

The Monthly Employment Report

Washington 4.6%

United States 3.4%

Seasonally adjusted

January 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 10,800 in January 2023.1 BLS estimates the private sector gained 9,800 jobs during the month and the public sector gained 1,000 jobs.

On a not seasonally adjusted basis, estimates for January 2022 through January 2023 indicate an increase in employment of 138,400 for the state. The private sector gained 121,300 jobs while the public sector gained an estimated 17,100 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for January 2023 is 4.6 percent. The revised estimated December 2022 unemployment rate is at 4.2 percent. The January 2022 unemployment rate was 4.4 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The December 2022 preliminary estimated gain of 2,500 jobs was revised to a gain of 7,700 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, January 2022 and 2023 and December 2021 and 2022

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

	January 2023 (Preliminary)	December 2022 (Revised)	January 2022 (Revised)	December 2021 (Revised)
United States				
Unemployment rate	3.4%	3.5%	4.0%	3.9%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	4.6%	4.2%	4.4%	4.5%
Resident labor force	4,023,000	4,002,500	3,960,400	3,943,800
Unemployed	184,500	167,500	173,900	177,100
Seattle/Bellevue/Everett				
Unemployment rate	3.2%	3.0%	3.5%	3.6%
Resident labor force	1,782,100	1,770,000	1,735,500	1,726,200
Unemployed	57,000	53,200	60,700	62,000

Data Architecture, Transformation and Analytics Division
January 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.

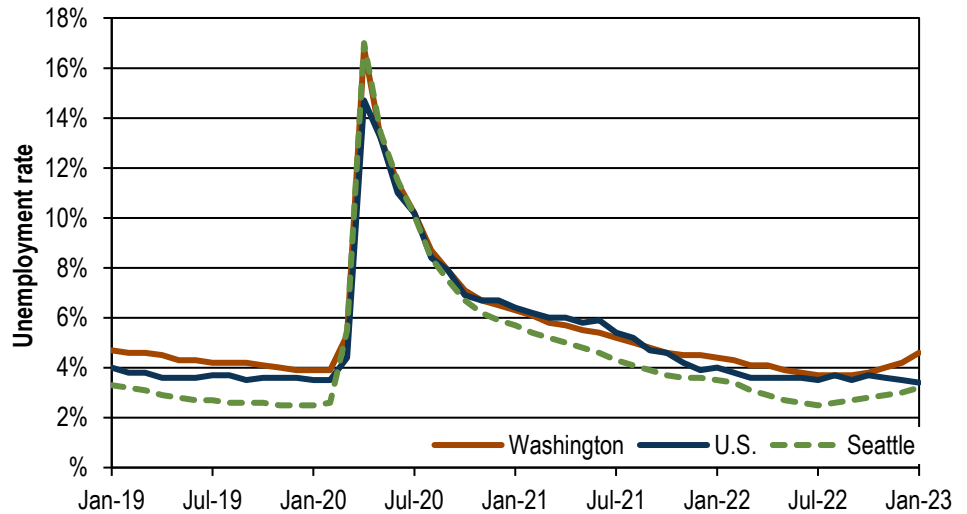
Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for January 2023 is 4.6 percent. The revised estimated December 2022 unemployment rate is 4.2 percent.

According to BLS estimates, the number of unemployed people rose by 17,000 in January 2023 compared to December 2022. At the same time, the number of employed people rose by an estimated 3,500. Overall, this amounted to an increase of 20,500 people in the labor force.

The preliminary January 2023 unemployment rate is 0.2 percentage points higher than the January 2022 rate of 4.4 percent.

Unemployment rates, seasonally adjusted
U.S., Washington and Seattle, January 2019 through January 2023
Source: Employment Security Department/DATA Division; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



January 2023 preliminary

Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 10,800 jobs from December 2022 to January 2023.

