



Monthly Employment Report

for July 2014

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 7,300 from June 2014 through July 2014. BLS estimates the private sector gained 9,400 jobs during the month and the public sector lost 2,100 jobs.

On a not seasonally adjusted basis, estimates for July 2013 through July 2014 indicate an increase in employment of 92,800 for the state. The private sector added 88,600 jobs while the public sector gained an estimated 4,200 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for July 2014 is 5.6 percent. The revised estimated June 2014 unemployment rate was at 5.8 percent. The July 2013 unemployment rate was 7.0 percent.

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

June's preliminary estimated gain of 9,100 jobs was revised to a gain of 13,600 jobs.

For more information, call Paul Turek, labor 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, June and July, 2013 and 2014

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

	July 2014 (Preliminary)	June 2014 (Revised)	July 2013 (Revised)	June 2013 (Revised)
United States				
Unemployment rate				
<i>Seasonally adjusted</i>	6.2%	6.1%	7.3%	7.5%
Washington				
Unemployment rate	5.6%	5.8%	7.0%	7.0%
Resident labor force	3,469,200	3,473,400	3,462,300	3,465,600
Unemployed	195,900	200,700	243,900	243,900
Seattle/Bellevue/Everett				
Unemployment rate	4.7%	4.8%	5.4%	5.3%
Resident labor force	1,559,900	1,560,200	1,532,500	1,531,600
Unemployed	73,800	74,700	82,800	81,700

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

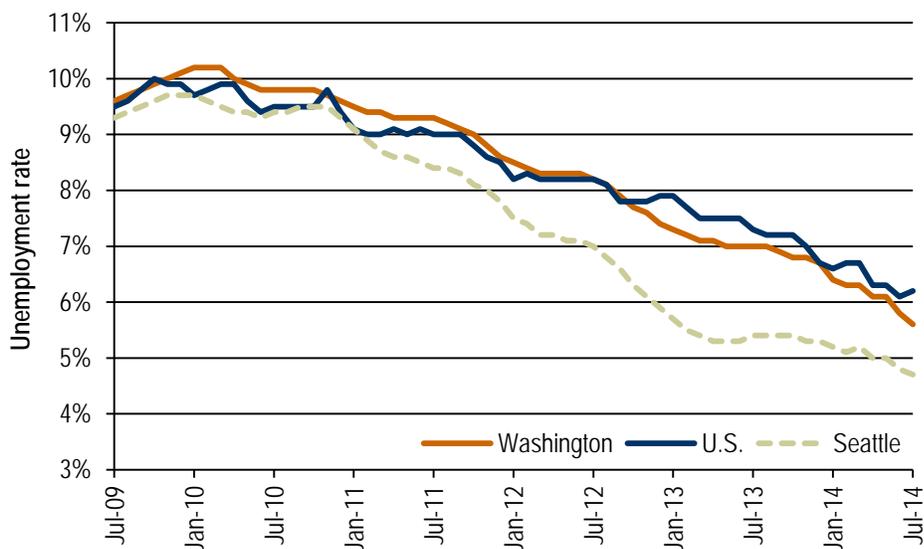
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for July 2014 was 5.6 percent. The revised estimated June 2014 unemployment rate was 5.8 percent.

According to BLS estimates, the number of unemployed people fell by 4,800 in July 2014 compared to June 2014. At the same time, the number of employed people rose by an estimated 600. Overall, this amounted to a decrease of 4,200 people in the labor force.

The preliminary July 2014 unemployment rate is 1.4 percentage points below the July 2013 rate of 7.0 percent.

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

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



June 2014 preliminary unemployment rates:
U.S. (preliminary) 6.2%

Washington (preliminary) 5.6%
Seattle area (preliminary) 4.7%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 7,300 jobs from June 2014 through July 2014.

