

# Monthly Employment Report

## for January 2015



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 18,300 from December 2014 to January 2015.<sup>1</sup> BLS estimates the private sector gained 18,500 jobs during the month and the public sector lost 200 jobs.

On a not seasonally adjusted basis, estimates for January 2014 through January 2015 indicate an increase in employment of 100,500 for the state. The private sector added 89,800 jobs while the public sector gained an estimated 10,700 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for January 2015 is 6.4 percent. The revised estimated December 2014 unemployment rate was at 6.3 percent. The January 2014 unemployment rate was 6.4 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. December's preliminary estimated gain of 7,600 jobs was revised to a gain of 8,900 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, December 2013 and 2014, and January 2014 and 2015

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

	January 2015 (Preliminary)	December 2014 (Revised)	January 2014 (Revised)	December 2013 (Revised)
<b>United States</b>				
Unemployment rate				
<i>Seasonally adjusted</i>	5.7%	5.6%	6.6%	6.7%
<b>Washington</b>				
Unemployment rate	6.4%	6.3%	6.4%	6.7%
Resident labor force	3,535,700	3,522,800	3,449,300	3,450,100
Unemployed	224,800	223,300	221,400	230,200
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	4.6%	4.6%	5.2%	5.3%
Resident labor force	1,566,700	1,564,100	1,539,400	1,536,700
Unemployed	72,500	71,400	79,800	81,000

<sup>1</sup>Most 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

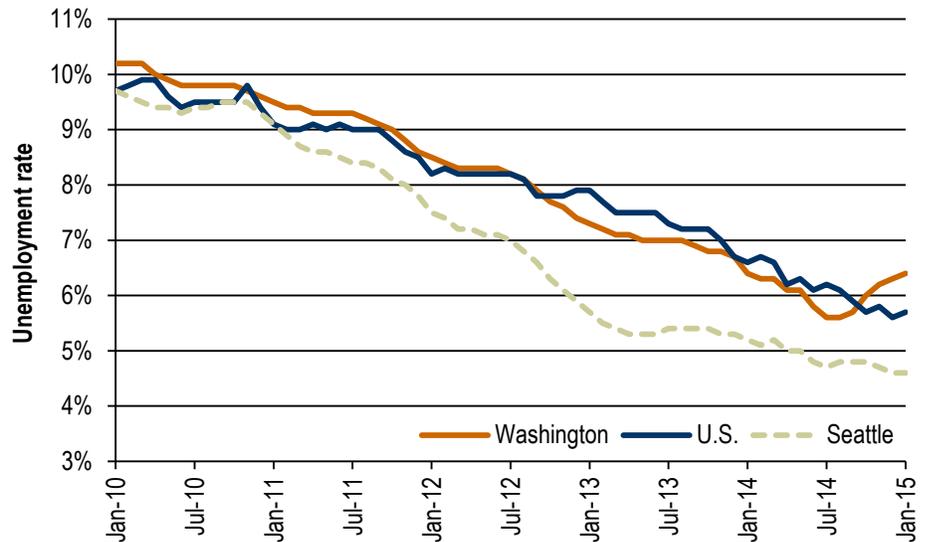
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for January 2015 was 6.4 percent. The revised estimated December 2014 unemployment rate was 6.3 percent.

According to BLS estimates, the number of unemployed people rose by 1,500 in January 2015 compared to December 2014. At the same time, the number of employed people rose by an estimated 11,400. Overall, this amounted to an increase of 12,900 people in the labor force.

The preliminary January 2015 unemployment rate is equivalent to the January 2014 rate of 6.4 percent.

U.S., Washington and Seattle unemployment rates, seasonally adjusted  
January 2010 through January 2015

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



January 2015 preliminary unemployment rates:

U.S. (preliminary) 5.7%  
Washington (preliminary) 6.4%  
Seattle area (preliminary) 4.6%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 18,300 jobs from December 2014 to January 2015.

