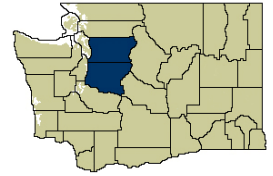




Seattle-Bellevue-Everett MD (King and Snohomish Counties)

Labor Area Summary

Volume 2009, Number 8



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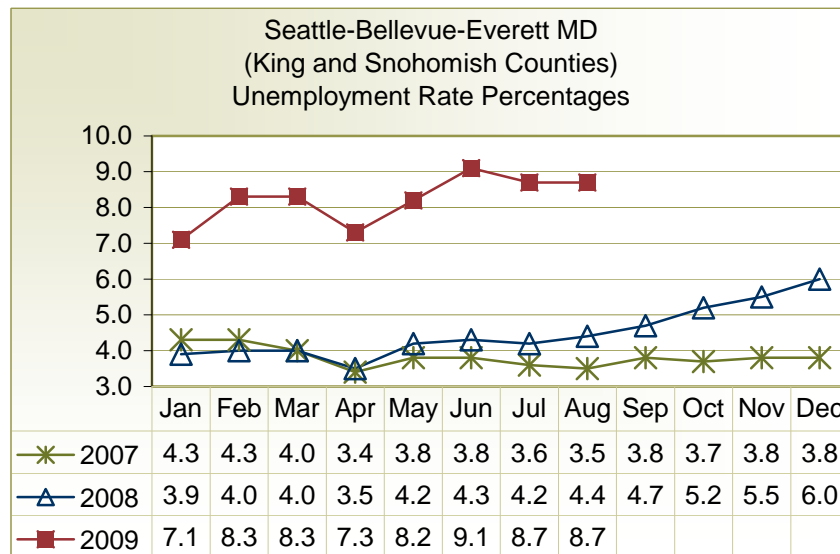
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Summary

The August preliminary estimate for local unemployment was 8.7 percent, flat when compared to the 8.7 percent revised estimate for July. Note that the unemployment rate has remained relatively stable, or at times improved, despite the additional workers choosing to participate in the local workforce over the last several months. It will be interesting to see if this trend continues as we transition from summer to fall. One year earlier, the regional unemployment rate was 4.5 percent. August's regional unemployment rate was comparable to the Washington state unemployment rate of 8.9 percent

Local unemployment figures using the current methodology are available from 1990. During the period from 1990 to 2008, the highest measured Seattle-Bellevue-Everett unemployment rate was 7.1 percent in February 2003, and the second highest rate was 7.0 percent in March 2008 and in January 1993. Figures using an older methodology are available from 1980 to 1989. In July 1982, local unemployment was estimated at 11.0 percent.



Because of potentially high error rates for the local figures, examining unemployment trends is more meaningful than examining over-the-month changes. The several-month trend supports the picture of unemployment increasing locally and then leveling off.

Unemployment claims are typically reported by county rather than by metro area. Within both King County and Snohomish County, initial and continued claims spiked this past winter. Claims volume have followed the typical seasonal pattern, but claims have not declined as much this summer as might be expected.

Employment Over the Month

The reported number of jobs in the area decreased 8,800 compared to July's revised number. July's revised number was approximately 1,000 higher than the July preliminary estimate; in other words, after reviewing the revised figures, it appears that the total fall from June to August was slightly less than might at first appear – however, payrolls have undoubtedly declined by several thousand this summer. The job loss moving from July to August seems largely due to higher than usual seasonal reductions in local public education employment, but a variety of sectors also contributed to the decline.

It is worth explaining the different movement in the measurement of non-farm jobs versus the movement in the labor force measurements used to determine the unemployment rate. The number of non-farm jobs is calculated based on a survey of businesses, and the geographical assignment of jobs is based on the location of the business. The number of unemployed and the number of people in the labor force are determined using a separate process, relying on a model that uses a variety of inputs, one of which is a trend from the Census Bureau's Current Population Survey. The geographical assignment of workers for the unemployment rate is based on the workers' place of residence. Differences between the number of calculated jobs and the estimated workforce could be due to people working more than one job, people working in a different area than they live, or different accuracy levels of the two estimation methods.

Goods-producing sector

As a whole, the goods-producing sector was down 1,300 jobs.

