

Monthly Employment Report

for October 2011



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

Due to recent changes in the method BLS uses to produce these data, we expect increased volatility in the estimates.

[Online glossary](#)

Preliminary estimates from the federal Bureau of Labor Statistics (BLS) show that from September 2011 to October 2011, Washington state added 4,600 jobs¹ on a seasonally adjusted basis. BLS estimates the private sector fell by 300 jobs over the month and the public sector grew by 4,900 jobs. Washington state has now gained jobs in 12 of the last 13 months.

Based on BLS estimates, from October 2010 to October 2011, Washington job gains totaled 31,900. The private sector added an estimated 40,700 jobs over the year and the public sector lost an estimated 8,800 jobs.

Washington's preliminary seasonally adjusted unemployment rate for October 2011 fell to 9 percent. The preliminary September unemployment rate of 9.1 percent was revised up to 9.2 percent. The October 2010 rate was 9.4 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision.

September 2011 jobs revisions: September's preliminary loss of 18,400 jobs was revised to a loss of 10,700 jobs. The biggest positive revisions came from state government education (2,000 jobs higher) and the food services and drinking places industry (1,600 jobs higher). The biggest downward revision occurred in the other food manufacturing industry, down 900 jobs.

For more information, call Dave Wallace at 360-407-4577.

Resident civilian labor force and unemployment, seasonally adjusted

The resident civilian labor force is the total number of people in the work force, 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.

| | October 2011 (Preliminary) | September 2011 (Revised) | October 2010 (Revised) | September 2010 (Revised) |
|---------------------------------|----------------------------------|--------------------------------|------------------------------|--------------------------------|
| United States | | | | |
| Unemployment Rate | 9.0% | 9.1% | 9.7% | 9.6% |
| Washington | | | | |
| Unemployment Rate | 9.0% | 9.2% | 9.4% | 9.4% |
| Resident Labor Force | 3,483,400 | 3,472,900 | 3,527,200 | 3,525,900 |
| Unemployed | 314,700 | 318,800 | 330,400 | 331,400 |
| Seattle/Bellevue/Everett | | | | |
| Unemployment Rate | 8.4% | 8.6% | 9.1% | 9.1% |
| Resident Labor Force | 1,504,200 | 1,493,300 | 1,493,300 | 1,492,400 |
| Unemployed | 126,800 | 128,900 | 136,300 | 135,800 |

**Washington State
Employment Security Department**

Labor Market and Economic Analysis

November 2011



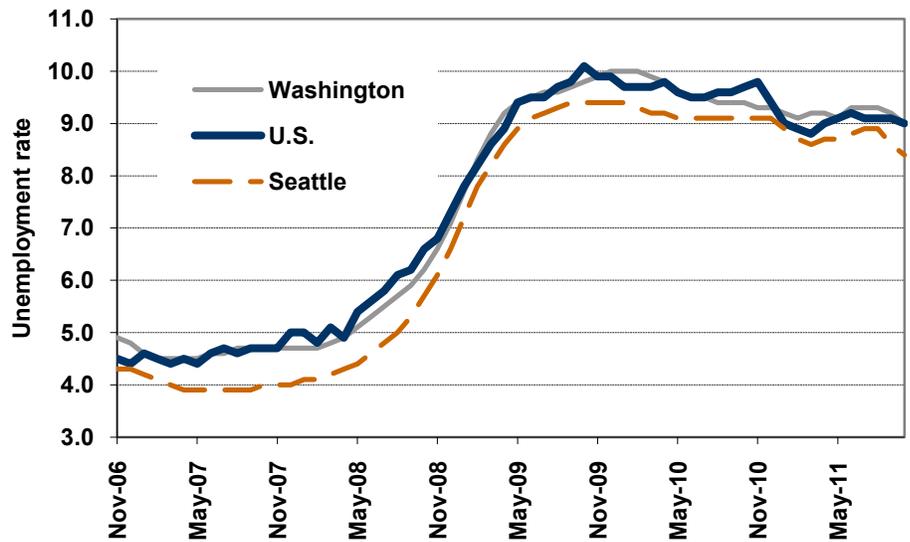
Unemployment, seasonally adjusted

Based on a BLS/U.S. Census Bureau survey of households, Washington's preliminary seasonally adjusted unemployment rate for October 2011 fell to 9 percent. The preliminary September unemployment rate of 9.1 was revised up to 9.2 percent.

