

# Washington Labor Market



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## AULD LANG SYNE (THE GOOD OLD DAYS LONG SINCE PAST)

Well, sort of, but not really. Washington's nonagricultural wage and salary employment fell 6,300 or 0.2 percent in December. Nonfarm employment typically pulls back seasonally in December, so that should not have come as a surprise. The contraction, however, was less pronounced this December than it was in the two preceding Decembers. This suggests that there remained underlying strength in Washington's economy as 2000 drew to a close.

That Washington's economy revealed underlying strength was also supported by the fact that it added 54,100 nonagricultural wage and salary jobs from December 1999 to December 2000, which translated into 2.0 percent growth over the year. This was notably higher than the 36,100 nonfarm jobs created at a 1.4 percent clip from December 1998 to December 1999. All told, Washington's nonfarm employment in December 2000 was 2,732,800.

It is true that 2000 does not measure up to the "good old days" of, for example, 1996-97 when nonagricultural wage and salary employment growth in December grew 4.0 percent. Nevertheless, it was certainly not a bad year either. Moreover, to hammer home a point that has been made often, the current nine-year run of net positive nonfarm employment growth is already in the books as our nation's longest in post-war history, not to mention the even more impressive eighteen year streak here in Washington.

## LABOR FORCE AND UNEMPLOYMENT

In yet another sign of underlying strength, Washington's unemployment rate fell one-tenth of a percentage point to 4.9 percent in December, down from a revised 5.0 percent in November. Although the drop in the jobless rate was small, it was atypical for December, which normally posts modest upticks in unemployment rates. Indeed, since 1978, the November-to-December gain has averaged three-tenths of a percentage point. When adjusted for seasonal changes, Washington's unemployment rate dropped by two-tenths of a percentage point to 4.9 percent from a revised 5.1 percent. The seasonally adjusted national unemployment rate for December remained at 4.0 percent.

The decline in Washington's December unemployment rate was driven largely by downward trends in Puget Sound counties and counties in southeastern Washington. On the flip side, central Washington counties generally saw jobless

rates rise one to two percentage points as apple and vegetable harvesting activities drew to a close.

Washington's unemployment rate was up six-tenths of a percentage point over the year. Likewise, jobless rates were up for virtually all Washington counties as well. The exceptions were Columbia and Garfield in southeast Washington and Snohomish and Island in north central Puget Sound. Beyond the north Puget Sound counties, other Puget Sound metropolitan areas saw their jobless rates rise over the year, though less than was the case statewide. Unemployment rates were up the most (more than two percentage points) in timber-dependent areas like Grays Harbor, Okanogan, Ferry, and Pacific counties, which is consistent with the ongoing challenges facing the logging and lumber milling industry.

In absolute terms, Whitman County posted the lowest unemployment rate in December at 2.0 percent. However, the counties making up the Seattle-Bellevue-Everett PMSA (King, Snohomish, and Island) followed with jobless rates from 3.1 percent to 3.5 percent. Other western Washington metropolitan areas followed with jobless rates from 4.3 percent to 4.8 percent. Eastern Washington metropolitan areas were more of a mixed bag with Spokane at a relatively low 5.6 percent followed by the Tri-Cities at 7.9 percent and Yakima at 12.2 percent. Nonmetropolitan areas clearly accounted for the vast majority of counties with jobless rates running higher than the state average. Central Washington counties, in particular, tended to account for most of the areas with the highest unemployment rates in December.

## INDUSTRY DEVELOPMENTS

### *Over the Month*

Total nonagricultural wage and salary employment fell 6,300 in December. Though nonfarm employment typically pulls back seasonally in December, it was less this year than in the past two years, pointing to underlying strength in Washington's economy as 2000 came to a close. Manufacturing accounted for 3,300 of the decline. Durable goods shed 500 workers, mostly in logging and lumber (-400) on account of seasonal declines and poor market conditions. Nondurable goods pulled back by 2,800 due to seasonal declines in food processing (-2,000) and the Seattle newspa-

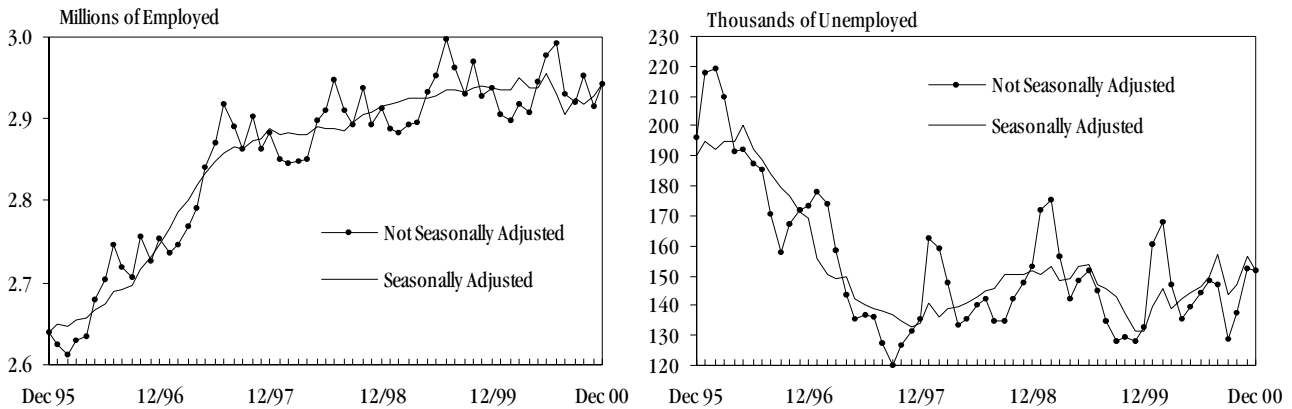
per strike's affect on printing and publishing (-800). On a bright note, employment was up in aircraft and parts (+100) and shipbuilding (+200).