Construction employment decreased another 600, adding to the unusual summer losses. The variety of highway projects, including federal stimulus funding for projects such as the I-90 improvement, had only a small impact on heavy and civil engineering employment. Note that expected stimulus funds have not all arrived, and that some stimulus jobs will be reflected in the government numbers at the bottom of the table. The increase in construction of buildings and the steep decline of specialty trade contracting jobs were both unexpected.

Durable goods manufacturing sank 700, due mostly to the decrease in aerospace jobs. For questions about Washington employment numbers for the Boeing Company, there are numbers posted at its web site: http://www.boeing.com/employment/employment_table.html.

Manufacturing in nondurable goods remained flat.

Services-providing sector

After falling several thousand jobs in July, the services-providing sector lost 7,500 jobs in August. When discounting seasonal education reductions, the main industries losing employment were retail trade and information.

- Despite the federal Cash for Clunkers stimulus, retail trade was down by 1,700 jobs.
- The information industry shrank by 900 jobs, exactly reversing the gains seen in July. Summer software internships generally contribute to volatility in information employment. It would not be surprising to see another drop in September as the remaining interns vacate their posts.
- Financial activities fell by 200, as real estate and rental leasing employment remained sluggish.
- Professional and business services added 800 jobs. Administrative and support services continued climbing, adding another 1,200 jobs. That increase offset the weak performances of other professional sectors, such as architecture and computer systems design.

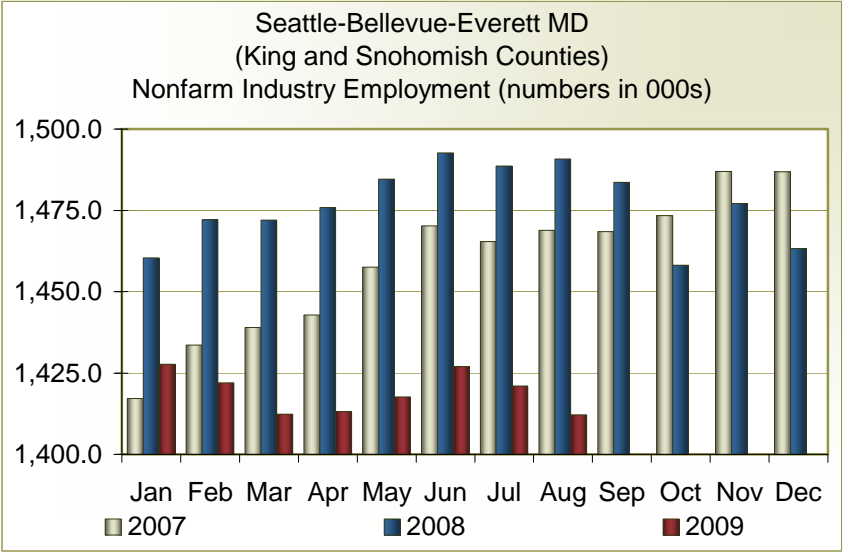
- Private education and health care employment fell 1,400 – but not due to job reductions in the private education field. Ambulatory health services lost the 700 jobs that it had gained in July, and social assistance shed 600 jobs.
- The leisure and hospitality industry grew by 1,400 jobs, just outpacing the expected seasonal increase. The food services and drinking category regained the 900 positions that it had lost in July.
- Government employment fell by 4,800 jobs. A reduction in local and state educational employment affected the number of government jobs. Seasonally adjusted, government employment actually increased.

Employment Over the Year Review

There were 78,600 fewer jobs this August than there were last August, a 503.0 percent decline. From June 2008, when local employment peaked, to December of 2008, approximately 29,000 jobs disappeared. During the calendar year adjustment from December 2008 to January 2009, payroll fell by another 34,000. Since January 2009, employment has decreased 15,500 jobs; thus calendar year 2009 made up 19.7 percent of the over-the-year job losses.

- Construction was down 19,400 jobs, a 19.4 percent drop. Employment of specialty trade contractors has fallen 22.2 percent.
- Manufacturing employment declined 14,800. Aerospace products and parts manufacturing employment was down 3,000 over the year.
- Retail trade dropped 8,800 jobs, a 6.0 percent decline.
- The professional and business services industry was down 15,500 over the year, with the professional, scientific, and technical services category down 3,000. Employment services fell more than 23.0 percent over the year.
- Software publishers – not a professional and business services subcategory, but a related field nonetheless – had a job count down 800 over the year. This marks the first time in 2009 that software publishers have shown an over-the-year reduction in employment.
- Financial activities employment fell 7,300, an 8.2 percent reduction.
- The leisure and hospitality sector sank 4,000, including a 3,400 job decrease in food services and drinking places.
- Government employment has dropped 2,000, a 1.0 percent reduction.