The BLS estimates the number of jobless people who were actively seeking work decreased by 4,100. At the same time, the number of employed workers rose by an estimated 14,600. Combined, these two factors led to a 0.2 percent decrease in the preliminary unemployment rate.

The preliminary October 2011 unemployment rate is 0.4 percent below the October 2010 rate of 9.4 percent.

U.S., Washington and Seattle unemployment rates, Seasonally adjusted
November 2006 through October 2011
Source: Bureau of Labor Statistics



October 2011 preliminary unemployment rates:

U.S. (preliminary): 9.0%
Washington (preliminary): 9.0%
Seattle area (preliminary): 8.4%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state added 4,600 jobs from September 2011 to October 2011 and added 31,900 jobs from October 2010 to October 2011.

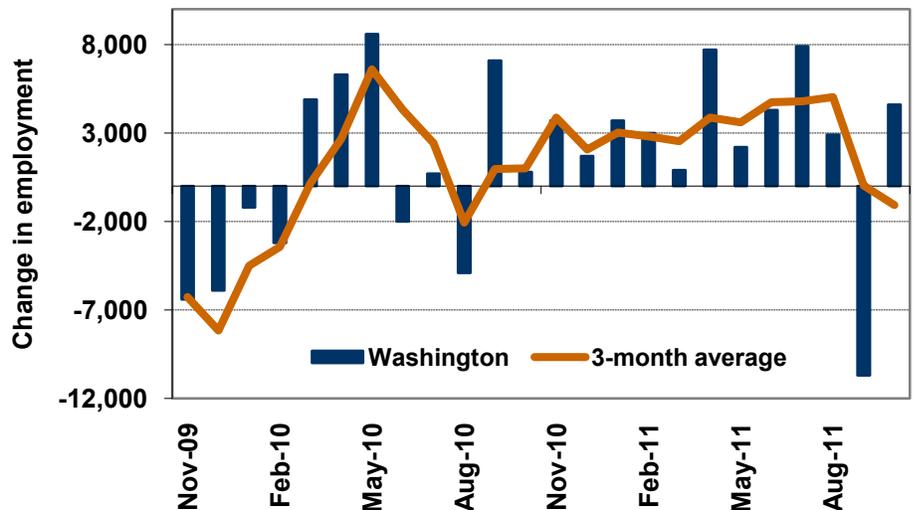
Recent employment change:

August 2011: Up 2,900 jobs (revised)

September 2011: Down 10,700 jobs (revised)

October 2011: Up 4,600 jobs (preliminary)

Monthly employment change and three-month moving average
Seasonally adjusted
Washington state, November 2009 through October 2011
Source: Bureau of Labor Statistics



Industry employment in Washington, seasonally adjusted

Estimated over-the-month employment change
by industry, seasonally adjusted
Washington state, September 2011 to October 2011
Source: Bureau of Labor Statistics

| | |
|--|--------------|
| Total nonfarm | 4,600 |
| Government | 4,900 |
| Wholesale trade | 3,100 |
| Education and health services | 2,600 |
| Leisure and hospitality | 2,100 |
| Manufacturing | 1,500 |
| <i>Aerospace product and parts manufacturing</i> | 400 |
| Construction | 100 |
| Information | 100 |
| Mining and logging | -100 |
| Other services | -200 |
| Financial activities | -400 |
| Retail trade | -1,000 |
| Transportation, warehousing and utilities | -1,100 |
| Professional and business services | -7,000 |

Based on a BLS survey of businesses, Washington state added an estimated 4,600 jobs over the month on a seasonally adjusted basis:

- Overall, seven sectors expanded in October, while six contracted.
- Government rebounded to add an estimated 4,900 jobs while the private sector was down by an estimated 300 jobs.
- After government, wholesale trade added more jobs than any other sector, up an estimated 3,100. Education and health services (up an estimated 2,600 jobs), leisure and hospitality (up an estimated 2,100 jobs), and manufacturing (up an estimated 1,500 jobs) all had substantial monthly gains.
- Professional and business services lost an estimated 7,000 jobs over the month, more than any other sector. The transportation, warehousing and utilities sector lost an estimated 1,100 jobs and the retail sector lost an estimated 1,000 jobs.
- Gains in the leisure and hospitality sector came from accommodation (up an estimated 1,200 jobs) and food services and drinking places (up an estimated 2,900 jobs). This is a strong reversal from last month when the food services and drinking places industry lost a nearly equal amount of jobs.
- A large share of the losses in the professional and business services sector came from the employment services industry. This industry lost an estimated 2,600 jobs in October and is down about 15 percent since June 2011.
- The specialty trade contractors industry lost an estimated 1,000 jobs in October after losing 1,100 jobs in September.

