



June 2011

# Northwest Washington Labor Market Review

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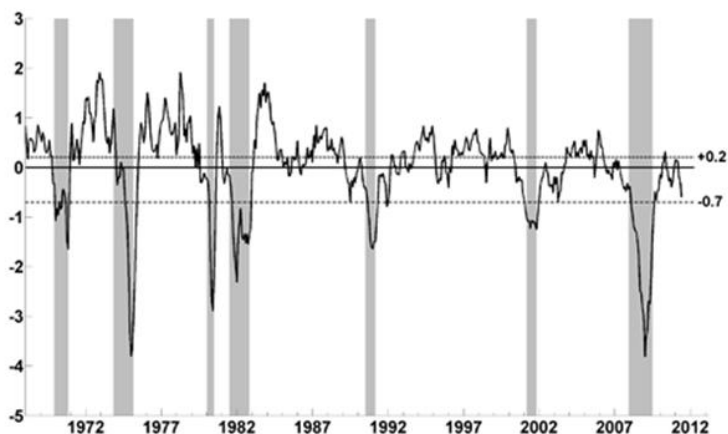
## Executive Summary

### **US Economic Overview & Outlook**

Economic growth is slowing in the US and around the world over recent months. There are two different camps by way of explanation for the slowdown. The first believes the slowdown is due to special factors like the disruption caused by the Fukushima nuclear disaster. The other camp believes that it is the nature of burst credit bubbles to have very slow growth for an extended period while the economy deleverages from its debt hangover. Let's turn now to leading indicators and see what they have to say about growth.

**"The Conference Board Leading Economic Index<sup>®</sup> (LEI) for the U.S. increased 0.3 percent in June to 115.3 (2004 = 100), following a 0.8 percent increase in May, and a 0.3 percent decline in April... The leading indicators point to slowly expanding economic activity in the coming months."** [The Economic Cycle Research Institute's](#) short term leading indicator's growth rate has stopped its descent recently, but it points to slower growth as well.

The Chicago Fed National Activity Index ([CFNAI](#)) is a monthly index designed to gauge overall economic activity and related inflationary pressure. It is constructed from 85 data series most heavily weighted to data that reflects current conditions, with a few lagging and leading series. It seems to have some leading indicator characteristics. Here is a chart for the most recent data and a short explanation from the Chicago Fed. This chart is a 3-month moving average and the June reading was -0.46. Clearly, the economy has slowed down recently and whether this slowdown morphs into a new recession we should know within a few months.



*"Notes: Shading indicates official periods of recession as identified by the National Bureau of Economic Research. A CFNAI-MA3 value below -0.70 following a period of economic expansion indicates an increasing likelihood that a recession has begun. A CFNAI-MA3 value above -0.70 following a period of economic contraction indicates an increasing likelihood that a recession has ended. A CFNAI-MA3 value above +0.20 following a period of economic contraction indicates a significant likelihood that a recession has ended."*

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It seems that the Congress and President are more concerned about the deficits, national debt, taxes, and getting reelected rather than the current state of the labor markets and Main Street businesses. There are two major problems facing policy makers about the economy: the first is the immediate problem of a business cycle that has produced the lowest rate of job recovery since the 1930s; the second is the long term growth trend of the economy and the increasing burden of national debt due to a lack of current and projected fiscal balance, especially [post 2021](#). Confounding these two together may make the economy worse in the near term if the eventual policy contains a large measure of austerity medicine in the near term. To cut spending or raise taxes in the near term would act as a negative stimulus on the economy, while a credible long term plan on future fiscal balance and other measures to support growth would pave the way for a brighter future.

### **Review of National Labor Markets**

For the National Employment Situation Report for June 2011 (BLS) please use the following link: <http://stats.bls.gov/news.release/pdf/empsit.pdf> The dramatic slowdown in job growth from the spring 2011 surge was very notable. The BLS notes, "Nonfarm payroll employment was essentially unchanged in June (+18,000), and the unemployment rate was little changed at 9.2 percent, the U.S. Bureau of Labor Statistics reported today. Employment in most major private-sector industries changed little over the month. Government employment continued to trend down."

### **Review of State Labor Market**

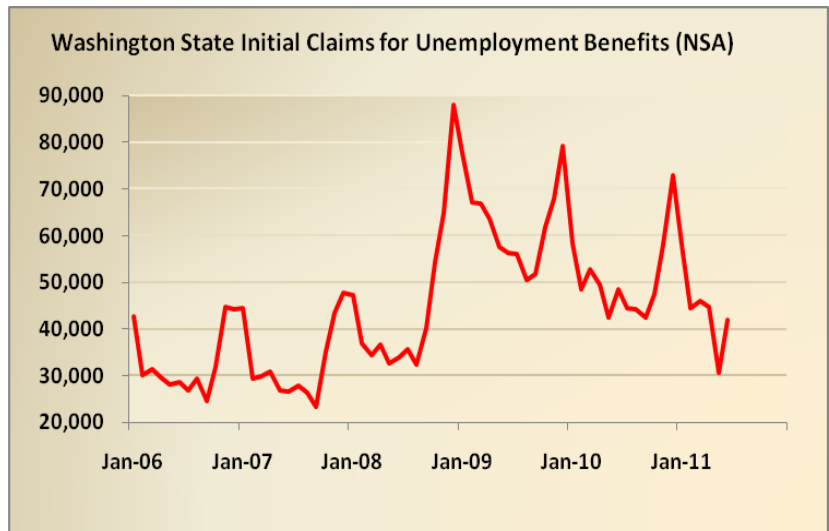
For the Washington State Employment Situation Report for June 2011 please use the following link: [http://www.workforceexplorer.com/admin/uploadedPublications/11283\\_ESR\\_July\\_20\\_11.pdf](http://www.workforceexplorer.com/admin/uploadedPublications/11283_ESR_July_20_11.pdf) The month over month changes in **seasonally adjusted** employment noted were:

- With the addition of 3,600 jobs in June and an upwardly revised growth of 2,500 jobs in May, the state has added jobs for ten consecutive months.
- The other services sector added more jobs (+3,700) on a monthly basis than any other.
- Other sectors having a good month in June were manufacturing (+1,300 jobs), transportation and warehousing (+1,300 jobs) and both wholesale trade and professional and business services, each adding 1,200 jobs.
- Eight sectors expanded in June, while four declined.
- The aerospace industry had a very strong month, adding 1,600 jobs.
- Growth in the nondurable goods merchant wholesale industry (+1,800 jobs) and the transportation and warehousing industry (+1,300 jobs) is indicative of increased commercial activity.
- Software publishers added 1,000 jobs to payrolls, amounting to the fifth consecutive month of growth for this industry.
- Government continued to be the sector with the most monthly job losses, down 3,000 in June 2011.
- Other sectors down were construction (-1,800 jobs), financial activities (-1,100 jobs) and education and health services (-1,000 jobs)

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### Statewide Initial Claims, All

