

Monthly Employment Report

for May 2012



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

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

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 that Washington added 11,700 jobs from April to May 2012. BLS estimates the private sector added 14,300 jobs over the month and the public sector lost 2,600 jobs.

BLS estimates from May 2011 to May 2012 show a total job gain of 53,400 for the state. Over the year, the private sector added an estimated 59,400 jobs while the public sector lost an estimated 6,000 jobs.

Washington's preliminary seasonally adjusted unemployment rate for May 2012 rose slightly to 8.3 percent. The preliminary April 2012 unemployment rate of 8.1 percent was revised upward to 8.2 percent. The May 2011 rate was 9.3 percent.

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

April 2012 jobs revisions: April's preliminary loss of 300 jobs was revised upward to a gain of 2,300 jobs. Sectors with the biggest positive revisions were: government (1,200 jobs higher), transportation, warehousing and utilities (900 jobs higher), professional and business services (800 jobs higher), and education and health services (400 jobs higher). Sectors with the largest downward revisions were manufacturing and other services (both were revised downward by 500 jobs).

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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.

	May 2012 (Preliminary)	April 2012 (Revised)	May 2011 (Revised)	April 2011 (Revised)
United States				
Unemployment rate	8.2%	8.1%	9.0%	9.0%
Washington				
Unemployment rate	8.3%	8.2%	9.3%	9.3%
Resident labor force	3,521,300	3,512,600	3,480,000	3,483,700
Unemployed	292,600	286,900	324,400	325,200
Seattle/Bellevue/Everett				
Unemployment rate	7.1%	7.1%	8.6%	8.6%
Resident labor force	1,499,000	1,492,600	1,485,000	1,483,500
Unemployed	107,100	106,500	127,600	128,000

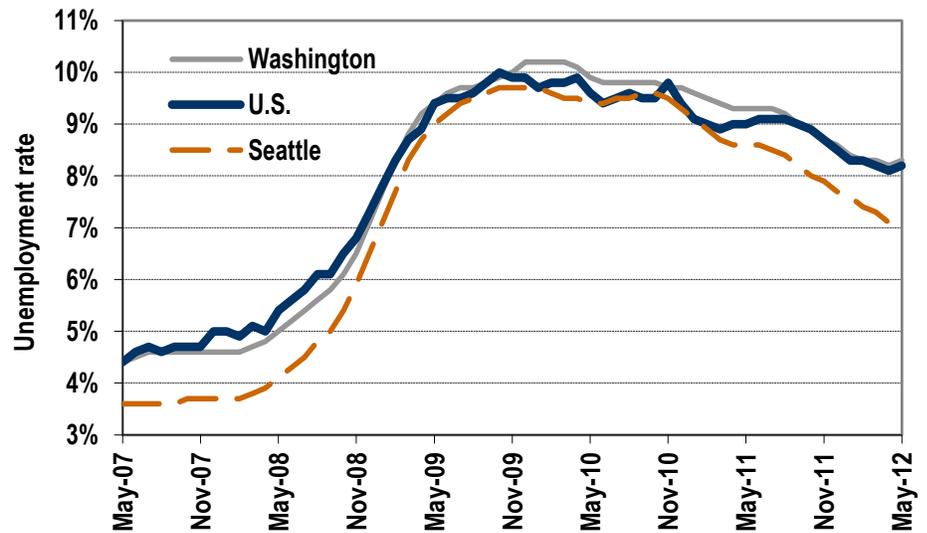
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for May 2012 was 8.3 percent. The preliminary April unemployment rate of 8.1 percent was revised up slightly to 8.2 percent.

According to BLS estimates, the number of jobless people who were actively seeking work increased by about 5,700. At the same time, the number of employed workers rose by an estimated 3,000. Overall, this amounted to an increase of 8,700 people in the labor force.

The preliminary May 2012 unemployment rate is 1 percentage point below the May 2011 rate of 9.3 percent.

U.S., Washington and Seattle unemployment rates, seasonally adjusted
May 2007 through May 2012
Source: U.S. Bureau of Labor Statistics



May 2012 preliminary unemployment rates:

U.S. (preliminary): 8.2%
Washington (preliminary): 8.3%
Seattle area (preliminary): 7.1%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state gained 11,700 jobs from April 2012 to May 2012 and added 53,400 jobs from May 2011 to May 2012.

