

The Monthly Employment Report

February 2024

Prepared by Anneliese Vance-Sherman, chief labor economist

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington increased by 2,600 in February 2024.^a BLS estimates that employment in the private sector expanded by 1,300 jobs over the month and employers in the public sector also added 1,300 jobs.

On a not seasonally adjusted basis, estimates for February 2023 through February 2024 indicate an increase in employment of 52,000 for the state. The private sector added 31,300 jobs while the public sector gained an estimated 20,700 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for February 2024 was 4.7%. The revised estimated unemployment rate for January 2024 was 4.6%. The unemployment rate in February 2023 was 4.6%.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The January 2024 preliminary estimated loss of 3,600 jobs was revised to a smaller loss of 00 jobs.

For more information, call Anneliese Vance-Sherman at 564-900-0748.

^a Most 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.

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 2023 through February 2024

	February 2024 (Preliminary)	January 2024 (Revised)	February 2023 (Revised)	January 2023 (Revised)
United States				
Unemployment rate	3.9%	3.7%	3.6%	3.4%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	4.7%	4.6%	4.6%	4.6%
Resident labor force	4,027,986	4,032,992	4,035,637	4,022,870
Unemployed	190,891	183,684	185,457	184,387
Seattle/Bellevue/Everett				
Unemployment rate	4.0%	3.8%	3.1%	3.2%
Resident labor force	1,809,245	1,811,718	1,783,642	1,782,027
Unemployed	71,911	68,611	54,874	56,947

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

Unemployment, seasonally adjusted

The BLS estimates Washington’s preliminary seasonally adjusted unemployment rate for February 2024 was 4.67percent. The revised estimate for January 2024 was 4.6 percent.

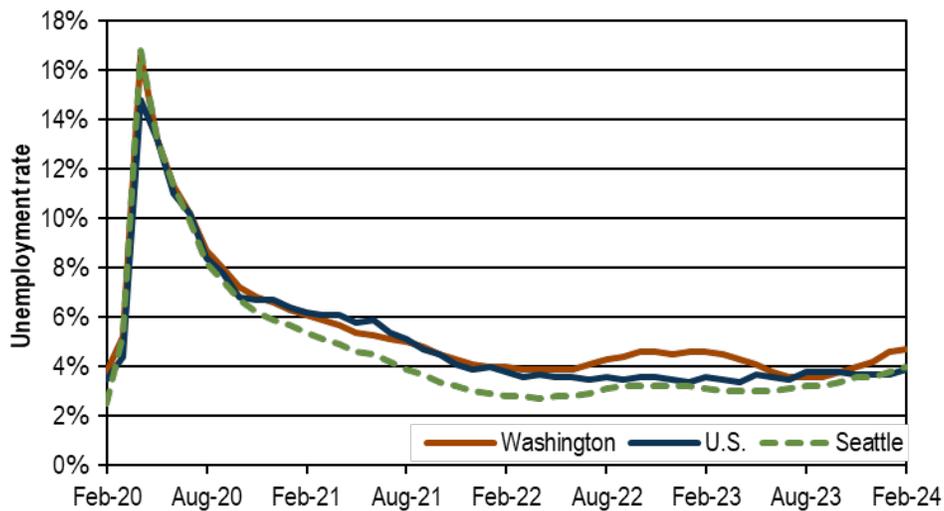
According to BLS estimates, the number of unemployed Washington residents increased by 7,207 over the month. At the same time, the estimated number of employed Washington residents dropped by 12,213. Overall, this amounted to a decrease of 5,006 workers in the labor force from January 2024 to February 2024.

The preliminary February 2024 unemployment rate was 4.7% compared to 4.6% 12 months ago.

