

The Monthly Employment Report

Washington 4.1%

United States 3.7%

Seasonally adjusted

May 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 rose by 2,900 in May 2023. BLS estimates the private sector gained 3,500 jobs during the month and the public sector lost 600 jobs.

On a not seasonally adjusted basis, estimates for May 2022 through May 2023 indicate an increase in employment of 104,700 for the state. The private sector gained 85,600 jobs while the public sector gained an estimated 19,100 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for May 2023 is 4.1 percent. The revised estimated April 2023 unemployment rate is at 4.3 percent. The May 2022 unemployment rate was 3.9 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The April 2023 preliminary estimated gain of 6,100 jobs was revised to a gain of 5,600 jobs.

For more information, call Paul Turek at 360-706-3044.

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, April and May 2022 and 2023

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

	May 2023 (Preliminary)	April 2023 (Revised)	May 2022 (Revised)	April 2022 (Revised)
United States				
Unemployment rate	3.7%	3.4%	3.6%	3.6%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	4.1%	4.3%	3.9%	4.1%
Resident labor force	4,065,500	4,057,000	4,036,000	4,023,300
Unemployed	165,300	174,500	158,600	163,000
Seattle/Bellevue/Everett				
Unemployment rate	3.0%	3.0%	2.7%	2.9%
Resident labor force	1,803,000	1,792,600	1,776,100	1,765,000
Unemployed	54,200	53,000	48,300	51,600

Data Architecture, Transformation and Analytics Division
May 2023

¹Most of the employment numbers discussed in this report refers 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 May 2023 is 4.1 percent. The revised estimated April 2023 unemployment rate is 4.3 percent.

According to BLS estimates, the number of unemployed people fell by 9,200 in May 2023 compared to April 2023. At the same time, the number of employed people rose by an estimated 17,700. Overall, this amounted to an increase of 8,500 people in the labor force.

The preliminary May 2023 unemployment rate is 0.2 percentage points higher than the May 2022 rate of 3.9 percent.

May 2023 preliminary unemployment rates:

U.S. (preliminary) 3.7%

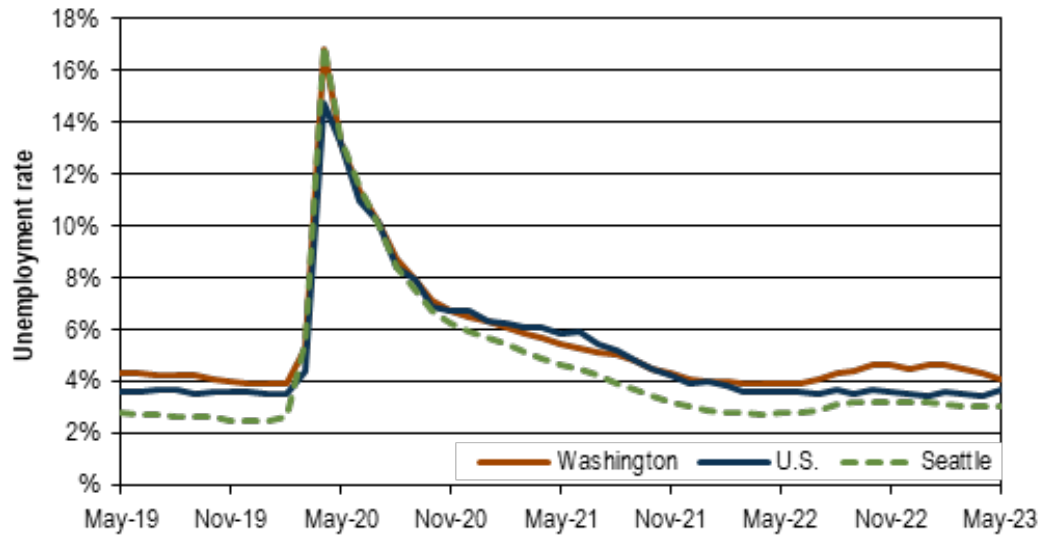
Washington (preliminary) 4.1%

Seattle area (preliminary) 3.0%

Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, May 2019 through May 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 2,900 jobs from April 2023 to May 2023.