Construction pulled back seasonally by 4,100. Retail trade was up 5,300 as employers added holiday staff. Wholesale trade shed 800 mostly nondurable seasonal jobs. Service added 3,900 workers from winter recreation (+1,700), health care (+1,000), and business services (+900). Transportation and public utilities was up 600, all in telecommunications, with finance, insurance, and real estate also up modestly at 500. Government was down 8,300 as local government shed 6,900 election workers and state and local education releasing 2,900 workers over the winter break.

*Year-Over-Year*

Over the year, manufacturing was down 7,900 workers with losses in most resource-dependent sectors, offsetting gains in fabricated metals and electronics. Services gained 28,500 jobs, 9,800 of which were in computer and data processing. Trade added 10,200 workers, of which 6,700 were on the retail side. Construction was up 9,900 with special trade contractors accounting for 6,900. Government added 8,000 workers, while transportation and public utilities and finance, insurance, and real estate added 3,700 and 3,800, respectively.

Washington State Total Resident Employment and Unemployment  
December 1995 - December 2000



Source: Employment Security Department

## AREA TRENDS

As mentioned, Washington's December unemployment rate was down an incremental one-tenth of one percentage point over the month in what was rather atypical seasonal movement. That was mimicked by the state's metropolitan and western Washington regions, which fell to 4.4 percent and 4.1 percent, respectively. The state's eastern Washington and timber dependent regions, however, saw their jobless rates climb to 8.1 percent and 8.2 percent, respectively.

A review of the pattern from December 1999 to December 2000 shows that unemployment rates in the state's metropolitan and western Washington regions climbed half a percentage point over the year, which was consistent with the six-tenths of a percentage point increase statewide. The timber dependent and eastern Washington regions, by contrast, saw their jobless rates jump more than a full percentage point into the 8 percent range.

### Unemployment Rates by Geographic Areas State of Washington

Areas	Dec. 2000	Nov. 2000	Dec. 1999
Washington State Total	4.9%	5.0%	4.3%
Metropolitan Areas	4.4%	4.5%	3.9%
Log & Lumber Areas	8.2%	7.9%	7.1%
All Western WA Areas	4.1%	4.3%	3.6%
All Eastern WA Areas	8.1%	7.6%	7.0%

*Source: Employment Security Department*

## INDUSTRY NOTES

### *Is Energy Affecting Employment?*

The rapidly unfolding energy situation in Washington is surely affecting employers across the state. Certainly much has already been made of the impact on energy-intensive sectors like aluminum smelting. Aside from the highly-publicized examples, though, there is no easy way to track the employment impact that rising energy costs are having on Washington employers. After all, employers have varying energy demands and price elasticities and will therefore respond in many ways, not all of which require layoffs. That having been said, one indicator to watch is Mass Layoff Statistics (MLS) data produced by the U.S. Department of Labor's Bureau of Labor Statistics. If a firm lays off 50 or more workers, the event triggers into the MLS sys-

tem. If such an event occurs in Washington, for example, data reflecting that event will show the number of separations and initial unemployment insurance claims as well as the reason for that event, with one of the reasons being *energy-related*. Granted, with a threshold of 50, small and medium size businesses will not be picked up by the MLS system, and businesses of those sizes may well be the most vulnerable to energy price gyrations. Currently, data are available through the third quarter of 2000, which predates the onset of the current energy situation and does not show any mass layoffs tied to energy-related causes. The fourth quarter 2000 and first quarter 2001 data will bear more scrutiny.

### *Boeing Tallies Up 2000*

It looks like 2000 was a good year for Boeing as the company delivered 490 jets and booked more than 600 orders. The order backlog amounted to \$111 billion and will fill all of the company's production slots through the end of 2001. In fact, the company expects deliveries of 530 in both 2001 and 2002. Boeing also moved aggressively to diversify into aircraft services in 2000 by executing a number of acquisitions. All this culminated in a steady upward march of Boeing stock from roughly \$40 a share at the start of 2000 to nearly \$70 a share by the end of the year. Most notable from a labor market perspective is the fact that restructuring in Boeing's commercial aircraft division that resulted in thousands of layoffs over the past couple of years appears to be over with and employment has actually climbed as of late.

### *New Year, Same Story*

The new year began with a continuing string of shakeouts in the state's (primarily greater Seattle-based) internet community as more than 700 workers lost jobs at the following companies: Bellevue-based Net Nanny Software International (20), Renton-based Icopyright (11), Seattle-based Network Commerce (141), Redmond-based Imandi.com (28), Kirkland-based Homegrocer.com, (100), Seattle-based Onvia.com (180), Seattle-based WorldCatch.com (18), Seattle-based ImproveMyBusiness.com (20), Bellevue-based Mercata (100), Seattle-based F5 Networks (not divulged), Loudeye Technologies (50), Seattle-based iStart Ventures (25), Seattle-based Avenue A (60), Seattle-based FizzyLab (52).

