

Monthly Employment Report for December 2015



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.

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 7,200 from November 2015 to December 2015.¹ BLS estimates the private sector gained 5,600 jobs during the month and the public sector gained 1,600 jobs.

On a not seasonally adjusted basis, estimates for December 2014 through December 2015 indicate an increase in employment of 68,000 for the state. The private sector added 58,600 jobs while the public sector gained an estimated 9,400 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for December 2015 is 5.5 percent. The revised estimated November 2015 unemployment rate was at 5.3 percent. The December 2014 unemployment rate was 6.3 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 10,100 jobs was revised to a gain of 10,400 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, 2014 and 2015
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	December 2015 (Preliminary)	November 2015 (Revised)	December 2014 (Revised)	November 2014 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	5.0%	5.0%	5.6%	5.8%
Washington				
Unemployment rate	5.5%	5.3%	6.3%	6.3%
Resident labor force	3,541,300	3,529,500	3,522,800	3,517,400
Unemployed	193,200	185,700	223,300	221,900
Seattle/Bellevue/Everett				
Unemployment rate	4.6%	4.2%	4.6%	4.6%
Resident labor force	1,582,800	1,583,700	1,564,100	1,562,300
Unemployed	72,200	66,100	71,400	71,500

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 2015 was 5.5 percent. The revised estimated November 2015 unemployment rate was at 5.3 percent.

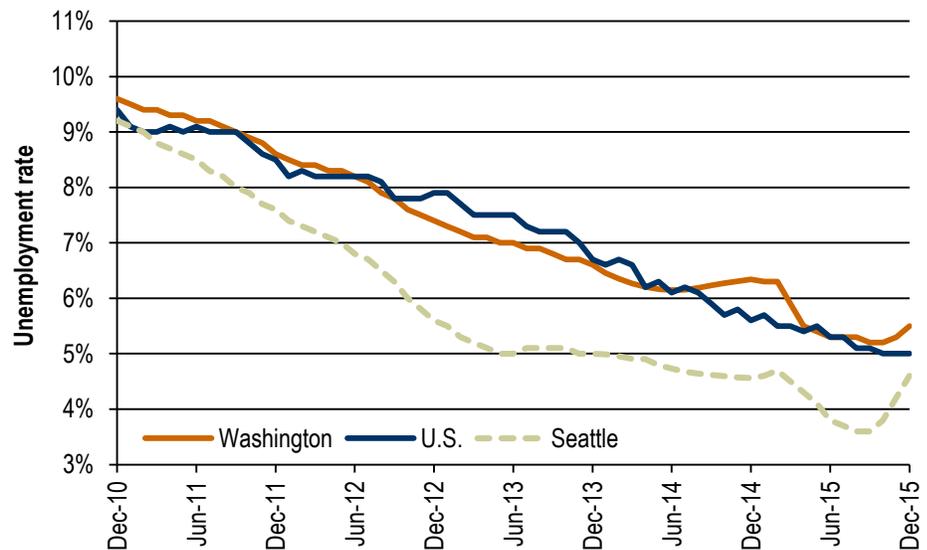
According to BLS estimates, the number of unemployed people rose by 7,500 in December 2015 compared to November 2015. At the same time, the number of employed people rose by an estimated 4,300. Overall, this amounted to an increase of 11,800 people in the labor force.

The preliminary December 2015 unemployment rate is 0.8 percentage points below the December 2014 rate of 6.3 percent.

Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, December 2010 through December 2015

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



December 2015 preliminary unemployment rates:

U.S. (preliminary) 5.0%
 Washington (preliminary) 5.3%
 Seattle area (preliminary) 4.6%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 7,200 jobs from November 2015 to December 2015.

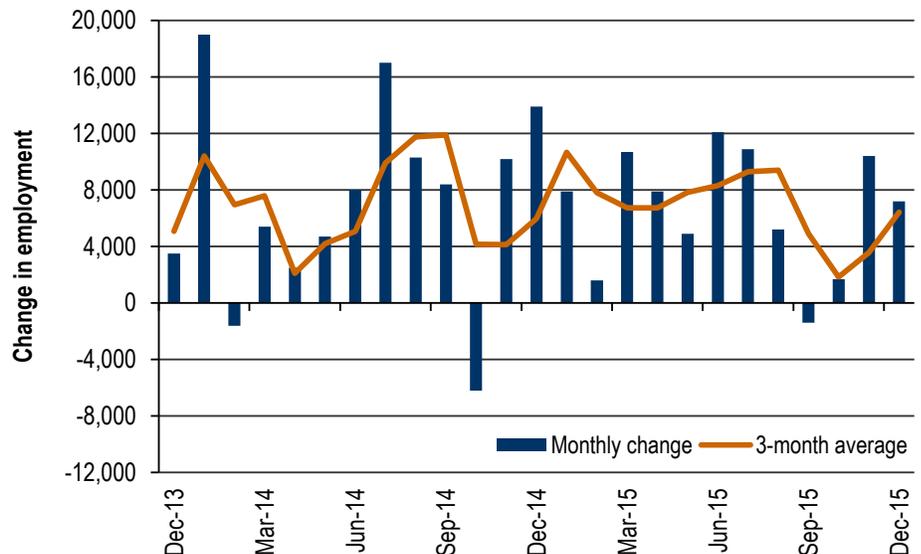
Recent employment change
October 2015: up 1,700 jobs (revised)