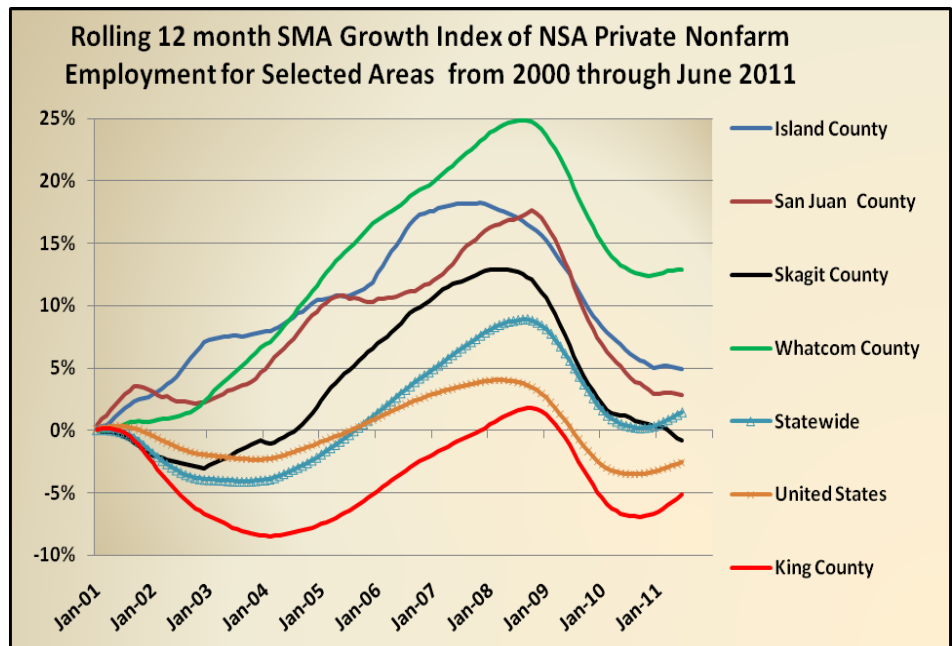
**Industries.** The chart on initial claims (IC) for UI regular benefits for the state shows that labor markets are still at a heightened level of difficulty compared to the summer of 2007 (before the recession began). The good news is that the December seasonal spike in IC have been trending lower as well as the seasonal summer lows in IC. This is somewhat similar to the pattern for the four-



county area in northwest Washington (see below). There is usually a seasonal dropoff in IC during May, and this year it was particularly strong. There is usually a strong upward spike in IC for June, and this was stronger than usual. The June spikes are theorized to come from several sources: the end of employment for temporary state employees that were contracted on a fiscal year basis and seasonal employees resulting from educational institutions cutting back on non-educational employment for the summer as well as educational employees not under full year contracts.

### Review of NW Washington Labor Markets

This chart compares the nonfarm private payroll growth of the four northwest Washington counties with King County, the state and the US since the year 2000. What is notable about this data is that the US and King County (and now Skagit County) are below the levels of 2000. Whatcom County has done the best over this period. Employment growth for the US, state, King and Whatcom



counties are visible, but Island and San Juan counties are still in a bottoming process for private nonfarm payroll employment. King County is now a major growth driver of jobs in Washington State. Since the number of nonfarm payrolls in the state and King County bottomed in January 2010 (not the rolling moving average), about 66,000 of these jobs were created in King County, while a total of 129,000 were created statewide as of the June 2011 preliminary jobs data.

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## Comparison Tables for Unemployment Rates and Employment

See the appendix for more details on the unemployment rate data.

Area	Jun-11	May-11	Jun-10
USA (U-3)	9.3	8.7	9.6
USA (U-6)*	16.4	15.4	16.7
Washington	9.3	9.0	9.4
CD-2 (est.)	9.8	9.0	9.9
NW WDA	9.2	8.7	8.8
Whatcom	8.8	8.1	8.4
Skagit	10.2	9.8	9.9
Island	9.6	9.5	8.9
San Juan	6.4	6.7	5.9
Snohomish	10.1	9.2	10.5

\*U-6 rate counts discouraged and other workers.

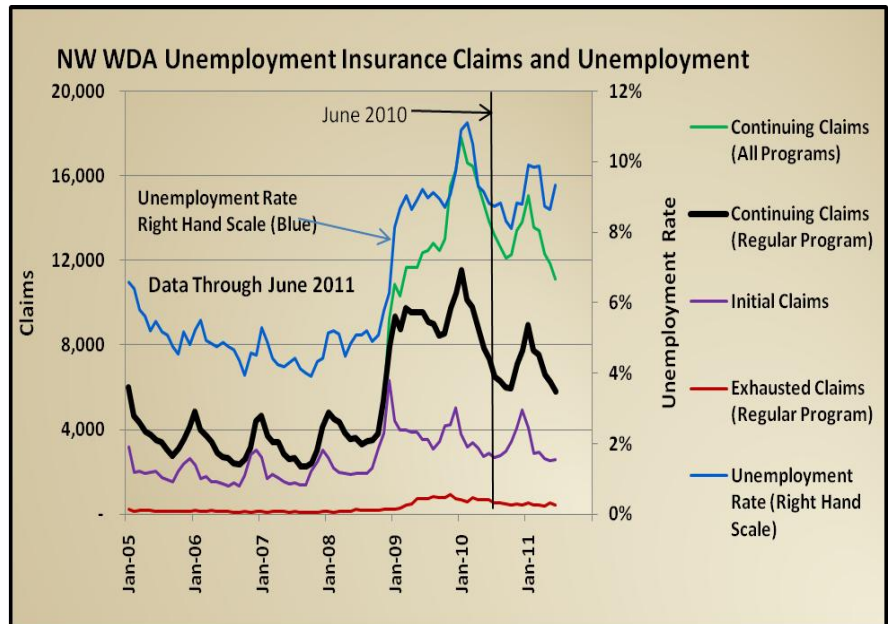
NAICS Industry	USA		Washington		NW Counties		Whatcom		Skagit		Island		San Juan	
	Y/Y %	M/M %	Y/Y %	M/M %	Y/Y %	M/M %	Y/Y %	M/M %	Y/Y %	M/M %	Y/Y %	M/M %	Y/Y %	M/M %
Total Nonfarm 1/	0.9%	0.3%	1.5%	0.5%	-1.0%	0.6%	-0.1%	-0.3%	-1.6%	1.6%	-4.1%	0.0%	-1.0%	7.7%
Total Private	1.7%	0.8%	2.6%	1.0%	-1.0%	1.4%	0.0%	0.2%	-1.8%	3.1%	-4.4%	0.0%	-0.2%	8.9%
Goods Producing	1.6%	1.6%	1.7%	1.1%	1.3%	1.4%	2.2%	1.5%	1.3%	1.3%	-3.5%	0.1%	-3.2%	3.4%
Mining, Log. & Construct.	1.8%	2.9%	0.1%	0.9%	0.2%	1.4%	1.8%	1.8%	0.0%	0.0%	-6.6%	2.4%	-2.7%	2.9%
Manufacturing	1.5%	0.9%	2.6%	1.3%	1.9%	1.5%	2.6%	1.3%	2.0%	2.0%	-4.6%	-1.6%	-4.8%	5.3%
Service Providing	0.8%	0.1%	1.4%	0.4%	-1.2%	0.4%	-0.6%	-0.6%	-2.2%	1.7%	-1.3%	-0.4%	-0.6%	8.6%
Private Service Providing	1.7%	0.6%	2.8%	1.0%	-1.2%	1.4%	-0.6%	-0.2%	-2.7%	3.7%	-0.4%	0.9%	0.5%	10.4%
Government	-3.0%	-2.1%	-3.0%	-1.8%	-1.2%	-2.1%	-0.6%	-1.8%	-0.9%	-2.7%	-3.1%	-2.9%	-4.4%	2.9%