Recent employment change

March 2023: up 4,400 jobs (revised)

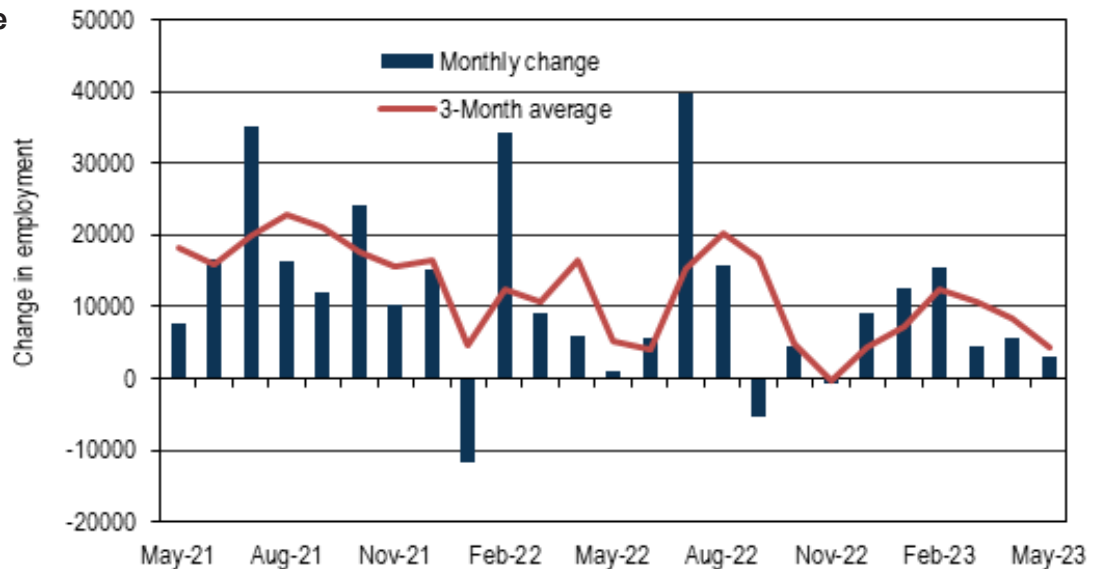
April 2023: up 5,600 jobs (revised)

May 2023: up 2,900 jobs (preliminary)

Monthly employment change, seasonally adjusted

Washington state, May 2021 through May 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: 3,512,700

Unemployment rate: 3.9%

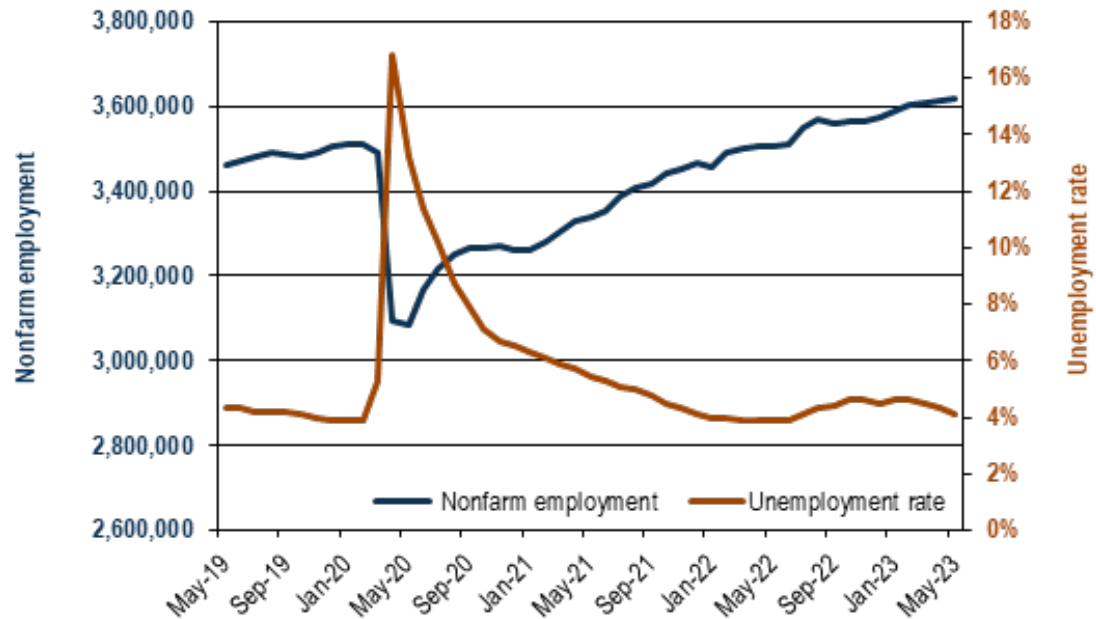
May 2023 (preliminary)