In news that may have as much national as local impact, Seattle-based Amazon.com announced at the end of January that it will lay off roughly 1,300 workers or 15 percent of its work force over the next few months, including 850 in the Seattle area. Nationally, Etoys was the other big story as the once-vaunted company announced that it will lay off 700 employees or 70 percent of its work force.

On the software side, Redmond-based Microsoft is moving swiftly to cut costs in light of slower growth and increased competition. The cost reductions are not expected to result in layoffs, but it was intimated that the company would be looking at eliminating a number of unfilled openings that currently represent 5,000 to 6,000 positions. This effectively translates into slower job growth at a company that has been the state's largest high-tech employer and one of the key engines of both direct and indirect job growth in the industry. On a smaller, though still significant note, Redmond-based Applied Microsystems, which makes software development tools for equipment manufacturers, laid off 20 employees.

### *Microsoft-Permatemps Settle*

Microsoft Corporation tentatively agreed to a \$97 million settlement of two class-action lawsuits originally filed in the early 1990s (*Vizcaino vs. Microsoft* and *Hughes vs. Microsoft*). Over the past eight years, the case made its way over the years from the King County Superior Court to U.S. District Court to the 9th Circuit Court of Appeals and almost to the U.S. Supreme Court, which refused to hear it on appeal. Final approval is scheduled for February 27, 2001. It is believed to be the largest settlement involving temporary workers. Payments will be made to an estimated 8,000-12,000 current and former temporary workers who were employed in a temporary capacity by the company for at least 750 hours over nine consecutive months between December 29, 1986 and June 20, 2000. The payments will vary from plaintiff to plaintiff to reflect the stock purchases that were made by full-time Microsoft workers at the same salary as the respective plaintiff and which were held for one year and sold (plus 12 percent interest annually from the date of the stock sale). Even before the settlement, Microsoft had responded to the lawsuit by changing its hiring practices with respect to temporary workers.

### *High-Tech U?*

Governor Locke has proposed \$7 million in funding over the next two years to launch a new high-tech institute at The University of Washington Tacoma. Another \$4 million is expected to be raised through private fund-raising efforts. The funding would cover 160 full-time students, 135 undergraduates and 26 graduate students, in UW Tacoma's computer and software systems program—a program that currently has 125 undergraduate enrollees (there currently is no graduate degree program). The longer term goal would be to graduate well over 2,000 students a year by the end of the decade, a goal which if accomplished would make UW Tacoma the largest computer science program in the country. The proposal is by no means a “slam dunk” given the current state budget situation and fierce competition for dollars among existing higher education institutions and their priorities. Furthermore, some believe the proposal should have targeted an economically distressed rural area that has a more pressing need for and challenge of drawing high-tech related projects that can subsequently serve as a magnet for attracting high-tech firms and workers. This, they say, would have served two of the Governor's stated priorities—high-tech education *and* rural economic development.

### *The Unhealthy State of Health Care*

A recently published report by the Washington State Hospital Association revealed that hospitals in this state have an average operating margin or “profit” of less than 2.1 percent in 1999, with the situation even more acute in rural Washington where operating margins were an even lower 1.5 percent. To put this in perspective, a margin of 4 percent to 5 percent is the minimum required by most bond issuers to be considered financially healthy. A healthy margin is critical for maintaining equipment, technology, physical plant, and human resources. Operating margins have eroded for reasons related to increased costs (expenses) and decreased payments (revenue): costs have increased because of labor, new drugs and devices, sicker patients, and new regulations; payments have decreased due to lower payments or reimbursements from Medicare and Medicaid, private third party payers, and state government. If this situation continues, Washington hospitals will have to continue eliminating services and some might even shut down in the next several years. This has tremendous



implications for hospital employment, which is usually among the largest service sectors in those communities within which they are present, as well as for health services generally, which tend to be concentrated around hospitals.

On a related note, many medical clinics in Washington are also facing financial challenges for many of the same reasons as hospitals. In the latest news, Olympia-based Pro Health Alliance, a network of 35,000 clients, 300 physicians, and 4 hospitals covering Thurston, Mason, Lewis, Grays Harbor, and Kitsap counties, filed for bankruptcy. Memorial Clinic, also based in Olympia, will have to restructure and streamline services at the very least, and possibly declare bankruptcy. The 74-doctor clinic is the original part of the larger Memorial Clinic Health Network, whose 450 doctors serve 23,000 patients in Western Washington.

#### *News Strike News No More*

Roughly 130 newspaper workers ended their 39-day strike against the *Seattle Post-Intelligencer* on December 29. Another 800 workers ended their 49-day strike against the *Seattle Times* on January 8. *P-I* workers accepted a contract that included \$3.30 in hourly raises over the next six years, greater employer coverage of their health care insurance premiums, and an employer paid long-term disability plan. *Times* workers' contract included those same provisions, but it also includes a phased-in elimination of a two-tier wage scale, early retirement plan that includes health care benefits, and a cap on advertising workers working purely on commission.