February 2024 preliminary unemployment rates:

- United States (preliminary) 3.9%
- Washington (preliminary) 4.7%
- Seattle area (preliminary) 4.0%

Unemployment rates, seasonally adjusted, U.S., Washington and Seattle, February 2020 through February 2024



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

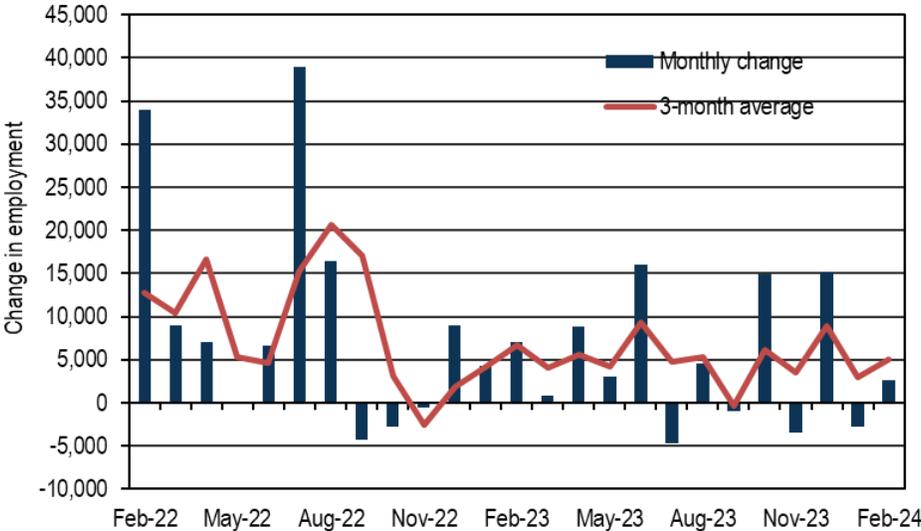
Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 2,600 from January to February 2024.

Recent employment change:

- December 2023: up 15,200 jobs (revised)
- January 2024: down 2,700 jobs (revised)
- February 2024: up 2,600 (preliminary)

Monthly employment change, seasonally adjusted, Washington state, January 2022 through February 2024



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

Employment and unemployment, seasonally adjusted

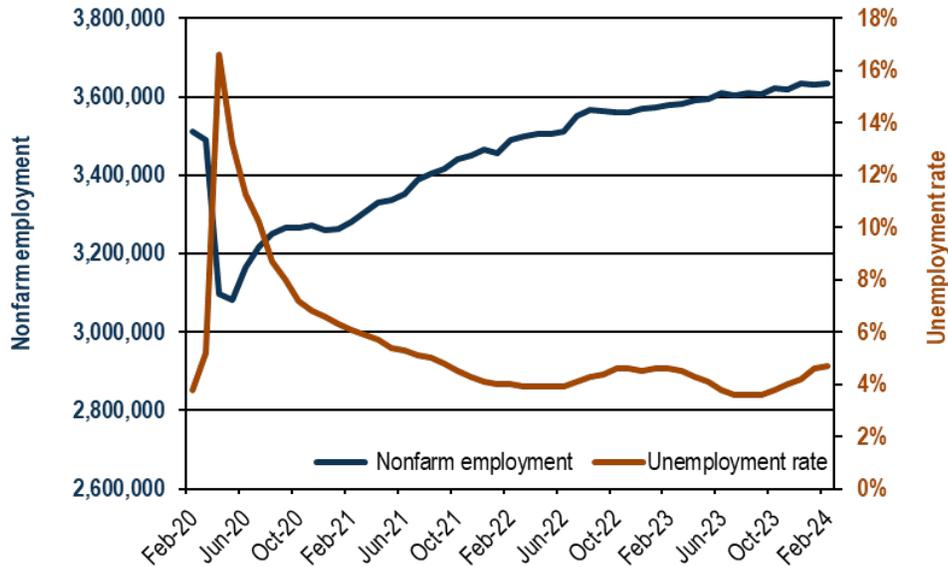
February 2020 (start of 2020 employment recession in Washington)

- Nonfarm employment: 3,511,900
- Unemployment rate: 3.8%

February 2024 (preliminary)

- Nonfarm employment: 3,634,200
- Unemployment rate: 4.7%

Nonfarm employment and unemployment rate, seasonally adjusted, Washington, February 2020 through February 2024