Industry employment in Washington, seasonally adjusted, continued

Based on a BLS survey of businesses, Washington state added an estimated 31,900 jobs over the year on a seasonally adjusted basis:

- Overall, eight sectors grew and five sectors contracted.
- Private-sector employment grew by 1.8 percent, adding an estimated 40,700 jobs.
- Job growth was somewhat higher among goods-producing industries (up 3.5 percent) than among service-providing industries (up 0.7 percent). Excluding government, private sector services had an annual growth rate of 1.4 percent – still less than that of goods producers.
- Manufacturing led all sectors in annual job growth, adding an estimated 14,900 jobs. The aerospace industry accounted for 8,100 of those jobs.
- Education and health services (up an estimated 7,100 jobs), wholesale trade (up an estimated 6,800 jobs), and leisure and hospitality (up an estimated 6,500 jobs) all had strong growth over the past 12 months.
- Over half of the estimated 8,800 public-sector jobs lost over the year were at the state level (down an estimated 5,400 jobs). Federal government added an estimated 400 jobs and local government was down an estimated 3,800 jobs over the year.
- Of the estimated 2,500 jobs lost in the financial activities sector over the year, 1,600 were in the credit intermediation and related activities industry, which is made up of institutions that make loans, such as banks.

Estimated over-the-year employment change by industry, seasonally adjusted
Washington state, October 2010 to October 2011
Source: Bureau of Labor Statistics

| | |
|--|---------------|
| Total nonfarm | 31,900 |
| Manufacturing | 14,900 |
| <i>Aerospace product and parts manufacturing</i> | 8,100 |
| Education and health services | 7,100 |
| Wholesale trade | 6,800 |
| Leisure and hospitality | 6,500 |
| Retail trade | 4,900 |
| Professional and business services | 2,700 |
| Transportation, warehousing and utilities | 800 |
| Information | 500 |
| Mining and logging | -100 |
| Other services | -400 |
| Construction | -500 |
| Financial activities | -2,500 |
| Government | -8,800 |

Seasonally adjusted employment

Normal, estimated and seasonally adjusted employment
Washington state, October 2011
Source: Bureau of Labor Statistics

| Industry sector | Normal seasonal change | Actual change | Seasonally adjusted change |
|---|------------------------|---------------|----------------------------|
| Total nonfarm | 16,100 | 20,700 | 4,600 |
| Total private | -4,800 | -5,100 | -300 |
| Government | 20,900 | 25,800 | 4,900 |
| Wholesale trade | 1,300 | 4,400 | 3,100 |
| Education and health services | 6,100 | 8,700 | 2,600 |
| Leisure and hospitality | -10,800 | -8,700 | 2,100 |
| Manufacturing | -1,500 | 0 | 1,500 |
| Information | -600 | -500 | 100 |
| Construction | -400 | -300 | 100 |
| Mining and logging | -100 | -200 | -100 |
| Other services | -300 | -500 | -200 |
| Financial activities | -500 | -900 | -400 |
| Retail trade | 1,900 | 900 | -1,000 |
| Transportation, warehousing and utilities | -100 | -1,200 | -1,100 |
| Professional and business services | 0 | -7,000 | -7,000 |

Based on historical patterns, Washington state typically gains 16,100 jobs between September and October. This year, an estimated 20,700 jobs were added, amounting to a seasonally adjusted growth of 4,600 jobs.

- Government usually adds 20,900 jobs in October. This year the gain in government was estimated at 25,800 jobs, amounting to an increase of 4,900 jobs on a seasonally adjusted basis.
- Leisure and hospitality usually suffers large seasonal declines in October – on average 10,800 jobs. Since the sector lost only an estimated 8,700 jobs in October, the result is a seasonally adjusted increase of 2,100 jobs.
- The professional and business services sector typically shows no changes in October. This year, the sector declined by an estimated 7,000 jobs in October.
- Education and health services on average gains 6,100 jobs in October. The sector grew by an estimated 8,700 jobs for a seasonally adjusted gain of 2,600 jobs.