#### *Already Caught 'Em All*

Renton-based Wizards of the Coast, the company that produces *Pokemon* trading cards, laid off 100 workers in the wake of slumping sales of its once-popular *Pokemon* line. The lay off represents five percent of the company's work force. The company is also known for its previous successes with *Magic: The Gathering* and *Dungeons and Dragons*.

## NATIONAL INDICATORS

### *GDP (Going Down Perilously) Low*

Offering further evidence of the economy's slowing, the U.S. Commerce Department reported that the Gross Domestic Product growth slowed significantly in the final quarter of 2000 to 1.4 percent—the weakest gain since the 0.8 percent seen five and a half years ago in the second quarter of 1995. The fourth quarter posting represents the second consecutive quarter of exceptionally modest GDP growth (the third quarter of 2000 came in at a revised 2.2 percent). Moreover, it was weaker than predicted by economists who had forecast a 1.9 percent rate of growth. On the other hand, the fourth quarter figure was better than that predicted by Fed Chairman Alan Greenspan, who said before the Senate Finance Committee on January 25 that the U.S. economy was posting “close to zero” growth.

### *Leading Indicators Leading to What?*

Seven of the ten indicators that make up the Index of Leading Economic Indicators declined in December leading to aggregate decline of 0.6 percent. This was the third consecutive month the index declined. It fell 0.4 percent in both November and October. Pulling down the index in December were average weekly manufacturing hours, index of consumer expectations, interest rate spread, stock prices, average weekly initial claims for unemployment insurance, manufacturers' new orders for non-defense capital goods and materials, and building permits. Offsetting the negatives were the money supply, vendor performance, and manufacturers' new orders for consumer goods.

### *Consumer Data Bear Watching*

Now that the Fed has carried out at least two short-term interest rate hikes, attention will naturally turn to consumer-based indicators: consumer spending, consumer confidence, and consumer prices. Inasmuch as consumer spending accounts for as much as 70 percent of Gross Domestic Product, their actions are critical to keeping the economy on an even keel.

The latest data show that consumer spending rose a meager 0.3 percent in November, which represents a slowdown from the previous month and the weakest posting since May 2000 (also 0.3 percent). The December data, which will be released on February 1, are

expected to show similarly lackluster growth in consumer spending. That expectation is predicated at least in part on December data that have already been released with respect to consumer confidence.

In that regard, the Conference Board's Consumer Confidence Index of 5,000 surveyed U.S. households declined in January 2001 for the fourth straight monthly decline. The Conference Board itself acknowledged that the latest decline suggests that consumer spending had cooled and will cool further in 2001. Consumer expectations for the next six months have diminished significantly. Personal saving rate data offer little to buoy that assessment after having fallen 0.8 percent in November, making it the fifth consecutive negative posting in 2000.

In another reflection of consumer purchasing trends, the Commerce Department reported that new, single-family home sales were down 2.2 percent in November 2000. Despite being down, this was viewed as "positive" news. Industry analysts said things could have been even worse had 30-year fixed mortgage rates not fallen to 7.75 percent in November 2000 from a five-year high of 8.64 in May 2000—well before the Fed's recent half point cut in short-term interest rates. With mortgage rates having fallen even further to 7 percent in January 2001, analysts believe new home sales will soften in line with a softening economy, but do not believe they will plunge dramatically.

The U.S. Consumer Price Index for All Urban Consumers was actually down 0.1 percent over the month in December. In other words, it reflected slight *deflation*. The same could not be said for the Seattle Consumer Price Index, which rose 1.9 percent from October 2000 to December 2000 and 6.4 percent from December 1999 to December 2000. Viewed in like terms, the U.S. Consumer Price Index showed no change over the two-month period and 3.4 percent hike over the year.

### *Producers Bear Watching, Too*

The National Association of Purchasing Managers Index decreased four percentage points to 43.7 in December from 47.7 percent in November, which reflected an overall picture of continued softening in manufacturing activity nationally. This represents the fifth consecutive month of contraction in the Purchasing Managers Index, which

began declining in August. In general, higher interest rates and higher energy prices in 2000 are believed to be the biggest factors affecting the sector.

*And Now, Back to the Fed...*

Perhaps with its eye on many of the indicators cited, the Federal Reserve announced a one-half percentage point reduction in short-term interest rates on January 4, an event mentioned in last month's issue of the *Washington Labor Market*. The biggest news was that the move came weeks in advance of the Fed's regularly scheduled meeting on January 31. With more bad economic news arriving in January, the Fed followed up the early January rate cut with another one-half percentage point cut at its January 31 meeting. However, since rate cuts, like rate hikes, tend to take six to nine months to filter through the economy, the Fed will have to wait some time to see if its January actions have any measurable effect on the economy. In the interim, the Fed will have to rely on more immediate indicators like stock market performance and monthly consumer confidence and spending data. In this context, the Fed's actions (or inaction) may speak volumes about its members' collective mood about where the economy is headed as opposed to where it is now.