### Four County Area (WDA-3)

#### Overview of the Unemployment Insurance Claims and Unemployment rates

Please note the following about this chart:

- Data is not seasonally adjusted and numbers discussed below are the values for June 2011.
- The unemployment rate of 9.3 percent is read on the right hand scale. The recent rise in the unemployment rate is not an additional reason for concern since there is a seasonal high in June due to full time



students seeking employment for the summer months. Furthermore, increasing volatility in the preliminary unemployment rate data is generally showing downward revisions in the following

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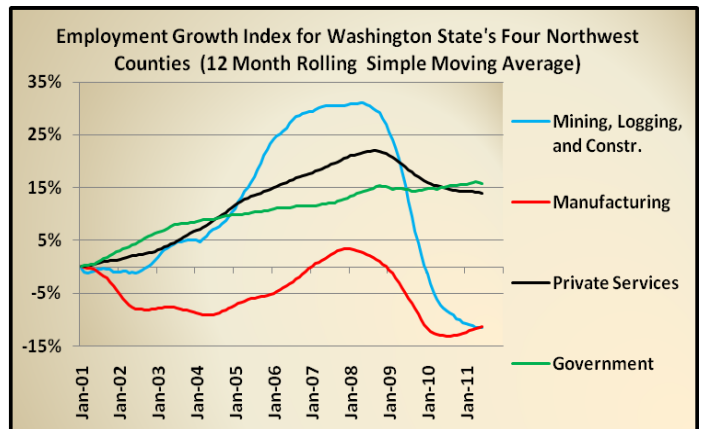
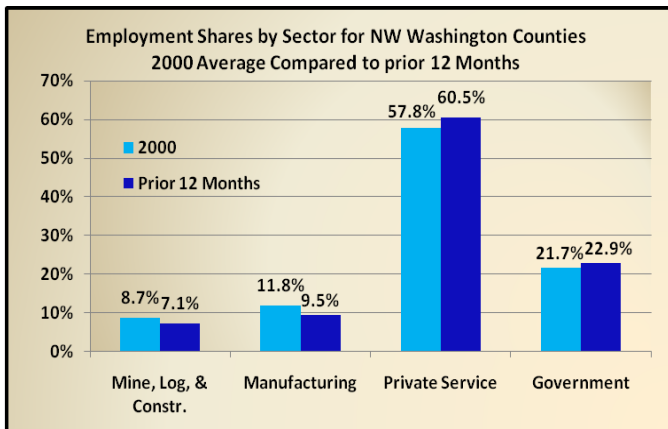
month. Employment growth trends in the WDA also strongly suggest that the June rate will be revised downward next month.

- While the unemployment rate is a measure of 'pain' unemployed job seekers have in getting a job, there are no reliable indicators pointing to an upcoming recession at this time, although that possibility is becoming more probable as global economic growth slows down.
- Claims data is on the left hand scale. Continuing claims (heavy black line) are for the regular UI program only (5,826). Adding the EUC and EB continuing claims (5,280) to the regular continuing claims results in the green line (11,106 total).
- WDA3 continuing claims have dropped considerably compared to last June, which is also happening for the entire state. The factors causing the decline are likely due to a combination of factors: people deciding to take jobs even if it is not their ideal job; workers have expiring benefits due to lengthy unemployment spells; and some workers may be retiring earlier than expected to claim retirement benefits instead.

### Overview of Nonfarm Employment Growth and Shares by Major Sectors

The charts referenced in this section reflect the June 2011 data release.

- The bar chart shows that the four-county region is following the national and state trends of declines in goods producing sector share and a rise in the broad private service producing sector share over the past 11 years.
- The share of government employment has increased, which is mostly due to the greater declines in the private sectors.



To understand the rolling 12-month average method refer to the appendix of this report. Please note the following about the line chart:

- Manufacturing employment has bottomed out and is still rebounding, albeit at a slower pace.
- Mining, logging and construction employment is still declining, but its decline rate is decelerating.
- Private service employment appears to be bottoming, but is declining slightly still.
- Government employment has been in a mild uptrend since July 2010.

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### Whatcom County

Data: [https://fortress.wa.gov/esd/lmea/countydashboard/Summary.aspx?area=53\\_04\\_000073](https://fortress.wa.gov/esd/lmea/countydashboard/Summary.aspx?area=53_04_000073)

<b>Whatcom County Employment by Place of Work Survey (Preliminary Results)</b>					
NAICS Industry Titles	June-11	Year over Year		Month over Month	
		Job Change	Percent	Job Change	Percent
Total-Nonfarm	79,600	(100)	-0.1%	(200)	-0.3%
Total Private	62,900	0	0.0%	100	0.2%
Goods-Producing	13,800	300	2.2%	200	1.5%
Mining, Logging, and Construction	5,800	100	1.8%	100	1.8%
Manufacturing	8,000	200	2.6%	100	1.3%
Total Service Providing	65,800	(400)	-0.6%	(400)	-0.6%
Private Service Providing	49,100	(300)	-0.6%	(100)	-0.2%
Trade, Transportation, & Utilities	15,200	500	3.4%	100	0.7%
Wholesale Trade, Transport, Warehousing and Utilities	5,200	400	8.3%	0	0.0%
Retail Trade	10,000	100	1.0%	100	1.0%
Financial Activities	2,800	0	0.0%	0	0.0%
Professional & Business Svces	6,900	200	3.0%	0	0.0%
Leisure & Hospitality	9,700	100	1.0%	200	2.1%
Residual Private Services	14,500	(1,100)	-7.1%	(400)	-2.7%
Government Service Providing	16,700	(100)	-0.6%	(300)	-1.8%
Federal Government	1,400	(200)	-12.5%	0	0.0%
State Government	5,600	100	1.8%	(400)	-6.7%
Local Government	9,700	0	0.0%	100	1.0%

### Unemployment Rates

The nonseasonally adjusted preliminary unemployment rate in Whatcom County rose from a revised 8.1 percent in May 2011 (preliminary 8.4 percent in May) to 8.8 percent preliminary in June (see table 1 above or detailed table 2 at the end of this review). Over the month, the number of employed and the labor force fell, while the number of unemployed grew. Over the year in Whatcom County, there was about a 3,000 worker decline in both the employed and the labor force, which is at odds with the modest fall of 100 payroll jobs in the county. Given that the number of job losses from residual private services are likely overstated, it seems more likely that the final unemployment rate calculation will for June will be revised down, just like May's preliminary number. Over the year for all four NW Washington counties, the number of unemployed increased as more workers are seeking entry back into the labor force.