Nonfarm employment: 3,615,500

Unemployment rate: 4.1%

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

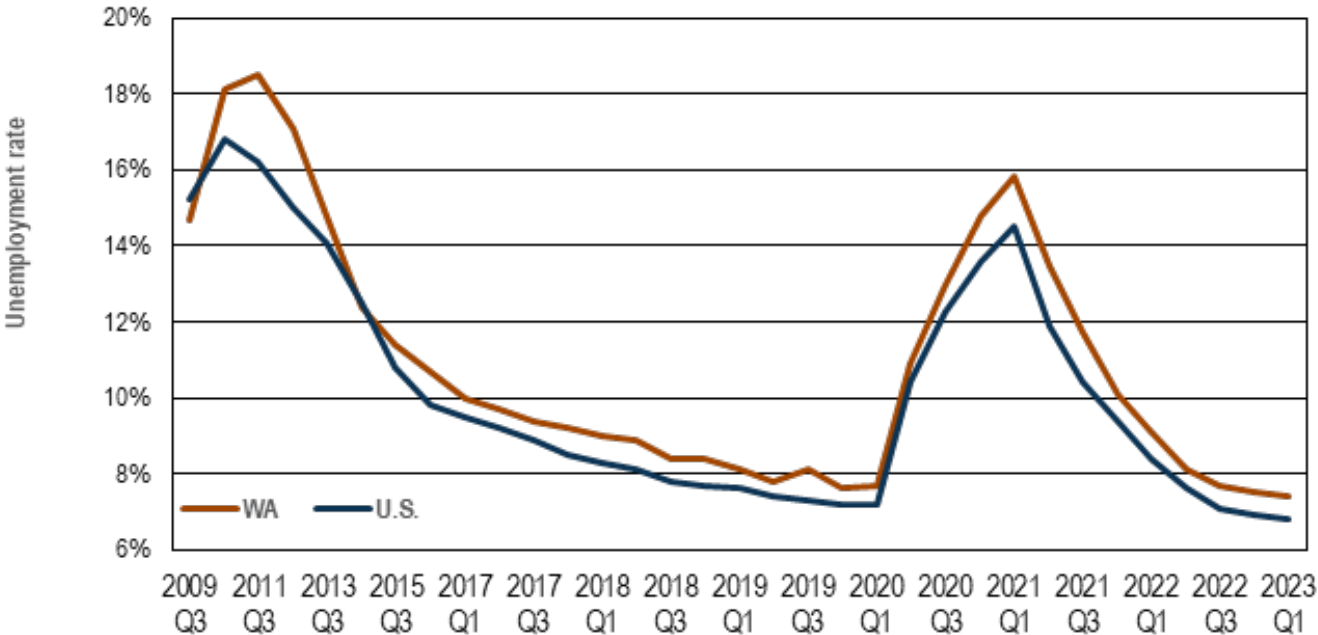
Many more to come, so sign up today for your email updates!

U-6: Broader annual average unemployment measure decreased in the four-quarter period through first 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 first quarter 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 first quarter 2023 for Washington state was 7.4 percent. This was lower compared to the 10.1 percent average annual U-6 unemployment rate for 2021. The U.S. U-6 average annual unemployment rate for 2022 was 6.9 percent.