Seasonally adjusted numbers account for normal seasonal patterns that occur year after year, such as strong seasonal hiring in retail trade around the holidays. Smoothing out the large, regular fluctuations makes it possible to see unusual changes in unemployment 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 taking into account the normal seasonal movement.

Total agricultural employment summary

Over the month statewide, agricultural employment increased 2.1 percent.

Over the year statewide, agricultural employment increased 8.4 percent, led by an 8.7 percent increase in apple employment.

Over the year regionally, five areas had increases in total agricultural employment and one area had an employment decrease. The largest increase (4,540 jobs) was in the South Central reporting area. The only decrease was in the Western reporting area.

Agricultural employment estimates are developed by the Labor Market and Economic Analysis branch of the Employment Security Department. Estimates are based on a monthly survey of agricultural producers conducted by Employment Security.

For agricultural reporting, we divide the state into six areas based on geography and types of agricultural activity. [View a map of Washington's agricultural reporting areas.](#)

Total agricultural employment Washington state, October 2011 Source: Employment Security Department/LMEA

| | Oct. 2011 (Prel.) | Sept. 2011 (Rev.) | Oct. 2011 (Rev.) | Change | | Percent change | |
|----------------|----------------------|----------------------|---------------------|-----------------------|----------------------|-----------------------|----------------------|
| | | | | Sept. 11 - Oct. 11 | Oct. 10 - Oct. 11 | Sept. 11 - Oct. 11 | Oct. 10 - Oct. 11 |
| State | 111,560 | 109,240 | 102,950 | 2,340 | 8,620 | 2.1% | 8.4% |
| Western | 10,560 | 11,540 | 10,770 | -980 | -200 | -8.5% | -1.9% |
| South Central | 38,320 | 36,620 | 33,780 | 1,700 | 4,540 | 4.6% | 13.4% |
| North Central | 27,150 | 25,620 | 24,660 | 1,540 | 2,500 | 6.0% | 10.1% |
| Columbia Basin | 15,830 | 14,710 | 14,290 | 1,130 | 1,540 | 7.7% | 10.8% |
| South Eastern | 18,060 | 18,830 | 17,820 | -770 | 230 | -4.1% | 1.3% |
| Eastern | 1,640 | 1,920 | 1,630 | -280 | 10 | -14.6% | 0.6% |

Totals may not add due to rounding. We report only agricultural employment covered by unemployment insurance, not adjusted for multiple jobholders.

Benchmarking highlights

Quarterly benchmarked industry employment
Washington state, June 2011

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

| Industry sector | Revisions to June 2011 employment level |
|---|--|
| Total nonfarm | 1,700 |
| Wholesale trade | 1,900 |
| Manufacturing | 1,500 |
| Leisure and hospitality | 1,400 |
| Retail trade | 1,100 |
| Other services | 400 |
| Financial activities | 200 |
| Government | 0 |
| Mining and logging | -100 |
| Construction | -700 |
| Information | -700 |
| Professional and business services | -800 |
| Transportation, warehousing and utilities | -1,200 |
| Education and health services | -1,300 |

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. Then, at the end of each quarter, economists benchmark the estimates by replacing them with data from employer tax records.

Benchmarked employment data are now available for the quarter ending June 2011. Employment estimates for October 2011 presented in this report were based on these new data.

Based on benchmarked June 2011 data:

- The overall employment level at the end June 2011 was 1,700 higher than initially estimated.
- Wholesale trade had the largest upward revision (up 1,900 jobs), followed by manufacturing (up 1,500 jobs), leisure and hospitality (up 1,400 jobs), retail trade (up 1,100 jobs), other services (up 400 jobs) and financial activities (up 200 jobs).
- The sector with the largest downward revision in jobs was education and health services, down 1,300 jobs from earlier estimates.
- Other down sectors were transportation, warehousing, and utilities (down 1,200 jobs), professional and business services (down 800 jobs), information (down 700 jobs), construction (down 700 jobs) and mining and logging (down 100 jobs).

Each time employment estimates are benchmarked, estimates for subsequent months are recalculated. Based on benchmarked June 2011 data, employment estimates for July, August and September have been recalculated.

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¹ Most of the employment numbers discussed in this report refer 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.

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., Nov. 22, 2011. The publication schedule for 2011 can be found at:

<https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>.

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