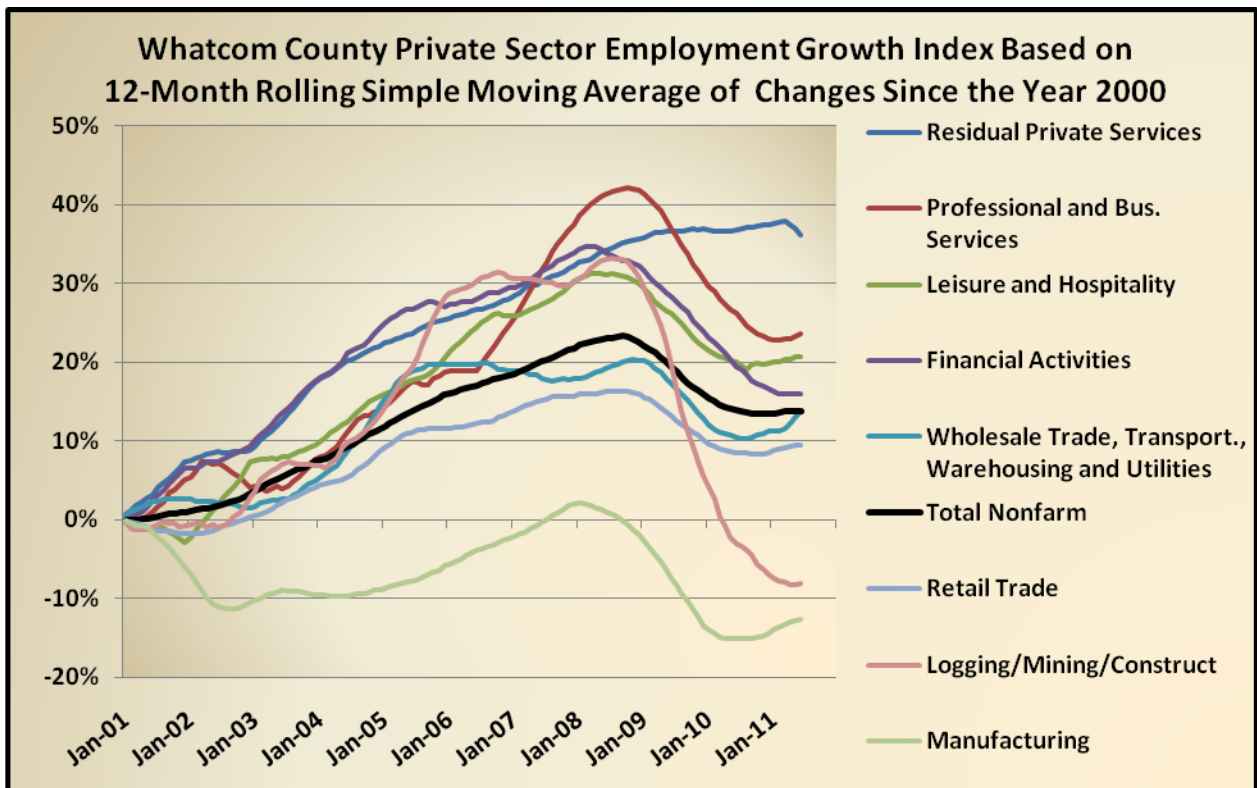
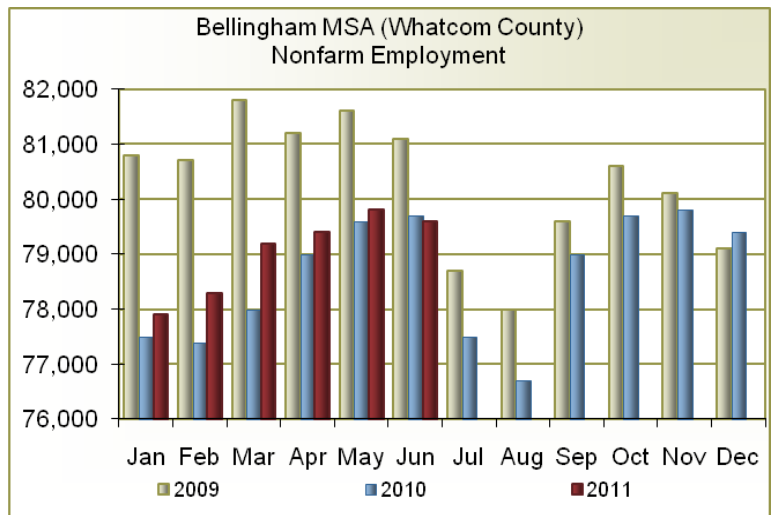
### Payroll Employment

Discounting the following items, the Whatcom County payroll job situation is quite good compared to the other NW counties and other areas of the state besides the Spokane and Seattle MSAs.

- Losses in residual private services due to sampling error and very likely to reverse upon quarterly benchmarking.
- The US Census hiring spike in June 2010 shows a year over year loss in federal government employment.

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I am expecting benchmarked and revised private payroll employment to have eventually increased or at least not fallen in almost every sector over the month and year for June. The strengths of the Canadian economy and dollar are providing some strong tailwinds for economic growth. Commercial construction is another boost. The only sectors to be concerned about are federal, state, and local government employment due to the potential for cutbacks of employees from budget/revenue pressures. Looking at the intermediate trends of industry payroll employment in the following graph, every sector has either bottomed out or in an uptrend with the exception of residual private services. While this is very encouraging for jobseekers, this does not make the economy immune to national and global economic slowdowns. Unless the outside economic environment turns for the worse, Whatcom County's recovery is looking durable, but not at the pace of growth from prior to the recession.



