

Monthly Employment Report

for December 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 7,600 from November 2014 to December 2014.¹ BLS estimates the private sector gained 7,500 jobs during the month and the public sector gained 100 jobs.

On a not seasonally adjusted basis, estimates for December 2013 through December 2014 indicate an increase in employment of 82,900 for the state. The private sector added 73,400 jobs while the public sector gained an estimated 9,500 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for December 2014 is 6.3 percent. The revised estimated November 2014 unemployment rate was at 6.2 percent. The December 2013 unemployment rate was 6.7 percent.

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

November's preliminary estimated gain of 6,800 jobs was revised to a gain of 5,800 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, November and December, 2013 and 2014
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	December 2014 (Preliminary)	November 2014 (Revised)	December 2013 (Revised)	November 2013 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	5.6%	5.8%	6.7%	7.0%
Washington				
Unemployment rate	6.3%	6.2%	6.7%	6.8%
Resident labor force	3,507,100	3,502,500	3,450,100	3,451,100
Unemployed	220,500	215,500	230,200	233,200
Seattle/Bellevue/Everett				
Unemployment rate	4.6%	4.7%	5.3%	5.3%
Resident labor force	1,559,700	1,564,000	1,536,700	1,535,600
Unemployed	71,300	73,700	81,000	81,900

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

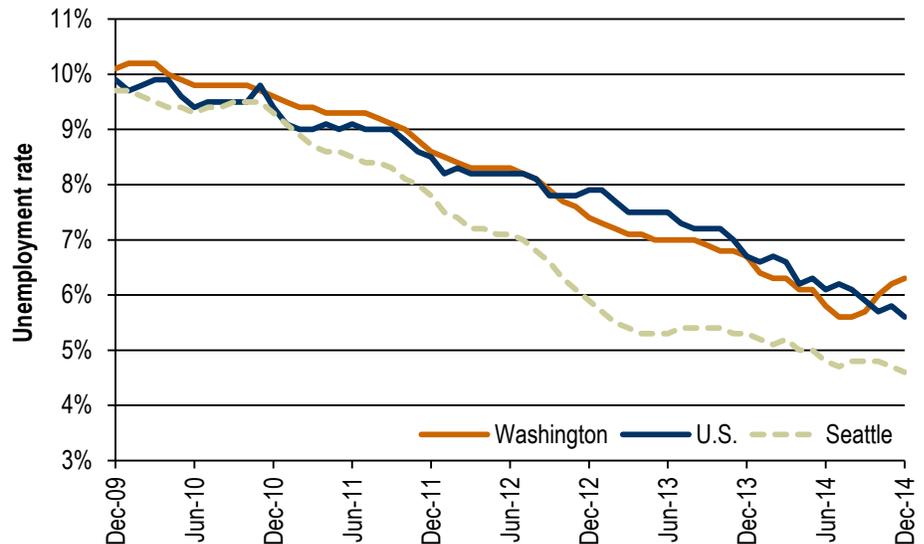
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for December 2014 was 6.3 percent. The revised estimated November 2014 unemployment rate was 6.2 percent.

According to BLS estimates, the number of unemployed people rose by 5,000 in December 2014 compared to November 2014. At the same time, the number of employed people fell by an estimated 400. Overall, this amounted to an increase of 4,600 people in the labor force.

The preliminary December 2014 unemployment rate is 0.4 percentage points below the December 2013 rate of 6.7 percent.

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

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



December 2014 preliminary unemployment rates:

U.S. (preliminary) 5.6%
Washington (preliminary) 6.3%
Seattle area (preliminary) 4.6%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 7,600 jobs from November 2014 to December 2014.

