

# Monthly Employment Report for February 2016



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 10,600 from January 2016 to February 2016.<sup>1</sup> BLS estimates the private sector gained 10,000 jobs during the month and the public sector gained 600 jobs.

On a not seasonally adjusted basis, estimates for February 2015 through February 2016 indicate an increase in employment of 96,200 for the state. The private sector added 85,800 jobs while the public sector gained an estimated 10,400 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for February 2016 is 5.8 percent. The revised estimated January 2016 unemployment rate was also at 5.8 percent. The February 2015 unemployment rate was 5.7 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. January's preliminary estimated gain of 12,800 jobs was revised to a gain of 14,000 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, January and February, 2015 and 2016  
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	February 2016 (Preliminary)	January 2016 (Revised)	February 2015 (Revised)	January 2015 (Revised)
<b>United States</b>				
Unemployment rate <i>Seasonally adjusted</i>	4.9%	4.9%	5.5%	5.7%
<b>Washington</b>				
Unemployment rate	5.8%	5.8%	5.7%	5.8%
Resident labor force	3,605,700	3,588,300	3,523,900	3,521,200
Unemployed	209,000	209,900	200,100	202,700
<b>Seattle/Bellevue/Everett</b>				
Unemployment rate	5.0%	5.1%	4.4%	4.5%
Resident labor force	1,601,400	1,594,400	1,571,600	1,569,800
Unemployed	80,900	81,100	69,600	69,900

<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 February 2016 was 5.8 percent. The revised estimated January 2016 unemployment rate was at 5.8 percent.

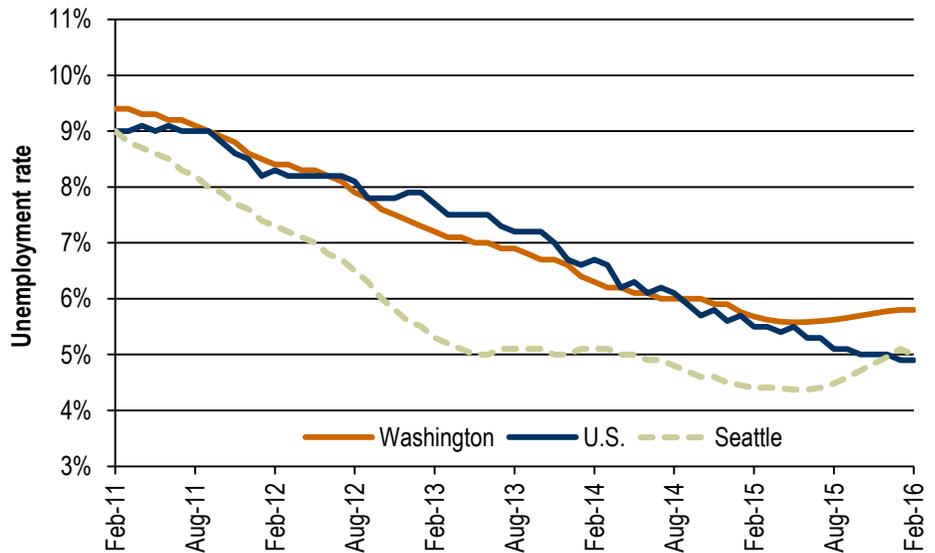
According to BLS estimates, the number of unemployed people fell by 900 in February 2016 compared to January 2016. At the same time, the number of employed people rose by an estimated 18,300. Overall, this amounted to an increase of 17,400 people in the labor force.

The preliminary February 2016 unemployment rate is 0.1 percentage points above the February 2015 rate of 5.7 percent.

### Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, February 2011 through February 2016

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



**February 2016 preliminary unemployment rates:**

U.S. (preliminary) 4.9%  
 Washington (preliminary) 5.8%  
 Seattle area (preliminary) 5.0%

## Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 10,600 jobs from January 2016 to February 2016.