Total nonfarm employment figures are based on a survey of employers in the area, while the unemployment rate and labor force data are based on a combination of employment estimates, unemployment insurance claims data, and input from a national survey of households. Unless otherwise noted, figures in this report are not adjusted for seasonality.



Summary Table

Labor Market Information for the Seattle-Bellevue-Everett Metropolitan Division (King and Snohomish Counties) Not Seasonally Adjusted/*Updated with ***QCEW Data: March 2009						
Employment by Place of Residence	Prelim	Revised	Revised	Change		
	Aug-09	Jul-09	Aug-08	Jul-09	Aug-08	Aug-08
				Aug-09	Aug-09	Aug-09 %
Civilian Labor Force	1,507,900	1,511,270	1,460,970	-3,370	46,930	3.2%
Resident Employment	1,377,160	1,379,940	1,397,060	-2,780	-19,900	-1.4%
Unemployment	130,740	131,330	63,920	-590	66,820	104.5%
Unemployment Rate	8.7	8.7	4.4	0.0	4.3	
Employment by Place of Work (**NAICS Industry Titles, numbers in thousands)						
Total Nonfarm 1/	1,412.2	1,421.0	1,490.8	-8.8	-78.6	-5.3%
Total Private	1,216.0	1,220.0	1,292.6	-4.0	-76.6	-5.9%
Goods Producing	237.6	238.9	272.0	-1.3	-34.4	-12.6%
Mining and Logging	0.8	0.8	1.0	0.0	-0.2	-20.0%
Construction	80.4	81.0	99.8	-0.6	-19.4	-19.4%
Construction of Buildings	21.2	20.8	24.6	0.4	-3.4	-13.8%
Heavy and Civil Engineering Construction	8.3	8.1	9.8	0.2	-1.5	-15.3%
Specialty Trade Contractors	50.9	52.1	65.4	-1.2	-14.5	-22.2%
Manufacturing	156.4	157.1	171.2	-0.7	-14.8	-8.6%
Durable Goods Manufacturing	127.9	128.6	140.5	-0.7	-12.6	-9.0%
Fabricated Metal Product Mfg	9.2	9.2	11.0	0.0	-1.8	-16.4%
Computer and Electronic Product Mfg	13.3	13.3	14.8	0.0	-1.5	-10.1%
Navigation., Measrg., Electromed., & Cntrl	7.7	7.7	8.2	0.0	-0.5	-6.1%
Transportation Equipment Mfg	82.7	83.0	86.3	-0.3	-3.6	-4.2%
Aerospace Products and Parts Mfg	78.6	79.8	81.6	-1.2	-3.0	-3.7%
Nondurable Goods Manufacturing	28.5	28.5	30.7	0.0	-2.2	-7.2%
Food Manufacturing	12.7	12.4	13.1	0.3	-0.4	-3.1%
Services Providing	1,174.6	1,182.1	1,218.8	-7.5	-44.2	-3.6%
Trade, Transportation, and Utilities	257.4	259.7	272.5	-2.3	-15.1	-5.5%
Wholesale Trade	68.3	69.1	73.1	-0.8	-4.8	-6.6%
Retail Trade	138.8	140.5	147.6	-1.7	-8.8	-6.0%
Motor Vehicle and Parts Dealers	14.0	14.0	16.4	0.0	-2.4	-14.6%
Food and Beverage Stores	27.2	27.5	27.6	-0.3	-0.4	-1.4%
Clothing and Clothing Accessories Stores	18.4	18.4	19.6	0.0	-1.2	-6.1%
General Merchandise Stores	20.7	20.7	21.4	0.0	-0.7	-3.3%
Transportation, Warehousing and Utilities	50.3	50.1	51.8	0.2	-1.5	-2.9%
Transportation and Warehousing	47.8	47.6	50.6	0.2	-2.8	-5.5%
Air Transportation	9.7	9.8	10.3	-0.1	-0.6	-5.8%
Truck Transportation	9.6	9.5	9.3	0.1	0.3	3.2%
Support Activities for Transportation	10.8	10.7	11.4	0.1	-0.6	-5.3%
Warehousing and Storage	3.9	3.9	4.5	0.0	-0.6	-13.3%
Information	82.5	83.4	87.5	-0.9	-5.0	-5.7%
Software Publishers	50.6	51.5	51.4	-0.9	-0.8	-1.6%
Telecommunications	16.0	16.1	18.2	-0.1	-2.2	-12.1%
Wired Telecommunications Carriers	5.6	5.7	6.5	-0.1	-0.9	-13.8%
Wireless Telecommunications Carriers	9.7	9.7	11.1	0.0	-1.4	-12.6%
Financial Activities	81.5	81.7	88.8	-0.2	-7.3	-8.2%
Finance and Insurance	53.7	53.8	58.8	-0.1	-5.1	-8.7%
Credit Intermediation & Related Activities	23.6	23.5	26.8	0.1	-3.2	-11.9%
Insurance Carriers & Related Activities	23.4	23.4	24.3	0.0	-0.9	-3.7%