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**Skagit County**

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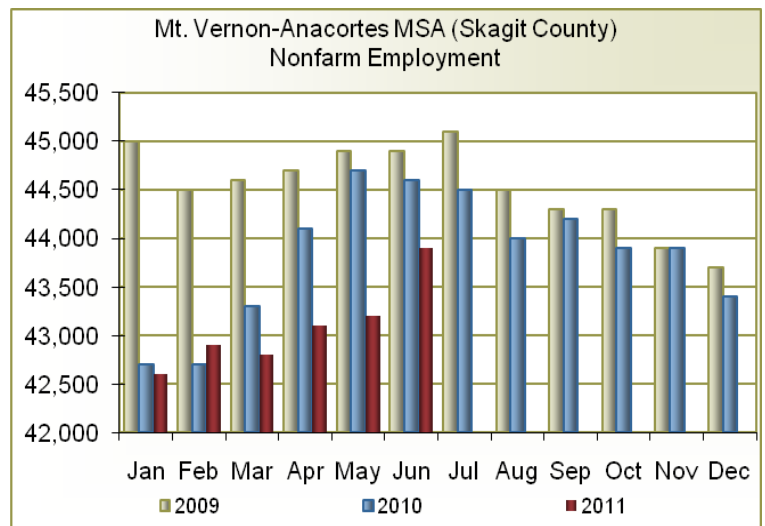
<b>Skagit County Employment by Place of Work Survey (Preliminary Results)</b>					
NAICS Industry Titles	June-11	Year over Year		Month over Month	
		Job Change	Percent	Job Change	Percent
<b>Total Nonfarm</b>	<b>43,900</b>	<b>(700)</b>	<b>-1.6%</b>	<b>700</b>	<b>1.6%</b>
<b>Total Private</b>	<b>33,100</b>	<b>(600)</b>	<b>-1.8%</b>	<b>1,000</b>	<b>3.0%</b>
<b>Goods Producing</b>	<b>7,900</b>	<b>100</b>	<b>1.3%</b>	<b>100</b>	<b>1.3%</b>
<b>Mining, Logging, and Construction</b>	<b>2,900</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Manufacturing</b>	<b>5,000</b>	<b>100</b>	<b>2.0%</b>	<b>100</b>	<b>2.0%</b>
<b>Total Service Providing</b>	<b>36,000</b>	<b>(800)</b>	<b>-2.2%</b>	<b>600</b>	<b>1.7%</b>
<b>Private Services Providing</b>	<b>25,200</b>	<b>(700)</b>	<b>-2.8%</b>	<b>900</b>	<b>3.6%</b>
<b>Trade, Transportation, Warehousing, and Utilities</b>	<b>9,400</b>	<b>100</b>	<b>1.1%</b>	<b>200</b>	<b>2.1%</b>
<b>Wholesale Trade, Transport, Warehousing, and Utilities</b>	<b>2,600</b>	<b>0</b>	<b>0.0%</b>	<b>100</b>	<b>3.8%</b>
<b>Retail Trade</b>	<b>6,800</b>	<b>100</b>	<b>1.5%</b>	<b>100</b>	<b>1.5%</b>
<b>Leisure and Hospitality</b>	<b>4,500</b>	<b>(100)</b>	<b>-2.2%</b>	<b>100</b>	<b>2.2%</b>
<b>Residual Private Services</b>	<b>11,300</b>	<b>(700)</b>	<b>-6.2%</b>	<b>600</b>	<b>5.3%</b>
<b>Government Service Providing</b>	<b>10,800</b>	<b>(100)</b>	<b>-0.9%</b>	<b>(300)</b>	<b>-2.8%</b>
<b>Federal Government</b>	<b>400</b>	<b>(200)</b>	<b>-50.0%</b>	<b>0</b>	<b>0.0%</b>
<b>State Government</b>	<b>1,300</b>	<b>(100)</b>	<b>-7.7%</b>	<b>(300)</b>	<b>-23.1%</b>
<b>Local Government</b>	<b>9,100</b>	<b>0</b>	<b>2.2%</b>	<b>0</b>	<b>0.0%</b>

**Unemployment Rates**

The nonseasonally adjusted unemployment rate in Skagit County rose from a revised 9.8 percent in May 2011 to 10.2 percent in June (see table 1 above or detailed table 2 at the end of this review). Over the month, the number of employed fell by about 270 and the number of unemployed rose by 240 netting the labor force a decline of 30. The number of unemployed also grew over the month. Over the year, the employed and the labor force fell by about 1,300 people each. This is also partly reflected in the over the year loss in payroll jobs (and the balance from possibly losses of employment outside the county). The latest data available on employed residents of Skagit County (2009Q2 - 2010Q1) shows that 6,656 of these workers are employed outside the county, which is helping to keep the unemployment rate lower than it would be otherwise. This latest data also shows that approximately 53 percent of Skagit County residents work inside their home county, with 17, 12, & 9 percent heading to King, Snohomish, and Whatcom counties respectively (and the balance to other counties).

**Payroll Employment**

Looking at the Skagit County Payroll Employment by Place of Work table (above) reveals a strong seasonal trend growth in every category except government employment. About 1,000 private sector jobs were created in June, with 900 coming from the private services sector. About 600 of these are in a collection of industries called residual private services. During the

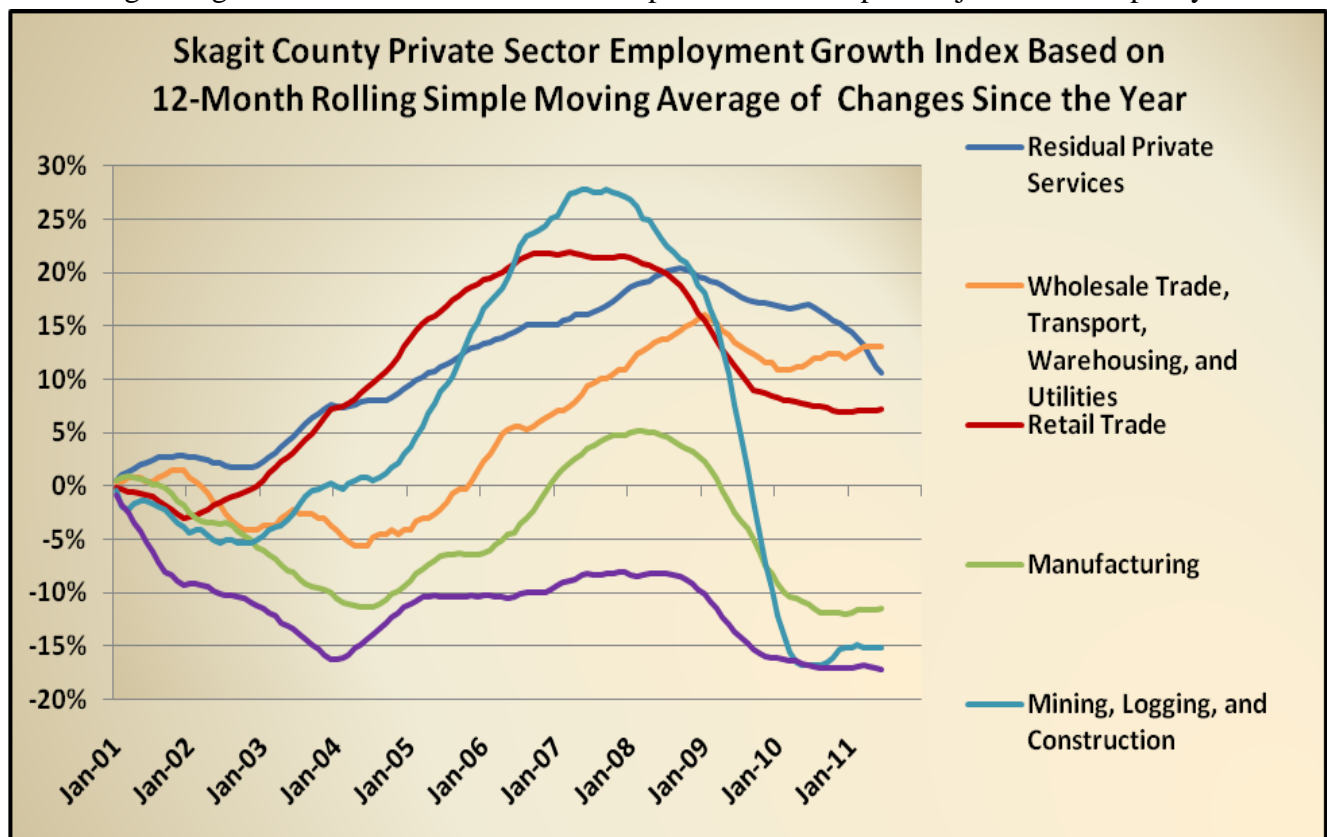


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benchmarking process last April about 200-300 of this categories jobs proved to be a result of sample error (bad luck of the draw), so it is possible that in July, some of these 600 jobs could be again removed due to sample error.

Over the year, Skagit County payroll jobs grew modestly in manufacturing and retail trade (100 jobs each industry), but this was offset by a decline in 100 jobs in leisure and hospitality and 700 jobs in residual private services. The relief valve for Skagit County workers is found in the opportunities to work in Snohomish and King Counties.

