

# Washington Labor Market

Prepared by the  
Labor Market and  
Economic Analysis Branch  
(360) 438-4800  
*Greg Weeks, Director*

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## WASHINGTON WADES THROUGH THE TROUGH

From a labor market perspective, Washington's economy continued to operate at a point in the business cycle that both the Employment Security Department and Office of the Forecast Council believe is at or near the trough in the state's current economic cycle. If the forecast is on the mark, the state's economy will begin to "recover" in the second half of 2002. Statewide nonfarm employment is expected to return to net positive growth in the third quarter of 2002 while the state's unemployment rate, which is tied to labor force trends that typically lag, is expected to start easing in the fourth quarter of 2002.

For the present, however, data for May suggest that Washington's labor market situation remains tenuous with the labor force contracting for the second consecutive month. The resident labor force numbers show that even though the number of unemployed fell, so too did the labor force and number of employed persons. This means that at least some Washingtonian's are still exiting the labor force rather than looking for jobs that they do not believe exist or are attainable. Seasonally adjusted nonfarm employment also continued to fall in May on an annual basis.

The message to labor market watchers: have patience; summer is right around the corner. It should anchor a period of labor market recovery in Washington by generating both seasonal *and* cyclical (per the forecast) job gains in the state. It won't be much, but it may be enough to whet our collective appetites and remind us that the worst is behind us.

## LABOR FORCE AND UNEMPLOYMENT

Washington's seasonally adjusted unemployment rate was essentially unchanged in May, dropping a slight one-tenth of one percentage point to 7.1 percent over the month. The nation's seasonally adjusted unemployment rate fell two-tenths of one percentage point to 5.8 percent, which was also regarded as largely unchanged. Washington's non-adjusted unemployment rate fell one-tenth of one percentage point to 6.9 percent. As mentioned, the state's falling jobless rate was the net result of contractions in the labor force, which translated to the sub-state level as well as more than half of Washington counties saw a similar labor market trend over the month.

At the sub-state level, three out of every four Washington counties saw their unemployment rates fall in May. As was the case the previous month, this is normal as agriculture and other natural resource activities ramp up on a seasonal basis. The greatest over-the-month decline in jobless rate was in Ferry County, which saw an easing of four and a half percentage points. It was followed by Pend Oreille, Stevens, Walla Walla, Klickitat, and Columbia counties with declines of around two to three percentage points. All of these counties are highly resource dependent. Two-thirds of Washington's counties had jobless rate declines that exceeded what was seen statewide (a one-tenth of one percentage point decline). The state's less seasonal Puget Sound counties saw their jobless rates fall only a tad, which was at or around the state pattern. Its non-Puget Sound metropolitan counties like Yakima, Spokane, Whatcom, and Benton-Franklin saw their unemployment rates fall more substantially. Grant and Douglas counties, however, saw their unemployment rates rise a full percentage point—which represented the highest jobless rate increases in the state in May.

In terms of over-the-year changes, central Puget Sound continued to generate the most pronounced jobless rate increases with the run-ups ranging from roughly one and a half percentage points in King, Pierce, and Island counties to more than two and a half percentage points in Snohomish County in May. Inasmuch as the central Puget Sound represents more than half of the state's labor force, it is not surprising that the counties in this region, as a group, effectively drove up the statewide jobless by a full percentage point over the year. Clark County figured into the mix with a jobless rate that was up more than one percentage point over the year, as did Columbia County with about the same increase. Still, only half of Washington's counties saw their jobless rates increase year-over-year in May, which means that the other half saw their jobless rates fall. These were largely rural counties from both sides of the Cascades. Ferry County's jobless rate fell the most—nearly six percentage points—followed by Grays Harbor, Klickitat, and Pend Oreille counties at around two percentage points. In a few counties, notably Yakima, declining jobless rates were precipitated, in part, by labor force contraction.

