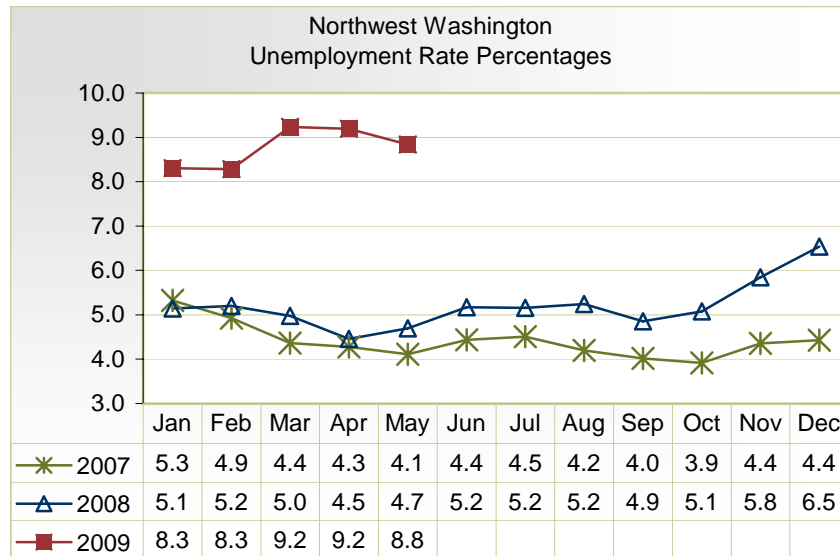


Northwest Workforce Development Area Labor Area Summary, May 2009

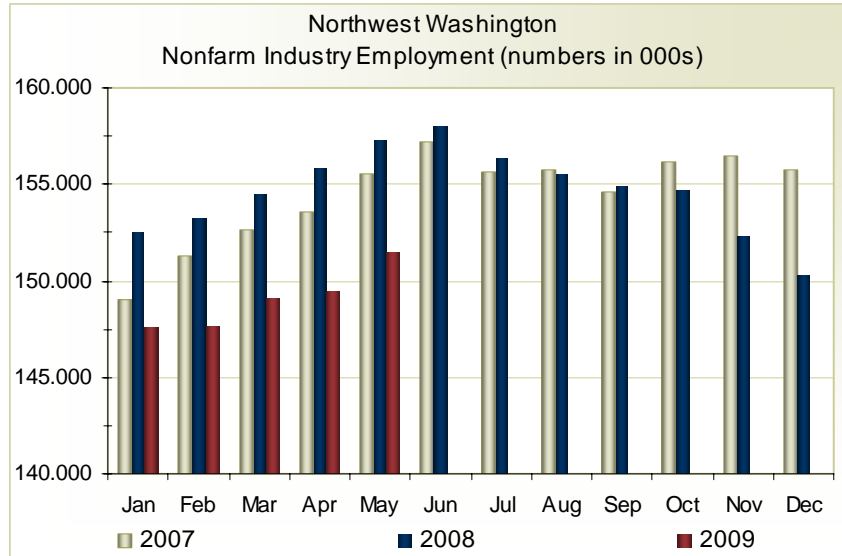
Based on data provided by the Washington State Employment Security Department, the unemployment rate for the four county area in May was approximately 8.8 percent (not seasonally adjusted).¹ Skagit County had the highest unemployment rate (10.1 percent), followed by Island County (8.8 percent), Whatcom County (8.4 percent) and San Juan County (6.2 percent). The May jobless rate was about four-tenths of a percentage point below the revised April rate for the area. While the jobless rate decrease in May was welcome as it does represent the first time since last September that the month-over-month rate has decreased, most of the decrease was likely driven by seasonal factors. Nationally, there are contrasting data signals. For example, while consumer confidence has increased recently, consumer spending at the national level decreased in April. In addition, preliminary data indicate that U.S. Gross Domestic Product (GDP) decreased at an annual rate of 5.7 percent in the first quarter of 2009. Given continuing issues with consumer spending and financial markets in general, most economists expect unemployment rates to be higher at the end of the year than they are now. The state unemployment rate increased three-tenths of a percentage point to 9.2 percent (not seasonally adjusted) in May.



