

The Monthly Employment Report

Washington 4.0%

United States 3.7%

Seasonally adjusted

December 2023



Employment Security Department
WASHINGTON STATE



For workers and businesses affected by COVID-19, Employment Security has updated information on the website at esd.wa.gov. For labor market information questions, please send your emails to data@esd.wa.gov.

Employment estimates in this report are generated by the U.S. Bureau of Labor Statistics (BLS). Monthly employment estimates are subject to revision in subsequent months when more sample data become available. 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 increased by 7,700 in December 2023.¹ BLS estimates the private sector added 6,600 jobs during the month and the public sector added 1,100 jobs.

On a not seasonally adjusted basis, estimates for December 2022 through December 2023 indicate an increase in employment of 54,200 for the state. The private sector added 34,800 jobs while the public sector gained an estimated 19,400 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for December 2023 was 4.2%. The revised estimated unemployment rate for November 2023 was 4.0 percent. The December 2022 unemployment rate was 4.5%.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The November 2023 preliminary estimated loss of 2,600 jobs was revised upward to a gain of 7,700 jobs.

For more information, call Chief Labor Economist Anneliese Vance-Sherman at 564-900-0748

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, November and December 2022 and 2023

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

	December 2023 (Preliminary)	November 2023 (Revised)	December 2022 (Revised)	November 2022 (Revised)
United States				
Unemployment rate	3.7%	3.7%	3.5%	3.6%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	4.2%	4.0%	4.5%	4.6%
Resident labor force	4,059,627	4,057,720	4,015,286	4,016,453
Unemployed	170,380	161,573	182,517	183,636
Seattle/Bellevue/Everett				
Unemployment rate	3.6%	3.6%	3.2%	3.2%
Resident labor force	1,820,891	1,820,884	1,781,209	1,781,394
Unemployed	66,198	64,745	57,086	57,511

Data Architecture, Transformation and Analytics Division
December 2023

¹Most of the employment numbers discussed in this report refer to jobs, not people. 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.

Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for December 2023 was 4.2 percent. The revised estimate for November 2023 was 4.0 percent.

According to BLS estimates, the number of unemployed Washington residents rose by 8,807 in December compared to November 2023. At the same time, the number of employed Washington residents dropped by an estimated 6,900. Overall, this amounted to an increase of 1,907 workers in the labor force.

The preliminary December 2023 unemployment rate was 0.3 percentage points below the December 2022 rate of 4.5%.

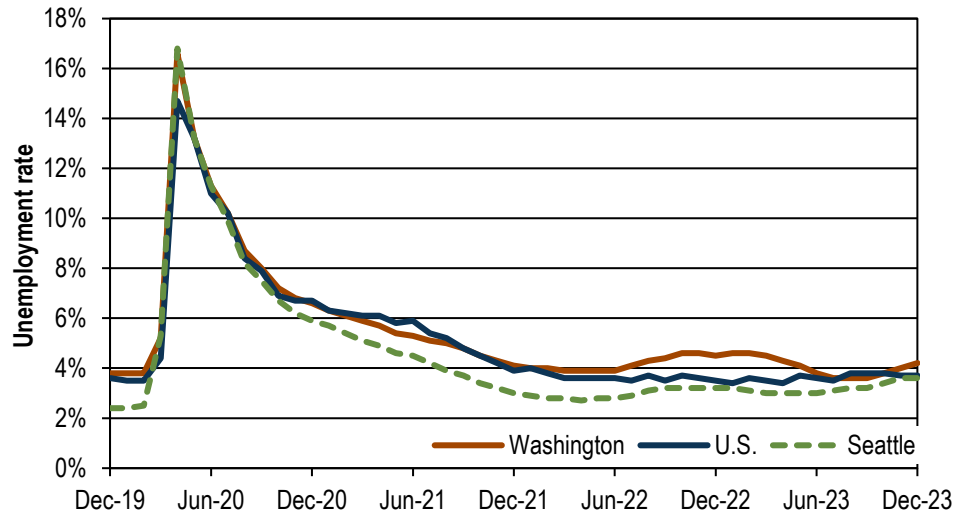
December 2023 preliminary unemployment rates:

- U.S. (preliminary) 3.7%
- Washington (preliminary) 4.2%
- Seattle area (preliminary) 3.6%

Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, December 2019 through December 2023

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



Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 7,700 from November 2023 to December 2023.