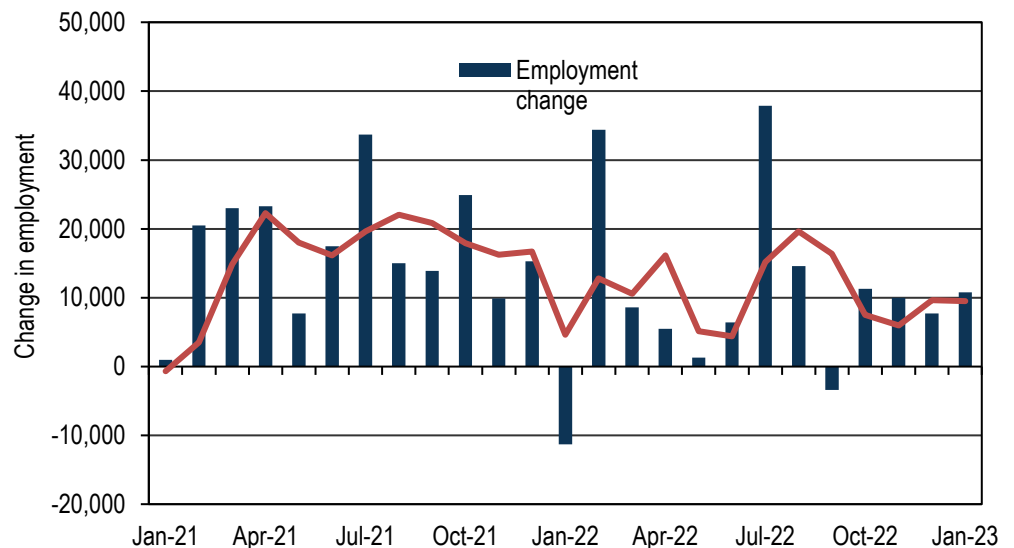
Recent employment change

November 2022: up 10,000 jobs (revised)

December 2022: up 7,700 jobs (revised)

January 2023: up 10,800 jobs (preliminary)

Monthly employment change, seasonally adjusted
Washington state, January 2021 through January 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

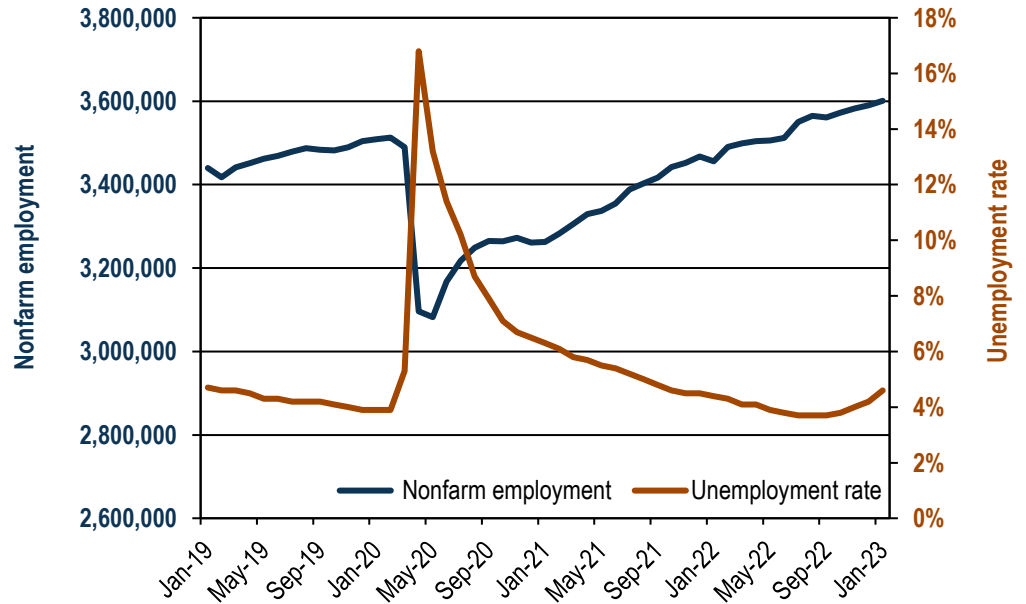
Unemployment rate: 3.9%

January 2023 (preliminary)