Recent employment change  
**December 2015:** up 7,200 jobs (revised)

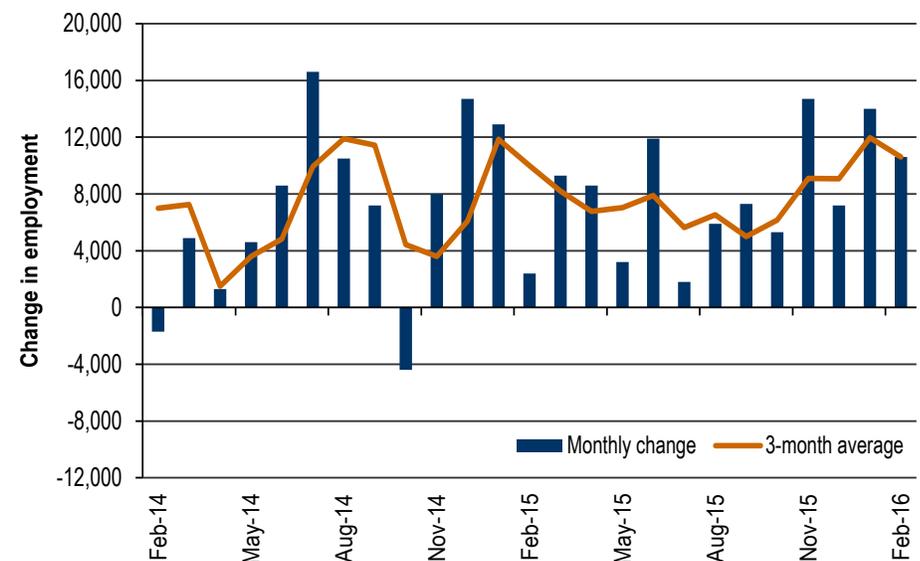
**January 2016:** up 14,000 jobs (revised)

**February 2016:** up 10,600 jobs (preliminary)

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

Washington state, February 2014 through February 2016

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: 4.8%

### February 2010

(end of recent employment recession in Washington)

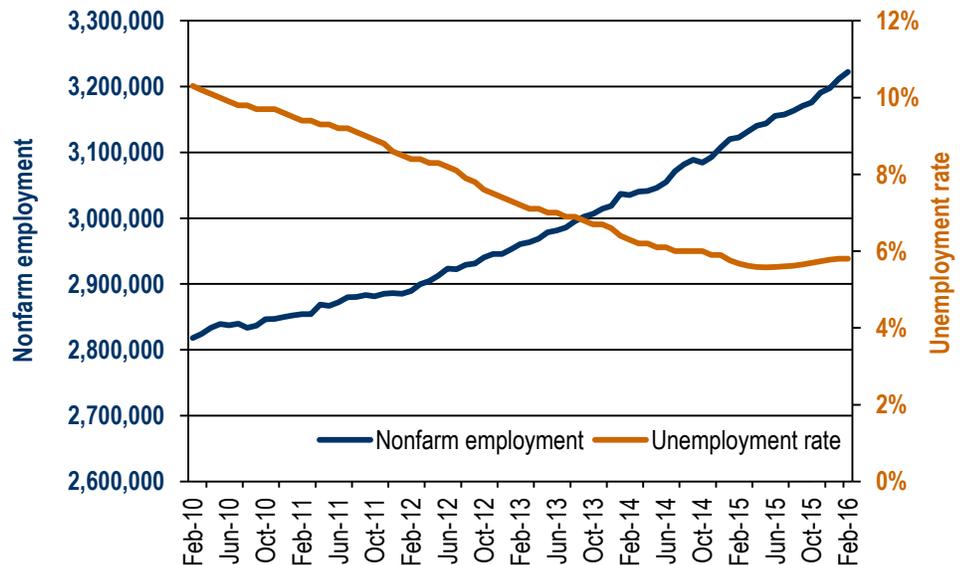
Nonfarm employment: 2,818,200  
Unemployment rate: 10.3%