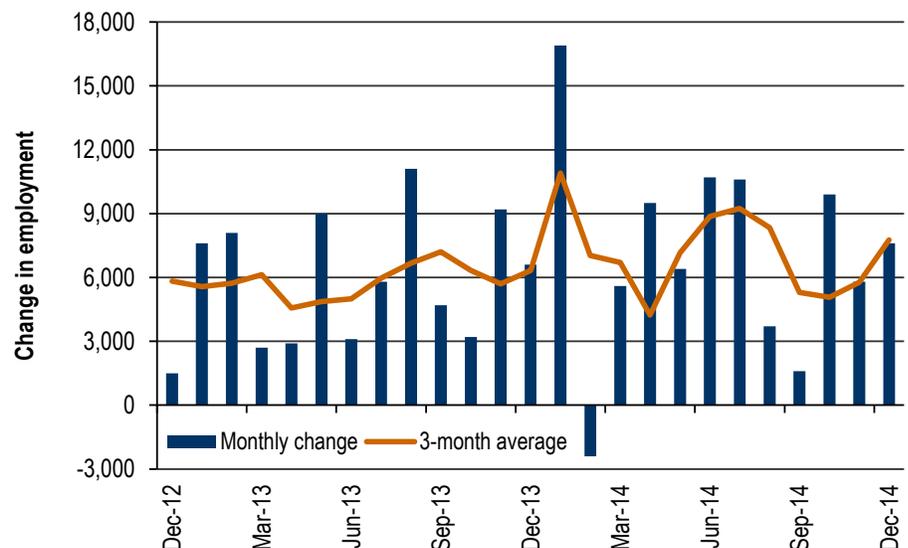
Recent employment change
October 2014: up 9,900 jobs (revised)

November 2014: up 5,800 jobs (revised)

December 2014: up 7,600 jobs (preliminary)

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

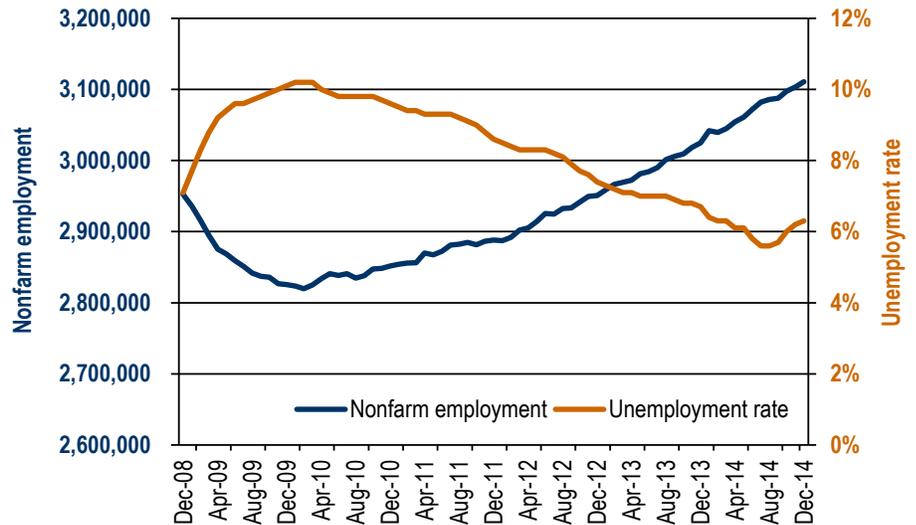
December 2014 (preliminary)

Nonfarm employment: 3,110,800

Unemployment rate: 6.3%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, December 2008 through December 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 7,600 jobs, during the month, on a seasonally adjusted basis:

- Overall, nine industries expanded employment in December and four contracted.
- Private-sector employment is estimated to have increased by 7,500 and government employment rose by 100.
- The number of people employed in professional and business services rose by 3,500. The increase was led by a 2,200 rise in administrative and support services.
- Employment in education and health services rose by 2,100. Health services and social assistance added 1,600 jobs to that amount.
- Financial activities increased by 1,100. Finance and insurance provided 600 jobs to the total while the remaining 500 occurred in real estate, rental and leasing.
- Construction employment increased by 600. Heavy and civil engineering employment rose by 700, specialty trade contractors employment rose by 500, and employment engaged in construction of buildings fell by 600.
- Leisure and hospitality employment decreased by 900 with losses of 500 jobs in arts, entertainment and 400 in accommodation and food services.