Nonfarm employment: 3,600,900

Unemployment rate: 4.6%

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

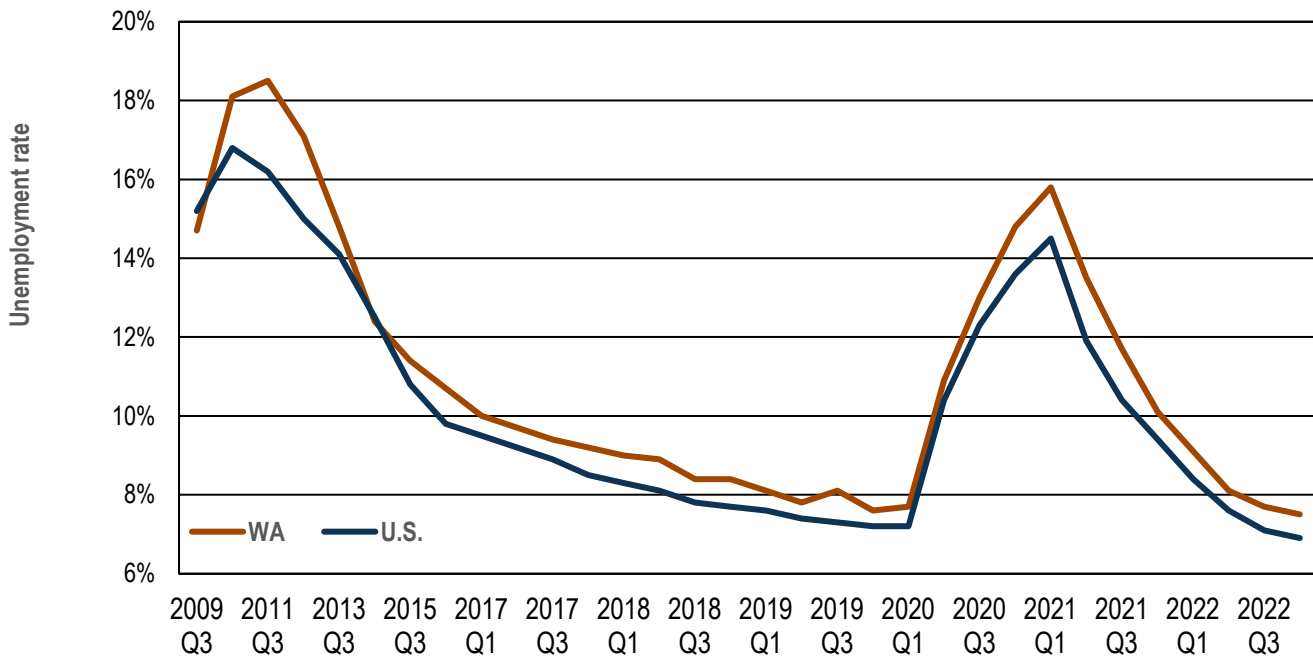
U-6 unemployment rate

The U.S. Bureau of Labor Statistics (BLS) recently updated its “alternative measures of labor underutilization” for states to include four-quarter rates for 2022. 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 2022 period for Washington state was 7.5 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
2022	WA	9.1%	8.1%	7.7%	7.5%
	U.S.	8.4%	7.6%	7.1%	
2021	WA	15.8%	13.5%	11.7%	10.1%
	U.S.	14.5%	11.9%	10.4%	
2020	WA	8.1%	10.9%	13.0%	14.8%
	U.S.	7.7%	10.4%	12.3%	
2019	WA	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	
2018	WA	9.0%	8.9%	8.4%	8.4%
	U.S.	8.3%	8.1%	7.8%	
2017	WA	10.0%	9.7%	9.4%	9.2%
	U.S.	9.5%	9.2%	8.9%	
2016	WA	10.9%	10.7%	10.7%	10.3%
	U.S.	10.1%	9.9%	9.8%	

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 10,800 jobs during the month, on a seasonally adjusted basis:
- Overall, employment increased in nine major industries, decreased in three and was unchanged in one in January.
- Private sector employment is estimated to have increased by 9,800 and government employment increased by 1,000.
- The number of jobs in construction increased by 2,300, with 900 jobs gained from residential building construction.
- Employment in transportation, warehousing and utilities increased by 2,200, with 800 jobs added in warehousing and storage.
- Leisure and hospitality employment increased by 1,900, led by 1,200 jobs gained in food services and drinking places.
- Professional and business services employment increased by 1,000 overall, with 1,700 jobs gained in employment services.
- Retail trade employment rose by 700 overall, with 1,400 jobs gained in clothing and clothing accessories stores.