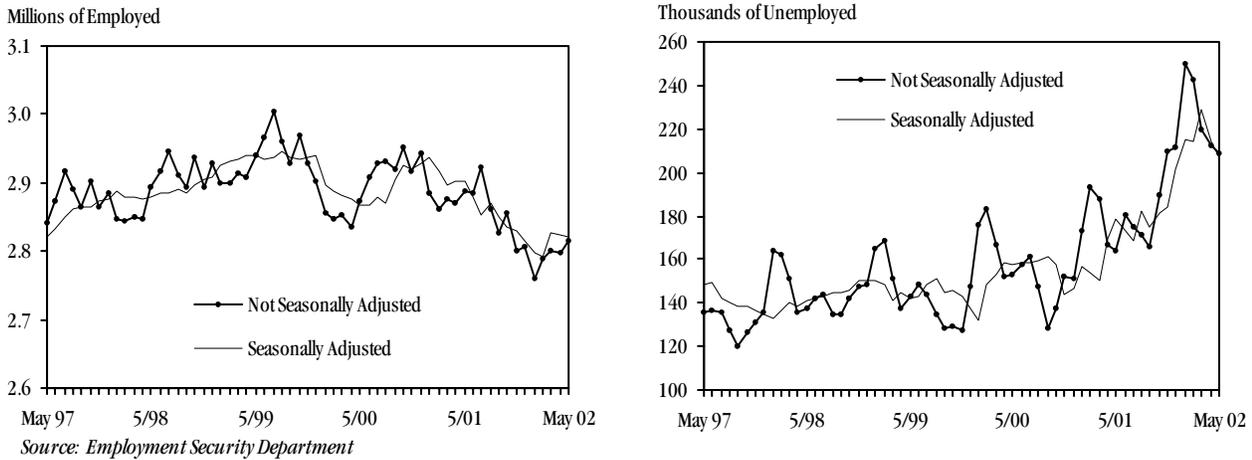
Still, it is important to recognize that despite the jobless rate declines cited above, most of those same counties also have the highest absolute rates of unemployment. A prime example is Klickitat County, which despite seeing significant over-the-month and over-the-year declines in its jobless rate, still had far and away the highest absolute jobless rate in Washington in May at 14.0 percent. Cowlitz, Skamania, Grant, and Ferry counties had unemployment rates in double digits between 10 and 11 percent. Chelan and Yakima counties were “knocking at that door” with rates just under 10 percent. Nearly two-thirds had jobless rates above the state average. Whitman County, as usual, anchored the low end of the county unemployment rate spectrum at 2.0 percent. It was again followed by other “wheat” counties, namely Garfield, Asotin, Walla Walla, and Lincoln, with jobless rates from 3.3 percent to 4.6 percent. San Juan had the lowest jobless rate in western Washington at 4.1 percent. Thurston County had the lowest metropolitan unemployment rate at 5.5 percent, though the Tri-Cities (Benton and Franklin counties) and Kitsap County were not far behind at 5.7 percent and 5.9 percent, respectively.

## INDUSTRY DEVELOPMENTS

### *Over the Month*

Washington added 18,000 nonagricultural wage and salary jobs over the month in May for a non-adjusted increase of 0.7 percent. That compares to the typical increase of 1.0 percent. Services represented 6,100 of that gain, with business services (+1,300), hotels and lodging (+1,000), and amusement and recreation (+1,300) leading the way. Retail trade was up 4,600 jobs, with eating and drinking places (+3,200) accounting for most of that increase. Building materials/garden supplies and food stores were also up notably, each gaining 500 over the month. Construction added 4,600 jobs, mostly in special trade contracting (+3,200). Manufacturing rose by 1,500 jobs, with seasonal nondurable goods accounting for four-fifths of the gain. Food processing, in particular, with its 800 increase produced much of that gain. On the durable goods side, though, lumber and wood products also showed a positive seasonal increase of 600. Government was up 700 with the 1,100 gain in local government partially offset by the loss of 500 in state government.

