

Monthly Employment Report

for August 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 nonfarm employment in Washington fell by 1,100 jobs from July 2012 to August 2012. BLS estimates the private sector declined by 1,400 over the month and the public sector gained 300 jobs.

BLS estimates from August 2011 to August 2012 show a total job gain of 52,700 for the state. Over the year, the private sector added an estimated 57,700 jobs, while the public sector lost an estimated 5,000 jobs.

Washington's preliminary seasonally adjusted unemployment rate for August 2012 rose to 8.6 percent. The estimated July 2012 unemployment rate of 8.5 percent was unchanged. The August 2011 unemployment rate was 9.2 percent.

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

August 2012 jobs revisions: July's preliminary estimated gain of 5,000 jobs was revised to a gain of 5,900 jobs. Sectors with the biggest positive revisions were: government (1,300 jobs higher), professional and business services (700 jobs higher) and construction (300 jobs higher). Sectors with the largest downward revisions were education and health services (700 jobs lower) and other services (500 jobs lower).

For more information, call Joe Elling at 360-407-4531.

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.

	August 2012 (Preliminary)	July 2012 (Revised)	August 2011 (Revised)	July 2011 (Revised)
United States				
Unemployment rate	8.1%	8.3%	9.1%	9.1%
Washington				
Unemployment rate	8.6%	8.5%	9.2%	9.3%
Resident labor force	3,497,100	3,517,900	3,479,700	3,477,300
Unemployed	301,700	298,800	319,600	322,600
Seattle/Bellevue/Everett				
Unemployment rate	7.7%	7.5%	8.4%	8.5%
Resident labor force	1,506,400	1,510,300	1,494,500	1,491,000
Unemployed	116,700	113,100	124,900	126,600

**Washington State
Employment Security Department**

Labor Market and Economic Analysis

September 2012



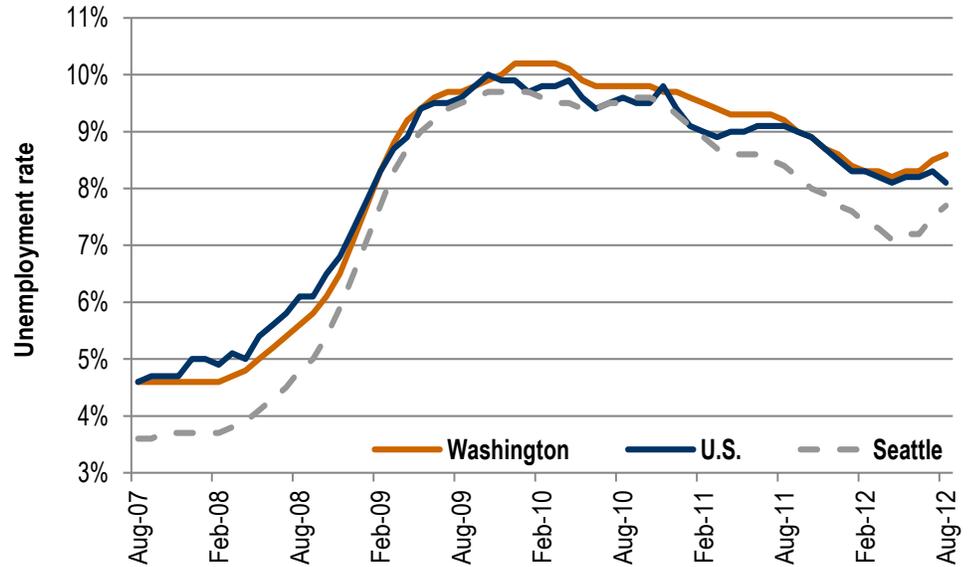
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for August 2012 was 8.6 percent. The preliminary July unemployment rate of 8.5 percent was unchanged.

According to BLS estimates, the number of jobless people who were actively seeking work increased by about 2,900. At the same time, the number of employed workers fell an estimated 23,600. Overall, this amounted to a decrease of 20,800 people in the labor force.

The preliminary August 2012 unemployment rate is 0.6 percentage point below the August 2011 rate of 9.2 percent.

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



August 2012 preliminary unemployment rates:

U.S. (preliminary) 8.1%
Washington (preliminary) 8.6%
Seattle area (preliminary) 7.7%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state lost 1,100 jobs from July 2012 to August 2012 and gained 52,700 jobs from August 2011 to August 2012.