Recent employment change

October 2023: up 3,100 jobs (revised)

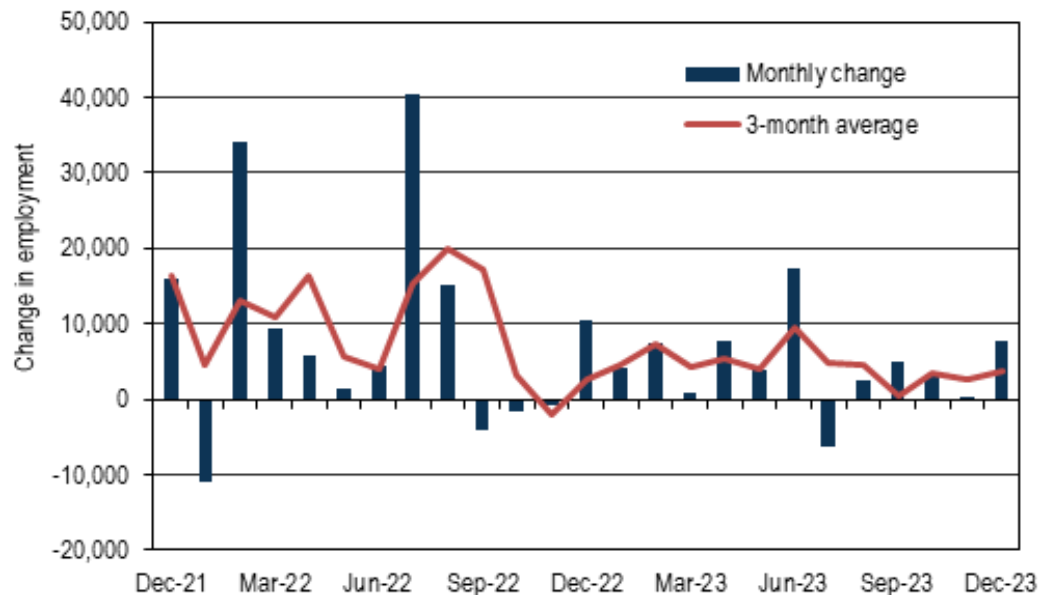
November 2023: up 300 jobs (revised)

December 2023: up 7,700 jobs (preliminary)

Monthly employment change, seasonally adjusted

Washington state, December 2021 through December 2023

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



Employment and unemployment, seasonally adjusted

February 2020 (start of 2020 employment recession in Washington)

Nonfarm employment: 3,512,000

Unemployment rate: 3.8%

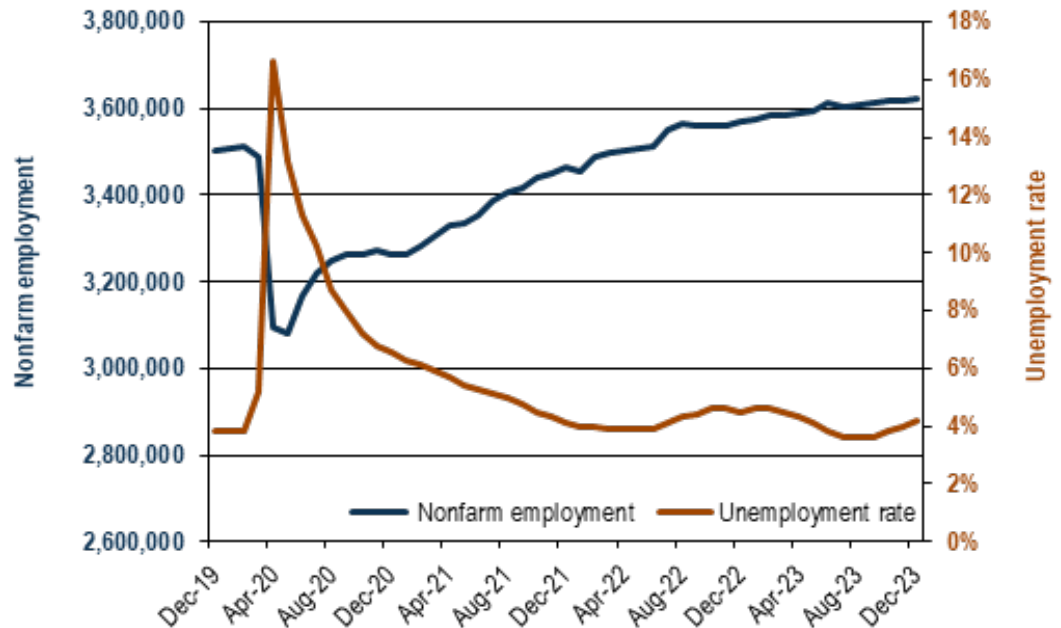
December 2023 (preliminary)