November 2015: up 10,400 jobs (revised)

December 2015: up 7,200 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted

Washington state, December 2013 through December 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: 4.8%

February 2010

(end of recent employment recession in Washington)

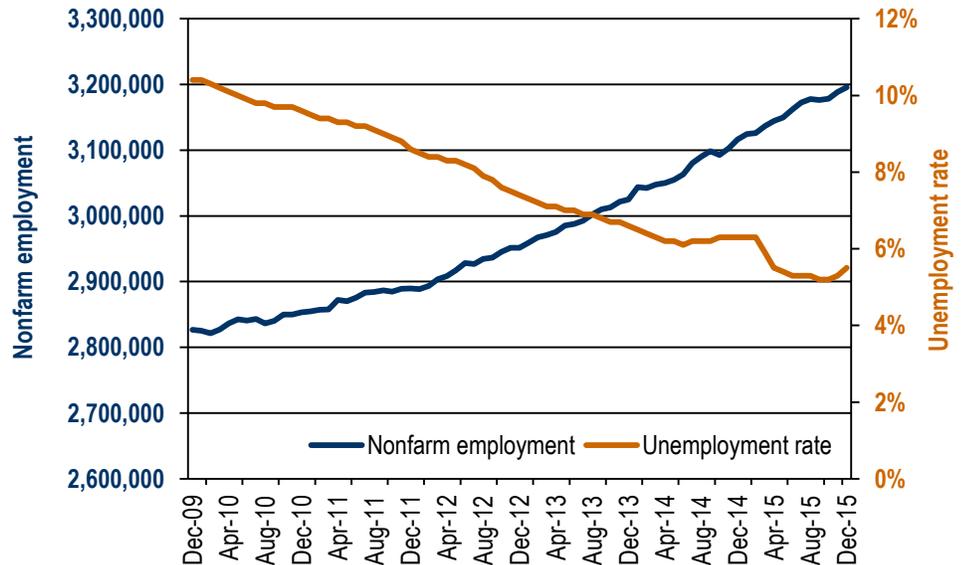
Nonfarm employment: 2,821,400
Unemployment rate: 10.3%

December 2015 (preliminary)

Nonfarm employment: 3,195,700
Unemployment rate: 5.5%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, December 2009 through December 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 7,200 jobs during the month, on a seasonally adjusted basis:

- Overall, nine industries expanded employment in December, three contracted, and one was unchanged.
- Private sector employment is estimated to have increased by 5,600 and government employment increased by 1,600.
- The number of jobs in transportation, warehousing and utilities increased by 2,200, with a 2,100 gain in employment occurring in transportation services.
- Information employment increased by 1,300 overall, with software publishers adding 800 jobs.
- Employment in financial activities increased by 1,100, with 600 of the increase occurring in real estate, rental and leasing.
- Retail trade employment decreased by 900, led by a decrease of 600 jobs in food and beverage stores.
- Professional and business services employment fell by 1,500, with losses of jobs in employment services driving the decline.

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

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

Total nonfarm	7,200
Transportation, warehousing and utilities	2,200
Government	1,600
Information	1,300
Financial activities	1,100
Education and health services	1,100
Wholesale trade	1,000
Other services	800
Construction	600
Manufacturing	600
Mining and logging	0
Leisure and hospitality	-700
Retail trade	-900
Professional and business services	-1,500

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 68,000 from December 2014 through December 2015:

- Overall, eleven major industries expanded and two declined.
- Private sector employment rose 2.3 percent, up an estimated 58,600 jobs.
- Public sector employment increased 1.7 percent, a net gain of 9,400 jobs.
- Retailers added 13,300 jobs. Other retail trade, which includes online retail trade, was up by 5,100 jobs.
- Employment in the leisure and hospitality industry is up by 11,600, with 10,000 jobs added in food services and drinking places.
- Professional and business services employment increased by 9,100, led by a 5,600 increase in professional, scientific and technical services.
- Education and health services employment increased by 6,100 with 5,600 of the jobs added in ambulatory health care services.
- Employment in construction is up 5,600 with the number employed in the construction of buildings up 4,000.

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

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

Total nonfarm	68,000
Retail trade	13,300
Leisure and hospitality	11,600
Government	9,400
Professional and business services	9,100
Education and health services	6,100
Construction	5,600
Information	4,000
Other services	3,600
Transportation, warehousing and utilities	2,800
Wholesale trade	2,100
Financial activities	1,200
Mining and logging	-200
Manufacturing	-600

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 15,800 from November to December. This year the state lost an estimated 8,600 jobs, amounting to a seasonally adjusted increase of 7,200 jobs.