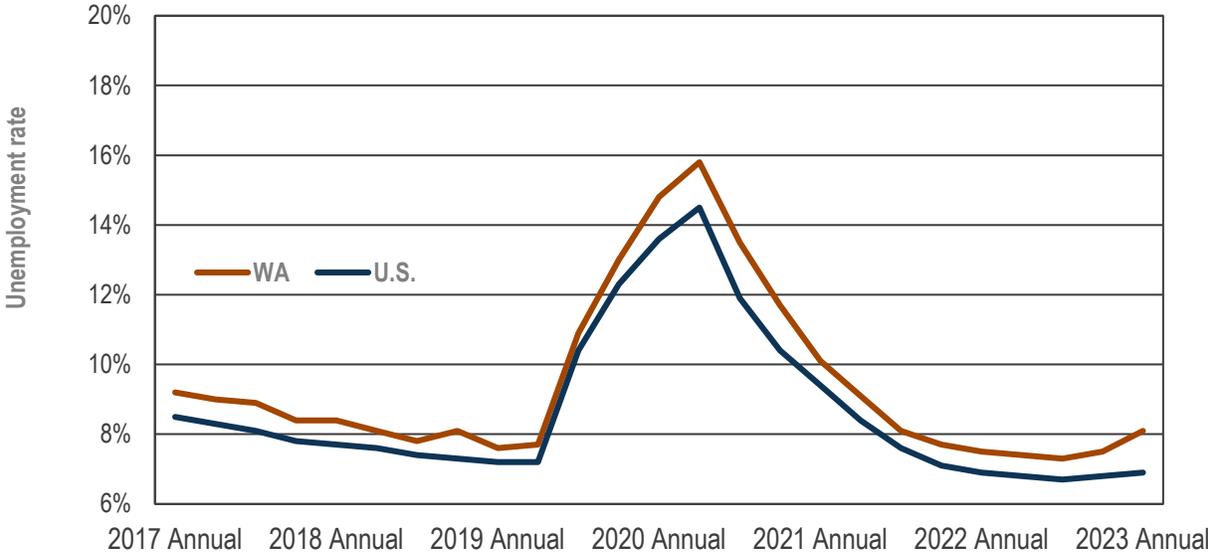
Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics, Local Area Unemployment Statistics

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

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 fourth quarter 2023 for Washington state was 8.1%. This is above the 7.5% average for the four-quarter period through third quarter 2023. The U.S. U-6 average for the four-quarter period through fourth quarter 2023 was 6.9%.

Alternative measures of labor underutilization, four-quarter moving average, Washington state and U.S. U-6 unemployment rate



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

Alternate measures of labor underutilization, four quarter moving average, Washington state versus U.S. U-6 unemployment rate for 2009 through 2023

Year	Location	Q1	Q2	Q3	Annual average
2023	Washington	7.4%	7.3%	7.5%	8.1%
	U.S.	6.8%	6.7%	6.8%	6.9%
2022	Washington	9.1%	8.1%	5.0%	7.5%
	U.S.	8.4%	7.6%	7.1%	6.9%
2021	Washington	15.8%	13.5%	11.7%	10.1%
	U.S.	14.5%	11.9%	10.4%	9.4%
2020	Washington	8.1%	10.9%	13.0%	14.8%
	U.S.	7.7%	10.4%	12.3%	13.6%
2019	Washington	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	7.2%
2018	Washington	9.0%	8.9%	8.4%	8.4%
	U.S.	8.3%	8.1%	7.8%	7.7%
2017	Washington	10.0%	9.7%	9.4%	9.2%
	U.S.	9.5%	9.2%	8.9%	8.5%
2016	Washington	10.9%	10.7%	10.7%	10.3%
	U.S.	10.1%	9.9%	9.8%	9.6%
2015	Washington	12.0%	11.7%	11.4%	11.0%
	U.S.	11.6%	11.3%	10.8%	10.4%
2014	Washington	13.3%	12.8%	12.4%	12.5%
	U.S.	13.4%	12.9%	12.5%	12.0%
2013	Washington	16.4%	15.7%	14.8%	14.0%
	U.S.	14.5%	14.3%	14.1%	13.8%
2012	Washington	17.6%	17.0%	17.1%	16.9%
	U.S.	15.6%	15.3%	15.0%	14.7%
2011	Washington	18.4%	18.7%	18.5%	17.8%
	U.S.	16.5%	16.3%	16.2%	15.9%
2010	Washington	17.2%	17.4%	18.1%	18.4%
	U.S.	16.7%	16.8%	16.8%	16.7%
2009	Washington	11.9%	13.5%	14.7%	16.2%
	U.S.	12.1%	13.7%	15.2%	16.2%