Real Estate and Rental Leasing	27.8	27.9	30.0	-0.1	-2.2	-7.3%
Professional and Business Services	204.7	203.9	220.2	0.8	-15.5	-7.0%
Professional, Scientific and Technical Services	106.3	106.2	109.3	0.1	-3.0	-2.7%
Legal Services	13.9	13.9	13.7	0.0	0.2	1.5%
Accounting, Tax Prep, Bookkpng & Payroll	10.8	10.9	9.9	-0.1	0.9	9.1%
Architectural, Engineering and Related	20.7	21.2	23.1	-0.5	-2.4	-10.4%
Computer Systems Design and Related	25.2	25.8	26.1	-0.6	-0.9	-3.4%
Management of Companies and Enterprises	24.4	24.9	26.3	-0.5	-1.9	-7.2%
Admin, Support, Waste Mgmt & Remediation	74.0	72.8	84.6	1.2	-10.6	-12.5%
Administrative and Support Services	69.9	68.8	80.9	1.1	-11.0	-13.6%
Employment Services	26.3	25.9	34.2	0.4	-7.9	-23.1%
Education and Health Services	162.0	163.4	156.1	-1.4	5.9	3.8%
Educational Services	23.9	24.0	20.7	-0.1	3.2	15.5%
Ambulatory Health Care Services	56.0	56.7	55.4	-0.7	0.6	1.1%
Hospitals	30.0	30.1	28.9	-0.1	1.1	3.8%
Nursing and Residential Care Facilities	23.4	23.3	22.5	0.1	0.9	4.0%
Social Assistance	28.7	29.3	28.6	-0.6	0.1	0.3%
Leisure and Hospitality	139.1	137.7	143.1	1.4	-4.0	-2.8%
Arts, Entertainment and Recreation	28.9	28.8	28.8	0.1	0.1	0.3%
Accommodation	14.5	14.1	15.2	0.4	-0.7	-4.6%
Food Services and Drinking Places	95.7	94.8	99.1	0.9	-3.4	-3.4%
Other Services	51.2	51.3	52.4	-0.1	-1.2	-2.3%
Repair and Maintenance	11.3	11.3	12.0	0.0	-0.7	-5.8%
Personal and Laundry Services	15.7	15.7	16.0	0.0	-0.3	-1.9%
Religious, Grantmaking, Civic, Prof., & Similar Org.	24.2	24.3	24.4	-0.1	-0.2	-0.8%
Government	196.2	201.0	198.2	-4.8	-2.0	-1.0%
Federal Government	24.5	24.5	23.9	0.0	0.6	2.5%
Total State Government	54.2	55.8	54.0	-1.6	0.2	0.4%
State Government Educational Services	35.7	37.1	36.0	-1.4	-0.3	-0.8%
Total Local Government	117.5	120.7	120.3	-3.2	-2.8	-2.3%
Local Government Educational Services	44.7	51.2	45.5	-6.5	-0.8	-1.8%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. *Prepared by the Labor Market and Economic Analysis branch using a Quarterly Benchmark process. This process uses the most recent quarter from the Unemployment Insurance Tax Reports (currently 1st quarter 2009) and estimates employment from that point to present.

North American Industry Classification System. *QCEW = Quarterly Census of Employment and Wages