

Monthly Employment Report for April 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 11,200 from March 2016 to April 2016.¹ BLS estimates the private sector gained 9,600 jobs during the month and the public sector gained 1,600 jobs.

On a not seasonally adjusted basis, estimates for April 2015 through April 2016 indicate an increase in employment of 102,900 for the state. The private sector added 90,800 jobs while the public sector gained an estimated 12,100 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for April 2016 is 5.8 percent. The revised estimated March 2016 unemployment rate was also at 5.8 percent. The April 2015 unemployment rate was 5.6 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. March's preliminary estimated gain of 9,000 jobs was revised to a gain of 7,800 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, March and April, 2015 and 2016
Source: Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	April 2016 (Preliminary)	March 2016 (Revised)	April 2015 (Revised)	March 2015 (Revised)
United States				
Unemployment rate <i>Seasonally adjusted</i>	5.0%	5.0%	5.4%	5.5%
Washington				
Unemployment rate	5.8%	5.8%	5.6%	5.6%
Resident labor force	3,629,400	3,618,400	3,529,000	3,526,500
Unemployed	211,300	208,200	197,300	198,300
Seattle/Bellevue/Everett				
Unemployment rate	4.8%	4.9%	4.4%	4.4%
Resident labor force	1,608,200	1,608,100	1,574,800	1,573,300
Unemployed	77,700	79,000	69,200	69,400

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 April 2016 was 5.8 percent. The revised estimated March 2016 unemployment rate was at 5.8 percent.

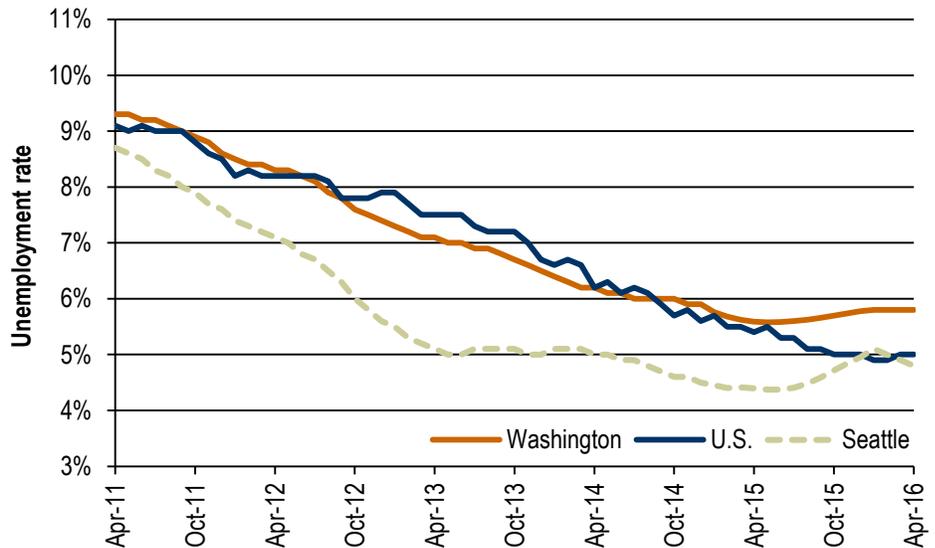
According to BLS estimates, the number of unemployed people rose by 3,100 in April 2016 compared to March 2016. At the same time, the number of employed people rose by an estimated 7,900. Overall, this amounted to an increase of 11,000 people in the labor force.

The preliminary April 2016 unemployment rate is 0.2 percentage points above the April 2015 rate of 5.6 percent.

Unemployment rates, seasonally adjusted

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

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



April 2016 preliminary unemployment rates:

U.S. (preliminary) 5.0%
 Washington (preliminary) 5.8%
 Seattle area (preliminary) 4.8%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 11,200 jobs from March 2016 to April 2016.

