

# The Monthly Employment Report

#### March 2025

#### Prepared by Anneliese Vance-Sherman, chief labor economist

On a seasonally adjusted basis, preliminary estimates from the Bureau of Labor Statistics (BLS) show nonfarm employment in Washington decreased by 5,200 in March 2025.<sup>a</sup> Employment in the private sector decreased by 1,100 jobs over the month and employers in the public sector dropped by 4,100.

On a not seasonally adjusted basis, estimates for March 2024 through March 2025 show an increase of 25,100 jobs statewide. The private sector added 23,300 jobs while the public sector added an estimated 1,800 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for March 2025 neither increased nor decreased over the month – the unemployment rate held steady at 4.4%. For reference, the unemployment rate in March 2024 was 4.6%.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision.

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<sup>&</sup>lt;sup>a</sup> Most of the employment numbers 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 unemployment section, 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 older.

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.

Figure 1: Resident civilian labor force and unemployment, seasonally adjusted, United States and Washington state, February and March 2024 and February and March 2025

	March 2025 preliminary	February 2025 revised	March 2024 revised	February 2024 revised
United States				
Unemployment rate	4.2%	4.1%	3.9%	3.9%
Washington				
Unemployment rate	4.4%	4.4%	4.6%	4.6%
Resident labor force	4,057,832	4,062,552	4,054,327	4,050,770
Unemployed	177,378	176,850	185,415	185,303
Seattle/Tacoma/Bellevue				
Unemployment rate	4.2%	4.1%	4.3%	4.4%
Resident labor force	2,358,346	2,355,077	2,314,996	2,314,657
Unemployed	99,008	96,230	100,682	101,186

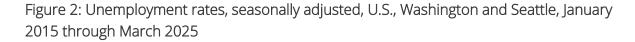
Source: Employment Security Department/LMIR Division; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

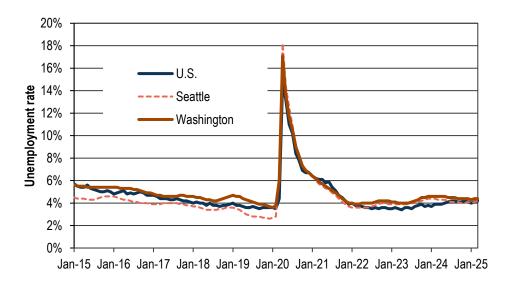
# Unemployment, seasonally adjusted

The BLS estimates Washington's preliminary seasonally adjusted unemployment rate for March 2025 was 4.4%, unchanged from the rate reported in February 2025. The revised estimate for March 2024 was 4.6%.

According to BLS estimates, the number of unemployed Washington residents increased by 528 over the month. The estimated number of employed Washington residents decreased by 5,248. Overall, this amounted to a decrease of 4,720 workers in the labor force from February to March 2025. March 2025 preliminary unemployment rates:

- United States (preliminary) 4.2%
- Washington (preliminary) 4.4%
- Seattle area (preliminary) 4.2%



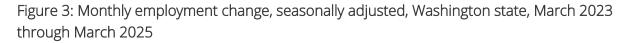


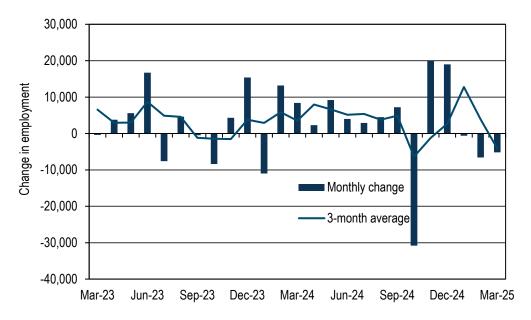
Source: Employment Security Department/LMIR Division; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

# Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment decreased by 5,200 from February to March 2025. Recent employment change:

- January 2025: down 600 (revised)
- February 2025: down 6,600 (revised)
- March 2025: down 5,200 (preliminary)





Source: Employment Security Department/LMIR; 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: 3,512,100

Unemployment rate: 3.8%

#### March 2025 (preliminary)

Nonfarm employment: 3,651,800

Unemployment rate: 4.4%

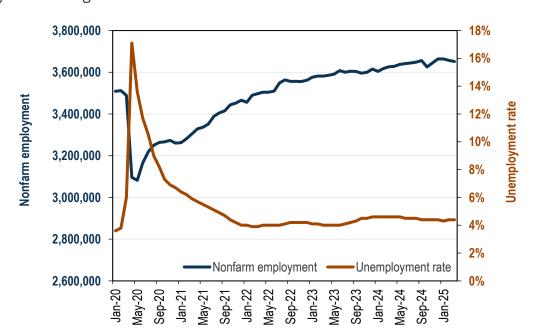


Figure 4: Nonfarm employment and unemployment rate, seasonally adjusted, Washington, January 2020 through March 2025

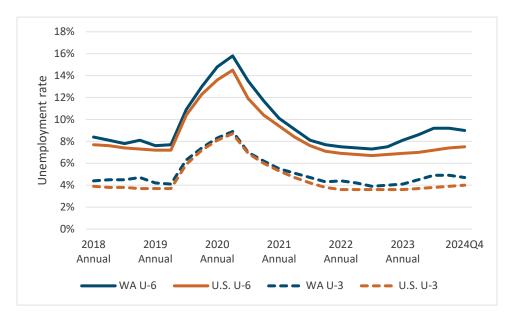
Source: Employment Security Department/LMIR; U.S. Bureau of Labor Statistics, Current Employment Statistics, Local Area Unemployment Statistics.