## Washington State Total Resident Employment and Unemployment May 1997-May 2002



### *Year-Over-Year*

Washington's seasonally adjusted nonfarm employment, estimated in collaboration with the Office of the Forecast Council, fell by 68,500 jobs or 2.5 percent from May 2001 to May 2002. Non-adjusted data show that manufacturing shed 29,200 jobs, with nearly four in five of those jobs lost in durable goods. Aircraft and parts, in particular, cut 9,600 jobs. Other durable goods sectors with considerable losses over the year were electronic equipment (-4,200), industrial machinery and computer equipment (-2,800), and primary metals (-2,300). One positive development among durable goods sectors was the 500 increases in logging over the year. Among nondurable goods, the loss of 3,600 jobs in food processing was the largest. Printing and publishing was down half again as much with 1,300 jobs lost. On the nonmanufacturing side, losses outpaced gains. Construction shed the greatest number of jobs (-13,300) followed by wholesale and retail trade (-12,800), and services (-12,000). Business services lost 14,800 jobs, including 6,800 in computer and data processing. Health services remained the biggest source of jobs in the services sector with a gain of 7,400. Social and educational services were also positives with 1,700 and 1,400 net new jobs, respectively. Transportation, communications, and utilities were down 10,300 jobs, while finance, insurance, and real estate was up 4,500. Government added 10,900 jobs with three-fourths of that increase occurring in local government.

## AREA TRENDS

From a statewide perspective, the period from April 2002 to May 2002 revealed essentially no change. From a regional perspective, there was somewhat more variation. Not in every region, though. Metropolitan Washington's jobless rate did not change over the month, remaining at 6.7 percent in May. Western Washington was also largely unchanged, having dipped one-tenth of a percentage point to 6.8 percent in May. The variation from the state was much more pronounced in eastern Washington and timber dependent Washington. This is no surprise given the nature of their economic activities and the resurgence they typically experience this time of year. Eastern Washington's jobless rate fell six-tenths of one percentage point to 7.2 percent while timber-dependent Washington's jobless rate fell seven-tenths of a percentage point to 8.4 percent. At those levels, their jobless rates were notably higher than those in metropolitan and western Washington, but the gap is much narrower than those that were seen in the winter months when agriculture and resource-dependent industries are largely dormant.

Underscoring the softness in Washington's labor market, the year-over-year numbers show Washington's not seasonally adjusted unemployment rate up a full percentage point from May 2001 to May 2002. Western Washington and metropolitan Washington had the greatest influence on the state average as their respective year-over-year jobless rates increased nearly one-and-a-half percentage points. Eastern and timber-dependent Washington, on the other hand, saw their jobless rates fall somewhat over the same period. Timber-dependent Washington saw its jobless rate fall seven-tenths of a percentage point over the year. Eastern Washington, meanwhile, revealed an unemployment rate that was three-tenths of a percentage point lower in May 2002 than it was the previous year. While labor market softening in the metropolitan west in particular drove up the state's jobless rate, this should not be taken as a sign of rural, eastern Washington "recovery" as evidenced by the region's continuing high level of absolute unemployment rates.

## Unemployment Rates by Geographic Areas State of Washington

Areas	May-02	Apr-02	May-01	Apr-01
Washington State Total	6.9%	7.0%	5.9%	5.9%
Metropolitan Areas	6.7%	6.7%	5.4%	5.3%
Log & Lumber Areas	8.4%	9.1%	9.1%	9.4%
All Western WA Areas	6.8%	6.9%	5.5%	5.3%
All Eastern WA Areas	7.2%	7.8%	7.5%	8.1%

*Source: Employment Security Department*

### INDUSTRY NOTES

#### *Reservation Labor Force*

The 2000 Census provided labor force information on geographic entities in Washington for which the Employment Security Department does not routinely generate data—tribal reservations. The Census data reveal that the Washington's tribal labor force numbered 68,482 in 2000 with an unemployment rate of 9.4 percent. Held up against the same data from the 1990 Census, it can be seen that Washington's tribal labor force grew 62 percent over the decade while the overall tribal unemployment rate fell by just over one percentage point. By comparison, Washington's labor force expanded 20 percent, while its unemployment rate rose just over one half of one percentage point to 6.2 percent. Though the tribal unemployment rate was higher than that for the state in 2000, the jobless situation appeared to improve for the tribes over the decade while it worsened statewide.