Recent employment change

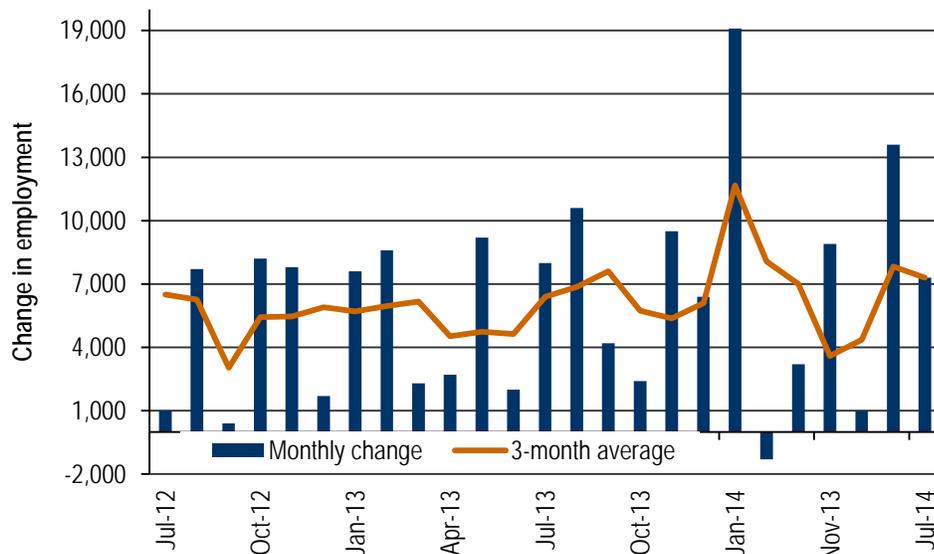
May 2014: up 1,000 jobs (revised)

June 2014: up 13,600 jobs (revised)

July 2014: up 7,300 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted Washington state, July 2012 through July 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: 3,009,400
Unemployment rate: 4.6%

February 2010

(end of recent employment
recession in Washington)

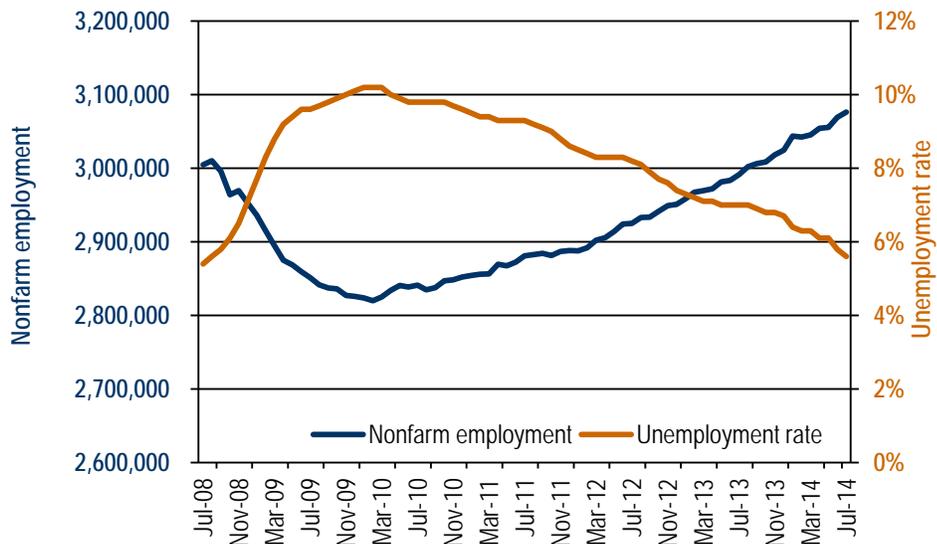
Nonfarm employment: 2,819,900
Unemployment rate: 10.2%

July 2014 (preliminary)

Nonfarm employment: 3,076,300
Unemployment rate: 5.6%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, July 2008 through July 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 7,300 jobs, during the month, on a seasonally adjusted basis:

- Overall, seven industries expanded employment in July, five contracted, and one remained unchanged.
- Private-sector employment is estimated to have increased by 9,400 and government employment fell by 2,100.
- The number of jobs in professional and business services was up by 4,500. Administrative and support services accounted for 2,400 of the gain.
- Leisure and hospitality employment increased overall by 4,000, as the gain of 4,800 jobs in food services offset the loss of 1,000 jobs in accommodation services, while 200 jobs were added in arts, entertainment and recreation.
- Construction employment rose by 2,300. Specialty trade contractors contributed 1,100 jobs to the total.
- Retail trade added 1,100 jobs with 700 of those added in the category of other retail trade, which includes online retailing.
- Employment in education and health services rose by 1,100, with education services contributing 500 of the increase and health services providing the remaining 600 jobs.
- Government lost an estimated 2,100 jobs over the month. State and local government employment fell by 2,200, while federal government added 100 jobs.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, June 2014 through July 2014

