

Monthly Employment Report

for January 2013



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 rose by 24,100 from December 2012 to January 2013. BLS estimates the private sector added 18,600 jobs over the month and the public sector gained 5,500 jobs.

BLS estimates from January 2012 to January 2013 show an increase in employment of 65,800 for the state. Over the year the private sector added 64,500 jobs while the public sector gained an estimated 1,300 jobs.

Washington's preliminary seasonally adjusted unemployment rate for January 2013 is unchanged at 7.5 percent. The estimated December 2012 unemployment rate was revised down to 7.5 percent. The January 2012 unemployment rate was 8.5 percent.

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

December 2012 jobs revisions: December's preliminary estimated loss of 7,900 jobs was revised to a loss of 4,800 jobs.

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.

Resident civilian labor force and unemployment, seasonally adjusted
United States and Washington state, December 2011 and 2012,
January 2012 and 2013

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

	January 2013 (Preliminary)	December 2012 (Revised)	January 2012 (Revised)	December 2011 (Revised)
United States				
Unemployment rate				
<i>Seasonally adjusted</i>	7.9%	7.8%	8.3%	8.5%
Washington				
Unemployment rate	7.5%	7.5%	8.5%	8.7%
Resident labor force	3,466,200	3,469,300	3,488,800	3,487,700
Unemployed	260,700	259,900	298,000	302,500
Seattle/Bellevue/Everett				
Unemployment rate	6.3%	6.4%	7.6%	7.8%
Resident labor force	1,504,900	1,506,300	1,503,100	1,505,700
Unemployed	94,500	96,300	114,100	117,400

Unemployment, seasonally adjusted

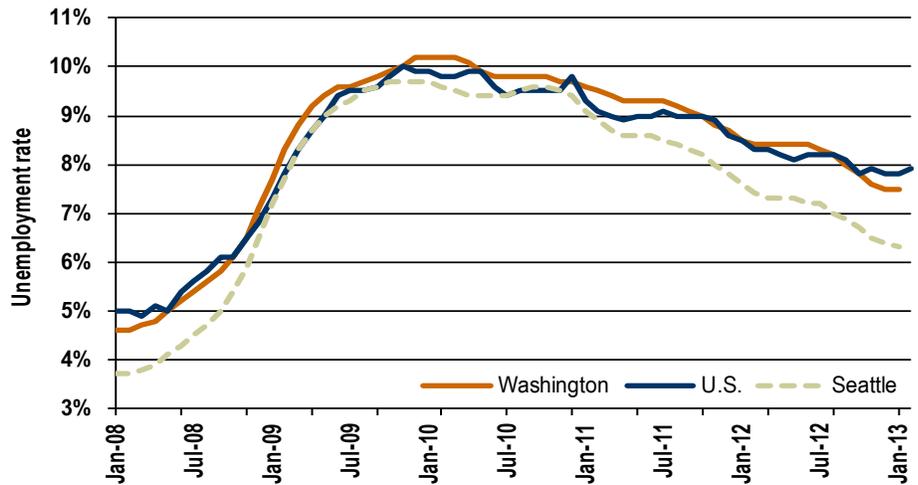
The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for January 2013 was 7.5 percent. The preliminary December 2012 unemployment rate was revised down to 7.5 percent.

According to BLS estimates, the number of jobless people who were actively seeking work rose by 800 in January 2013 compared to December 2012. At the same time, the number of employed people fell by an estimated 3,900. Overall, this amounted to a drop of 3,100 people in the labor force.

The preliminary January 2013 unemployment rate is 1.0 percentage points below the January 2012 rate of 8.5 percent.

U.S., Washington and Seattle unemployment rates, seasonally adjusted
January 2008 through January 2013

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



January 2013 preliminary unemployment rates:

U.S. (preliminary) 7.9%
Washington (preliminary) 7.5%
Seattle area (preliminary) 6.3%

Employment change and moving average, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 24,100 jobs from December 2012 to January 2013.

Recent employment change

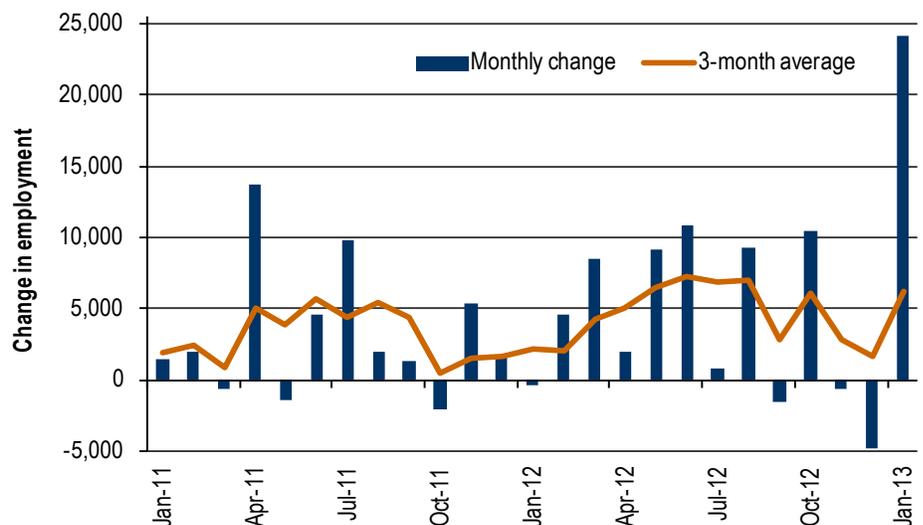
November 2012: down 600 jobs (revised)

