

Monthly Employment Report

for August 2014



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.

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington fell by 1,500 from July 2014 to August 2014. BLS estimates the private sector gained 200 jobs during the month and the public sector lost 1,700 jobs.

On a not seasonally adjusted basis, estimates for August 2013 through August 2014 indicate an increase in employment of 82,700 for the state. The private sector added 77,500 jobs while the public sector gained an estimated 5,200 jobs over the year.

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

July's preliminary estimated gain of 7,300 jobs was revised to a gain of 10,600 jobs.

For more information, call Paul Turek, labor economist at 360-407-2306.

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

| | August 2014 (Preliminary) | July 2014 (Revised) | August 2013 (Revised) | July 2013 (Revised) |
|---------------------------------|---------------------------------|---------------------------|-----------------------------|---------------------------|
| United States | | | | |
| Unemployment rate | | | | |
| <i>Seasonally adjusted</i> | 6.1% | 6.2% | 7.2% | 7.3% |
| Washington | | | | |
| Unemployment rate | 5.6% | 5.6% | 7.0% | 7.0% |
| Resident labor force | 3,470,700 | 3,469,000 | 3,458,700 | 3,462,300 |
| Unemployed | 195,700 | 195,500 | 242,500 | 243,900 |
| Seattle/Bellevue/Everett | | | | |
| Unemployment rate | 4.8% | 4.7% | 5.4% | 5.4% |
| Resident labor force | 1,556,200 | 1,559,900 | 1,533,000 | 1,532,500 |
| Unemployed | 74,600 | 73,600 | 83,300 | 82,800 |

Unemployment, seasonally adjusted

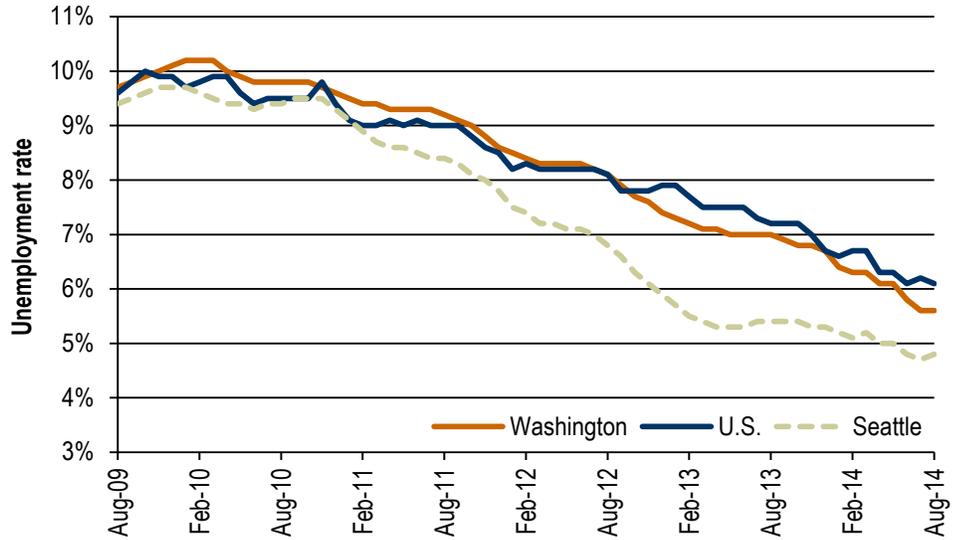
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for August 2014 was 5.6 percent. The revised estimated July 2014 unemployment rate was 5.6 percent.

According to BLS estimates, the number of unemployed people rose by 200 in August 2014 compared to July 2014. At the same time, the number of employed people rose by an estimated 1,500. Overall, this amounted to an increase of 1,700 people in the labor force.

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

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

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



August 2014 preliminary unemployment rates:

U.S. (preliminary) 6.1%
 Washington (preliminary) 5.6%
 Seattle area (preliminary) 4.8%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment decreased by 1,500 jobs from July 2014 to August 2014.