The Wholesale Trade, Transport, Warehousing, and Utilities industry super-sector has the strongest employment growth over the past 12 months, but they have about an 8 percent share of private payroll jobs. Retail trade, manufacturing and mining/logging/construction have all bottomed out and are showing tentative signs of growth and these have about a 45 percent share of private jobs over the past year.



**Island County**

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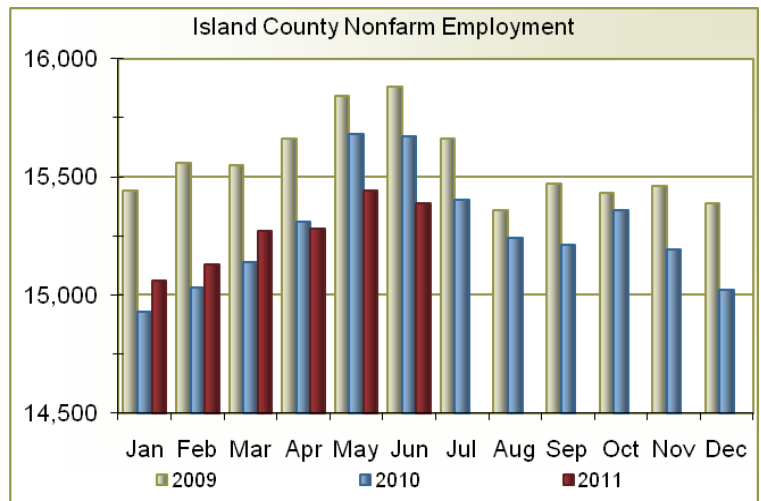
<b>Island County Employment by Place of Work Survey (Preliminary Results)</b>					
NAICS Industry Titles	June-11	Year over Year		Month over Month	
		Job Change	Percent	Job Change	Percent
Total Nonfarm	15,390	(280)	-1.8%	(50)	-0.3%
Total Private	10,750	(130)	-1.2%	90	0.8%
Goods Producing	1,470	(90)	-6.1%	10	0.7%
Natural Resources, Mining, and Construction	850	(60)	-7.1%	20	2.4%
Manufacturing	620	(30)	-4.8%	(10)	-1.6%
Total Service Providing	13,920	(190)	-1.4%	(60)	-0.4%
Private Service Providing	9,280	(40)	-0.4%	80	0.9%
Trade, Transportation, Warehousing, and Utilities	2,540	(110)	-4.3%	0	0.0%
Wholesale Trade	120	(30)	-25.0%	0	0.0%
Retail Trade	2,120	(70)	-3.3%	0	0.0%
Transportation, Warehousing, and Utilities	300	(10)	-3.3%	0	0.0%
Information and Financial Activities	780	(20)	-2.6%	(10)	-1.3%
Residual Private Services	5,960	90	1.5%	90	1.5%
Total Government Service Providing	4,640	(150)	-3.2%	(140)	-3.0%

**Unemployment Rates**

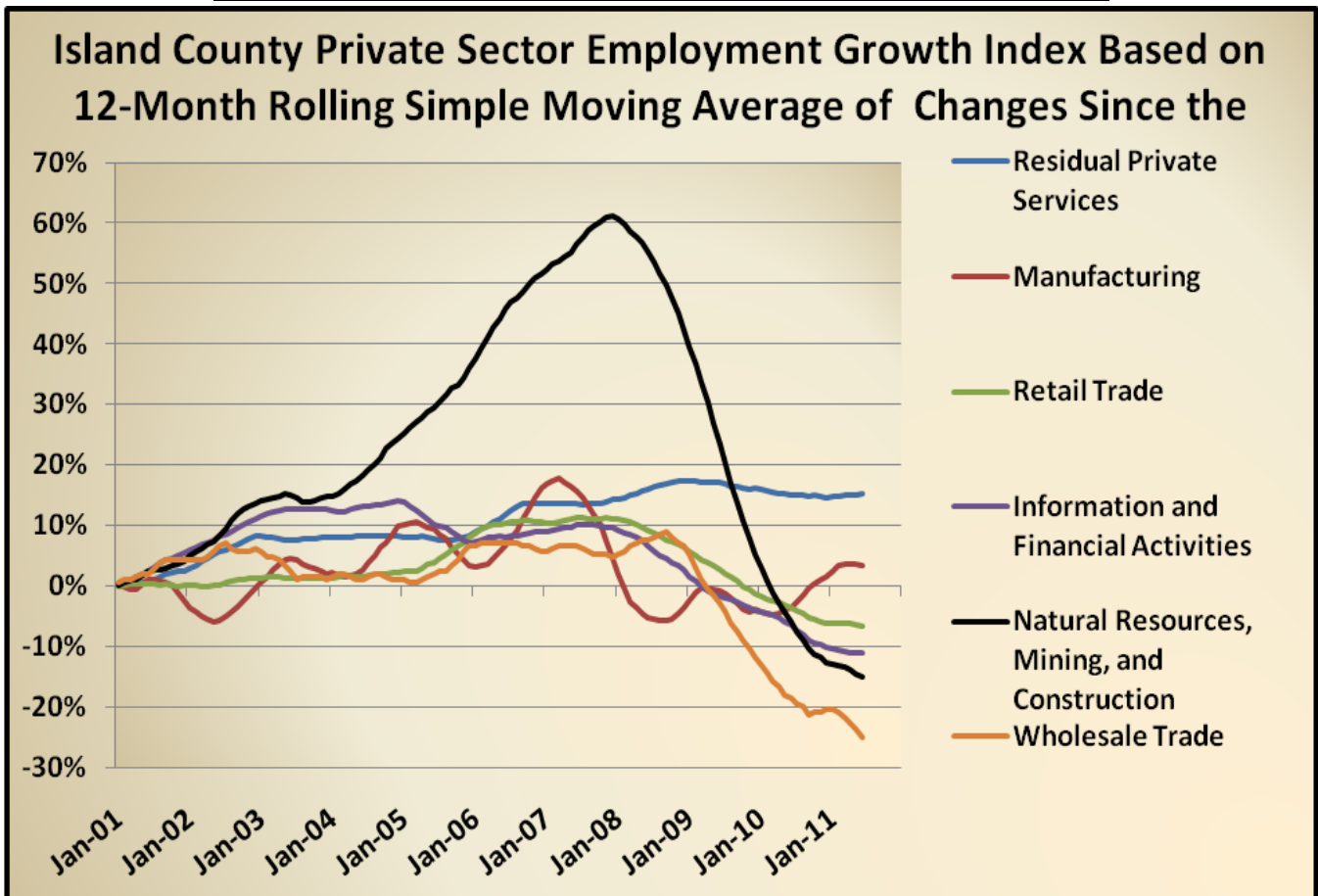
The Island County unemployment rate (seasonally unadjusted) rose from 9.0 percent in May to 9.6 percent in June (see table 1 above or detailed table 2 at the end of this review). Over the month, there were 160 more unemployed (likely a mixture of discouraged workers returning to the labor force and some recent layoffs), while there is an estimated 500 workers joining the ranks of the unemployed in June. Over the year, the data paints a similar picture.