Recent employment change
February 2016: up 13,400 jobs (revised)

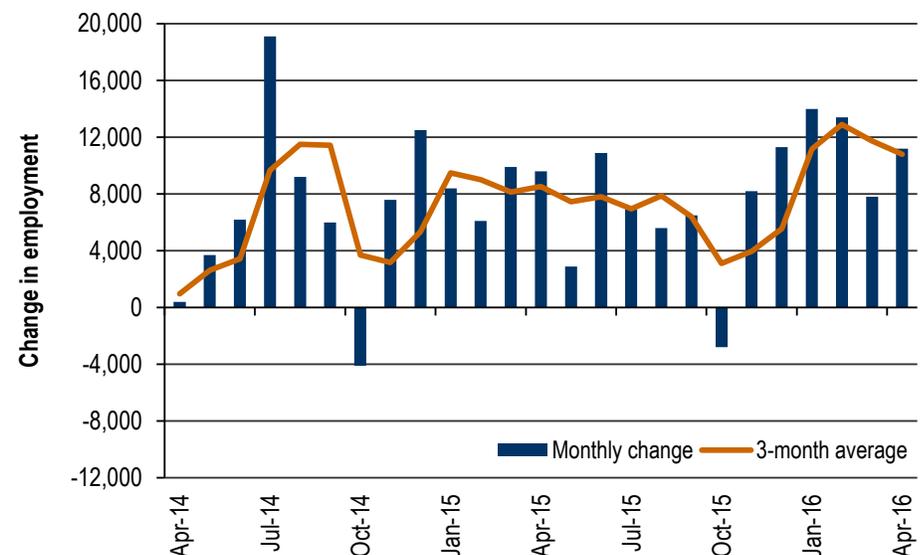
March 2016: up 7,800 jobs (revised)

April 2016: up 11,200 jobs (preliminary)

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

Washington state, April 2014 through April 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: 3,010,100
Unemployment rate: 4.8%

February 2010

(end of recent employment recession in Washington)

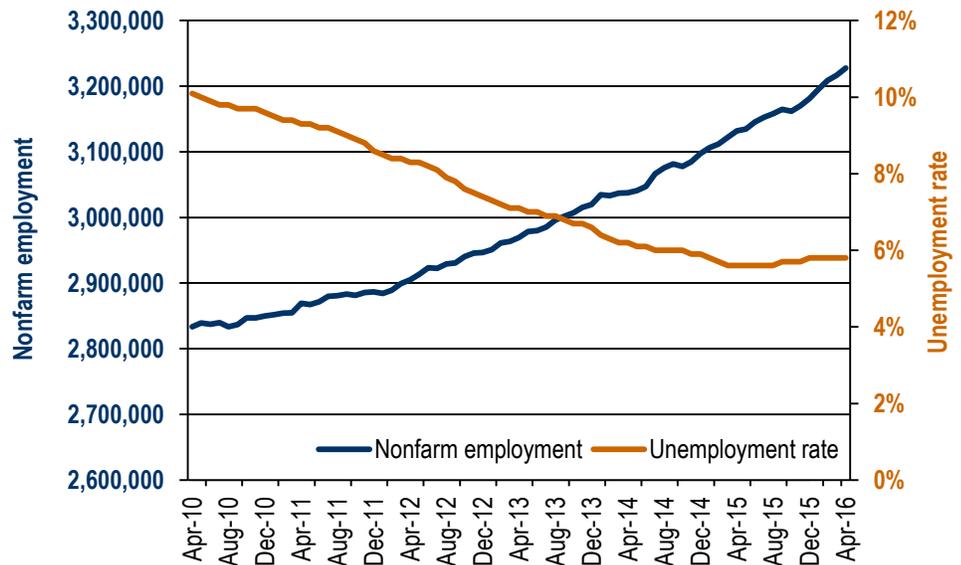
Nonfarm employment: 2,818,400
Unemployment rate: 10.3%

April 2016 (preliminary)

Nonfarm employment: 3,227,800
Unemployment rate: 5.8%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, April 2010 through April 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 11,200 jobs during the month, on a seasonally adjusted basis:

- Overall, eight industries expanded employment in April, two contracted and three were unchanged.
- Private-sector employment is estimated to have increased by 9,600 and government employment increased by 1,600.
- Professional and business services employment rose by 3,300, with 1,600 jobs added in employment services.
- The number of jobs in leisure and hospitality increased by 2,500, with 2,000 of the gain occurring in arts, entertainment and recreation.
- Employment in education and health services increased by 1,500, with hospitals adding 500 jobs.
- Retail trade employment increased by 1,000, led by an increase of 1,100 jobs in food and beverage stores.
- Transportation, warehousing and utilities employment increased by 800 overall, with all of the jobs added in transportation and warehousing.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, March 2016 to April 2016