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

Industry employment in Washington, seasonally adjusted

One-month employment change by industry

Based on a BLS survey of businesses and governments, Washington employers added an estimated 2,600 jobs during the month, on a seasonally adjusted basis:

- January 2024 estimates were revised up by 900 jobs.
- Overall, employment increased in eight major industry sectors and decreased in six.
- Private sector employment is estimated to have increased by 1,300; government employment also increased by 1,300 in February. • The largest sector level gains in private industry were observed in education and health services (up 2,200) and transportation, warehousing and utilities (up 1,600). Manufacturing and retail trade each expanded by 1,300.
- The largest gains in the education and health services sector were attributable to hiring in education services (up 2,500). The highest one month gains in manufacturing were observed in food manufacturing (up 900) and the largest increases in retail trade were observed in general merchandise stores (up 1,200).
- One month decreases in employment were widespread throughout the professional and business services sector. Losses from the leisure and hospitality sector were concentrated in accommodation and food services (down 1,800).

Estimated one-month employment change by industry, seasonally adjusted, Washington state, January 2024 to February 2024

Total nonfarm	2,600
Education and Health Services	2,200
Transportation, Warehousing and Utilities	1,600
Government	1,300
Manufacturing	1,300
Retail Trade	1,300
Other Services	500
Mining and logging	100
Information	-100
Construction	-400
Financial Activities	-500
Wholesale Trade	-700
Leisure and hospitality	-1,300
Professional and Business Services	-2,700

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

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 52,000 jobs from February 2023 to February 2024. This is a 1.5% increase in employment over the year.

- Overall, employment in eight major industries expanded and five decreased.
- Private sector employment rose 1.1%, up an estimated 31,300 jobs.
- Public sector employment rose 3.6%, up an estimated 20,700 jobs. The largest number of public sector jobs was added in local government.
- The largest private sector gains were attributable to hiring in education and health services (up 24,000) and leisure and hospitality (up 15,500); the deepest one-year losses were observed in information (down 8,600) and construction (down 7,500).
- Education and health services employment gains were primarily attributable to ambulatory health care services (up 16,100).
- The largest employment gains in leisure and hospitality were observed in accommodation and food services. (up 11,300).
- Employment in information dropped by 8,600 overall; within that, the software publishing industry shed an estimated 3,400 jobs.
- Construction sector employment dropped by 7,500 over the year. The deepest losses were observed in specialty trade contractors (down 5,200).

Estimated employment change by industry over the year, not seasonally adjusted, Washington state, January 2023 through January 2024

Total nonfarm	52,000
Education and health services	24,000
Government	20,700
Leisure and hospitality	15,500
Manufacturing	8,600
Transportation, warehousing and utilities	4,400
Other services	3,100
Wholesale trade	1,600
Mining and logging	300
Financial activities	-900
Professional and business services	-3,600
Retail trade	-5,600
Construction	-7,500
Information	-8,600

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

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 2024

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total Nonfarm	13,700	16,300	2,600
Education and Health Services	4,400	6,600	2,200
Transportation, Warehousing and Utilities	-700	900	1,600
Government	2,500	3,800	1,300
Manufacturing	2,000	3,300	1,300
Retail Trade	-2,500	-1,200	1,300
Other Services	400	900	500
Mining and Logging	0	100	100
Information	0	-100	-100
Construction	3,700	3,300	-400
Financial Activities	300	-200	-500
Wholesale Trade	-100	-800	-700
Leisure and Hospitality	1,000	-300	-1,300
Professional and Business Services	2,700	0	-2,700

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

Contact us

For more Washington Labor Market Information, visit us at www.esd.wa.gov/labormarketinfo.

Contact us at data@esd.wa.gov with any questions. County level information will be available at 10 a.m., March 27, 2024. The publication schedule for 2024 can be found at:

<https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

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