**Payroll Employment**

The snapshot for jobs in Island County in the above table has a lot of red ink, showing job losses. Over the year, every listed category showed a loss of jobs with the exception of residual private services. The loss of government jobs over the year partly reflects the temporary census workers from a year ago as well as tightening fiscal conditions at all levels of government, and the over the month decline is a partly seasonal due to summer layoffs of educational support workers that do not



have annual contracts. About 65 percent of Island County’s working residents have jobs outside of Island County. Top destinations are in King, Snohomish and Skagit counties with 22, 19, and 10 percent of the resident workforce commuting to those counties respectively.



### San Juan County

[https://fortress.wa.gov/esd/lmea/countydashboard/Summary.aspx?area=53\\_04\\_000055](https://fortress.wa.gov/esd/lmea/countydashboard/Summary.aspx?area=53_04_000055)

San Juan County Employment by Place of Work Survey (Preliminary Results)					
NAICS Industry Titles	June-11	Year over Year		Month over Month	
		Job Change	Percent	Job Change	Percent
Total Nonfarm	5,720	(60)	-1.0%	410	7.2%
Total Private	4,640	(10)	-0.2%	380	8.2%
Goods Producing	920	(30)	-3.3%	30	3.3%
Natural Resources, Mining, and Construction	720	(20)	-2.8%	20	2.8%
Manufacturing	200	(10)	-5.0%	10	5.0%
Service Providing (Total)	4,800	(30)	-0.6%	380	7.9%
Service Providing (Private)	3,720	20	0.5%	350	9.4%
Trade, Transportation, and Utilities	1,050	(10)	-1.0%	80	7.6%
Information and Financial Activities	280	10	3.6%	0	0.0%
Residual Private Services	2,390	20	0.8%	270	11.3%
Government Service Providing	1,080	(50)	-4.6%	30	2.8%

### Unemployment Rates

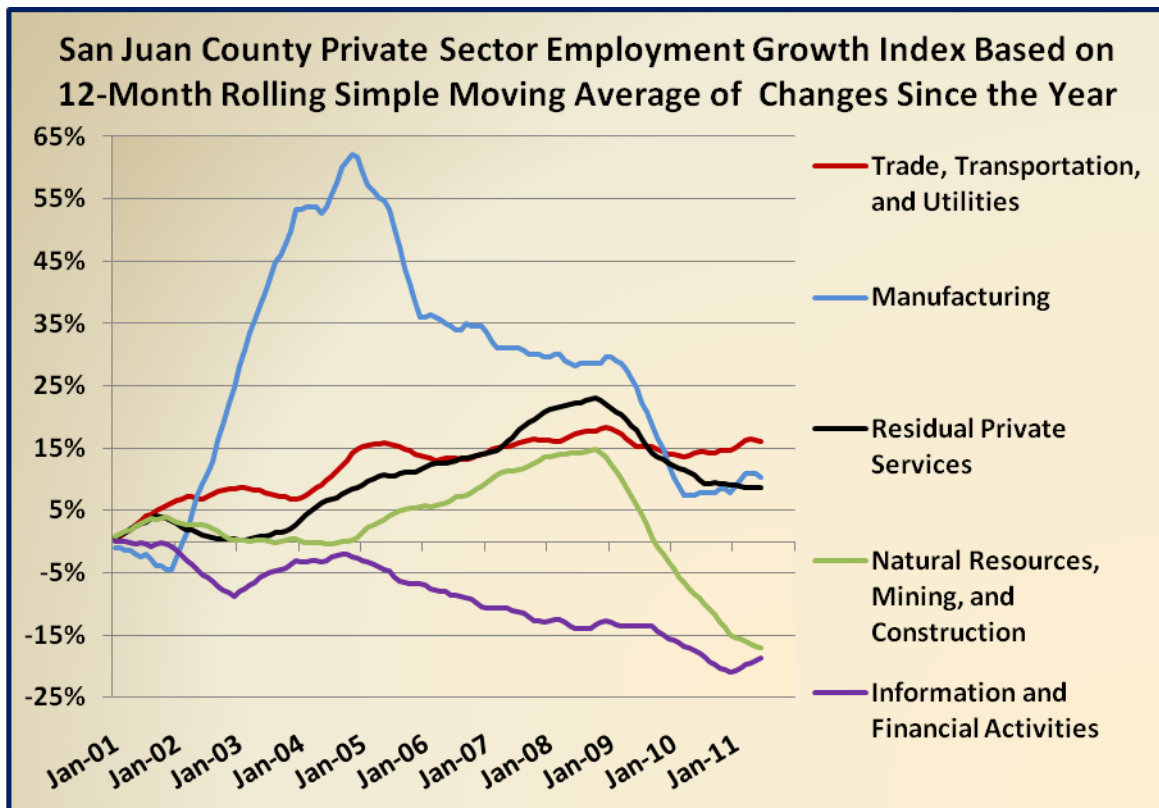
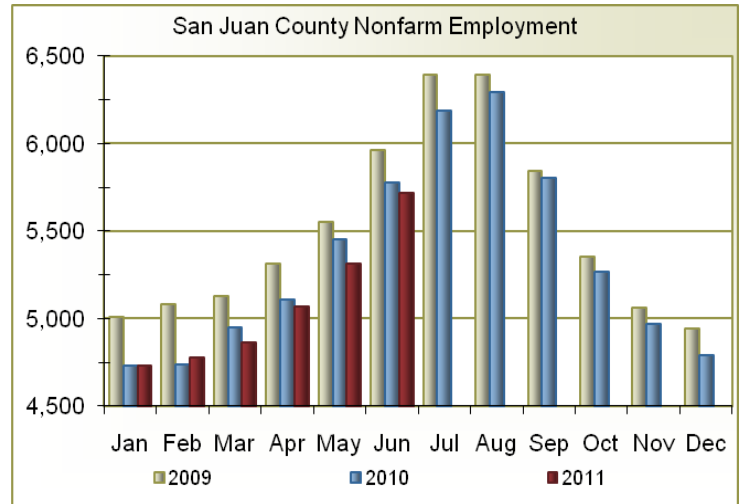
Looking at the unemployment rate and labor force data in tables 1 (beginning of review) and 2 (appendix), only San Juan County bucked the trend by having a lower unemployment rate in June. The jobs in this

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county are highly seasonal due to the tourism industry. The unemployment rate (seasonally unadjusted) dropped from 6.7 to 6.4 percent.

**Payroll Employment**

The total number of jobs declined over the year with the biggest cuts in government and goods producing industries. The over the year gains occurred in the private service industries. The over the month job increases in San Juan County are strong, especially in services. All the good publicity that San Juan County got in the national press earlier this year as a vacation destination will probably provide some very nice tailwinds for jobs over the rest of the summer.