### February 2016 (preliminary)

Nonfarm employment: 3,222,500  
Unemployment rate: 5.8%

Nonfarm employment and unemployment rate, seasonally adjusted  
Washington state, February 2010 through February 2016

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 10,600 jobs during the month, on a seasonally adjusted basis:

- Overall, eight industries expanded employment in February, three contracted, and two were unchanged.
- Private sector employment is estimated to have increased by 10,000 and government employment increased by 600.
- The number of jobs in construction increased by 5,500, with a 3,600 gain in employment occurring in specialty trade contractors.
- Leisure and hospitality employment increased by 2,800 overall, with arts, entertainment and recreation adding 800 jobs.
- Professional and business services employment rose by 1,900, with 2,400 jobs added in administrative and support services.
- Retail trade employment increased by 1,700, led by an increase of 1,000 jobs in food and beverage stores.
- Employment in manufacturing decreased by 2,500, with 1,600 of the decrease occurring in durable goods manufacturing.

Estimated one-month employment change by industry, seasonally adjusted  
Washington state, January 2016 to February 2016

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

<b>Total nonfarm</b>	<b>10,600</b>
Construction	5,500
Leisure and hospitality	2,800
Professional and business services	1,900
Retail trade	1,700
Government	600
Information	500
Other services	300
Transportation, warehousing and utilities	200
Financial activities	0
Mining and logging	0
Education and health services	-200
Wholesale trade	-200
Manufacturing	-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 96,200 from February 2015 through February 2016:

- Overall, eleven major industries expanded and two declined.
- Private sector employment rose 3.4 percent, up an estimated 85,800 jobs.
- Public sector employment increased 1.9 percent, a net gain of 10,400 jobs.
- Professional and business services employment increased by 16,300, led by an 8,000 increase in administrative and support services.
- Employment in the leisure and hospitality industry is up by 15,300, with 10,000 jobs added in food services and drinking places.
- Retailers added 14,900 jobs. Other retail trade, which includes online retail trade, was up by 7,700 jobs.
- Employment in construction is up 11,800 with the number employed as specialty trade contractors up 8,800.
- Education and health services employment increased by 9,400 with 6,600 of the jobs added in ambulatory health care services.

Estimated employment change by industry over the year, not seasonally adjusted Washington state, February 2015 through February 2016

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

<b>Total nonfarm</b>	<b>96,200</b>
Professional and business services	16,300
Leisure and hospitality	15,300
Retail trade	14,900
Construction	11,800
Government	10,400
Education and health services	9,400
Information	7,700
Financial activities	4,200
Other services	3,800
Wholesale trade	3,000
Transportation, warehousing and utilities	2,200
Mining and logging	-600
Manufacturing	-2,200

## 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 2,900 from January to February. This year the state gained an estimated 13,500 jobs, amounting to a seasonally adjusted increase of 10,600 jobs.

- The change on a seasonally adjusted basis was an estimated loss of 200 jobs in education and health services in February. The normal seasonal increase is 3,800. It is estimated to have increased by 3,600 this February.
- The normal seasonal gain in manufacturing employment is 1,600 in February. The estimated decrease was 900 yielding a 2,500 loss on a seasonally adjusted basis.

Normal seasonal change, estimated change and seasonally adjusted change  
Washington state, February 2016

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>2,900</b>	<b>13,500</b>	<b>10,600</b>
Education and health services	3,800	3,600	-200
Government	3,000	3,600	600
Manufacturing	1,600	-900	-2,500
Leisure and hospitality	1,200	4,000	2,800
Information	400	900	500
Other services	200	500	300
Mining and logging	100	100	0
Financial activities	100	100	0
Professional and business services	100	2,000	1,900
Wholesale trade	-300	-500	-200
Transportation, warehousing and utilities	-400	-200	200
Construction	-800	4,700	5,500
Retail trade	-6,100	-4,400	1,700