Estimated one-month employment change by industry, seasonally adjusted
Washington state, December 2022 to January 2023

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

Total nonfarm	10,800
Construction	2,300
Transportation, warehousing and utilities	2,200
Leisure and hospitality	1,900
Manufacturing	1,200
Government	1,000
Professional and business services	1,000
Other services	900
Retail trade	700
Education and health services	500
Mining and logging	0
Financial activities	-200
Wholesale trade	-300
Information	-400

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 138,400 jobs from January 2022 through January 2023.

- Overall, all thirteen major industries expanded.
- Private sector employment rose 4.3 percent, up an estimated 121,300 jobs.
- Public sector employment rose 3.1 percent, up an estimated 17,100 jobs.
- Employment in leisure and hospitality is up by 26,900, with food services and drinking places adding 16,600 jobs
- Professional and business services employment increased by 25,200, with 7,200 jobs added in administrative and support services.
- Education and health services employment rose 19,300 overall, with 15,800 jobs added in health services and social assistance.
- Employment in construction is up 10,000 overall, led by an increase of 4,500 by specialty trade contractors.
- Transportation, warehousing and utilities employment increased by 9,300, with 3,400 jobs gained in air transportation.

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

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

Total nonfarm	138,400
Leisure and hospitality	26,900
Professional and business services	25,200
Education and health services	19,300
Government	17,100
Construction	10,000
Transportation, warehousing and utilities	9,300
Manufacturing	8,300
Information	7,800
Other services	6,000
Wholesale trade	3,400
Retail trade	3,400
Financial activities	1,500
Mining and logging	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, January 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	-46,600	-35,800	10,800
Mining and logging	-100	-100	0
Financial activities	-1,100	-1,300	-200
Government	-1,300	-300	1,000
Information	-1,300	-1,700	-400
Wholesale trade	-1,300	-1,600	-300
Other services	-1,500	-600	900
Manufacturing	-2,100	-900	1,200
Education and health services	-3,300	-2,800	500
Transportation, warehousing and utilities	-5,200	-3,000	2,200
Leisure and hospitality	-6,600	-4,700	1,900
Professional and business services	-7,200	-6,200	1,000
Construction	-7,400	-5,100	2,300
Retail trade	-8,200	-7,500	700

Based on historical patterns, Washington employment typically decreases by 46,600 from December to January. This year the state lost an estimated 35,800 jobs, amounting to a seasonally adjusted increase of 10,800 jobs.

- Typically, manufacturing employment decreases by 2,100 in January. On a seasonally adjusted basis, manufacturing employment increased by 1,200 as the estimated decrease was 900.
- The normal seasonal loss in leisure

and hospitality employment is 6,600 in January. The estimated loss was 4,700, so employment increased by 1,900 on a seasonally adjusted basis.

- The employment increase on a seasonally adjusted basis was 1,000 in professional and business services in January. The normal seasonal decrease is 7,200. It is estimated to have decreased this January by 6,200.

- The estimated employment decrease in construction was 5,100. The normal seasonal decrease is 7,400, so on a seasonally adjusted basis, construction employment increased by 2,300.

- Employment in retail trade normally decreases by 8,200. It is estimated to have decreased by 7,500 this January so it increased by 700 on a seasonally adjusted basis.

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.

With the release of January 2023 data, industry employment numbers have also been revised through the annual benchmarking process administered by the Bureau of Labor Statistics. Benchmarked employment data are now available through September 2022. Employment estimates for January 2023 presented in this report were based on the new data, plus seasonal adjustments.