December 2012: down 4,800 jobs (revised)

January 2013: up 24,100 jobs (preliminary)

Monthly employment change and three-month moving average, seasonally adjusted
Washington state, January 2011 through January 2013

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



Employment and the unemployment, seasonally adjusted

February 2008

(start of recent employment
recession in Washington)

Nonfarm employment: 2,978,700

Unemployment rate: 4.6%

February 2010

(end of recent employment
recession in Washington)

Nonfarm employment: 2,773,000

Unemployment rate: 10.2%

January 2013

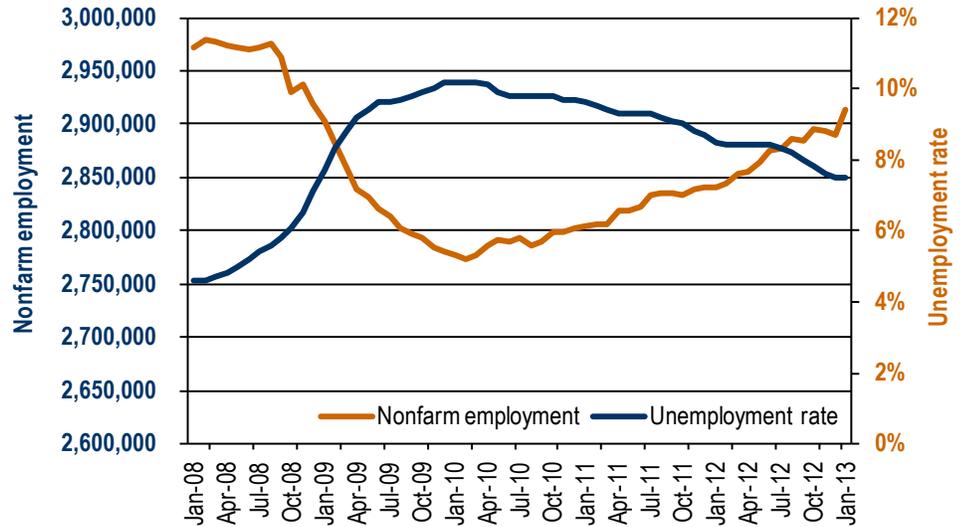
(preliminary)

Nonfarm employment: 2,913,200

Unemployment rate: 7.5%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, January 2008 through January 2013

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics,
Current Employment Statistics, Local Area Unemployment 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 24,100 jobs, net, over the month, on a seasonally adjusted basis:

- Overall, ten industries expanded in January, one contracted, one was unchanged and government employment rose.
- Private-sector employment is estimated to have increased by 18,600 and government employment rose by 5,500.
- Leisure and hospitality employment increased by 4,600, led by a gain of 3,400 jobs in accommodations and food services.
- Retail trade employment rose by 4,000. Other retail trade, which includes online retail trade, was up by 3,100 jobs. Food and beverage store employment increased by 800.
- The number of jobs in professional and business services was up by 3,200. Employment services accounted for 1,700 of the increase.
- Construction employment rose by 2,300.
- The decline of 1,500 jobs in education and health services was largely driven by a drop of 1,100 in private education services.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, December 2012 to January 2013

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

Total nonfarm	24,100
Government	5,500
Leisure and hospitality	4,600
Retail trade	4,000
Professional and business services	3,200
Construction	2,300
Transportation, warehousing and utilities	1,600
Other services	1,600
Wholesale trade	1,300
Manufacturing	700
Financial activities	500
Information	300
Mining and logging	0
Education and health services	-1,500

Industry employment in Washington, not seasonally adjusted

Year-over-year change by industry

Based on a BLS survey of businesses and governments, Washington added an estimated 65,800 jobs over the year:

- Overall, ten industries grew, two contracted and government employment increased.
- Private-sector employment rose 2.9 percent, up an estimated 64,500 jobs.
- Public-sector employment increased 0.2 percent, a net gain of 1,300 jobs.
- Manufacturing employment is estimated to have grown by 10,600 from January 2012 to January 2013. Durable goods manufacturers added 10,100 jobs with 6,200 of the increase in aerospace product and parts manufacturing. Nondurable goods manufacturers added 500 jobs.
- Professional and business services employment increased by 9,900 with employment services up 3,500 and computer design systems up 2,300.
- Retailers added 9,700 jobs from January 2012 to January 2013.
- Employment in the leisure and hospitality industry was up by 8,700.
- Employment in construction was up 7,600 with the number of employed in the specialty trade contractor sector up 6,400.