Among the 27 tribes for which there was 2000 Census data, the Puyallup (21,047), Samish (15,337) and Yakama (12,318) had, by far, the largest tribal labor forces in Washington. These three tribes alone accounted for more than 70 percent of the state's total tribal labor force. The smallest tribal labor force belonged to the Jamestown S'Klallam (13) followed by the Sauk-Suiattle (26) and Shoalwater Bay (30). In fact, two-thirds of Washington's tribes had labor forces with fewer than 1,000 individuals. Combined, those tribes represented less than 6 percent of the state's tribal labor force.

Labor force size was not the only variable that varied widely. So, too, did unemployment rates. Unemployment rates among the 27 tribes varied from as high as 38.5 percent for the Sauk-Suiattle to as low as 4.1 percent for the Samish. The Jamestown S'Klallam data showed zero unemployment among its admittedly small labor force of 13 individuals. The

Samish and Jamestown S'Klallam were two of five tribes with jobless rates below the 6.2 percent state average. The others were the Port Madison Suquamish (5.6 percent), Stillaguamish (5.7 percent), and Puyallup (5.8 percent). Turning back to high rates of unemployment, of the larger tribes, the Colville and Yakama had the highest jobless rates at 21 percent and 18 percent, respectively.

### *Working at Home*

Telecommuting, particularly the ability to work from home, was supposed to be a major nationwide trend in the 1990s. Washington, with its significant concentration of presumably "footloose" high tech jobs and "lone eagles," was expected to be a national leader in this regard. Data from the 2000 Census reveal that a greater number of Washingtonians did, in fact, work at home in 2000 than in 1990 (120,830 compared to 86,377). That decennial increase of 40 percent translated into a half a percentage point rise in that group's share of Washington's total work force from 3.8 percent in 1990 to 4.3 percent in 2000. While 4.3 percent may not seem like much in terms of share, it was a full percentage point higher than the 3.3 percent nationwide average (nearly 4.2 million workers) in 2000. Moreover, Washington's share expanded at nearly twice the rate as the national share, which grew 23 percent from 3.0 percent in 1990. At the same time, Washington's modest 4.3 percent share of stay at home workers underscores the challenges of breaking the ingrained culture of commuting to work, even in a "progressive" state like Washington. Conversely, it may simply reflect the fact that for a vast majority of people, working from home, despite its relative appeal, is more of a lofty concept than a practical reality.

### *Military Construction to Boost Washington*

Washington can expect to receive \$268 million in new projects from the Military Construction Authorization Act for fiscal year 2003, which passed both the U.S. House and U.S. Senate and is expected to be signed by President Bush in early July. Among the notable projects, grouped by branch of the armed services, were the following:

- The Army is expected to receive \$106.2 million for projects at Fort Lewis (Pierce County), including a new barracks complex (\$50.0 million), a combined arms collective training facility (\$29.8 million), a battle simulation center (\$24.0 million), and additional security fencing (\$2.4 million).

- The Navy is expected to receive \$151 million for its Puget Sound-based installations, including a missile spares storage building at Bangor (\$7.3 million), relocation of waterfront maintenance shops at Bangor (\$5.9 million), a small arms training center at Bangor (\$16.4 million), an enlisted personnel quarters at Bremerton (\$35.1 million), a ship movements office with control tower at Bremerton (\$2.2 million), waterfront revitalization in Bremerton (\$8.5 million), ammunition wharf improvements at Port Hadlock (\$4 million), anti-terrorism/force protection improvements at Puget Sound Naval Shipyard (\$21.6 million), an industrial waste treatment facility at Puget Sound Naval Shipyard (\$11.4 million), waterfront support facilities at Puget Sound Naval Shipyard (\$21 million), an aircraft direct refueling facility at Whidbey Island Naval Air Station (\$9.2 million), and a additional security fencing for Whidbey Island Naval Air Station's Ault Field (\$8.4 million).
- The Army National Guard is expected to receive \$11.6 million for construction of a Combined Readiness Center (CRC) in Spokane to help the National Guard, as well as other federal, state, and local "first response" agencies prepare for and respond to regional emergencies and natural disasters ranging from earthquakes to bioterrorism. Spokane CRC is the third such center in Washington; Bremerton and Yakima already have CRCs.