Recent employment change

June 2012:

Up 12,200 jobs (revised)

July 2012:

Up 5,900 jobs (revised)

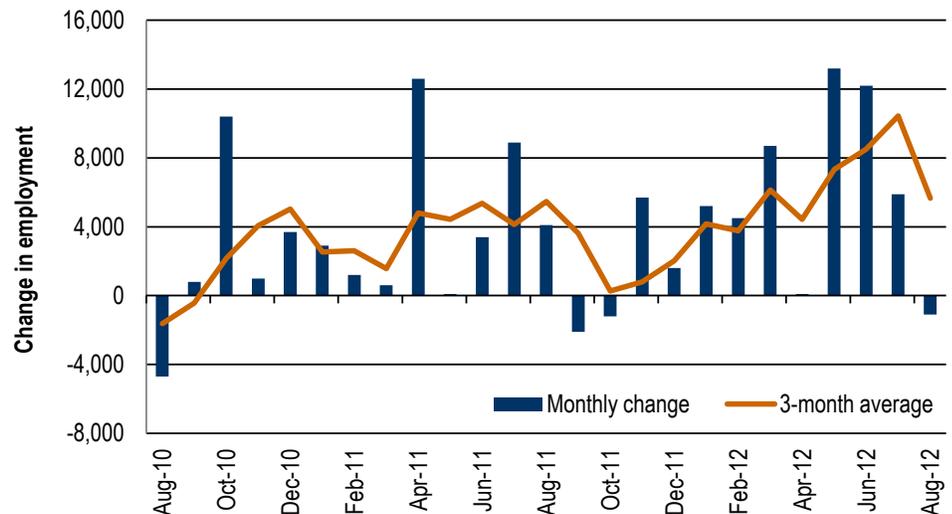
August 2012:

Down 1,100 jobs (preliminary)

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

Washington state, August 2010 through August 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)

Nonfarm employment: 2,976,000
Unemployment rate: 4.6%

February 2010 (end of recent employment recession in Washington)

Nonfarm employment: 2,770,300
Unemployment rate: 10.2%

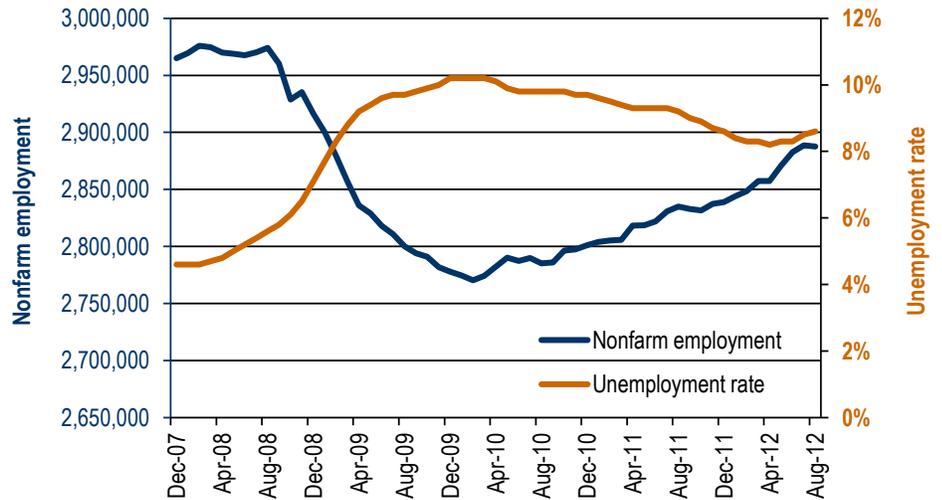
August 2012 (preliminary)

Nonfarm employment: 2,887,600
Unemployment rate: 8.6%

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

Washington state, December 2007 through August 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 lost an estimated 1,100 jobs over the month, on a seasonally adjusted basis:

- Overall, seven sectors expanded in August, while six contracted.
- Private-sector employment is estimated to have fallen by 1,400, while government employment rose by an estimated 300 jobs.
- The manufacturing sector added an estimated 1,500 jobs. Aerospace product and parts manufacturing accounted for 700 of the increase.
- Retail trade employment declined by an estimated 1,600 jobs in August. The largest decline within retail trade came from general merchandise stores.
- Wholesale trade employment fell by 2,600 jobs over the month. Merchant wholesaler employment in nondurable goods declined by 900 jobs, 800 among durable goods wholesalers and 900 in the electronic markets and agents and brokers segment.
- Education and health services employment increased by 500. The number of education-based jobs was up 400 while health services jobs increased by 100.
- State government dropped by an estimated 1,000 jobs over the month. Local government employment declined by 300, while federal government employment increased by 1,800.

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

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

Industry employment in Washington, seasonally adjusted, continued

Year-over-year change by industry

Based on a BLS survey of businesses, Washington added an estimated 52,700 jobs over the year:

- Overall, 11 sectors grew, one sector contracted and another was unchanged.
- Private-sector employment rose 2.5 percent, up an estimated 57,700 jobs.
- Public-sector employment fell 0.9 percent, a loss of 5,000 jobs.
- Professional and business services added an estimated 11,500 jobs over the year. Within the sector, administrative and support services grew by 8,600 jobs over the year, computer systems design and related services by 1,100 jobs, and accounting and bookkeeping services by 1,900 jobs.
- Manufacturing employment grew by an estimated 14,000 jobs over the year. Durable goods manufacturers added 11,200 jobs with 8,000 of the increase in aerospace product and parts manufacturing. Nondurable goods manufacturers added 2,800 jobs.
- Retail trade grew by an estimated 5,400 jobs. Other retail trade contributed 5,300 jobs to the increase.
- Total government employment fell 5,000 over the year. Local governments cut 3,300 jobs, state government employment was down 700 and federal government fell 1,000.