**Consumer Price Index**  
(All Items, Urban Consumers, 1982-1984 = 100)

	Indexes			% Change From	
	Dec 00	Nov 00	Dec 99	Nov 00	Dec 99
U.S. City Average	174.0	174.1	168.3	-0.1%	3.4%
Seattle*	185.5	182.1	174.4	1.9%	6.4%

*\*The index for Seattle reflects prices in King, Pierce, Snohomish, Island, and Thurston counties.*

*Source: U.S. Department of Labor, Bureau of Labor Statistics*

*Prepared by Gary Kamimura, Senior Economic Analyst*

## Nonagricultural Wage & Salary Workers in Washington State, Place of Work <sup>1</sup>

In Thousands, Not Seasonally Adjusted

	December 2000 (Prel)	November 2000 (Rev)	December 1999 (Rev)	November 1999 (Rev)	Numeric Change	
					Nov. 2000 to Dec. 2000	Dec. 1999 to Dec. 2000
<b>Total Nonagricultural Wage &amp; Salary Workers ....</b>	2,732.8	2,739.1	2,678.7	2,687.4	-6.3	54.1
<b>Manufacturing .....</b>	346.6	349.9	354.5	358.2	-3.3	-7.9
Durable Goods .....	241.8	242.3	247.9 <sup>2</sup>	249.2 <sup>2</sup>	-0.5	-6.1
Lumber & Wood Products .....	31.8	32.2	33.6 <sup>2</sup>	33.8 <sup>2</sup>	-0.4	-1.8
Logging .....	7.0	7.2	7.4	7.6	-0.2	-0.4
Sawmills & Plywood .....	21.4	21.6	22.6	22.5	-0.2	-1.2
Furniture & Fixtures .....	4.7	4.8	4.7	4.7	-0.1	0.0
Stone, Clay & Glass .....	8.7	8.9	8.8	9.0	-0.2	-0.1
Primary Metals .....	11.2	11.3	11.7	11.7	-0.1	-0.5
Aluminum .....	6.8	6.9	7.2 <sup>2</sup>	7.2 <sup>2</sup>	-0.1	-0.4
Fabricated Metals .....	15.3	15.3	14.6	14.7	0.0	0.7
Industrial Machinery & Equipment .....	25.2	25.2	25.3	25.3	0.0	-0.1
Computer & Office Equipment .....	6.4	6.3	6.4	6.4	0.1	0.0
Electronic & Other Electrical Equipment .....	19.6	19.5	18.7	18.5	0.1	0.9
Transportation Equipment .....	102.2	102.0	107.2	108.0	0.2	-5.0
Aircraft & Parts .....	87.0	86.9	91.3	92.2	0.1	-4.3
Ship & Boat Building .....	7.7	7.5	7.2	7.1	0.2	0.5
Instruments & Related .....	14.3	14.3	14.6	14.6	0.0	-0.3
Miscellaneous Manufacturing .....	8.8	8.8	8.7	8.9	0.0	0.1
Nondurable Goods .....	104.8	107.6	106.6	109.0	-2.8	-1.8
Food & Kindred Products .....	39.2	41.2	39.3	41.7	-2.0	-0.1
Preserved Fruits & Vegetables .....	13.4	15.0	12.7	14.9	-1.6	0.7
Textiles, Apparel & Leather .....	8.0	8.1	8.7	8.8	-0.1	-0.7
Paper & Allied Products .....	15.6 <sup>2</sup>	15.5	15.8	15.7	0.1	-0.2
Printing & Publishing .....	23.4	24.2	24.3	24.3	-0.8	-0.9
Chemicals & Allied Products .....	6.3	6.2	6.2	6.1	0.1	0.1
Petroleum, Coal, Plastics .....	12.3	12.4	12.3	12.4	-0.1	0.0
Mining & Quarrying .....	3.2	3.3	3.3	3.4	-0.1	-0.1
<b>Construction .....</b>	164.1	168.2	154.2	158.2	-4.1	9.9
General Building Contractors .....	44.7	45.7	43.0	43.7	-1.0	1.7
