

Monthly Employment Report

for October 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 rose by 5,600 from September 2014 to October 2014.¹ BLS estimates the private sector gained 6,200 jobs during the month and the public sector lost 600 jobs.

On a not seasonally adjusted basis, estimates for October 2013 through October 2014 indicate an increase in employment of 82,600 for the state. The private sector added 69,900 jobs while the public sector gained an estimated 12,700 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for October 2014 is 6.0 percent. The revised estimated September 2014 unemployment rate was at 5.7 percent. The October 2013 unemployment rate was 6.8 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. September's preliminary estimated loss of 600 jobs was revised to a gain of 1,600 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, September and October, 2013 and 2014
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	October 2014 (Preliminary)	September 2014 (Revised)	October 2013 (Revised)	September 2013 (Revised)
United States				
Unemployment rate				
<i>Seasonally adjusted</i>	5.8%	5.9%	7.2%	7.2%
Washington				
Unemployment rate	6.0%	5.7%	6.8%	6.9%
Resident labor force	3,488,500	3,476,300	3,453,200	3,455,600
Unemployed	208,900	198,200	236,500	239,800
Seattle/Bellevue/Everett				
Unemployment rate	4.8%	4.8%	5.4%	5.4%
Resident labor force	1,559,900	1,554,700	1,534,400	1,533,400
Unemployed	74,600	74,700	82,600	83,100

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

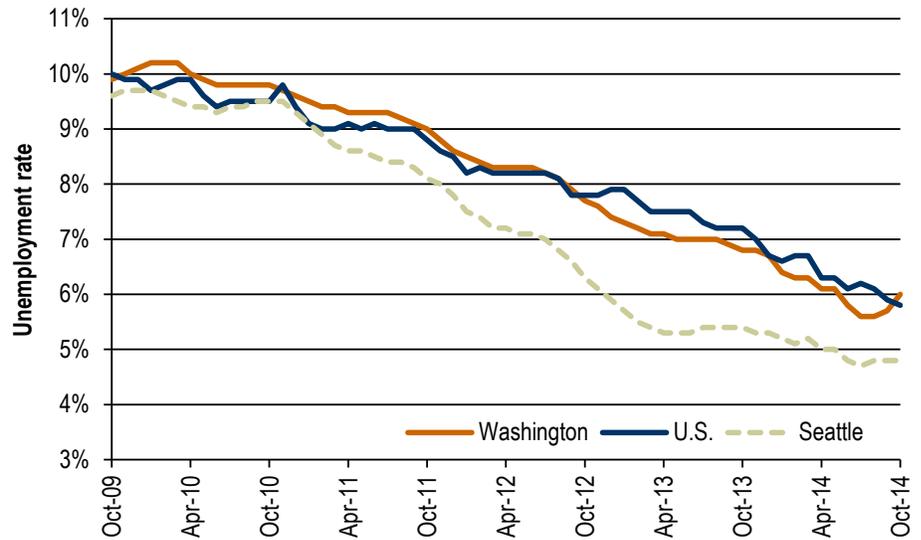
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for October 2014 was 6.0 percent. The revised estimated September 2014 unemployment rate was 5.7 percent.

According to BLS estimates, the number of unemployed people rose by 10,700 in October 2014 compared to September 2014. At the same time, the number of employed people rose by an estimated 1,500. Overall, this amounted to an increase of 12,200 people in the labor force.

The preliminary October 2014 unemployment rate is 0.8 percentage points below the October 2013 rate of 6.8 percent.

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

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



October 2014 preliminary unemployment rates:

U.S. (preliminary) 5.8%
Washington (preliminary) 6.0%
Seattle area (preliminary) 4.8%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 5,600 jobs from September 2014 to October 2014.