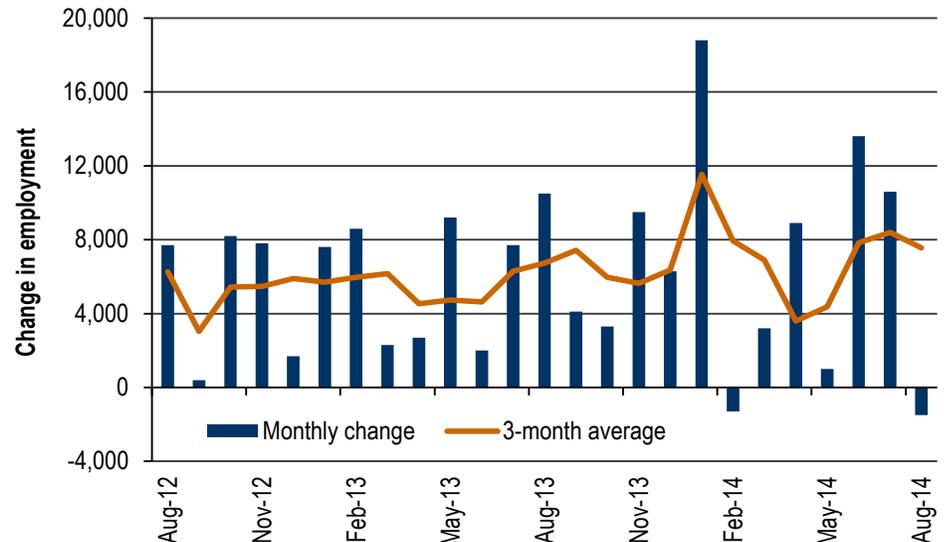
Recent employment change
 June 2014: up 13,600 jobs (revised)

July 2014: up 10,600 jobs (revised)

August 2014: down 1,500 jobs (preliminary)

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

August 2014 (preliminary)

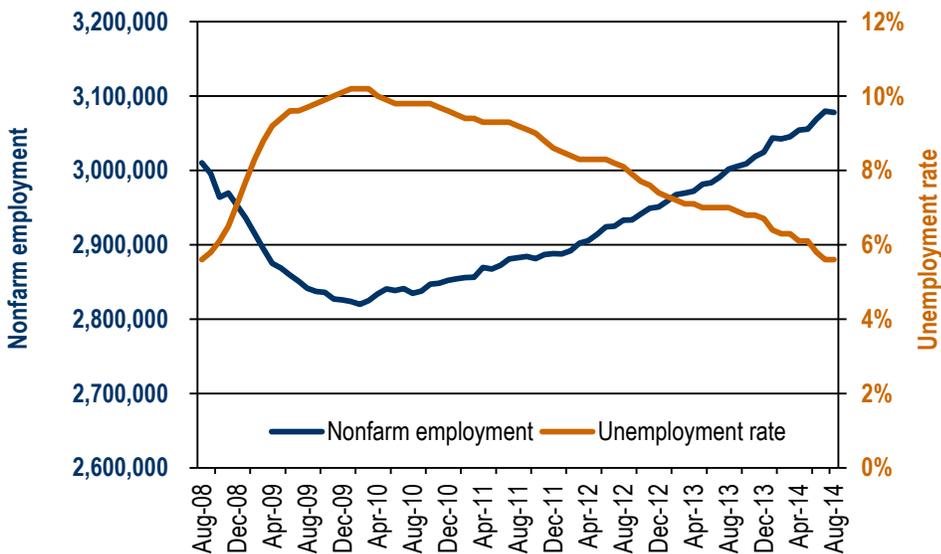
Nonfarm employment: 3,078,100

Unemployment rate: 5.6%

Nonfarm employment and unemployment rate, seasonally adjusted

Washington state, August 2008 through August 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 lost an estimated 1,500 jobs, during the month, on a seasonally adjusted basis:

- Overall, six industries expanded employment in August, six contracted, and one remained unchanged.
- Private-sector employment is estimated to have increased by 200 and government employment fell by 1,700.
- Manufacturing employment rose by 1,500, with 1,000 of the increase occurring in durable goods production and 500 of the increase in nondurable goods.
- Wholesale trade employment rose by 900 with durable goods merchants adding 500 to that total.
- Employment in information services rose by 700, with software publishers contributing 300 jobs.
- Construction employment declined by 1,300 on balance. Specialty trade employment fell by 1,800 and employment in heavy and civil engineering was down 100 jobs. Building construction added 600 jobs during the month.
- Government lost an estimated 1,700 jobs over the month. State and local government employment fell by 2,000, while federal government added 300 jobs.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, July 2014 to August 2014

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

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

- Leisure and hospitality employment decreased by 1,900 with 1,500 of the loss occurring in food services and drinking places.

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 82,700 jobs from August 2013 to August 2014:

- Overall, all major industries expanded.
- Private-sector employment rose 3.1 percent, up an estimated 77,500 jobs.
- Public-sector employment increased 1.0 percent, a net gain of 5,200 jobs.
- Education and health services employment has risen by a total of 15,500 as health services and social assistance added 11,400 jobs while education services employment increased by 4,100.
- Employment in the leisure and hospitality industry is up by 13,800, led by a gain of 11,800 in food services and drinking places.
- Retailers added 12,700 jobs. Other retail trade, which includes online retail trade, was up by 8,900 jobs.
- Employment in construction is up 10,400, with the number of employed in the specialty trade contractor sector up 5,800.
- Professional and business services employment increased by 10,300, with professional, scientific and technical services also up by 4,900.

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

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

| | |
|---|---------------|
| Total Nonfarm | 82,700 |
| Education and health services | 15,500 |
| Leisure and hospitality | 13,800 |
| Retail trade | 12,700 |
| Construction | 10,400 |
| Professional and business services | 10,300 |
| Government | 5,200 |
| Wholesale trade | 4,100 |
| Information | 3,500 |
| Other services | 2,800 |
| Transportation, warehousing and utilities | 1,900 |
| Financial activities | 1,100 |
| Manufacturing | 1,000 |
| Mining and logging | 400 |

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 10,900 from July to August. This year the state had an estimated loss of 12,400, amounting to a seasonally adjusted decrease of 1,500 jobs.

- Employment in leisure and hospitality normally rises by 1,100. It is estimated to have decreased by 800 this August yielding a loss of 1,900 on a seasonally adjusted basis.
- The estimated employment increase in professional and business services was 200. The normal seasonal decrease is 200, so on a seasonally adjusted basis, professional and business services employment increased by 400.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, August 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 | -10,900 | -12,400 | -1,500 |
| Construction | 2,900 | 1,600 | -1,300 |
| Leisure and hospitality | 1,100 | -800 | -1,900 |
| Retail trade | 900 | 700 | -200 |
| Education and health services | 400 | 100 | -300 |
| Information | 300 | 1,000 | 700 |
| Financial activities | 100 | -1,000 | -1,100 |
| Mining and logging | 100 | 100 | 0 |
| Professional and business services | -200 | 200 | 400 |
| Other services | -300 | 800 | 1,100 |
| Transportation, warehousing and utilities | -400 | 0 | 400 |
| Manufacturing | -400 | 1,100 | 1,500 |
| Wholesale trade | -1,200 | -300 | 900 |
| Government | -14,200 | -15,900 | -1,700 |

- The normal seasonal gain in retail trade employment is 900 in August. The estimated increase was 700 yielding a 200 loss on a seasonally adjusted basis.
- The change on a seasonally adjusted basis was an estimated loss of 300 jobs in education and health services in August. The normal seasonal increase is 400. It is estimated to have decreased by 100 this August.
- Typically, government employment decreases by 14,200 in August. On a seasonally adjusted basis, government employment decreased by 1,700 as the estimated decrease was 15,900.

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., September 23, 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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