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

Total nonfarm	11,200
Professional and business services	3,300
Leisure and hospitality	2,500
Government	1,600
Education and health services	1,500
Retail trade	1,000
Transportation, warehousing and utilities	800
Other services	500
Information	500
Manufacturing	0
Wholesale trade	0
Mining and logging	0
Construction	-100
Financial activities	-400

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 103,600 jobs from April 2015 through April 2016:

- Overall, eleven major industries expanded and two declined.
- Private-sector employment rose 3.6 percent, up an estimated 90,800 jobs.
- Public-sector employment increased 2.1 percent, a net gain of 12,100 jobs.
- Professional and business services employment increased by 18,700, led by an 9,400 increase in administrative and support services.
- Employment in the leisure and hospitality industry is up by 14,300, with 9,300 jobs added in food services and drinking places.
- Retailers added 11,400 jobs. Other retail trade, which includes online retail trade, was up by 10,600 jobs.
- Employment in construction is up 11,700 with the number employed as specialty trade contractors up 6,200.
- Education and health services employment increased by 11,200 with 3,600 of the jobs added by hospitals.

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

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

Total nonfarm	102,900
Professional and business services	18,700
Leisure and hospitality	14,300
Government	12,100
Construction	11,700
Retail trade	11,400
Education and health services	11,200
Transportation, warehousing and utilities	6,200
Information	6,100
Other services	5,300
Wholesale trade	4,600
Financial activities	4,200
Mining and logging	-300
Manufacturing	-2,600

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 rises by 17,700 from March to April. This year the state gained an estimated 28,900 jobs, amounting to a seasonally adjusted increase of 11,200 jobs.

- Employment in leisure and hospitality normally rises by 5,100. It is estimated to have increased by 7,600 this April yielding a gain of 2,500 on a seasonally adjusted basis.
- The estimated employment increase in construction was 2,700. The normal seasonal increase is 2,800, so on a seasonally adjusted basis, construction employment fell by 100.

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

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	17,700	28,900	11,200
Leisure and hospitality	5,100	7,600	2,500
Professional and business services	3,800	7,100	3,300
Construction	2,800	2,700	-100
Retail trade	2,700	3,700	1,000
Government	1,900	3,500	1,600
Financial activities	700	300	-400
Other services	400	900	500
Manufacturing	400	400	0
Wholesale trade	200	200	0
Information	100	600	500
Mining and logging	0	0	0
Education and health services	-100	1,400	1,500
Transportation, warehousing and utilities	-300	500	800

- The change on a seasonally adjusted basis was an estimated gain of 1,500 jobs in education and health services in April. The normal seasonal decrease is 100. It is estimated to have increased by 1,400 this April.
- The normal seasonal gain in manufacturing employment is 400 in April. The estimated increase was 400 so employment was unchanged on a seasonally adjusted basis.
- Typically, retail trade employment increases by 2,700 in April. On a seasonally adjusted basis, retail trade employment increased by 1,000 as the estimated increase was 3,700.

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 December 2015. Employment estimates for April 2016 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked December 2015 data:

- The two largest upward revisions were for other services and wholesale trade, up 1,900 and 700, respectively.
- Education and health services had the largest downward revision, 8,000.

Quarterly benchmarked industry employment, seasonally adjusted
Washington state, December 2015

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

Industry sector	Revisions to December 2015 employment level
Total nonfarm	-16,400
Other services	1,900
Wholesale trade	700
Transportation, warehousing and utilities	600
Construction	500
Mining and logging	400
Financial activities	-400
Leisure and hospitality	-1,400
Government	-1,600
Manufacturing	-1,600
Professional and business services	-2,100
Information	-2,400
Retail trade	-3,000
Education and health services	-8,000

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.