- Employment in leisure and hospitality normally rises by 1,200. It is estimated to have increased by 4,000 this February yielding a gain of 2,800 on a seasonally adjusted basis.
- The estimated employment increase in construction was 4,700. The normal seasonal decrease is 800, so on a seasonally adjusted basis, construction employment rose by 5,500.
- Typically retail trade employment decreases by 6,100 in February. On a seasonally adjusted basis, retail trade employment increased by 1,700 as the estimated decrease was 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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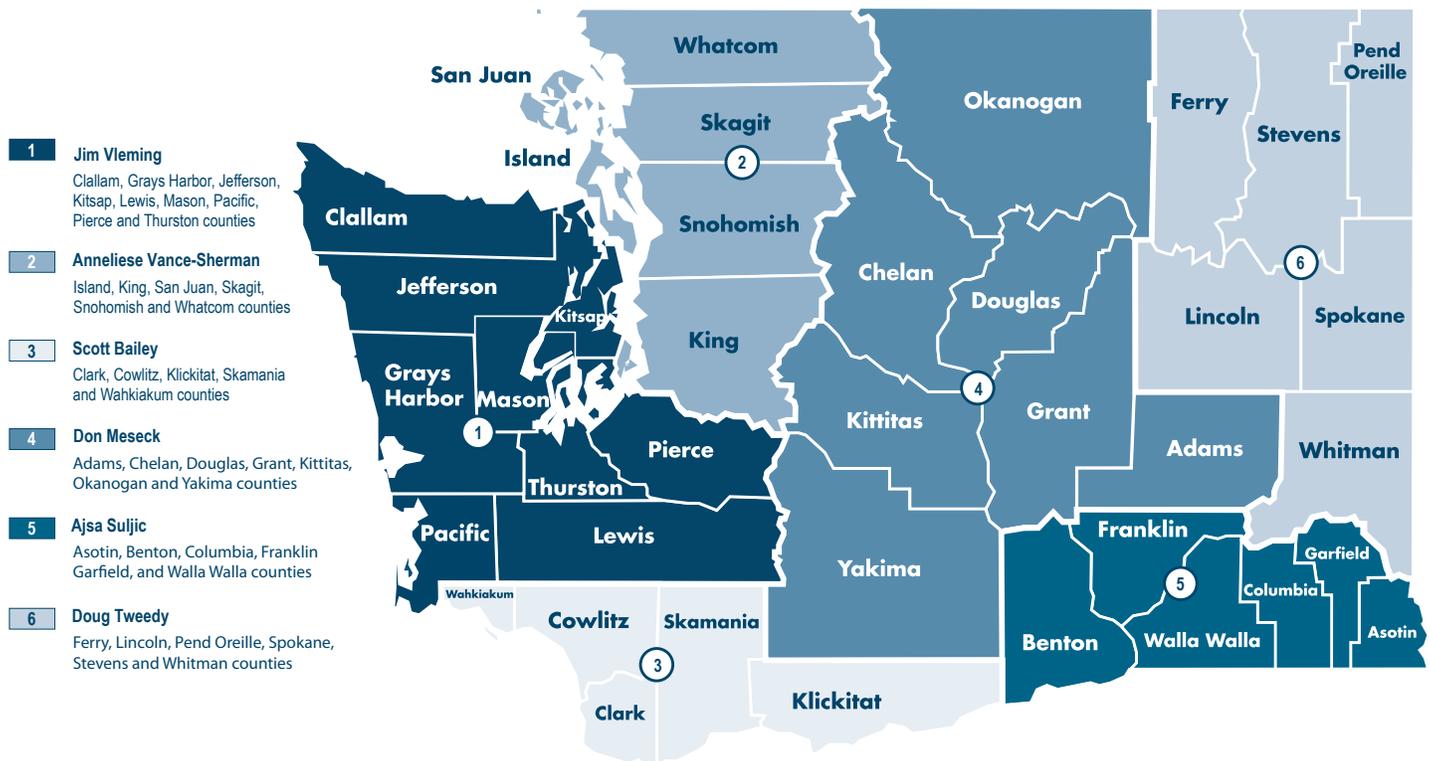
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### Contact an economist online!

## 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., March 29, 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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