Estimated year-over-year employment change by industry, not seasonally adjusted Washington state, January 2012 to January 2013

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

Total nonfarm	65,800
Manufacturing	10,600
Professional and business services	9,900
Retail trade	9,700
Leisure and hospitality	8,700
Construction	7,600
Education and health services	6,600
Wholesale trade	3,700
Transportation, warehousing and utilities	3,600
Financial activities	2,600
Other services	2,400
Government	1,300
Mining and logging	-200
Information	-700

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.

Normal seasonal change, estimated change and seasonally adjusted change
Washington state, January 2013

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-61,300	-37,200	24,100
Retail trade	-17,200	-13,200	4,000
Leisure and hospitality	-8,900	-4,300	4,600
Construction	-8,000	-5,700	2,300
Professional and business services	-7,100	-3,900	3,200
Government	-5,300	200	5,500
Transportation, warehousing and utilities	-4,100	-2,500	1,600
Education and health services	-3,100	-4,600	-1,500
Manufacturing	-2,400	-1,700	700
Other services	-2,000	-400	1,600
Wholesale trade	-1,200	100	1,300
Information	-900	-600	300
Financial activities	-900	-400	500
Mining and logging	-200	-200	0

Based on historical patterns, Washington employment typically falls by 61,300 from December to January. This year the state had an estimated loss of 37,200, amounting to a seasonally adjusted increase of 24,100 jobs.

- The normal seasonal loss in retail trade employment is 17,200 in January. The estimated decline was 13,200 yielding a 4,000 gain on a seasonally adjusted basis.
- Employment in leisure and hospitality normally declines by 8,900. It is estimated to have fallen by 4,300 this January yielding a gain of 4,600 on a seasonally adjusted basis.
- The estimated employment decline in the construction industry was 5,700. The normal seasonal decline is 8,000, so on a seasonally adjusted basis, construction industry employment rose 2,300.
- The change on a seasonally adjusted basis was an estimated gain of 3,200 jobs in professional and business services in January.
- Typically government employment falls by 5,300 in January. On a seasonally adjusted basis, government employment rose by 5,500 as the estimated increase was 200.

Total agricultural employment summary

Statewide from December to January agricultural employment decreased 0.7 percent.

Year over year statewide, agricultural employment increased 15.9 percent.

Regionally over the year, total agricultural employment increased in all of the six areas. The largest increase (3,460 jobs) was in the North Central reporting area. The Eastern area experienced the smallest increase (130 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-washington-agricultural-areas>.

Total agricultural employment
Washington state, January 2013
Source: Employment Security Department/LMEA

	Jan. '13 Preliminary	Dec. '12 Revised	Jan. '12 Revised	Change		Percent change	
				Dec. '12- Jan. '13	Jan. '12 - Jan. '13	Dec. '12 - Jan. '13	Jan. '12 - Jan. '13
State	66,820	67,280	57,640	-460	9,180	-0.7%	15.9%
Western	8,720	9,620	8,160	-900	560	-9.4%	6.9%
South Central	21,210	21,380	18,860	-170	2,350	-0.8%	12.5%
North Central	15,360	15,330	11,900	30	3,460	0.2%	29.1%
Columbia Basin	8,540	8,480	7,310	60	1,230	0.7%	16.8%
South Eastern	11,590	11,020	10,140	570	1,450	5.2%	14.3%
Eastern	1,400	1,450	1,270	-50	130	-3.4%	10.2%

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

Benchmarking highlights, seasonally adjusted

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 September 2012. Employment estimates for January 2013 presented in this report were based on the new data, plus seasonal adjustments.

Based on benchmarked September 2012 data:

- The two largest upward revisions were financial activities and professional and business services, up 3,400 and 2,000, respectively.
- Government had the largest downward revision, 6,300, followed by construction, revised down by 2,700.

Annual benchmarked industry employment, seasonally adjusted
Washington state, September 2012
Source: U.S. Bureau of Labor Statistics,
Quarterly Census of Employment and Wages

Industry sector	Revisions to September 2012 employment level
Total nonfarm	2,200
Financial activities	3,400
Professional and business services	2,000
Retail trade	1,700
Wholesale trade	1,300
Information	1,200
Other services	1,200
Transportation, warehousing and utilities	1,100
Mining and logging	200
Education and health services	0
Leisure and hospitality	0
Manufacturing	-900
Construction	-2,700
Government	-6,300

Contacts

Chief Economist:

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

Economists:

Baba Moussa
bmoussa@esd.wa.gov
360-407-4594

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
425-443-6513

Elizabeth Court, Ph.D.,
*Olympic Consortium, Island and
San Juan counties*
ecourt@esd.wa.gov
360-621-3909

Ajsa Suljic, *Asotin, Benton,
Columbia, Franklin, Garfield
and Walla Walla counties*
asuljic@esd.wa.gov
509-734-5928

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

Doug Tweedy, *Ferry, Lincoln,
Pend Oreille, Spokane, Stevens
and Whitman counties*
dtweedy@esd.wa.gov
509-532-3188

Anneliese Vance-Sherman, Ph.D.,
*Skagit, Snohomish and
Whatcom counties*
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., March 12, 2013. The publication schedule for 2013 can be found at: <https://fortress.wa.gov/esd/employmentdata/reports-publications/economic-reports/monthly-employment-report>.

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