Heavy Construction, except Building .....	20.1	21.4	18.8	20.5	-1.3	1.3
Special Trade Contractors .....	99.3	101.1	92.4	94.0	-1.8	6.9
<b>Transportation, Communications &amp; Utilities ....</b>	145.0	144.4	141.3	141.5	0.6	3.7
Transportation .....	93.8	93.8	91.6	92.0	0.0	2.2
Trucking & Warehousing .....	33.4	33.5	32.8	33.1	-0.1	0.6
Water Transportation .....	8.7	8.7	8.3	8.4	0.0	0.4
Transportation by Air .....	27.0	27.0	26.5	26.6	0.0	0.5
Communications .....	35.2	34.6	33.8	33.7	0.6	1.4
Electric, Gas & Sanitary Services .....	16.0	16.0	15.9	15.8	0.0	0.1
<b>Wholesale &amp; Retail Trade .....</b>	668.9	664.4	658.7	653.8	4.5	10.2
Wholesale Trade .....	159.0	159.8	155.5	156.8	-0.8	3.5
Durable Goods .....	91.3	91.2	89.2	89.2	0.1	2.1
Nondurable Goods .....	67.7	68.6	66.3	67.6	-0.9	1.4
Retail Trade .....	509.9	504.6	503.2	497.0	5.3	6.7
Building Materials/Garden Supplies .....	23.9	24.0	22.9	23.0	-0.1	1.0
General Merchandise .....	56.4	55.0	56.9	54.9	1.4	-0.5
Food Stores .....	71.2	71.4	72.7	72.2	-0.2	-1.5
Automobile Dealers & Service Stations .....	50.7	51.0	49.9	50.1	-0.3	0.8
Apparel & Accessory Stores .....	28.4	28.0	29.1	28.3	0.4	-0.7
Eating & Drinking Establishments .....	183.4	182.6	179.6	179.2	0.8	3.8
<b>Finance, Insurance &amp; Real Estate .....</b>	141.0	140.5	139.2	138.6	0.5	1.8
Finance .....	62.9	62.5	61.8	61.6	0.4	1.1
Insurance .....	41.6	41.5	41.7	41.4	0.1	-0.1
Real Estate .....	36.5	36.5	35.7	35.6	0.0	0.8
<b>Services .....</b>	776.5	772.6	748.0	746.6	3.9	28.5
Hotels & Lodging .....	26.9	27.0	27.6	27.8	-0.1	-0.7
Personal Services .....	23.3	22.8	23.3	23.0	0.5	0.0
Business Services .....	188.9	188.0	174.2	174.4	0.9	14.7
Computer & Data Processing Services .....	69.1	68.8	59.3	58.6	0.3	9.8
Amusement & Recreational Services .....	39.6	37.9	38.8	37.3	1.7	0.8
Health Services .....	194.0	193.0	190.6	189.6	1.0	3.4
Nursing & Personal Care .....	31.6	31.4	32.2	32.1	0.2	-0.6
Hospitals .....	59.6	59.4	58.5	58.1	0.2	1.1
Legal Services .....	19.8	19.6	19.0	18.9	0.2	0.8
Educational Services .....	38.0	38.4	37.5	38.0	-0.4	0.5
Social Services .....	63.1	62.9	60.8	60.7	0.2	2.3
Engineering & Management Services .....	71.7	71.1	68.1	67.6	0.6	3.6
<b>Government .....</b>	487.5	495.8	479.5	487.1	-8.3	8.0
Federal .....	67.0	66.5	66.3	65.5	0.5	0.7
State .....	145.6	147.5	140.8	143.3	-1.9	4.8
State Education .....	79.9	82.0	76.8	79.4	-2.1	3.1
Local .....	274.9	281.8	272.4	278.3	-6.9	2.5
Local Education .....	150.1	150.9	147.3	147.7	-0.8	2.8
<b>Workers in Labor-Management Disputes .....</b>	1.0	0.0	2.2	2.2	1.0	-1.2