In addition to the direct military benefit captured when these projects go on line, communities that host these military facilities potentially stand to benefit from the construction activity as well. According to the *1987 Washington State Input-Output Study* developed by Chase, Bourque, and Conway, the employment multiplier for construction is roughly 2.7, which means that for every construction job created, another 1.7 jobs are created elsewhere in the economy.

### *Washington's Wage Picture*

Preliminary data from the Employment Security Department shows that the total average covered wage in Washington in 2001 was \$37,478. This represented a 1.1 percent increase over the year in nominal or current terms, but a 0.8 percent *decrease* in real or constant terms (using the U.S. Implicit Price Deflator for Personal Consumption Expendi-

tures). The real decline in average covered wages was the first recorded since the 1.5 percent decline in 1993—when the state was recovering from the last national economic recession. The 2001 decline was a clear departure from the heady 6.4 percent real growth posted in both 1998 and 1999, a period when Washington’s economy seemed to be firing on all cylinders. However, the average covered wage picture began softening considerably in 2000, as reflected in the 1.0 percent real growth posted that year, leading in to the real decline in 2001.

With respect to industries, the highest average covered wages in Washington in 2001 were in investment-related sectors: security and commodity brokers (\$102,679) and holding and other investment offices (\$77,775). They were followed by business services, which includes software, at \$73,447. Chemicals and petroleum were the two highest paying manufacturing sectors in the \$67,000 range. Communications was also up there at \$63,713 as was transportation equipment, which includes aircraft, at \$62,201. Conversely, the lowest average covered wages in 2001 were tied to consumer-related retail trade and services. For example, private households (which includes babysitting and domestic help) was the lowest at \$9,420 followed by eating and drinking places (\$14,102), motion pictures (\$14,525), hotels and lodging (\$17,665), social services (\$18,831), and personal services (\$19,239). All of these sectors were roughly half the state-wide average covered wage or below. Agricultural crop production (\$14,794) and agricultural services (\$20,131) were also in the lower tier.

While average covered wages can be looked at in absolute terms, they can also be ranked in terms of real annual change. Viewed thusly, non-depository institutions fared exceptionally well with a real average covered wage increase of 22.1 percent in 2001. That was likely propelled by the mortgage component of the sector, particularly in light of the favorable refinancing and real estate environment that year. At \$65,600, it had one of the higher average covered wages in the state as well. Transportation services, which are primarily the arrangement of passenger and freight transportation, were up 15.3 percent. Engineering and management posted a healthy 5.4 percent increase due to the Nisqually Earthquake and ongoing waste cleanup at the Hanford Nuclear Reservation. Other sectors of consid-

erable size that revealed healthy real wage growth were depository institutions (6.4 percent), legal services (4.2 percent), wholesale trading of nondurable goods (4.0 percent), and general building contractors (3.9 percent). On the flip side, chemicals led the pack with a real average covered wage decrease of 42.6 percent. It was followed by a host of sectors with high-tech ties. Industrial machinery and computer equipment (-9.7 percent), business services including software (-9.0 percent), communications (-8.9 percent), and miscellaneous retail including retail dot.coms (-5.9 percent). Security and commodity brokers also saw significant declines to the tune of 9.2 percent due to stock market losses.

## NATIONAL NOTES

### *First Quarter Kudos*

The U.S. Department of Commerce announced that the final estimate of real Gross Domestic Product (GDP), the output of goods and services produced in the U.S., was revised upward from a preliminary annual rate of 5.6 percent to an even stronger 6.1 percent in the first quarter of 2002. This was a marked improvement over the fourth quarter of 2001, which rose 1.7 percent. The increases in economic activity were seen virtually across the board from private inventory investment to personal consumption to government spending to exports to home buying. The advanced estimates are based on incomplete data and are therefore subject to further revision.

### *Prices Stay Put*

Inflation was non-existent in May 2002, at least according to the U.S. Consumer Price Index for All Urban Consumers (CPI-U). That index was unchanged at 179.8 over the month, meaning there was no change in inflation. The prices for food, clothing, transportation, and energy all declined over the month. Housing and medical care were both up slightly. Inflation was also well contained over the year as the U.S. CPI-U revealed an exceptionally modest increase of 1.2 percent. This being the “off” month for the bi-monthly Seattle CPI-U, there were no May 2002 data on which to report.

