Employment estimates in this report are generated by the U.S. Bureau of Labor Statistics (BLS).

Monthly employment estimates are subject to revision in subsequent months when more sample data become available.

BLS data in this report are rounded to the nearest 100.

Monthly Employment Report
for August 2015

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 1,600 from July 2015 to August 2015.[1] BLS estimates the private sector gained 900 jobs during the month and the public sector gained 700 jobs.

On a not seasonally adjusted basis, estimates for August 2014 through August 2015 indicate an increase in employment of 92,200 for the state. The private sector added 84,800 jobs while the public sector gained an estimated 7,400 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for August 2015 is 5.3 percent. The revised estimated July 2015 unemployment rate was also at 5.3 percent. The August 2014 unemployment rate was 6.2 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 5,900 jobs was revised to a gain of 10,900 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, July and August, 2014 and 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	August 2015 (Preliminary)	July 2015 (Revised)	August 2014 (Revised)	July 2014 (Revised)
United States				
Unemployment rate				
Seasonally adjusted	5.1%	5.3%	6.1%	6.2%
Washington				
Unemployment rate	5.3%	5.3%	6.2%	6.2%
Resident labor force	3,530,900	3,537,400	3,493,800	3,484,900
Unemployed	186,000	188,400	216,200	214,500
Seattle/Bellevue/Everett				
Unemployment rate	3.6%	3.7%	4.6%	4.7%
Resident labor force	1,583,100	1,577,800	1,554,500	1,551,900
Unemployed	56,700	58,200	72,200	72,600

[1]*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.*

Employment Security Department
WASHINGTON STATE

Labor Market and Performance Analysis
September 2015

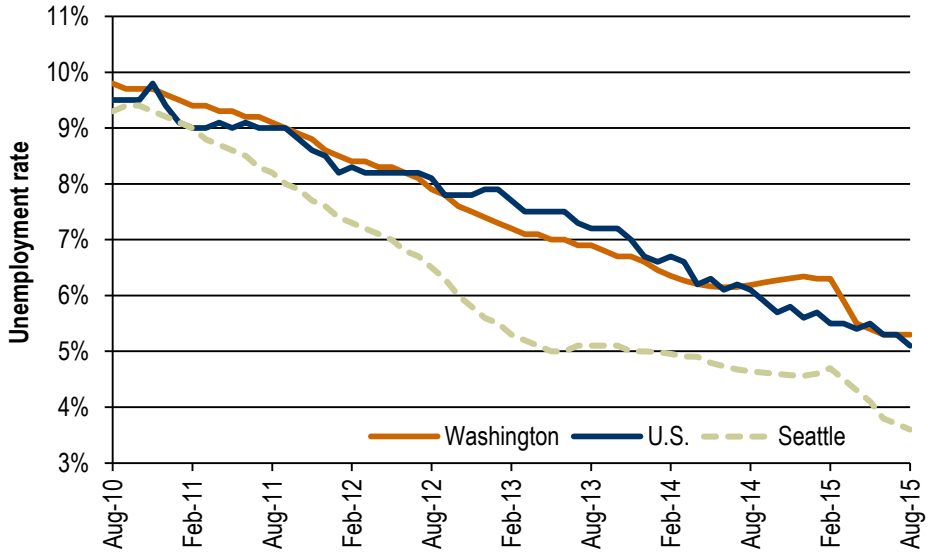
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for August 2015 was 5.3 percent. The revised estimated July 2015 unemployment rate was also at 5.3 percent.

According to BLS estimates, the number of unemployed people fell by 2,400 in August 2015 compared to July 2015. At the same time, the number of employed people fell by an estimated 4,100. Overall, this amounted to a decrease of 6,500 people in the labor force.

The preliminary August 2015 unemployment rate is 0.9 percentage points below the August 2014 rate of 6.2 percent.