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

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

Total nonfarm	7,600
Professional and business services	3,500
Education and health services	2,100
Financial activities	1,100
Wholesale trade	1,000
Construction	600
Transportation, warehousing and utilities	400
Manufacturing	300
Mining and logging	100
Government	100
Retail trade	-100
Other services	-300
Information	-300
Leisure and hospitality	-900

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 82,900 jobs from December 2013 to December 2014:

- Overall, twelve major industries expanded and one was unchanged.
- Private-sector employment rose 2.9 percent, up an estimated 73,400 jobs.
- Public-sector employment increased 1.7 percent, a net gain of 9,500 jobs.
- Professional and business services employment increased by 14,400, led by a 6,200 increase in employment in administrative and support services.
- Employment in construction is up 11,800 with the number of employed in the specialty trade contractor sector up 7,900.
- Retailers added 11,500 jobs. Other retail trade, which includes online retail trade, was up by 7,400 jobs.
- Employment in the leisure and hospitality industry is up by 5,300, as 6,400 jobs were added in food services and drinking places while 1,100 jobs were lost in accommodation services.

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

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

Total nonfarm	82,900
Professional and business services	14,400
Construction	11,800
Retail trade	11,500
Education and health services	10,500
Government	9,500
Leisure and hospitality	5,300
Wholesale trade	4,700
Manufacturing	4,100
Other services	4,000
Financial activities	3,900
Information	3,100
Transportation, warehousing and utilities	100
Mining and logging	0

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 15,200 from November to December. This year the state lost an estimated 7,600 jobs, amounting to a seasonally adjusted increase of 7,600 jobs.

- The normal seasonal gain in retail trade employment is 5,200 in December. The estimated increase was 5,100 yielding a 100 loss on a seasonally adjusted basis.
- Employment in leisure and hospitality normally rises by 700. It is estimated to have decreased by 200 this December yielding a loss of 900 on a seasonally adjusted basis.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, December 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	-15,200	-7,600	7,600
Retail trade	5,200	5,100	-100
Transportation, warehousing and utilities	800	1,200	400
Leisure and hospitality	700	-200	-900
Other services	0	-300	-300
Mining and logging	-100	0	100
Information	-600	-900	-300
Financial activities	-900	200	1,100
Education and health services	-1,200	900	2,100
Wholesale trade	-1,200	-200	1,000
Manufacturing	-2,200	-1,900	300
Professional and business services	-3,400	100	3,500
Construction	-3,700	-3,100	600
Government	-8,600	-8,500	100

- The change on a seasonally adjusted basis was an estimated gain of 2,100 jobs in education and health services in December. The normal seasonal decrease is 1,200. It is estimated to have increased by 900 this December.
- The estimated employment increase in professional and business services was 100. The normal seasonal decrease is 3,400, so on a seasonally adjusted basis, professional and business services employment rose by 3,500.
- Typically government employment decreases by 8,600 in December. On a seasonally adjusted basis, government employment increased by 100 as the estimated decrease was 8,500.

Contacts

Economists:

Paul Turek, Ph.D.
pturek@esd.wa.gov
360-407-2306

Regional labor economists:

Scott Bailey, *Clark, Cowlitz,
Klickitat, Skamania and
Wahkiakum counties*
scott.bailey@esd.wa.gov
360-735-4995

Doug Tweedy, *Ferry, Lincoln,
Pend Oreille, Spokane, Stevens
and Whitman counties*
dtweedy@esd.wa.gov
509-532-3188

Don Meseck, *Adams, Chelan,
Douglas, Grant, Kittitas,
Okanogan and Yakima counties*
dmeseck@esd.wa.gov
509-573-4564

Anneliese Vance-Sherman, Ph.D.
*Island, King, San Juan, Skagit,
Snohomish and Whatcom counties*
avancesherman@esd.wa.gov
425-258-6315

Ajsa Suljic, *Asotin, Benton,
Columbia, Franklin, Garfield
and Walla Walla counties*
asuljic@esd.wa.gov
509-734-5928

Jim Vleming, *Clallam, Grays Harbor,
Jefferson, Kitsap, Lewis, Mason, Pacific,
Pierce and Thurston counties*
jvleming@esd.wa.gov
360-570-6945

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., January 27, 2015. The publication schedule for 2015 can be found at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>.

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