Estimated year-over-year employment change by industry, seasonally adjusted
Washington state, August 2011 to August 2012
Source: U.S. Bureau of Labor Statistics

Total nonfarm	52,700
Manufacturing	14,000
Professional and business services	11,500
Leisure and hospitality	5,500
Retail trade	5,400
Other services	4,800
Financial activities	4,300
Wholesale trade	4,200
Construction	3,900
Transportation, warehousing and utilities	2,600
Education and health services	1,400
Information	100
Mining and logging	0
Government	-5,000

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, August 2012
Source: U.S. Bureau of Labor Statistics

Industry sector	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-15,000	-16,100	-1,100
Total private	4,300	2,900	-1,400
Construction	2,100	4,000	1,900
Leisure and hospitality	1,900	-400	-2,300
Manufacturing	900	2,400	1,500
Retail trade	800	-800	-1,600
Professional and business services	100	-100	-200
Financial activities	100	1,300	1,200
Mining and logging	0	-100	-100
Information	0	200	200
Other services	-200	0	200
Transportation, warehousing and utilities	-400	-500	-100
Wholesale trade	-400	-3,000	-2,600
Education and health services	-700	-200	500
Government	-19,200	-18,900	300

Based on historical patterns, Washington typically loses 15,000 jobs from July to August. This year, the state had an estimated loss of 16,100 jobs, amounting to a seasonally adjusted decline of 1,100 jobs.

- Construction typically experiences a gain of 2,100 jobs in August. The unadjusted job gain for this August was 4,000, meaning there was a seasonally adjusted gain of 1,900 jobs.
- The leisure and hospitality sector historically adds 1,900 jobs in August. This sector shed 400 jobs driving a seasonally adjusted drop of 2,300 jobs for the month.
- Manufacturing employment rose by 2,400 in August. Typically the August increase is 900, so on a seasonally adjusted basis manufacturing employment rose 1,500.
- Government employment normally falls by 19,200 in August. This August it fell by an estimated 18,900 jobs for a seasonally adjusted gain of 300 jobs.

Total agricultural employment summary, not seasonally adjusted

Statewide from July to August, agricultural employment decreased 15.1 percent.

Year-over-year statewide, agricultural employment increased 8.8 percent.

Regionally over the past year, five areas had increases in total agricultural employment. The largest increase (4,600 jobs) was in the South Central reporting area. Western reporting area had the only decrease (-870 jobs).

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, August 2012 Source: Employment Security Department/LMEA

	August '12		July '12		Change		Percent change	
	Preliminary	Revised	August '11 Revised	July '11- August '12	August '11 - August '12	July '12 - August '12	August '11 - August '12	
State	117,170	138,030	107,670	-20,880	9,500	-15.1%	8.8%	
Western	14,670	15,630	15,540	-970	-870	-6.2%	-5.6%	
South Central	37,440	45,490	32,840	-8,050	4,600	-17.7%	14.0%	
North Central	31,120	36,300	27,960	-5,180	3,170	-14.3%	11.3%	
Columbia Basin	13,480	15,580	12,600	-2,100	880	-13.5%	7.0%	
South Eastern	18,340	23,310	16,760	-4,980	1,580	-21.4%	9.4%	
Eastern	2,120	1,720	1,970	400	140	23.3%	7.6%	

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

Contacts

Chief Economist:

Joe Elling
jelling@esd.wa.gov
360-407-4531

Economists:

Bruce Nimmo
bnimmo@esd.wa.gov
360-407-4576

Alex Roubinchtein, Ph.D.
aroubinchtein@esd.wa.gov
360-407-4581

Chris Thomas
cthomas@esd.wa.gov
360-407-4582

Regional labor economists:

Scott Bailey, *Southwest Washington*
scott.bailey@esd.wa.gov
360-735-4995

Mark Berreth, *N. Central Washington*
mberreth@esd.wa.gov
509-665-3737

Don Meseck, *S. Central Washington*
dmeseck@esd.wa.gov
509-963-2606

Desiree Phair, *King County*
dphair@esd.wa.gov
206-448-0474 ext. 3073

Elizabeth Scott, Ph.D.,
Olympic Consortium
escott@esd.wa.gov
360-337-4784

Ajsa Suljic, *Benton-Franklin*
asuljic@esd.wa.gov
509-734-5928

Paul Turek, Ph.D., *Pierce*
pturek@esd.wa.gov
253-593-7336

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

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

Jim Vleming, *Pacific Mountain*
jvleming@esd.wa.gov
360-407-4584

Washington Relay Service: 800-833-6384

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., July 24, 2012. The publication schedule for 2012 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.