Statewide labor economist:

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

Regional labor economists:

Scott Bailey
scott.bailey@esd.wa.gov
360-810-0048

Don Meseck
dmeseck@esd.wa.gov
509-573-4564

Ajsa Suljic
asuljic@esd.wa.gov
509-734-5928

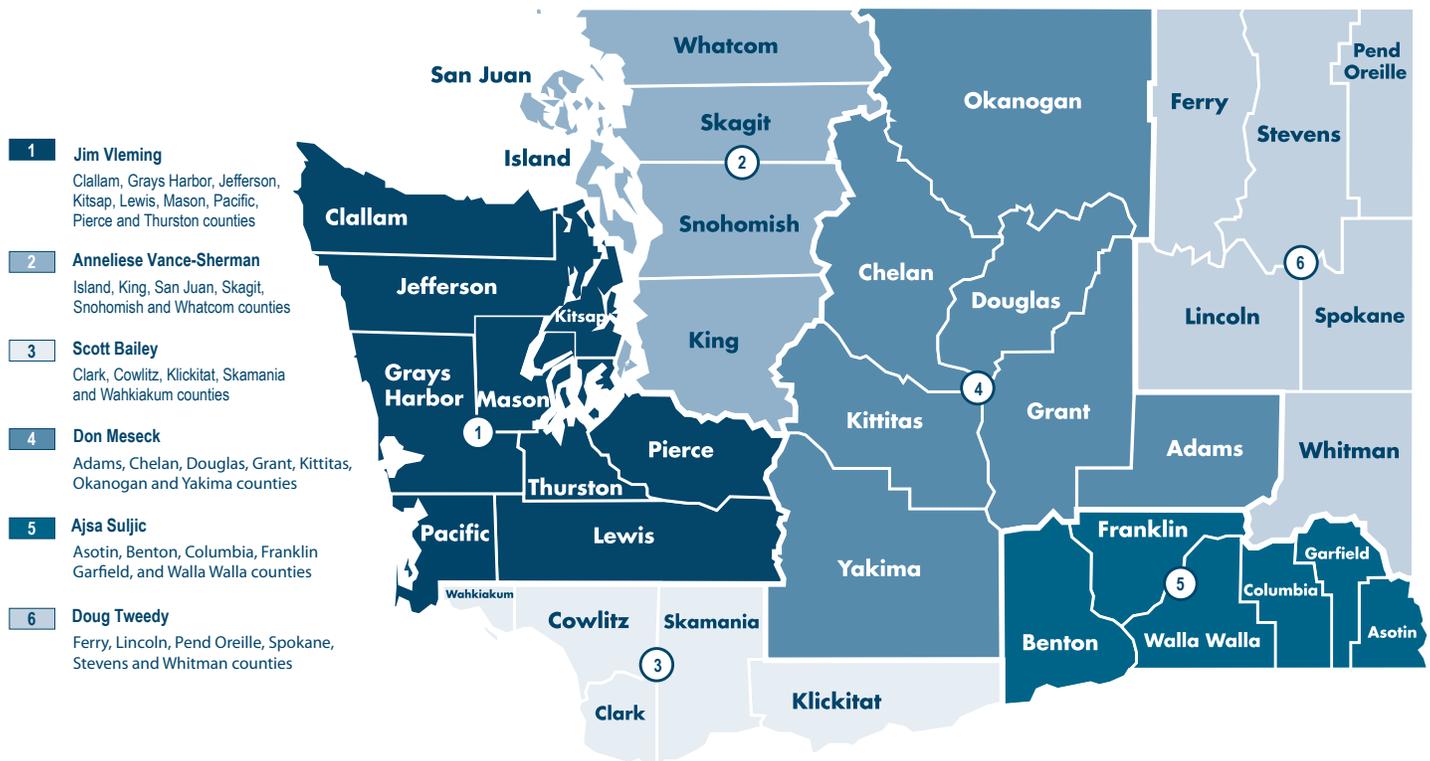
Doug Tweedy
dtweedy@esd.wa.gov
509-532-3188

Anneliese Vance-Sherman, Ph.D.
avancesherman@esd.wa.gov
425-258-6315

Jim Vleming
jvleming@esd.wa.gov
360-570-6945

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., May 24, 2016. The publication schedule for 2016 can be found at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>

The Employment Security Department is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities. Washington Relay Service: 800-833-6384.