Recent employment change

March 2012:

Up 4,900 jobs (revised)

April 2012:

Up 2,300 jobs (revised)

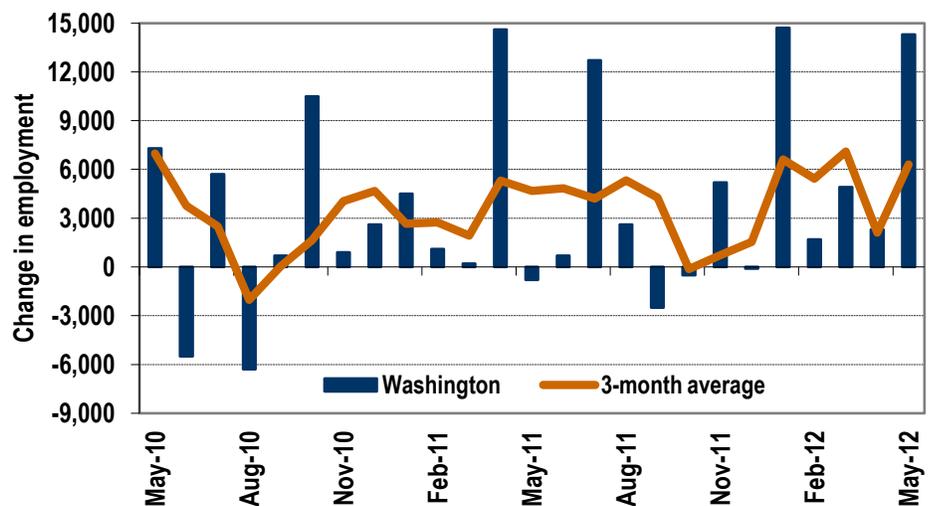
May 2012:

Up 11,700 jobs (preliminary)

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

Washington state, May 2010 through May 2012

Source: Employment Security Dept./LMEA; U.S. Bureau of Labor Statistics



Employment and the unemployment since the start of the recession, seasonally adjusted

February 2008 (start of recent employment recession in Washington state):

Nonfarm employment: 2,976,200
Unemployment rate: 4.6%

February 2010 (end of recent employment recession in Washington state):

Nonfarm employment: 2,770,100
Unemployment rate: 10.2%

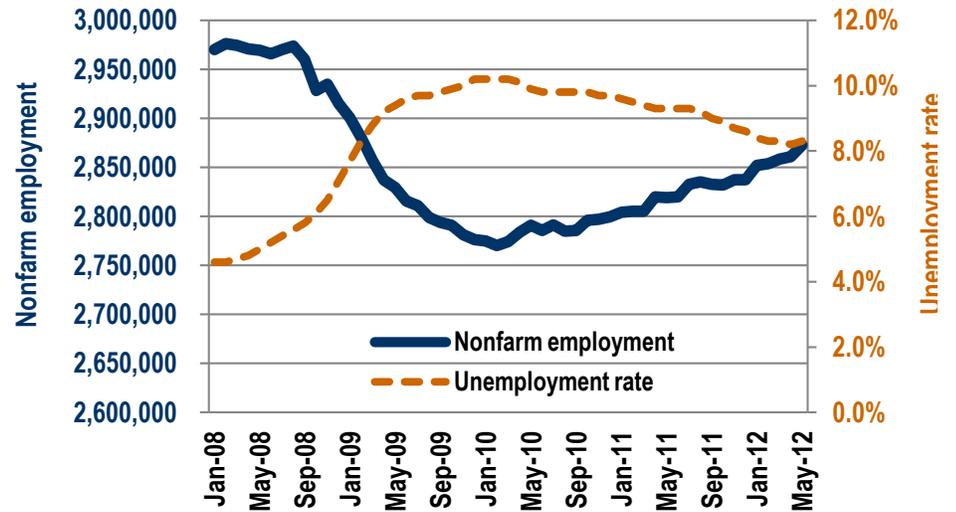
May 2012 (preliminary):

Nonfarm employment: 2,872,600
Unemployment rate: 8.3%

Nonfarm employment and unemployment since the start of the recession, seasonally adjusted

Washington state, January 2008 through May 2012

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, Washington gained an estimated 11,700 jobs over the month, on a seasonally adjusted basis:

- Overall, nine sectors expanded in May, while three contracted and one remained flat.
- The private sector was up an estimated 14,300 jobs while government fell by an estimated 2,600 jobs.
- Washington's workforce in professional and business services expanded more than any other sector in May, gaining an estimated 5,400 jobs. Most job gains were in employment services, up 2,800.
- The transportation, warehousing and utilities sector added an estimated 2,600 jobs.
- Wholesale trade expanded by an estimated 1,900 jobs in May.
- Manufacturing grew by an estimated 1,400 jobs over the month. The manufacturing industry exhibiting the strongest monthly growth was in transportation equipment, up 500 jobs.
- The construction industry added 1,200 jobs over the month. Jobs were added in the construction of buildings subsector (1,600). Specialty trade contractors shed 300 jobs, and heavy and civil engineering shed 100 jobs.
- Government lost more jobs than any sector, down an estimated 2,600. Federal government accounted for the largest portion of that loss (1,100 jobs).