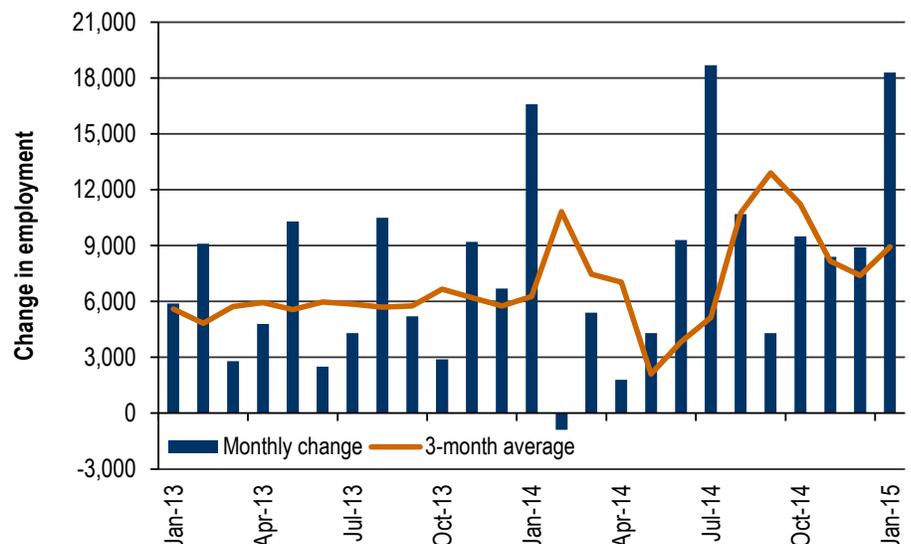
Recent employment change  
November 2014: up 8,400 jobs (revised)

December 2014: up 8,900 jobs (revised)

January 2015: up 18,300 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted  
Washington state, January 2013 through January 2015

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: 3,010,900

Unemployment rate: 4.6%

February 2010

(end of recent employment  
recession in Washington)

Nonfarm employment: 2,821,400

Unemployment rate: 10.2%

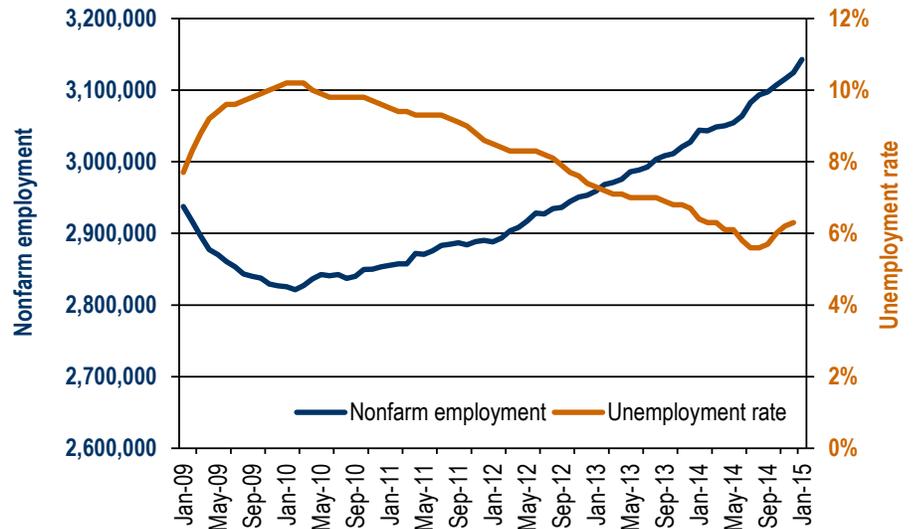
January 2015 (preliminary)

Nonfarm employment: 3,142,600

Unemployment rate: 6.4%

Nonfarm employment and unemployment rate, seasonally adjusted  
Washington state, January 2009 through January 2015

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 18,300 jobs, during the month, on a seasonally adjusted basis:

- Overall, nine industries expanded employment in January, and four contracted.
- Private-sector employment is estimated to have increased by 18,500 and government employment fell by 200.
- Leisure and hospitality employment increased by 5,000, led by an increase of 2,900 jobs in food services and drinking places.
- Employment in construction rose 4,800, with the number employed by specialty trade contractors up 3,600.
- Retail trade added 3,600 jobs with 1,400 of those added in the other retail trade category.
- Professional and business services employment increased by 3,600, led by a gain of 3,400 jobs in employment services.
- Employment in transportation, warehousing and utilities fell by 500, with warehousing and storage employment declining by 300.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, December 2014 to January 2015