- Typically retail trade employment increases by 4,600 in December. On a seasonally adjusted basis, retail trade employment decreased by 900 as the estimated increase was 3,700.
- The change on a seasonally adjusted basis was an estimated gain of 1,100 jobs in education and health services in December. The normal seasonal decrease is 100. It is estimated to have increased by 1,000 this December.
- Employment in leisure and hospitality normally falls by 400. It is estimated to have decreased by 1,100 this December yielding a loss of 700 on a seasonally adjusted basis.
- The normal seasonal loss in manufacturing employment is 2,100 in December. The estimated decrease was 1,500 yielding a 600 gain on a seasonally adjusted basis.
- The estimated employment decrease in construction was 3,800. The normal seasonal decrease is 4,400, so on a seasonally adjusted basis, construction employment rose by 600.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, December 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	-15,800	-8,600	7,200
Retail trade	4,600	3,700	-900
Transportation, warehousing and utilities	800	3,000	2,200
Education and health services	-100	1,000	1,100
Financial activities	-100	1,000	1,100
Mining and logging	-100	-100	0
Other services	-200	600	800
Leisure and hospitality	-400	-1,100	-700
Wholesale trade	-800	200	1,000
Information	-900	400	1,300
Manufacturing	-2,100	-1,500	600
Professional and business services	-2,200	-3,700	-1,500
Construction	-4,400	-3,800	600
Government	-9,900	-8,300	1,600

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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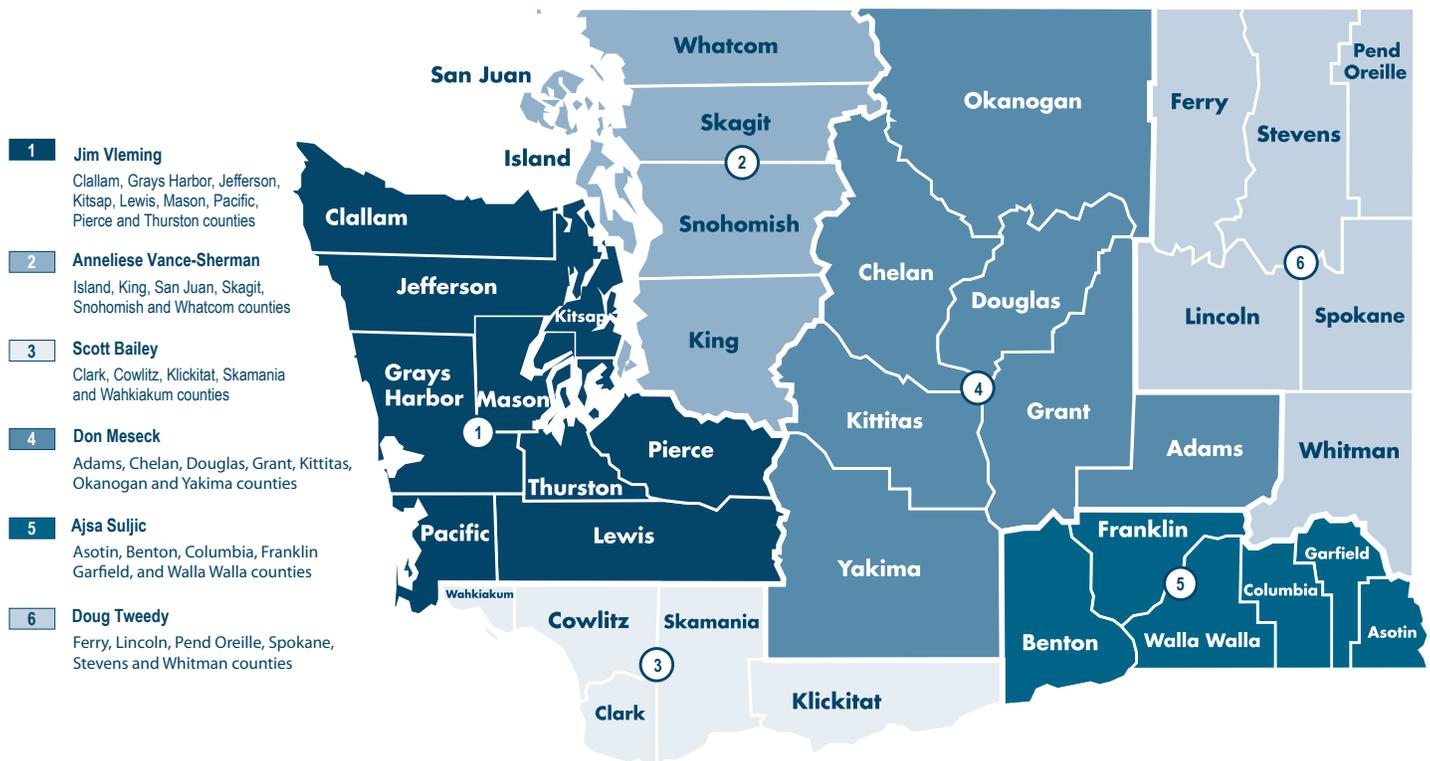
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Contact an economist online!

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., January 26, 2016. The publication schedule for 2016 can be found at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>

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