Year	WA/U.S.	Q1	Q2	Q3	Annual average
2023	WA	7.4%			
	U.S.	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/stalt.htm>.

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 2,900 jobs during the month, on a seasonally adjusted basis:

- Overall, employment increased in six major industries, decreased in six and was unchanged in one in May.
- Private sector employment is estimated to have increased by 3,500 and government employment decreased by 600.
- The number of jobs in education and health services increased by 4,200 overall, with 2,400 jobs gained in ambulatory health care services.
- Manufacturing employment rose by 2,300, lejd by 1,800 jobs added in food manufacturing.
- Retail trade employment increased by 1,100 overall, with 800 jobs added by motor vehicle and parts dealers.
- Professional and business services employment decreased by 2,100, with 1,800 jobs lost in employment services.
- Leisure and hospitality employment decreased by 2,300 overall, with 2,100 jobs lost in arts, entertainment, and recreation.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, April 2023 to May 2023

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

Total nonfarm	2,900
Education and health services	4,200
Manufacturing	2,300
Transportation, warehousing and utilities	1,200
Retail trade	1,100
Financial activities	800
Construction	700
Mining and logging	0
Wholesale trade	-100
Government	-600
Information	-800
Other services	-1,500
Professional and business services	-2,100
Leisure and hospitality	-2,300

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 104,700 jobs from May 2022 through May 2023.

- Overall, twelve major industries expanded and one decreased.
- Private sector employment rose 2.9 percent, up an estimated 85,600 jobs.
- Public sector employment rose 3.4 percent, up an estimated 19,100 jobs.
- Education and health services employment rose by 30,000 overall, with 23,700 jobs added in health services and social assistance.
- Employment in leisure and hospitality is up by 17,200, with food services and drinking places adding 13,200 jobs.
- Manufacturing employment increased by 11,400, with 6,500 jobs gained in aerospace product and parts manufacturing.
- Professional and business services employment increased by 8,500, with 3,500 jobs added in computer systems design and related services.
- Employment in construction is up 6,400 overall, led by an increase of 4,700 by specialty trade contractors.

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

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

Total nonfarm	104,700
Education and health services	30,000
Government	19,100
Leisure and hospitality	17,200
Manufacturing	11,400
Professional and business services	8,500
Construction	6,400
Retail trade	4,600
Other services	3,400
Transportation, warehousing and utilities	3,100
Wholesale trade	1,600
Financial activities	400
Mining and logging	200
Information	-1,200

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, May 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	11,800	14,700	2,900
Leisure and hospitality	5,100	2,800	-2,300
Manufacturing	2,000	4,300	2,300
Financial activities	1,700	2,500	800
Retail trade	1,200	2,300	1,100
Wholesale trade	800	700	-100
Government	600	0	-600
Education and health services	300	4,500	4,200
Construction	200	900	700
Mining and logging	100	100	0
Transportation, warehousing and utilities	0	1,200	1,200
Information	0	-800	-800
Other services	0	-1,500	-1,500
Professional and business services	-200	-2,300	-2,100

Based on historical patterns, Washington employment typically increases by 11,800 from April to May. This year the state gained an estimated 14,700 jobs, amounting to a seasonally adjusted increase of 2,900 jobs.

- The normal seasonal gain in leisure and hospitality employment is 5,100 in May. The estimated gain was 2,800, so employment decreased by 2,300 on a seasonally adjusted basis.
- Typically, manufacturing employment increases by 2,000 in May. On a seasonally adjusted basis, manufacturing employment increased by 2,300 as the estimated increase was 4,300.
- The estimated employment increase in construction was 900. The normal seasonal increase is 200, so on a seasonally adjusted basis, construction employment increased by 700.
- Employment in retail trade normally increases by 1,200. It is estimated to have increased by 2,300 this May so it increased by 1,100 on a seasonally adjusted basis.
- The employment decrease on a seasonally adjusted basis was 2,100 in professional and business services in May. The normal seasonal decrease is 200. It is estimated to have decreased this May by 2,300.