Nonfarm employment: 3,624,100

Unemployment rate: 4.2%

Nonfarm employment and unemployment rate, seasonally adjusted
Washington state, December 2019 through December 2023

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



Workers and businesses affected by COVID-19

Employment Security's COVID-19 online information page covers topics for businesses and workers impacted by COVID-19. Topics include:

- Subscribing for updates
- Frequently asked questions
- Workers Q&A
- Business Q&A
- CARES ACT
- COVID-19 rulemaking
- COVID-19 resources
- Action alerts and updates

We are all in this together. The COVID-19 pandemic has created an unprecedented demand for services, but we are building capacity, updating technology, and we thank you for your patience while we work to serve you better.

Did you know that you can subscribe for email updates on a number of Employment Security Department topics all at once?

Go to esd.wa.gov/labormarketinfo and select the email icon at the top of the page.



Enter your email address and subscribe by checking the boxes for topics such as:

- COVID-19
- Labor market information
- News releases
- Employer news and resources
- Paid Family and Medical Leave
- Employer information
- SharedWork program
- WorkSource system
- Unemployment insurance
- Training

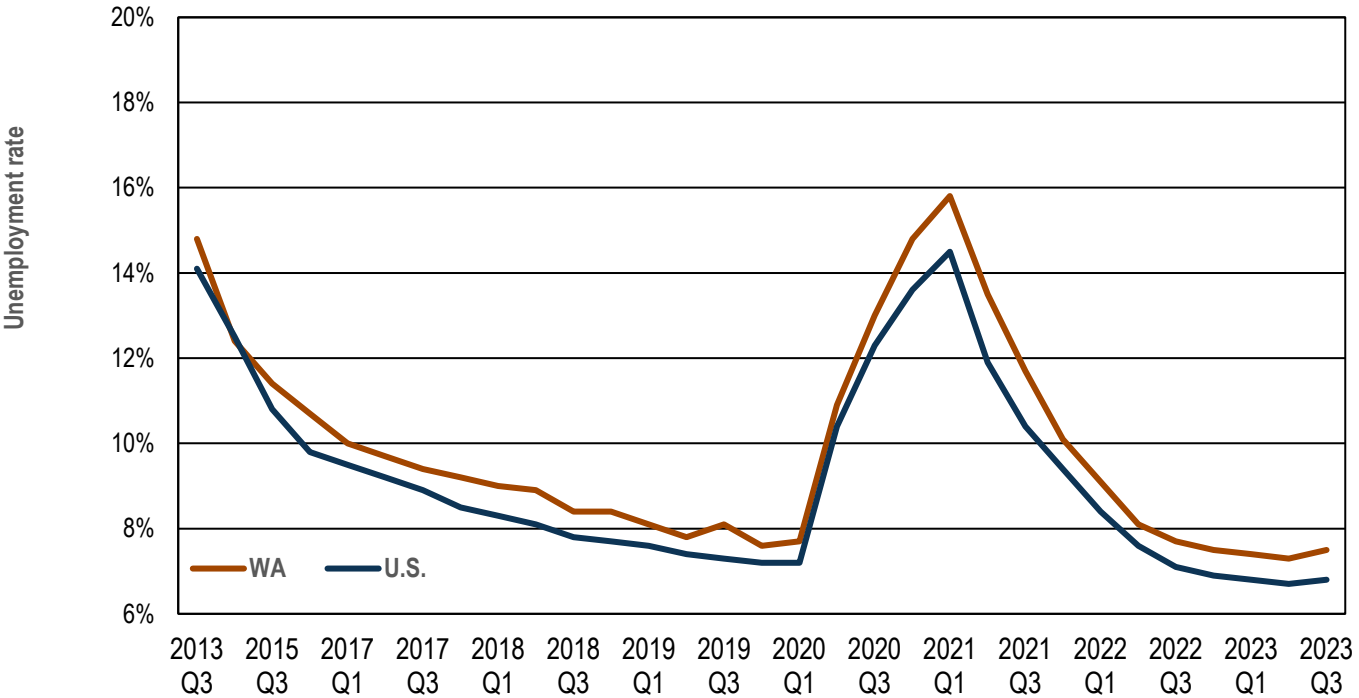
Many more to come, so sign up today for your email updates!