# U-6: Broader annual average unemployment remained unchanged

BLS recently updated its alternative measures of labor underutilization for states to include four-quarter rates through the fourth quarter of 2024. 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 the fourth quarter of 2024 for Washington state was 9.0%. This is down from the previous four quarter moving average (9.2% through third quarter of 2024). The U.S. U-6 average for the four-quarter period through the fourth quarter of 2024 was 7.5%. Washington's U-6 rate tends to run higher than the national rate.

Figure 5: Alternative measures of labor underutilization, four-quarter moving average, Washington state and U.S. U-3 and U-6 unemployment rates



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

Figure 6: Alternate measures of labor underutilization, four quarter moving average, Washington

Year	WA/U.S.	Q1	Q2	Q3	Annual average
2024	WA	8.6%	9.2%	9.2%	9.0%
	U.S.	7.0%	7.2%	7.4%	7.5%
2023	WA	7.4%	7.3%	7.5%	8.1%
	U.S.	6.8%	6.7%	6.8%	6.9%
2022	WA	9.1%	8.1%	5.0%	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%

Source: Employment Security Department/LMIR; 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 collectively shed an estimated 5,200 jobs over the month, on a seasonally adjusted basis:

- January 2025 employment estimates were revised up by 700 jobs.
- Overall, employment increased in five major industry sectors and decreased in eight.
- Private sector employment is estimated to have decreased by 1,100 and government employment decreased by 4,100 in March.
- The largest one-month sector level gains in private industry were observed in Information (up 1,600), retail trade (up 1,400) and professional and business services (up 800). Software publishers contributed 700 jobs to the information sector estimate.
- The deepest one-month private sector losses were observed in manufacturing and construction (down 1,300 each) and education and health services (down 1,200). The deepest losses overall were in government, with deep cuts in state government.

Figure 7: Estimated one-month employment change by industry, seasonally adjusted, Washington state, February to March 2025

Total nonfarm	-5,200
Information	1,600
Retail Trade	1,400
Professional and Business Services	800
Financial Activities	400
Mining and logging	100
Transportation, Warehousing and Utilities	-300
Other Services	-300
Wholesale Trade	-500
Leisure and hospitality	-500
Education and Health Services	-1,200
Manufacturing	-1,300
Construction	-1,300
Government	-4,100

Source: Employment Security Department/LMIR; 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 businesses collectively added an estimated 25,100 jobs from March 2024 to March 2025. This is a 0.7% increase in employment over the year.

- Over the past 12 months, employment in ten major industry sectors increased and three decreased.
- Private sector employment increased 0.8%, up an estimated 23,300 jobs.
- Public sector employment rose 0.3%, up an estimated 1,800 jobs. One-year losses were observed in state and federal government; local government employment increased over the year.
- The largest private sector gains were attributable to hiring in education and health services (up 16,300), information (up 8,700), and professional and business services (up 6,100); the deepest one-year losses were observed in construction (down 12,500) and manufacturing (down 5,000).
- Education and health services employment gains were primarily attributable to hiring in health and social services; within that, ambulatory health care services added the most jobs (7,800).

• Losses in construction were predominantly among specialty trade contractors (down 8,500), however losses were observed throughout the sector.

Figure 8: Estimated employment change by industry over the year, not seasonally adjusted, Washington state, March 2024 through March 2025

Total nonfarm	25,100
Education and health services	16,300
Information	8,700
Professional and business services	6,100
Transportation, warehousing and utilities	4,800
Leisure and hospitality	4,500
Government	1,800
Financial activities	1,500
Other services	900
Retail trade	400
Mining and logging	200
Wholesale trade	-2,600
Manufacturing	-5,000
Construction	-12,500

Source: Employment Security Department/LMIR; 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.

Figure 9: Normal seasonal change, estimated change and seasonally adjusted change, Washington state, March 2025

Industry	Normal seasonal change	Estimated change	Seasonally adjusted change
Total nonfarm	16,400	11,200	-5,200
Information	100	1,700	1,600
Retail Trade	700	2,100	1,400
Professional and Business Services	1,100	1,900	800
Financial Activities	500	900	400
Mining and logging	-100	0	100
Transportation, Warehousing and Utilities	500	200	-300
Other Services	700	400	-300
Wholesale Trade	300	-200	-500
Leisure and hospitality	5,200	4,700	-500
Education and Health Services	1,300	100	-1,200
Manufacturing	900	-400	-1,300
Construction	3,000	1,700	-1,300
Government	2,200	-1,900	-4,100

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

#### Contact us

For more Washington labor market information, visit <u>Employment Security's website</u>. Contact us at <u>Imir@esd.wa.gov</u> with any questions. County level information will be available at 10 a.m. April 22, 2025. The 2025 publication schedule can be found on <u>Employment Security's website</u>

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