Unemployment rates, seasonally adjusted
U.S., Washington and Seattle, August 2010 through August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



August 2015 preliminary unemployment rates:

U.S. (preliminary) 5.1%
Washington (preliminary) 5.3%
Seattle area (preliminary) 3.6%

Employment change and moving average, seasonally adjusted

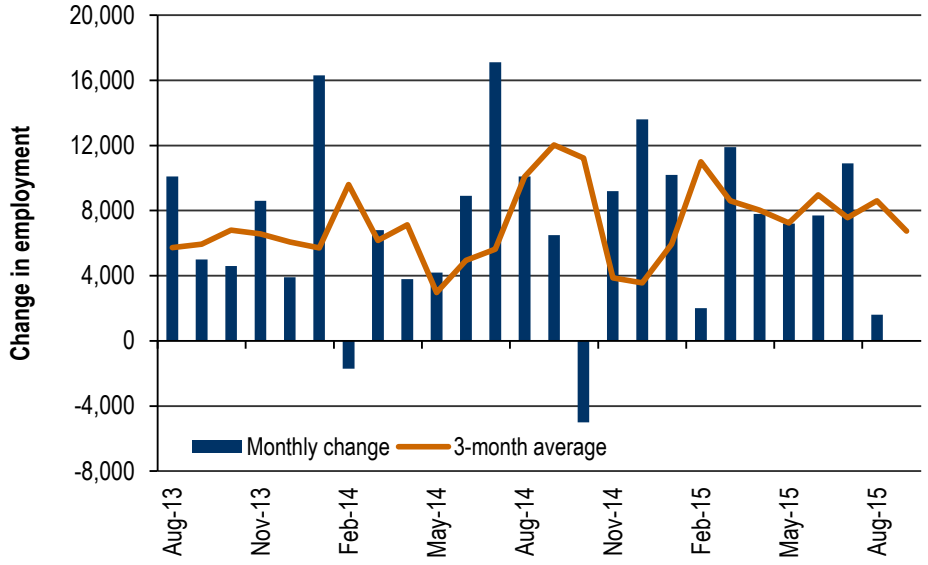
Based on BLS estimates, Washington state nonfarm employment increased by 1,600 jobs from July 2015 to August 2015.

Recent employment change
June 2015: up 7,700 jobs (revised)

July 2015: up 10,900 jobs (revised)

August 2015: up 1,600 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted
Washington state, August 2013 through August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Current Employment Statistics



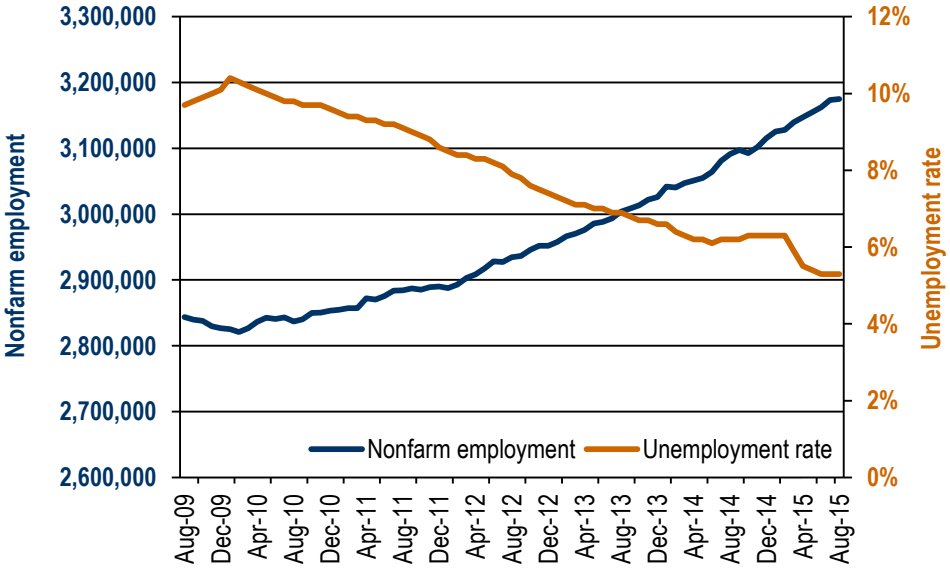
Employment and unemployment, seasonally adjusted

February 2008
(start of recent employment recession in Washington)
Nonfarm employment: 3,010,800
Unemployment rate: 4.6%

February 2010
(end of recent employment recession in Washington)
Nonfarm employment: 2,821,000
Unemployment rate: 10.3%

August 2015 (preliminary)
Nonfarm employment: 3,174,900
Unemployment rate: 5.3%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, August 2009 through August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Current Employment Statistics, Local Area Unemployment Statistics



Understanding what seasonally adjusted means

Over the course of a year, the size of the state's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvest, major holidays and the opening and closing of schools. The effect of such seasonal variation can be very large; seasonal fluctuations may account for as much as 95 percent of the month-to-month changes in unemployment at the national level.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from one month to the next. These adjustments make nonseasonal developments, such as declines in economic activity, easier to spot. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. The adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Source: U.S. Bureau of Labor 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 1,600 jobs, during the month, on a seasonally adjusted basis:

- Overall, seven industries expanded employment in August, five contracted and one was unchanged.
- Private-sector employment is estimated to have increased by 900 and government employment increased by 700.
- The number of jobs in professional and business services increased by 3,500, with 2,400 of the increase occurring in employment services.
- Information employment rose by 700, with 700 jobs added by software publishers.
- Retail trade employment increased by 500. Hiring was mixed among various retail categories, with the most hiring (700) occurring in clothing and clothing accessories stores.
- Construction employment decreased by 2,000 overall, as specialty trade contractors reduced employment by 2,000.
- Employment in financial activities decreased by 2,500, with a loss of 2,100 jobs occurring in real estate, rental and leasing.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, July 2015 to August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	**1,600**
Profesional and business services	3,500
Wholesale trade	800
Information	700
Government	700
Retail trade	500
Manufacturing	400
Education and health services	400
Mining and logging	0
Other services	-100
Transportation, warehousing and utilities	-300
Leisure and hospitality	-500
Construction	-2,000
Financial activities	-2,500

Industry employment in Washington, not seasonally adjusted

Change by industry over the year

Based on a BLS survey of businesses and governments, Washington added an estimated 92,200 jobs from August 2014 through August 2015:

- Overall, all thirteen major industries expanded.
- Private-sector employment rose 3.3 percent, up an estimated 84,800 jobs.
- Public-sector employment increased 1.4 percent, a net gain of 7,400 jobs.
- Professional and business services employment increased by 22,100, led by an 11,800 increase in professional, scientific and technical services.
- Retailers added 17,800 jobs. Other retail trade, which includes online retail trade, was up by 8,800 jobs.
- Employment in construction was up 12,800 with the number employed in the specialty trade contractor sector up 7,400.
- Employment in the leisure and hospitality industry is up by 11,800, with 12,100 jobs added in food services and drinking places offsetting employment losses in accommodation.
- Education and health services employment increased by 7,100 with 4,100 jobs added in health services and social assistance.

Estimated employment change by industry over the year, not seasonally adjusted
Washington state, August 2014 through August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	**92,200**
Professional and business services	22,100
Retail trade	17,800
Construction	12,800
Leisure and hospitality	11,800
Government	7,400
Education and health services	7,100
Wholesale trade	3,800
Transportation, warehousing and utilities	2,700
Other services	2,200
Manufacturing	1,700
Financial activities	1,500
Information	1,200
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.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, August 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Current Employment Statistics

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	**-10,700**	**-9,100**	**1,600**
Construction	3,500	1,500	-2,000
Financial activities	1,900	-600	-2,500
Leisure and hospitality	1,800	1,300	-500
Manufacturing	1,200	1,600	400
Information	400	1,100	700
Other services	100	0	-100
Retail trade	0	500	500
Mining and logging	0	0	0
Wholesale trade	-400	400	800
Transportation, warehousing and utilities	-400	-700	-300
Professional and business services	-1,100	2,400	3,500
Education and health services	-1,300	-900	400
Government	-16,400	-15,700	700

Based on historical patterns, Washington employment typically falls by 10,700 from July to August. This year the state lost an estimated 9,100 jobs, amounting to a seasonally adjusted increase of 1,600 jobs.

- The estimated employment increase in construction was 1,500. The normal seasonal increase is 3,500, so on a seasonally adjusted basis, construction employment fell by 2,000.
- Employment in leisure and hospitality normally rises by 1,800. It is estimated to have increased by 1,300 this August yielding a loss of 500 on a seasonally adjusted basis.
- The normal seasonal gain in manufacturing employment is 1,200 in August. The estimated increase was 1,600 yielding a 400 gain on a seasonally adjusted basis.
- The change on a seasonally adjusted basis was an estimated gain of 3,500 jobs in professional and business services in August. The normal seasonal decrease is 1,100. It is estimated to have increased by 2,400 this August.
- Typically government employment decreases by 16,400 in August. On a seasonally adjusted basis, government employment rose by 700 as the estimated decrease was 15,700.

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

Based on benchmarked March 2015 data:

- The largest upward revisions were for retail trade, government and financial activities, up 5,000, 2,300 and 2,000, respectively.
- Education and health services had the largest downward revision at 4,400.