U-6: Broader annual average unemployment measure increased in the four-quarter period through third quarter 2023

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include four-quarter rates through the third quarter of 2023. One such alternative measure is the U-6 rate, which considers not only the unemployed population in the official “U-3” unemployment rate, but also marginally attached workers and those employed part

time for economic reasons. The U-6 rate is defined by BLS as the “total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.” This U-6 measure measures the “unemployed, underemployed, and those who are not looking but who want a job.”

The U-6 annual average unemployment rate for the four-quarter period through third quarter 2023 for Washington state was 7.5 %. This was above the 7.3 % average for the four-quarter period through second quarter 2023. The U.S. U-6 average for the four-quarter period through third quarter 2023 was 6.8 %.



Year	WA/U.S.	Q1	Q2	Q3	Annual average
2023	WA	7.4%	7.3%	7.5%	
	U.S.	6.8%	6.7%	6.8%	
2022	WA	9.1%	8.1%	7.7%	7.5%
	U.S.	8.4%	7.6%	7.1%	6.9%
2021	WA	15.8%	13.5%	11.7%	10.1%
	U.S.	14.5%	11.9%	10.4%	9.4%
2020	WA	8.1%	10.9%	13.0%	14.8%
	U.S.	7.7%	10.4%	12.3%	13.6%
2019	WA	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	7.2%
2018	WA	9.0%	8.9%	8.4%	8.4%
	U.S.	8.3%	8.1%	7.8%	7.7%
2017	WA	10.0%	9.7%	9.4%	9.2%
	U.S.	9.5%	9.2%	8.9%	8.5%

Source: Bureau of Labor Statistics: <https://www.bls.gov/lau/stait.htm>.

Industry employment in Washington, seasonally adjusted

One-month employment change by industry

Based on a BLS survey of businesses and governments, Washington added an estimated 7,700 jobs during the month, on a seasonally adjusted basis:

- Overall, employment increased in nine major industry sectors and decreased in four.
- Private sector employment is estimated to have increased by 6,600 and government employment increased by 1,100 in December.
- The largest sector level gains were observed in leisure and hospitality (up 2,600); employment gains were largely attributable to hiring by food services and drinking places (restaurants and bars).
- Employment in professional and business services expanded by 1,700, with the largest gains observed in professional, scientific and technical services. Employment services dropped by 600.
- Manufacturing employment received a boost from aerospace industry employment (up 400) and food manufacturing (up 300).
- The construction sector experienced the deepest one-month losses in December. Despite increasing employment in construction of buildings (up 800) and heavy and civil engineering (up 200), specialty trade contractors shed 1,700 jobs.
- Employment in retail trade decreased by 600 overall. The deepest losses were observed in other retail trade (-1,000).
- Transportation, warehousing and utilities shed 600 jobs in December. Warehousing and storage.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, November 2023 to December 2023

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

Total nonfarm	7,700
Leisure and hospitality	2,600
Professional and Business Services	1,700
Manufacturing	1,200
Government	1,100
Financial Activities	1,100
Wholesale Trade	700
Education and Health Services	600
Information	600
Mining and logging	100
Other Services	-100
Transportation, Warehousing and Utilities	-600
Retail Trade	-600
Construction	-700

Industry employment in Washington, not seasonally adjusted

Change by industry over the year

Based on a BLS survey of businesses and governments, Washington gained an estimated 54,200 jobs from December 2022 to December 2023. This is a 1.5% increase in employment over the year.

- Overall, employment in nine major industries expanded and three decreased.
- Private sector employment rose 1.2%, up an estimated 34,800 jobs.
- Public sector employment rose 3.4%, up an estimated 19,400 jobs.
- Education and health services employment increased by 18,700 overall, with 16,000 jobs added in health services and social assistance.
- Employment in leisure and hospitality was up 15,500, with the largest gains attributable to hiring in accommodation and food services (up 8,400).
- Manufacturing employment increased by 7,000, with 7,500 jobs gained in aerospace product and parts manufacturing.
- Employment in construction dropped by 8,800 overall, with losses observed in all contributing industries. Specialty trade contractors shed the largest number of jobs over the year (-6,600).
- Information sector employment dropped by 5,300 over the year. The software publishing industry shed 1,600 jobs.