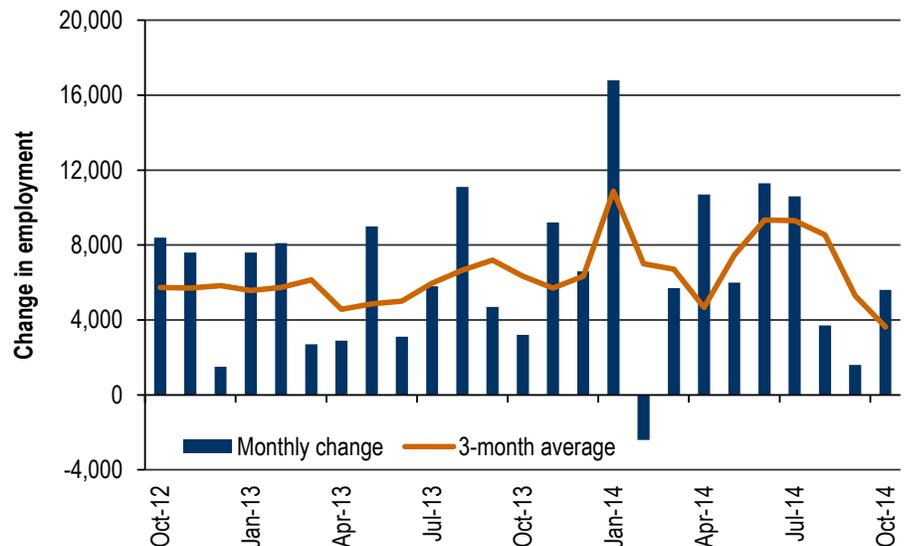
Recent employment change
August 2014: up 3,700 jobs (revised)

September 2014: up 1,600 jobs (revised)

October 2014: up 5,600 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted
Washington state, October 2012 through October 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: 3,009,300

Unemployment rate: 4.6%

February 2010

(end of recent employment
recession in Washington)

Nonfarm employment: 2,819,700

Unemployment rate: 10.2%

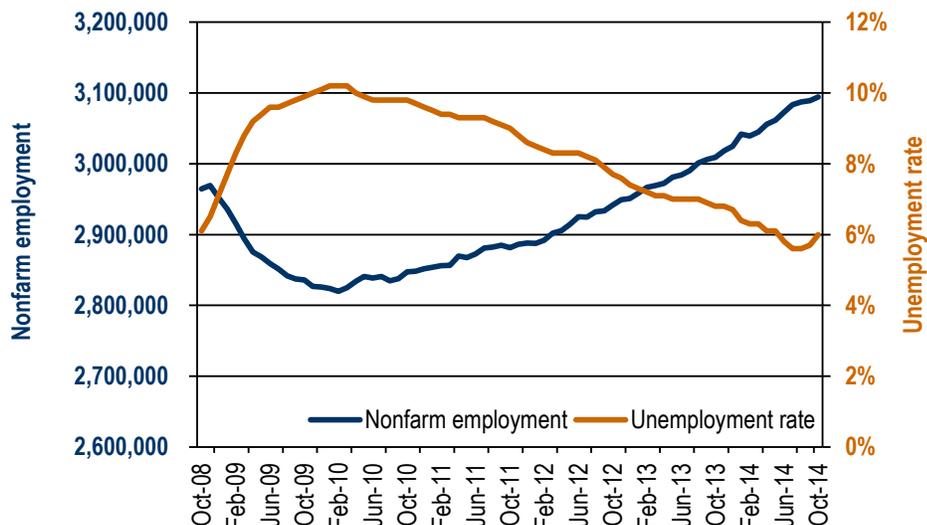
October 2014 (preliminary)

Nonfarm employment: 3,094,500

Unemployment rate: 6.0%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, October 2008 through October 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 5,600 jobs, during the month, on a seasonally adjusted basis:

- Overall, nine industries expanded employment in October, and four contracted.
- Private-sector employment is estimated to have increased by 6,200 and government employment fell by 600.
- Leisure and hospitality employment increased overall by 2,700, as the gain of 3,300 jobs in arts, entertainment and recreation offset the loss of 600 jobs in accommodation and food services.
- Retail trade added 2,200 jobs with 1,000 of those added by general merchandise stores.
- Manufacturing employment rose by 1,500 with 600 jobs added in durable goods manufacturing and 900 jobs added in nondurable goods manufacturing.
- Employment in education and health services fell by 1,000, as education services employment declined by 2,000 while employment in health services and social assistance rose by 1,000.
- Wholesale trade employment fell by 1,700. Merchant wholesalers of durable goods accounted for 1,600 of the decline.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, September 2014 to October 2014