Annual benchmarked industry employment, seasonally adjusted
Washington state, March 2015
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Industry sector	Revisions to March 2015 employment level
Total nonfarm	**-1,500**
Retail trade	5,000
Government	2,300
Financial activities	2,000
Wholesale trade	500
Mining and logging	200
Information	200
Other services	0
Transportation, warehousing and utilities	-400
Leisure and hospitality	-800
Professional and business services	-1,100
Construction	-2,400
Manufacturing	-2,600
Education and health services	-4,400

Contact an economist

We have seven regional economists serving local labor markets in Washington. Regional economists can help you find and use labor-market data, fulfill special data requests and answer questions about the labor market in your area. They serve professionals and organizations in their areas for WorkSource offices, workforce development councils, non-profit organizations, higher education, businesses and the news media.

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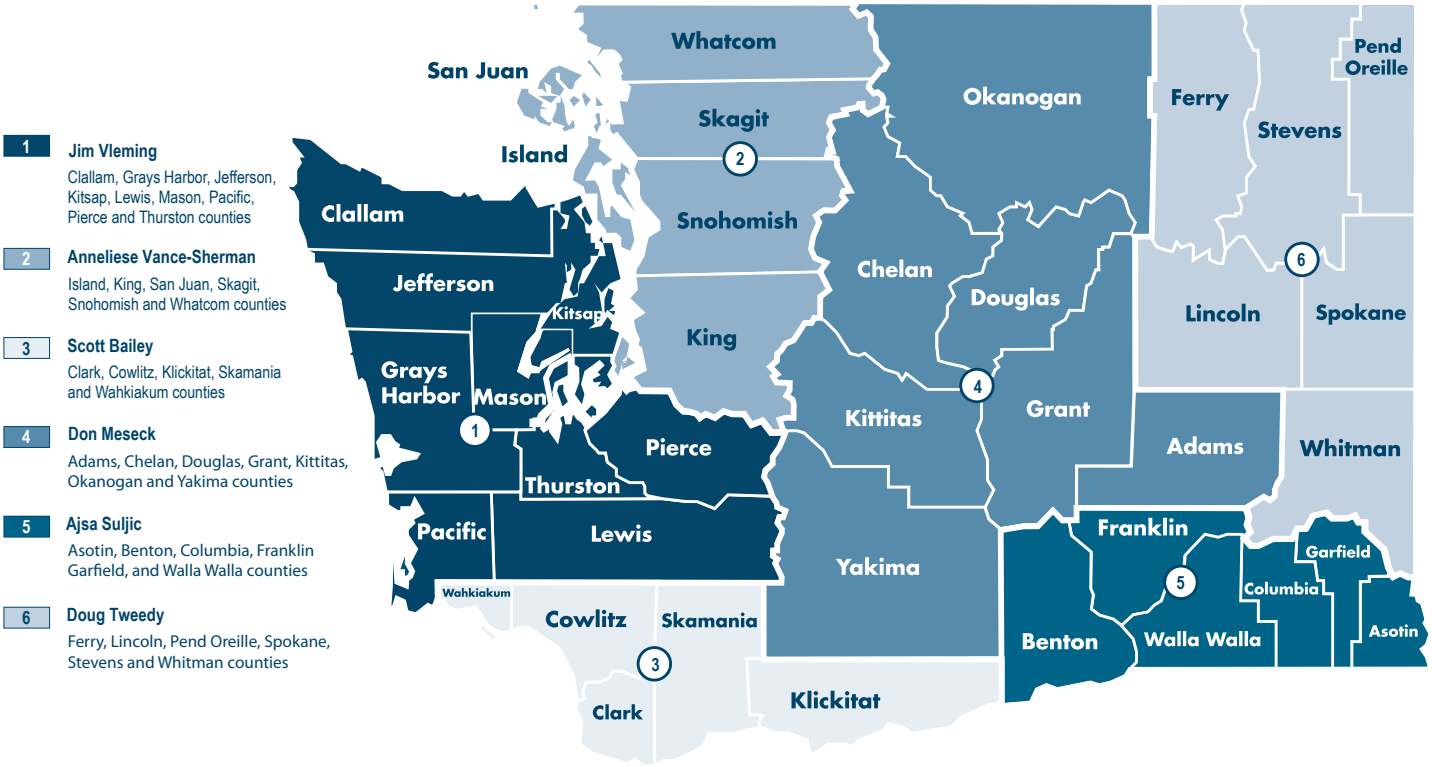
Washington State Regional Labor Economist Reporting Areas



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 22, 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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