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

Total nonfarm	7,300
Professional and business services	4,500
Leisure and hospitality	4,000
Construction	2,300
Retail trade	1,100
Education and health services	1,100
Information	500
Wholesale trade	200
Mining and logging	0
Financial activities	-300
Manufacturing	-1,000
Other services	-1,300
Transportation, warehousing and utilities	-1,700
Government	-2,100

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 92,800 jobs from July 2013 through July 2014:

- Overall, 12 major industries expanded and one declined.
- Private-sector employment rose 3.6 percent, up an estimated 88,600 jobs.
- Public-sector employment increased 0.8 percent, a net gain of 4,200 jobs.
- Employment in the leisure and hospitality industry is up by 18,200, led by a gain of 14,500 in food services and drinking places.
- Professional and business services employment increased by 15,300, with professional, scientific, and technical services also up by 6,300.
- Education and health services employment has risen by a total of 14,500 as health services and social assistance added 12,100 jobs while education services employment added 2,400.
- Employment in construction is up 13,900, with the number of employed in the specialty trade contractor sector up 9,200.
- Retailers added 13,700 jobs. Other retail trade, which includes online retail trade, was up by 7,800 jobs.
- Manufacturing employment is estimated to have decreased by 300. Durable goods manufacturers added 100 jobs while nondurable goods manufacturers subtracted 400 jobs.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, July 2013 through July 2014

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

Total nonfarm	92,800
Leisure and hospitality	18,200
Professional and business services	15,300
Education and health services	14,500
Construction	13,900
Retail trade	13,700
Government	4,200
Wholesale trade	3,600
Information	3,200
Financial activities	2,400
Transportation, warehousing and utilities	2,300
Other services	1,400
Mining and logging	400
Manufacturing	-300

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 8,200 from June through July. This year the state had an estimated loss of 900, amounting to a seasonally adjusted increase of 7,300 jobs.

- Employment in leisure and hospitality normally rises by 3,100. It is estimated to have increased by 7,100 this June yielding a gain of 4,000 on a seasonally adjusted basis.
- The estimated employment increase in professional and business services was 6,100. The normal seasonal increase is 1,600, so on a seasonally adjusted basis, professional and business services employment increased by 4,500.

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

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-8,200	-900	7,300
Construction	3,400	5,700	2,300
Leisure and hospitality	3,100	7,100	4,000
Retail trade	2,700	3,800	1,100
Manufacturing	2,300	1,300	-1,000
Other services	1,700	400	-1,300
Transportation, warehousing and utilities	1,700	0	-1,700
Professional and business services	1,600	6,100	4,500
Information	1,000	1,500	500
Wholesale trade	900	1,100	200
Financial activities	300	0	-300
Mining and logging	100	100	0
Education and health services	-5,000	-3,900	1,100
Government	-22,000	-24,100	-2,100

- The normal seasonal gain in retail trade employment is 2,700 in July. The estimated increase was 3,800 yielding a 1,100 gain on a seasonally adjusted basis.
- The change on a seasonally adjusted basis was an estimated gain of 1,100 jobs in education and health services in July. The normal seasonal decrease is 5,000. It is estimated to have decreased by 3,900 this July.
- Typically government employment decreases by 22,000 in July. On a seasonally adjusted basis government employment decreased by 2,100 as the estimated decrease was 24,100.

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 March 2014. Employment estimates for July 2014 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked March 2014 data:

- The two largest upward revisions were for wholesale trade and education and other services, up 2,400 and 1,700, respectively.
- Manufacturing had the largest downward revision, 3,500.
- Retail trade had the largest downward revision, 1,700.

Annual benchmarked industry employment, seasonally adjusted
Washington state, March 2014
Source: Employment Security Department/LMPA, Quarterly Census of
Employment and Wages

Industry sector	Revisions to March 2013 employment level
Total nonfarm	1,100
Wholesale trade	2,400
Other services	1,700
Professional and business services	1,500
Education and health services	1,200
Financial activities	700
Mining and logging	200
Construction	200
Government	200
Leisure and hospitality	-200
Retail trade	-500
Information	-1,100
Transportation, warehousing and utilities	-1,700
Manufacturing	-3,500

Total agricultural employment summary

Agricultural employment estimates will no longer be provided beginning with the May 2014 monthly report due to a decline in funding.

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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., August 19, 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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