Estimated one-month employment change by industry, seasonally adjusted
Washington state, April 2012 to May 2012
Source: U.S. Bureau of Labor Statistics

Total nonfarm	11,700
Professional and business services	5,400
Transportation, warehousing and utilities	2,600
Wholesale trade	1,900
Manufacturing	1,400
Construction	1,200
Financial activities	1,000
Retail trade	400
Education and health services	400
Other services	300
Mining and logging	0
Information	-100
Leisure and hospitality	-200
Government	-2,600

Industry employment in Washington, seasonally adjusted, continued

Year-over-year employment change by industry

Based on a BLS survey of businesses, Washington added an estimated 53,400 jobs over the year on a seasonally adjusted basis:

- Overall, 10 sectors grew, two sectors contracted and one had no change.
- Private-sector employment grew by 2.6 percent, adding an estimated 59,400 jobs while public-sector employment declined by an estimated 6,000 jobs.
- Trade transportation and utilities led all sectors in annual job growth, adding an estimated 18,800 jobs. More than half of the job growth in this sector was attributed to retail trade, which added 9,800 jobs. The bulk of these jobs was from general merchandise stores (3,600 jobs) and other retail—a catch-all category (4,900 jobs). Wholesale trade and transportation and warehousing also experienced substantial year-over-year job gains (5,600 and 3,400 jobs, respectively).
- Professional and business services added an estimated 13,400 jobs over the year. Administrative and support services contributed the most job creation (9,800 jobs).
- Manufacturing grew by 12,000 jobs, or 4.5 percent over the year. The aerospace industry accounted for 8,100 of those jobs.
- Other sectors with strong growth were education and health services (up 5,600 jobs) and leisure and hospitality (up an estimated 5,500 jobs).
- Government continues to lead all sectors in annual job losses, down 6,000. State and local government each shed 2,400 jobs over the year, and federal government was down 1,200 jobs.

Estimated year-over-year employment change by industry, seasonally adjusted

Washington state, May 2011 to May 2012

Source: U.S. Bureau of Labor Statistics

Total nonfarm	53,400
Professional and business services	13,400
Manufacturing	12,000
<i>Aerospace product and parts manufacturing</i>	8,100
Retail trade	9,800
Wholesale trade	5,600
Education and health services	5,600
Leisure and hospitality	5,500
Transportation, warehousing and utilities	3,400
Construction	3,100
Financial activities	1,100
Other services	500
Mining and logging	0
Information	-600
Government	-6,000

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 taking into account the normal seasonal movement.

Normal, estimated and seasonally adjusted employment
Washington state, May 2012
Source: U.S. Bureau of Labor Statistics

Industry sector	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	18,400	30,100	11,700
Total private	15,800	30,100	14,300
Leisure and hospitality	5,500	5,300	-200
Construction	3,200	4,400	1,200
Retail trade	2,900	3,300	400
Government	2,600	0	-2,600
Wholesale trade	800	2,700	1,900
Transportation, warehousing and utilities	700	3,300	2,600
Other services	700	1,000	300
Manufacturing	600	2,000	1,400
Information	500	400	-100
Education and health services	400	800	400
Mining and logging	300	300	0
Financial activities	200	1,200	1,000
Professional and business services	0	5,400	5,400

Based on historical patterns, Washington typically gains 18,400 jobs from April to May. This year, an estimated 30,100 jobs were gained, amounting to a seasonally adjusted increase of 11,700 jobs.

- The leisure and hospitality sector typically adds the most jobs in May, 5,500 jobs. This May, the sector saw an estimated gain of 5,300 jobs, amounting to a seasonally adjusted loss of 200 jobs.
- Professional and business services typically experience no growth in May. The unadjusted job loss for this diverse sector was 5,400, meaning there was a seasonally adjusted job gain of 5,400. This sector experienced the largest departure from expected seasonal growth in May.
- The government sector and the transportation, warehousing and utilities sector also experienced larger-than-expected change over the month. Government employment normally expands by 2,600 jobs in May. However, this year the sector experienced no growth in May. By contrast, transportation, warehousing and utilities expanded by an estimated 2,600 jobs, on a seasonally adjusted basis.

Total agricultural employment summary, not seasonally adjusted

Statewide from April to May, agricultural employment increased 0.9 percent.

Year-over year statewide, agricultural employment increased 8.1 percent.

Regionally over the past year, all six areas had increases in total agricultural employment. The largest increase (1,780 jobs) was in the South Central 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 at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/industry-reports/agricultural-employment-and-wage-report/map-of-washingtons-agricultural-areas>.

Total agricultural employment Washington state, May 2012 Source: Employment Security Department/LMEA

	May 2012 Preliminary	Apr. 2012 Revised	May 2011 Revised	Change		Percent change	
				Apr. 11 - May 12	May 11 - May 12	Apr. 11 - May 12	May 11 - May 12
Statewide	71,470	70,810	66,120	660	5,350	0.9%	8.1%
Western	10,640	10,470	9,910	160	730	1.5%	7.4%
South Central	23,100	22,010	21,320	1,090	1,780	5.0%	8.3%
North Central	13,710	14,870	12,580	-1,160	1,130	-7.8%	9.0%
Columbia Basin	9,750	10,190	9,050	-440	700	-4.3%	7.7%
South Eastern	12,730	11,820	11,830	910	900	7.7%	7.6%
Eastern	1,540	1,450	1,430	100	110	6.9%	7.7%

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

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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., June 19, 2012. The publication schedule for 2012 can be found at:

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

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