<sup>1</sup> Excludes proprietors, self-employed, members of armed forces, & private household employees. Includes all full- & part-time wage & salary workers receiving pay during the pay period including the 12th of the month. <sup>2</sup> Workers excluded because of involvement in labor-management dispute. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

## Resident Labor Force and Employment in Washington State and Labor Market Areas 1/

Not Seasonally Adjusted	December 2000 Preliminary				November 2000 Revised				December 1999 Revised			
	Labor Force	Employ- ment	Unemploy- ment	Unemploy- ment Rate	Labor Force	Employ- ment	Unemploy- ment	Unemploy- ment Rate	Labor Force	Employ- ment	Unemploy- ment	Unemploy- ment Rate
Washington State Total . . . . .	3,093,300	2,941,900	151,400	4.9	3,069,000	2,916,600	152,400	5.0	3,069,300	2,936,700	132,600	4.3
Bellingham MSA . . . . .	82,200	77,600	4,600	5.6	81,700	77,200	4,500	5.5	80,500	76,600	3,800	4.8
Bremerton PMSA . . . . .	94,100	89,600	4,500	4.8	93,200	88,300	5,000	5.3	94,200	90,000	4,200	4.4
Olympia PMSA . . . . .	100,800	96,200	4,600	4.6	99,600	94,700	4,900	5.0	102,500	98,300	4,200	4.1
Seattle-Bellevue-Everett PMSA . . . . .	1,433,000	1,386,700	46,300	3.2	1,416,100	1,367,200	48,900	3.5	1,423,000	1,380,500	42,600	3.0
King County 2/ . . . . .	1,053,500	1,020,500	33,000	3.1	1,041,500	1,006,200	35,400	3.4	1,044,400	1,015,900	28,500	2.7
Snohomish County 2/ . . . . .	350,300	338,000	12,300	3.5	345,700	333,300	12,500	3.6	349,400	336,500	12,900	3.7
Island County 2/ . . . . .	29,200	28,200	1,000	3.4	28,800	27,800	1,100	3.7	29,200	28,100	1,100	3.9
Spokane MSA . . . . .	213,600	201,700	11,900	5.6	211,500	200,100	11,400	5.4	211,900	201,900	10,000	4.7
Tacoma PMSA . . . . .	341,800	326,400	15,400	4.5	337,100	320,700	16,400	4.9	339,200	325,600	13,700	4.0
Tri-Cities MSA . . . . .	93,300	86,000	7,300	7.9	93,300	86,200	7,100	7.6	90,900	84,700	6,200	6.8
Benton County 2/ . . . . .	70,400	65,800	4,500	6.4	70,400	66,000	4,500	6.3	68,500	64,800	3,700	5.4
Franklin County 2/ . . . . .	23,000	20,200	2,800	12.2	22,900	20,200	2,700	11.6	22,300	19,900	2,500	11.1
Yakima MSA . . . . .	103,600	91,000	12,600	12.2	104,100	92,300	11,800	11.4	103,600	92,900	10,700	10.3
Adams . . . . .	7,660	6,490	1,170	15.3	7,860	6,820	1,040	13.2	7,230	6,240	990	13.7
Asotin 2/ . . . . .	11,800	11,300	500	4.2	11,770	11,220	550	4.7	11,970	11,580	390	3.3
Chelan-Douglas LMA . . . . .	50,490	46,030	4,460	8.8	50,350	46,180	4,170	8.3	48,380	44,490	3,890	8.0
Chelan County 2/ . . . . .	32,380	29,390	2,990	9.2	32,300	29,480	2,820	8.7	31,030	28,410	2,620	8.5
Douglas County 2/ . . . . .	18,110	16,640	1,470	8.1	18,050	16,690	1,350	7.5	17,350	16,090	1,260	7.3
Clallam . . . . .	25,340	23,470	1,870	7.4	25,160	23,320	1,840	7.3	24,670	23,020	1,650	6.7
Clark 2/ . . . . .	182,400	174,600	7,800	4.3	180,700	172,900	7,800	4.3	181,100	175,000	6,000	3.3
Columbia . . . . .	1,240	1,080	150	12.5	1,210	1,060	150	12.5	1,230	1,050	180	14.5
Cowlitz . . . . .	42,010	39,190	2,820	6.7	41,870	38,950	2,920	7.0	41,260	38,620	2,640	6.4
Ferry . . . . .	2,420	2,120	290	12.2	2,470	2,180	290	11.6	2,470	2,230	240	9.6
Garfield . . . . .	1,130	1,080	50	4.4	1,110	1,060	50	4.8	1,020	980	50	4.5
Grant . . . . .	35,760	31,530	4,220	11.8	36,470	32,630	3,830	10.5	34,270	30,780	3,490	10.2
Grays Harbor . . . . .	25,810	23,040	2,780	10.8	25,430	22,740	2,700	10.6	26,560	24,560	2,000	7.5
Jefferson . . . . .	10,290	9,720	580	5.6	10,510	9,940	570	5.4	10,600	10,010	590	5.5
Kittitas . . . . .	14,610	13,690	920	6.3	14,840	14,050	780	5.3	14,770	14,070	700	4.7
Klickitat . . . . .	8,140	7,200	940	11.6	8,940	8,110	830	9.3	8,120	7,290	830	10.2
Lewis . . . . .	29,740	27,260	2,480	8.3	30,270	27,650	2,630	8.7	29,960	27,750	2,220	7.4
Lincoln . . . . .	4,440	4,170	260	5.9	4,480	4,240	240	5.4	4,360	4,130	230	5.4
Mason . . . . .	21,380	20,010	1,370	6.4	21,130	19,750	1,370	6.5	22,080	20,940	1,140	5.2
Okanogan . . . . .	18,840	16,390	2,460	13.0	20,400	18,170	2,230	10.9	19,940	17,860	2,070	10.4
Pacific . . . . .	7,950	7,220	740	9.2	7,880	7,200	680	8.6	7,740	7,190	550	7.1
Pend Oreille . . . . .	4,310	3,940	370	8.7	4,230	3,900	330	7.9	4,150	3,800	350	8.4
San Juan . . . . .	5,810	5,530	280	4.8	5,860	5,610	250	4.3	5,940	5,720	210	3.6
Skagit . . . . .	50,770	47,410	3,360	6.6	50,260	46,970	3,300	6.6	48,880	45,860	3,020	6.2
Skamania . . . . .	3,900	3,550	340	8.8	3,920	3,590	330	8.3	3,920	3,610	310	7.9
Stevens . . . . .	16,980	15,400	1,580	9.3	16,750	15,300	1,450	8.7	16,650	15,310	1,350	8.1
Wahkiakum . . . . .	1,780	1,660	120	6.6	1,760	1,650	110	6.4	1,780	1,680	90	5.3
Walla Walla . . . . .	25,350	23,560	1,800	7.1	26,180	24,690	1,480	5.7	25,080	23,370	1,710	6.8
Whitman . . . . .	20,490	20,080	420	2.0	20,610	20,190	420	2.1	19,530	19,200	340	1.7