Benchmarking Highlights

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 December 2022. Employment estimates for May 2023 presented in this report were based on the new data, plus seasonal adjustments.

Quarterly benchmarked industry employment, seasonally adjusted
Washington state, December 2022

Source: Employment Security Department/LMPA, Quarterly Census of Employment and Wages

	Revisions to December 2022 employment level
Total nonfarm	-6,900
Government	3,000
Manufacturing	1,900
Retail trade	1,500
Wholesale trade	800
Construction	400
Information	100
Mining and logging	-100
Leisure and hospitality	-800
Other services	-1,100
Education and health services	-1,700
Professional and business services	-2,900
Transportation, warehousing and utilities	-3,300
Financial activities	-4,700

Based on benchmarked December 2022 data:

- The two largest upward revisions were for government and for manufacturing, up 3,000 and 1,900, respectively.
- Financial activities had the largest downward revision, 4,700.

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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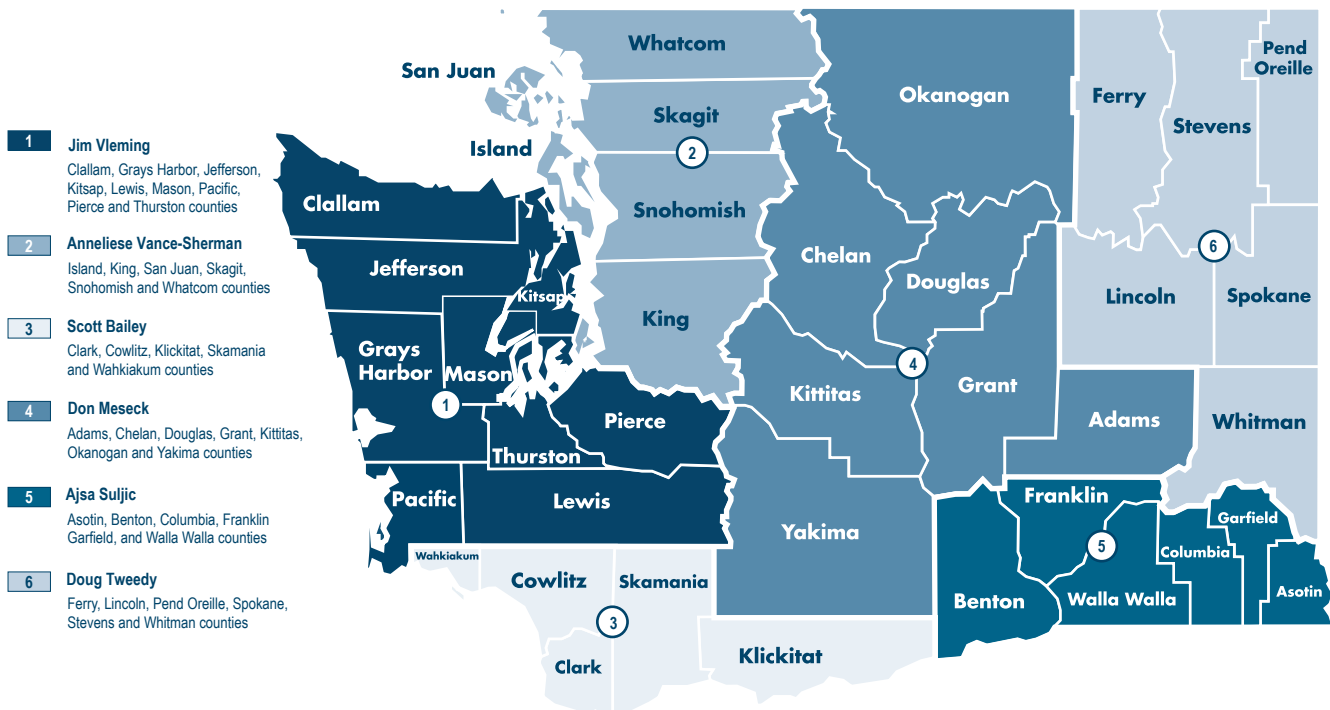
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., June 20, 2023. The publication schedule for 2023 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>

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