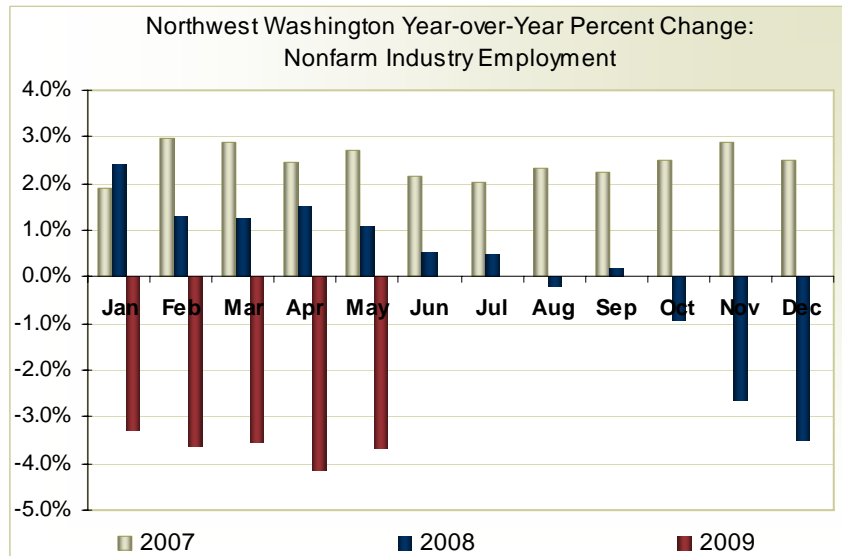
The May 2009 Northwest Washington unemployment rate was approximately four and one-tenths percentage points above the May 2008 rate of 4.7 percent.¹ In the past year, employers have dropped 3,450 residents of the four county area from their payrolls. The data show that approximately 195,310 residents of the four county area were gainfully employed in May while 18,930 were looking for work – an increase of 9,130 since May 2008. All four counties in the region experienced similar increases in their jobless rates over the past year. The regional jobless rate increase mirrored that of the state. The state jobless rate increased by four and three-tenths percentage points in the past year.

There was also some good news on the jobs front in May, as revised figures indicate that month-over-month job growth in the region was positive for the fourth consecutive

month. The region gained 2,060 jobs in May. All four counties in the region contributed to this total: Skagit County added 1,100 paychecks to the local economy, followed by Whatcom County (+500), San Juan County (+340) and Island County (+120). Statewide, nonfarm employment increased by 14,700 in May.



Over the year, about 5,790 jobs were lost to the economy in the four county region, a 3.7 percent decrease.¹ Over the same period one year prior, 1,700 jobs were added to the regional economy. All four counties in the region lost jobs in the past year: Whatcom County (-4,100, -4.7 percent) lost the most jobs, followed by Skagit County (-1,300, -2.7 percent), Island County (-340, -2.0 percent) and San Juan County (-50, -0.8 percent). Total employment statewide decreased at a rate of 3.9 percent in the past year.



**Labor Market Information for Northwest Washington
Not Seasonally Adjusted/*Updated with ***QCEW Data: December 2008**

				Change		
	Prelim May-09	Revised Apr-09	Revised May-08	Apr-09 May-09	May-08 May-09	May-08 May-09%
Employment by Place of Residence						
Civilian Labor Force	214,260	208,790	208,560	5,470	5,700	2.7%
Resident Employment	195,310	189,610	198,760	5,700	-3,450	-1.7%
Unemployment	18,930	19,190	9,800	-260	9,130	93.2%
Unemployment Rate	8.8	9.2	4.7	-0.4	4.1	
Employment by Place of Work	Prelim May-09	Revised Apr-09	Revised May-08	Apr-09 May-09	May-08 May-09	May-08 May-09%
Total Nonfarm 1/						
Whatcom County	82,400	81,900	86,500	500	-4,100	-4.7%
Skagit County	46,800	45,700	48,100	1,100	-1,300	-2.7%
Island County	16,300	16,180	16,640	120	-340	-2.0%
San Juan County	6,000	5,660	6,050	340	-50	-0.8%
Northwest Washington	151,500	149,440	157,290	2,060	-5,790	-3.7%

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture.

Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

*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 4th quarter 2008) and estimates employment from that point to present.

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

¹Regional (WDA 3) data are based on individual county data and should be taken as a rough approximation to actual regional figures.