The effect of these revisions on the underlying trend in nonfarm industry employment was minor. A table showing revised total nonfarm industry employment data on a seasonally adjusted basis from January to December 2022 [is available](#).

Based on benchmarked September 2022 data:

- The largest upward revision was for professional and business services, up 67,300.
- Retail trade had the largest downward revision of 67,100.

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

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Industry sector	Revisions to September 2022 employment level
Total nonfarm	-3,700
Professional and business services	67,300
Transportation, warehousing and utilities	12,100
Financial activities	2,000
Other services	900
Mining and logging	200
Construction	100
Government	-1,100
Manufacturing	-1,200
Information	-2,100
Wholesale trade	-4,700
Education and health services	-4,800
Leisure and hospitality	-5,300
Retail trade	-67,100

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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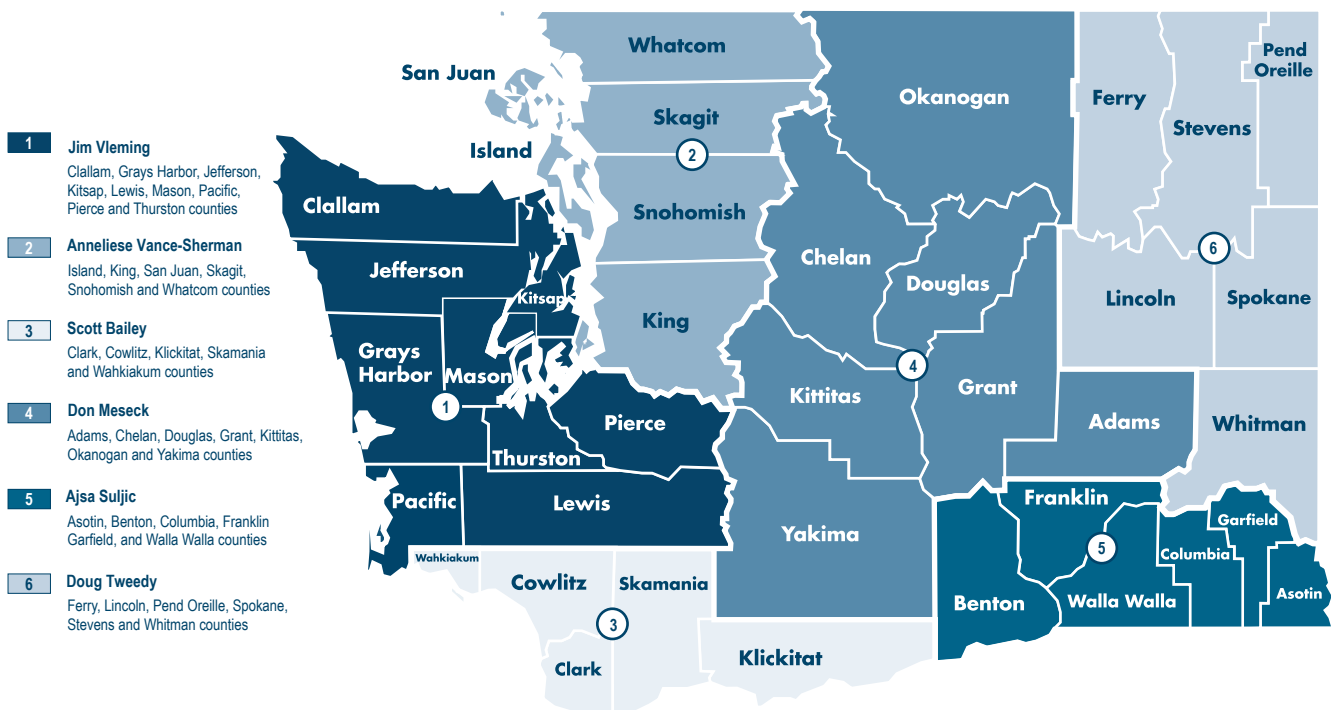
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Washington state regional labor economist reporting areas



The county level information will be available at 10 a.m., January 24, 2023. The publication schedule for 2022 can be found at: <https://esd.wa.gov/labormarketinfo/monthly-employment-report>

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