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

## Resident Civilian Labor Force and Employment in Washington State

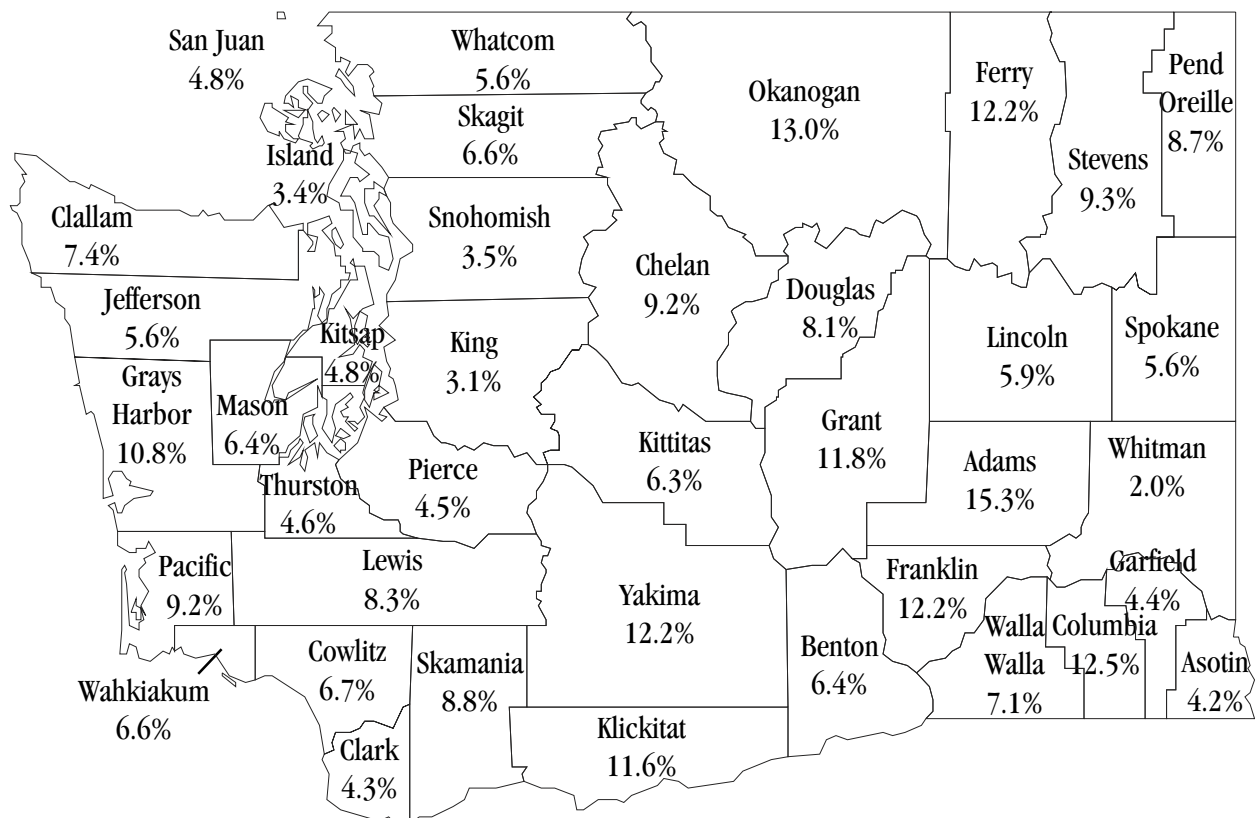
<i>(In Thousands)</i>	December 2000 (Prel)	November 2000 (Rev)	December 1999 (Rev)	November 1999 (Rev)
<i>Seasonally Adjusted Unemployment:</i>				
Washington State	4.9%	5.1%	4.3%	4.3%
United States	4.0%	4.0%	4.1%	4.1%
<i>Not Seasonally Adjusted:</i>				
Resident Civilian Labor Force	3,093.3	3,069.0	3,069.3	3,055.7
Employment	2,941.9	2,916.6	2,936.7	2,927.9
Unemployment	151.4	152.4	132.6	127.8
Percent of Labor Force	4.9%	5.0%	4.3%	4.2%

### Unemployment Rates by County, December 2000

**Washington State = 4.9%**

**United States = 3.7%**

***Not Seasonally Adjusted***



## Estimated Average Hours and Earnings of Production Workers in Manufacturing and of Nonsupervisory Workers in Nonmanufacturing Activities, Washington State

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec 00	Nov 00	Dec 99	Dec 00	Nov 00	Dec 99	Dec 00	Nov 00	Dec 99
<b>TOTAL MANUFACTURING INDUSTRIES</b>	\$696.67	\$697.59	\$674.44	40.2	40.3	40.9	\$17.33	\$17.31	\$16.49
<b>SELECTED MANUFACTURING INDUSTRIES</b>									
Lumber and Wood Products	\$614.96	\$590.40	\$590.80	41.3	40.3	42.2	\$14.89	\$14.65	\$14.00
Primary Metal Industries	\$726.47	\$757.88	\$699.18	41.3	41.1	43.0	\$17.59	\$18.44	\$16.26
Transportation Equipment	\$961.60	\$995.13	\$910.10	40.1	41.9	41.5	\$23.98	\$23.75	\$21.93
Food and Kindred Products	\$520.00	\$506.57	\$511.87	40.0	39.7	40.4	\$13.00	\$12.76	\$12.67
Chemicals and Allied Products	\$1,027.14	\$994.75	\$939.68	44.6	43.1	42.5	\$23.03	\$23.08	\$22.11
<b>SELECTED NONMANUFACTURING INDUSTRIES</b>									
Construction	\$877.28	\$878.49	\$823.92	37.7	38.7	37.4	\$23.27	\$22.70	\$22.03
Wholesale and Retail Trade (Includes eating and drinking establishments)	\$409.27	\$403.85	\$385.25	31.8	31.6	31.5	\$12.87	\$12.78	\$12.23





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