*Consumers Cool Down*

The Conference Board's Consumer Confidence Index of 5,000 sampled U.S. households fell four points over the month to 106.4 in June 2002. Both the present situation and future expectation indices turned downward as well. In making the announcement, the Conference Board noted that "(w)eak labor market conditions, generally soft business conditions and waning public confidence in questionable business practices have helped erode consumer confidence." It added, however, that "(t)he latest readings point to continued consumer spending and moderate economic growth."

*Playing it Safe*

Faced with a raft of conflicting economic indicators, the Federal Open Market Committee (FOMC) decided at its June 26 meeting to keep its target for the federal funds rate unchanged at 1.75 percent. The prime rate remained at 4.5 percent. As such, both the federal funds rate and the prime rate have remained the same since the beginning of the year. In deciding to hold short-term interest rates at their current levels, the FOMC cited information since its last meeting that seemed to confirm that economic activity was continuing to increase. The decision not to raise short-term rates was surely reflective of a desire to not put a damper on that economic activity. At the same time, since the FOMC expected the rate of increase in final demand to accelerate over the coming quarters along with productivity growth, there was a motivation to not lower rates and spur inflation, too.

Consumer Price Index  
(All Items, Urban Consumers, 1982-84 = 100,  
Not Seasonally Adjusted)

	Indexes			% Change From	
	May-02	Apr-02	May-01	Apr-02	May-01
U.S. City Average	179.8	179.8	177.7	0.0%	1.2%
Seattle *	Apr-02	Feb-02	Apr-01	Feb-02	Apr-01
	188.8	187.6	184.2	0.6%	2.5%

\* The index for Seattle reflects prices in King, Pierce, Snohomish, Kitsap, 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

