
Leisure and hospitality	-7,800	-7,100	700
Retail trade	-13,600	-15,300	-1,700

- The estimated employment decrease in education and health services was 3,500. The normal seasonal decrease is 5,800, so on a seasonally adjusted basis education and health services employment increased 2,300.
- The change on a seasonally adjusted basis was an estimated gain of 600 jobs in manufacturing in January. The normal seasonal decrease is 2,600. It is estimated to have decreased by 2,000 this October.
- Typically, leisure and hospitality employment decreases by 7,800 in January. On a seasonally adjusted basis, leisure and hospitality employment increased by 700 as the estimated decrease was 7,100.

## Total agricultural employment summary

Statewide agricultural employment decreased 4.3 percent from December to January.

Year over year statewide, agricultural employment increased 14.7 percent.

Regionally over the year, total agricultural employment increased in all six of the areas. The largest increase (3,060 jobs) was in the South Central reporting area. The smallest increase (30 jobs) was in the Eastern reporting area.

Agricultural employment estimates are developed by the Labor Market and Performance Analysis branch of the Employment Security Department. Estimates are based on a monthly survey of agricultural producers conducted by Employment Security.

For agricultural reporting, we divide the state into six areas based on geography and types of agricultural activity. View a map of Washington's agricultural reporting areas at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/industry-reports/agricultural-employment-and-wage-report/map-of-washingtons-agricultural-areas>.

Total agricultural employment  
Washington state, January 2014  
Source: Employment Security Department/LMPA

	Jan. '14 preliminary	Dec. '13 revised	Jan. '13 revised	Dec. '13- Jan. '14	Change Jan. '13- Jan. '14	Dec. '13- Jan. '14	Percent change Jan. '13- Jan. '14
<b>State</b>	<b>68,530</b>	<b>71,640</b>	<b>59,750</b>	<b>-3,110</b>	<b>8,780</b>	<b>-4.3%</b>	<b>14.7%</b>
Western	8,540	9,500	8,130	-960	410	-10.1%	5.0%
South Central	22,840	23,670	19,780	-830	3,060	-3.5%	15.5%
North Central	14,230	14,720	12,220	-490	2,010	-3.3%	16.4%
Columbia Basin	9,030	9,480	7,900	-450	1,130	-4.7%	14.3%
South Eastern	12,600	12,860	10,460	-260	2,140	-2.0%	20.5%
Eastern	1,290	1,410	1,260	-120	30	-8.5%	2.4%

Totals may not add due to rounding. We report only agricultural employment covered by unemployment insurance, not adjusted for multiple job holders.

## Benchmarking highlights

Benchmarking is a process that replaces employment estimates with the actual number of job gains or losses.

Each month, economists estimate monthly job gains and losses based on a survey of employers. Each quarter, economists benchmark the estimates by replacing them with data from employer tax records before applying seasonal adjustments.

Benchmarked employment data are now available through September 2013. Employment estimates for January 2014 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked June 2013 data:

- A change in employment classification policy broadened health services by including state-funded social assistance workers who provide care to the elderly and disabled. This group had not been previously counted as being part of nonfarm employment. The policy change increased employment in education and health services in September 2013 by 44,100, contributing to the benchmark revision of 48,100.
- The next two largest upward revisions were for financial activities and professional and business services, up 4,200 and 3,600, respectively.
- Retail trade had the largest downward revision, 1,700.

Annual benchmarked industry employment, seasonally adjusted  
Washington state, September 2013  
Source: Employment Security Department/LMPA, Quarterly Census of  
Employment and Wages

Industry sector	Revisions to September 2013 employment level
<b>Total nonfarm</b>	<b>55,600</b>
Education and health services	48,100
Financial activities	4,200
Professional and business services	3,600
Construction	2,900
Leisure and hospitality	900
Information	300
Mining and logging	100
Manufacturing	0
Wholesale trade	-300
Government	-400
Other services	-600
Transportation, warehousing and utilities	-1,500
Retail trade	-1,700

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<sup>1</sup> Most of the employment numbers discussed in this report refer 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.

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., March 11, 2014. The publication schedule for 2014 can be found at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>.

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