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

Total nonfarm	5,600
Leisure and hospitality	2,700
Retail trade	2,200
Manufacturing	1,500
Other services	1,400
Transportation, warehousing and utilities	600
Financial activities	600
Construction	500
Professional and business services	100
Mining and logging	100
Government	-600
Information	-800
Education and health services	-1,000
Wholesale trade	-1,700

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 82,600 jobs from October 2013 to October 2014:

- Overall, all major industries expanded.
- Private-sector employment rose 2.8 percent, up an estimated 69,900 jobs.
- Public-sector employment increased 2.3 percent, a net gain of 12,700 jobs.
- Professional and business services employment increased by 13,800, with professional, scientific, and technical services also up by 6,400.
- Employment in construction is up 10,700, with the number of employed in the specialty trade contractor sector up 6,600.
- Retailers added 9,300 jobs. Other retail trade, which includes online retail trade, was up by 5,600 jobs.
- Education and health services employment has risen by a total of 9,300 as health services and social assistance added 10,200 jobs while education services employment declined by 900.
- Manufacturing employment is estimated to have increased by 4,600. Durable goods manufacturers added 1,600 jobs while nondurable goods manufacturers added 3,000 jobs.

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

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

Total nonfarm	82,600
Professional and business services	13,800
Government	12,700
Construction	10,700
Retail trade	9,300
Education and health services	9,300
Leisure and hospitality	7,200
Manufacturing	4,600
Wholesale trade	4,100
information	4,100
Other services	3,700
Financial activities	2,800
Transportation, warehousing and utilities	200
Mining and logging	100

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 rises by 10,600 from September to October. This year the state had an estimated gain of 16,200, amounting to a seasonally adjusted increase of 5,600 jobs.

- Employment in leisure and hospitality normally falls by 15,500. It is estimated to have decreased by 12,800 this October yielding a gain of 2,700 on a seasonally adjusted basis.
- The estimated employment decrease in construction was 1,100. The normal seasonal decrease is 1,600, so on a seasonally adjusted basis, construction employment increased by 500.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, October 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	10,600	16,200	5,600
Government	24,400	23,800	-600
Education and health services	4,700	5,800	1,100
Wholesale trade	1,700	0	-1,700
Financial activities	100	700	600
Professional and business services	100	0	100
Other services	-200	1,200	1,400
Mining and logging	-200	-100	100
Information	-900	-1,700	-800
Transportation, warehousing and utilities	-1,200	-600	600
Retail trade	-1,300	900	2,200
Manufacturing	-1,400	100	1,500
Construction	-1,600	-1,100	500
Leisure and hospitality	-15,500	-12,800	2,700

- The normal seasonal loss in retail trade employment is 1,300 in October. The estimated increase was 900 yielding a 2,200 gain on a seasonally adjusted basis.
- The change on a seasonally adjusted basis was a gain of 1,100 jobs in education and health services in October. The normal seasonal increase is 4,700. It is estimated to have increased by 5,800 this October.
- Typically government employment increases by 24,400 in October. On a seasonally adjusted basis government employment decreased by 600 as the estimated decrease was 23,800.

Benchmarking highlights, seasonally adjusted

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

Based on benchmarked June 2014 data:

- The two largest upward revisions were for professional and business services and manufacturing, up 5,700 and 4,800, respectively.
- Education and health services had the largest downward revision, 2,900.

Quarterly benchmarked industry employment, seasonally adjusted
Washington state, June 2014

Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Industry sector	Revisions to June 2014 employment level
Total nonfarm	5,400
Professional and business services	5,700
Manufacturing	4,800
Information	1,700
Other services	1,400
Transportation, warehousing and utilities	900
Wholesale trade	200
Government	200
Financial activities	-100
Mining and logging	-100
Construction	-1,700
Leisure and hospitality	-2,200
Retail trade	-2,500
Education and health services	-2,900

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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., November 25, 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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