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

<b>Total nonfarm</b>	<b>18,300</b>
Leisure and hospitality	5,000
Construction	4,800
Retail trade	3,600
Professional and business services	3,600
Financial activities	1,600
Education and health services	600
Information	200
Mining and logging	100
Manufacturing	100
Other services	-200
Government	-200
Wholesale trade	-400
Transportation, warehousing and utilities	-500

## 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 100,500 jobs from January 2014 to January 2015:

- Overall, all major industries expanded with the exception of mining and logging, which declined.
- Private-sector employment rose 3.7 percent, up an estimated 89,800 jobs.
- Public-sector employment increased 1.4 percent, a net gain of 10,700 jobs.
- Professional and business services employment increased by 17,200, with administrative and support services also up by 9,000.
- Employment in construction is up 17,000, with the number of employed in the specialty trade contractor sector up 12,800.
- Retailers added 16,200 jobs. Other retail trade, which includes online retail trade, was up by 9,100 jobs.
- Education and health services employment has risen by a total of 13,000 as health services and social assistance added 10,300 jobs while education services employment increased by 2,700.
- Manufacturing employment is estimated to have increased by 3,600. Durable goods manufacturers added 400 jobs while nondurable goods manufacturers added 3,200 jobs.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, January 2014 to January 2015

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

<b>Total nonfarm</b>	<b>100,500</b>
Professional and business services	17,200
Construction	17,000
Retail trade	16,200
Education and health services	13,000
Government	10,700
Financial activities	6,100
Leisure and hospitality	6,000
Manufacturing	3,600
Other services	3,500
Wholesale trade	3,200
Information	2,500
Transportation, warehousing and utilities	1,600
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 falls by 47,100 from December to January. This year the state had an estimated loss of 28,800, amounting to a seasonally adjusted increase of 18,300 jobs.

- Typically government employment increases by 1,600 in January. On a seasonally adjusted basis government employment decreased by 200 as the estimated increase was 1,400.
- The change on a seasonally adjusted basis was a gain of 600 jobs in education and health services in January. The normal seasonal decrease is 4,100. It is estimated to have decreased by 3,500 this January.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, January 2015

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>-47,100</b>	<b>-28,800</b>	<b>18,300</b>
Government	1,600	1,400	-200
Information	-300	-100	200
Mining and logging	-300	-200	100
Wholesale trade	-800	-1,200	-400
Financial activities	-1,600	0	1,600
Other services	-1,900	-2,100	-200
Manufacturing	-2,100	-2,000	100
Transportation, warehousing and utilities	-2,600	-3,100	-500
Education and health services	-4,100	-3,500	600
Construction	-4,300	500	4,800
Professional and business services	-6,200	-2,600	3,600
Leisure and hospitality	-7,600	-2,600	5,000
Retail trade	-16,900	-13,300	3,600

- The estimated employment increase in construction was 500. The normal seasonal decrease is 4,300, so on a seasonally adjusted basis, construction employment increased by 4,800.
- Employment in leisure and hospitality normally falls by 7,600. It is estimated to have decreased by 2,600 this January yielding a gain of 5,000 on a seasonally adjusted basis.
- The normal seasonal loss in retail trade employment is 16,900 in January. The estimated decrease was 13,300 yielding a 3,600 gain on a seasonally adjusted basis.

## 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 2014. Employment estimates for January 2015 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked September 2014 data:

- The two largest upward revisions were for education and health services, and for transportation, warehousing and utilities, up 6,500 and 3,600, respectively.
- Wholesale trade had the largest downward revision, 2,600.

Annual benchmarked industry employment, seasonally adjusted  
Washington state, September 2014

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Industry sector	Revisions to September 2014 employment level
<b>Total nonfarm</b>	<b>10,000</b>
Education and health services	6,500
Transportation, warehousing and utilities	3,600
Retail trade	1,200
Leisure and hospitality	1,100
Professional and business services	900
Government	800
Other services	700
Construction	600
Financial activities	300
Mining and logging	-100
Information	-900
Manufacturing	-2,100
Wholesale trade	-2,600

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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., March 10, 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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