Estimated employment change by industry over the year, not seasonally adjusted
Washington state, December 2022 through December 2023

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

Total nonfarm	54,200
Government	19,400
Education and health services	18,700
Leisure and hospitality	15,500
Manufacturing	7,000
Wholesale trade	5,300
Other services	2,000
Transportation, warehousing and utilities	1,900
Financial activities	400
Professional and business services	400
Mining and logging	0
Retail trade	-2,300
Information	-5,300
Construction	-8,800

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, December 2023

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

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	-3,200	4,500	7,700
Leisure and Hospitality	3,200	5,800	2,600
Professional and Business Services	-1,200	500	1,700
Manufacturing	-700	500	1,200
Government	-3,000	-1,900	1,100
Financial Activities	-800	300	1,100
Wholesale Trade	-800	-100	700
Education and Health Services	-1,800	-1,200	600
Information	700	1,300	600
Mining and Logging	-100	0	100
Other Services	200	100	-100
Transportation, Warehousing and Utilities	2,800	2,200	-600
Retail Trade	2,200	1,600	-600
Construction	-3,900	-4,600	-700

Based on historical patterns, Washington employment typically decreases from November to December. This year, the expected one-month decrease was 3,200. Actual estimated employment in December included the addition of 4,500 jobs, amounting to a seasonally adjusted increase of 7,700 jobs.

- The largest seasonally adjusted increase in employment in December was observed in leisure and hospitality. The normal seasonal change would have been an increase of 3,200 jobs however 5,800 jobs were added, resulting in a seasonally adjusted increase of 2,600 jobs.
- Typically, holiday hiring boosts retail trade employment by 2,200 in December. The actual estimated increase was 1,600 resulting in a seasonally adjusted decrease of 600 retail jobs.

Media inquiries and contact information

Due to the high volume of requests for information, please send your emails to media@esd.wa.gov so that we can forward your requests to the appropriate staff.

For labor market information questions, please send your emails to data@esd.wa.gov.

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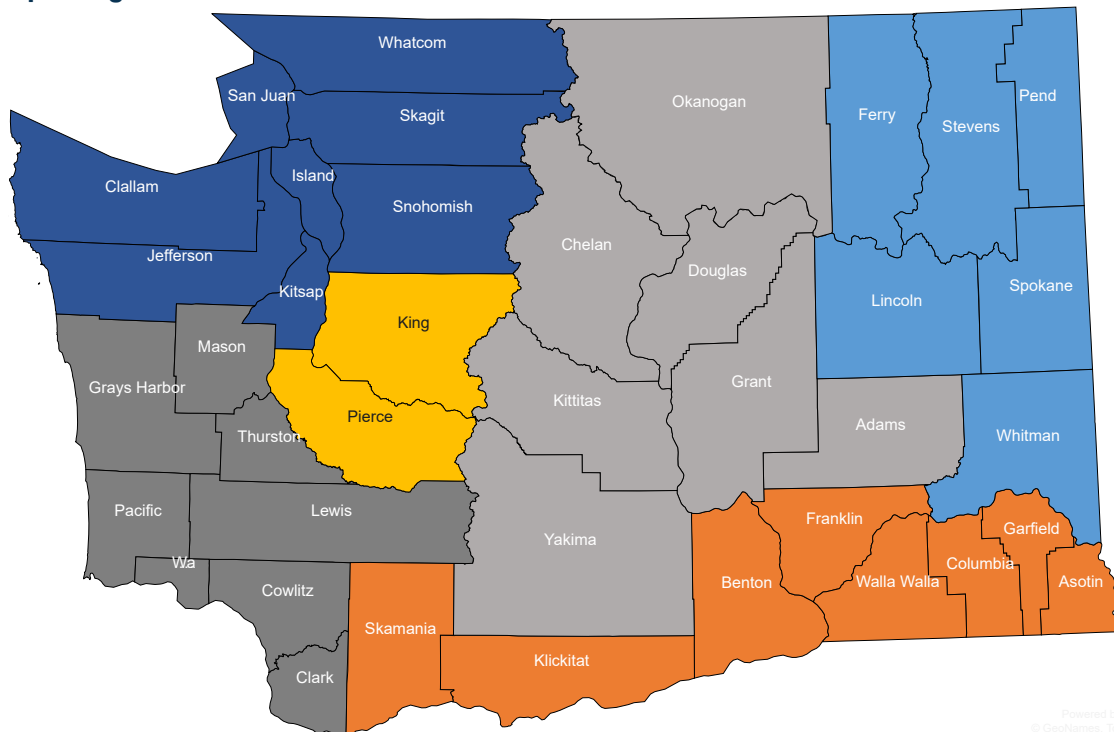
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., January 23, 2024. The publication schedule for 2024 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>

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