**Appendix**

**About the Data, Charts and Graphs in this Release**

- 1) Employment is measured by the quarterly benchmarked CES (Current Employment Statistic) data which excludes farm based employment. CES counts jobs worked in the county whether full or part time and is not an FTE based measure. Furthermore, if an individual works at two different firms, this would count as two jobs. This is a sample based estimate and can be volatile and change from the preliminary release as more sample is processed. Furthermore, during the benchmarking process using the QCEW data it becomes very accurate. This CES data measures both UI covered and noncovered employment. The quarterly benchmarked CES data in Washington State differs from the CES data on the Bureau of Labor Statistics (BLS) as the BLS data for Washington is benchmarked only annually.
- 2) The QCEW (Quarterly Census of Employment and Wages) data has a detailed industry breakout since it is based only on UI tax data and is considered very accurate. The most recent QCEW data is for the third quarter of 2011.
- 3) The level of detail in the CES data is far lower than the QCEW data and many service based industries are not estimated at all for the CES data, so this results in a category termed 'residual private services.' Using the QCEW data this sector's industries may be discerned.
- 4) The CES sector shares in this report are based on the prior 12 month's averages of data to remove seasonal influences and minimize volatility from preliminary data. See the growth index graphs for determining intermediate trends in employment data by sector.
- 5) The growth indexes consist of rolling 12-month moving simple averages of employment data. As another month is added to the data, a simple average of the most recent 12 months of data is calculated. In order to put the employment from different industries on the same graph for comparison, all growth is indexed from the base year of 2000 to zero. If one were to draw separate graphs of the 12-month rolling simple moving average (but not using a growth index) then they would appear identical in shape to the growth index data for the same series. Reading off the left axis of these charts, we can tell how much higher or lower we are compared to the 2000 base period. Furthermore, it is easy to see whether each sector's employment has increased, bottomed out or is still decreasing based on the shape of the past several months of each series.
- 6) Since the CES data in this review is subject to revision, this averaging process removes the influence of any particular data point used to determine whether the industry is in a growth, bottoming, or declining phase. It is simple to locate what is called the intermediate trend of the 12-month moving average data: if in the last several months it is turning up from being flat, then the industry employment is growing, and vice versa for a declining industry.
- 7) Caution is again advised in not interpreting preliminary data on unemployment rates or industry employment as a statement of absolute fact. This is the main reason that the employment data is portrayed as a 12-month moving average to remove some of the noise from the data. The revision and benchmarking process will yield a far better picture.

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**Detailed Local Area Unemployment Statistics (LAUS)**

<b>Table 3 Unemployment Rates and Labor Force Composition: All Data is Not Seasonally Adjusted (NSA)</b>												
	<b>June 2011 NSA Preliminary</b>				<b>May 2011 NSA Revised</b>				<b>June 2010 NSA Revised</b>			
	<b>Labor Force</b>	<b>Employ</b>	<b>Unemploy</b>	<b>URate</b>	<b>Lab Force</b>	<b>Employ</b>	<b>Unemploy</b>	<b>URate</b>	<b>Lab Force</b>	<b>Employ</b>	<b>Unemploy</b>	<b>URate</b>
<b>USA (thousands)</b>	<b>154,538</b>	<b>140,129</b>	<b>14,409</b>	<b>9.3</b>	<b>153,449</b>	<b>140,028</b>	<b>13,421</b>	<b>8.7</b>	<b>154,767</b>	<b>139,882</b>	<b>14,885</b>	<b>9.6</b>
M/M change	1,089	101	988	0.6								
Y/Y Change	-229	247	-476	-0.3								
Y/Y % Change	-0.1%	0.2%	-3.2%									
<b>Washington</b>	<b>3,485,470</b>	<b>3,162,880</b>	<b>322,590</b>	<b>9.3</b>	<b>3,475,900</b>	<b>3,164,270</b>	<b>311,630</b>	<b>9.0</b>	<b>3,543,010</b>	<b>3,211,710</b>	<b>331,300</b>	<b>9.4</b>
M/M change	9,570	-1,390	10,960	0.3								
Y/Y Change	-57,540	-48,830	-8,710	-0.1								
Y/Y % Change	-1.6%	-1.5%	-2.6%									
<b>CD-2 Est.</b>	<b>579,680</b>	<b>523,060</b>	<b>56,620</b>	<b>9.8</b>	<b>577,700</b>	<b>525,480</b>	<b>52,220</b>	<b>9.0</b>	<b>589,920</b>	<b>531,610</b>	<b>58,310</b>	<b>9.9</b>
M/M change	1,980	-2,420	4,400	0.7								
Y/Y Change	-10,240	-8,550	-1,690	-0.1								
Y/Y % Change	-1.7%	-1.6%	-2.9%									
<b>NW WDA (3)</b>	<b>201,940</b>	<b>183,340</b>	<b>18,600</b>	<b>9.2</b>	<b>203,090</b>	<b>185,490</b>	<b>17,600</b>	<b>8.7</b>	<b>206,910</b>	<b>188,670</b>	<b>18,240</b>	<b>8.8</b>
M/M change	-1,150	-2,150	1,000	0.5								
Y/Y Change	-4,970	-5,330	360	0.4								
Y/Y % Change	-2.4%	-2.8%	2.0%									
<b>Whatcom</b>	<b>103,670</b>	<b>94,580</b>	<b>9,090</b>	<b>8.8</b>	<b>104,900</b>	<b>96,410</b>	<b>8,490</b>	<b>8.1</b>	<b>106,620</b>	<b>97,620</b>	<b>9,000</b>	<b>8.4</b>
M/M change	-1,230	-1,830	600	0.7								
Y/Y Change	-2,950	-3,040	90	0.4								
Y/Y % Change	-2.8%	-3.1%	1.0%									
<b>Skagit</b>	<b>57,180</b>	<b>51,320</b>	<b>5,860</b>	<b>10.2</b>	<b>57,210</b>	<b>51,590</b>	<b>5,620</b>	<b>9.8</b>	<b>58,460</b>	<b>52,680</b>	<b>5,780</b>	<b>9.9</b>
M/M change	-30	-270	240	0.4								
Y/Y Change	-1,280	-1,360	80	0.3								
Y/Y % Change	-2.2%	-2.6%	1.4%									
<b>Island</b>	<b>32,430</b>	<b>29,330</b>	<b>3,100</b>	<b>9.6</b>	<b>32,760</b>	<b>29,820</b>	<b>2,940</b>	<b>9.0</b>	<b>33,030</b>	<b>30,090</b>	<b>2,940</b>	<b>8.9</b>
M/M change	-330	-490	160	0.6								
Y/Y Change	-600	-760	160	0.7								
Y/Y % Change	-1.8%	-2.5%	5.4%									
<b>San Juan</b>	<b>8,660</b>	<b>8,110</b>	<b>550</b>	<b>6.4</b>	<b>8,220</b>	<b>7,670</b>	<b>550</b>	<b>6.7</b>	<b>8,800</b>	<b>8,280</b>	<b>520</b>	<b>5.9</b>
M/M change	440	440	0	-0.3								
Y/Y Change	-140	-170	30	0.5								
Y/Y % Change	-1.6%	-2.1%	5.8%									
<b>Snohomish</b>	<b>377,740</b>	<b>339,720</b>	<b>38,020</b>	<b>10.1</b>	<b>374,610</b>	<b>339,990</b>	<b>34,620</b>	<b>9.2</b>	<b>383,010</b>	<b>342,940</b>	<b>40,070</b>	<b>10.5</b>
M/M change	3,130	-270	3,400	0.9								
Y/Y Change	-5,270	-3,220	-2,050	-0.4								
Y/Y % Change	-1.4%	-0.9%	-5.1%									