	May	April	May	April	Numeric Change	
	2002 (Prel)	2002 (Rev)	2001 (Rev)	2001 (Rev)	Apr. 2002 to May 2002	May 2001 to May 2002
<b>Total Nonagricultural Wage &amp; Salary Workers ....</b>	2,657.0	2,639.0	2,719.5	2,700.5	18.0	-62.5
<b>Manufacturing .....</b>	312.2	310.7	341.4	340.7	1.5	-29.2
Durable Goods .....	214.0	213.7	236.8	237.0	0.3	-22.8
Lumber & Wood Products .....	30.2	29.6	30.9	30.4	0.6	-0.7
Logging .....	6.7	6.3	6.2	5.8	0.4	0.5
Sawmills & Plywood .....	20.3	20.1	21.4	21.3	0.2	-1.1
Furniture & Fixtures .....	4.4	4.4	4.8	4.8	0.0	-0.4
Stone, Clay & Glass .....	8.3	8.3	9.0	8.9	0.0	-0.7
Primary Metals .....	7.4	7.4	9.7	9.8	0.0	-2.3
Aluminum .....	3.9	3.9	5.5	5.6	0.0	-1.6
Fabricated Metals .....	13.4	13.4	14.3	14.4	0.0	-0.9
Industrial Machinery & Equipment .....	21.9	21.9	24.7	25.0	0.0	-2.8
Computer & Office Equipment .....	5.8	5.8	6.2	6.3	0.0	-0.4
Electronic & Other Electrical Equipment .....	15.6	15.7	19.8	20.1	-0.1	-4.2
Transportation Equipment .....	90.8	90.8	100.5	100.4	0.0	-9.7
Aircraft & Parts .....	77.3	77.5	86.9	86.7	-0.2	-9.6
Ship & Boat Building .....	7.1	6.9	7.1	6.9	0.2	0.0
Instruments & Related .....	14.0	14.1	14.7	14.6	-0.1	-0.7
Miscellaneous Manufacturing .....	8.0	8.1	8.4	8.6	-0.1	-0.4
Nondurable Goods .....	98.2	97.0	104.6	103.7	1.2	-6.4
Food & Kindred Products .....	36.6	35.8	40.2	39.3	0.8	-3.6
Preserved Fruits & Vegetables .....	11.6	11.0	13.2	12.6	0.6	-1.6
Textiles, Apparel & Leather .....	7.4	7.3	7.8	7.7	0.1	-0.4
Paper & Allied Products .....	14.1	13.9	15.0	15.0	0.2	-0.9
Printing & Publishing .....	22.5	22.4	23.8	23.9	0.1	-1.3
Chemicals & Allied Products .....	5.8	5.7	6.0	6.0	0.1	-0.2
Petroleum, Coal, Plastics .....	11.8	11.9	11.8	11.8	-0.1	0.0
Mining & Quarrying .....	3.1	3.0	3.4	3.4	0.1	-0.3
Construction .....	142.4	137.8	155.7	152.0	4.6	-13.3
General Building Contractors .....	38.3	37.7	40.7	39.9	0.6	-2.4
Heavy Construction, except Building .....	15.3	14.5	18.4	17.3	0.8	-3.1
Special Trade Contractors .....	88.8	85.6	96.6	94.8	3.2	-7.8
<b>Transportation, Communications &amp; Utilities ....</b>	136.8	136.7	147.1	147.1	0.1	-10.3
Transportation .....	87.8	87.5	93.9	93.5	0.3	-6.1
Trucking & Warehousing .....	32.0	31.9	33.8	33.6	0.1	-1.8
Water Transportation .....	8.6	8.5	8.9	8.9	0.1	-0.3
Transportation by Air .....	24.7	24.7	27.1	27.2	0.0	-2.4
Communications .....	33.1	33.4	36.8	37.2	-0.3	-3.7
Electric, Gas & Sanitary Services .....	15.9	15.8	16.4	16.4	0.1	-0.5
<b>Wholesale &amp; Retail Trade .....</b>	623.3	618.7	636.1	631.2	4.6	-12.8
Wholesale Trade .....	138.8	138.8	145.2	144.8	0.0	-6.4
Durable Goods .....	81.5	81.3	84.6	84.5	0.2	-3.1
Nondurable Goods .....	57.3	57.5	60.6	60.3	-0.2	-3.3
Retail Trade .....	484.5	479.9	490.9	486.4	4.6	-6.4
Building Materials/Garden Supplies .....	22.1	21.6	22.9	22.6	0.5	-0.8
General Merchandise .....	50.9	50.8	50.9	50.8	0.1	0.0
Food Stores .....	69.9	69.4	71.1	70.2	0.5	-1.2
Automobile Dealers & Service Stations .....	49.9	49.8	49.9	49.7	0.1	0.0
Apparel & Accessory Stores .....	23.1	23.1	23.4	24.1	0.0	-0.3
Eating & Drinking Establishments .....	182.8	179.6	183.6	179.9	3.2	-0.8
<b>Finance, Insurance &amp; Real Estate .....</b>	144.0	143.7	139.5	138.6	0.3	4.5
Finance .....	66.2	66.2	62.2	61.9	0.0	4.0
Insurance .....	42.7	42.6	42.0	42.0	0.1	0.7
Real Estate .....	35.1	34.9	35.3	34.7	0.2	-0.2
<b>Services .....</b>	770.7	764.6	782.7	777.0	6.1	-12.0
Hotels & Lodging .....	28.3	27.3	29.8	28.6	1.0	-1.5
Personal Services .....	22.5	22.9	23.9	24.8	-0.4	-1.4
Business Services .....	166.5	165.2	181.3	180.9	1.3	-14.8
Computer & Data Processing Services .....	63.8	63.7	70.6	71.4	0.1	-6.8
Amusement & Recreational Services .....	37.2	35.9	41.3	38.9	1.3	-4.1
Health Services .....	204.4	203.6	197.0	196.2	0.8	7.4
Nursing & Personal Care .....	34.5	34.2	33.2	33.0	0.3	1.3
Hospitals .....	61.9	61.9	60.1	59.9	0.0	1.8
Legal Services .....	19.7	19.7	20.0	20.5	0.0	-0.3
Educational Services .....	40.2	40.2	38.8	39.1	0.0	1.4
Social Services .....	67.7	67.2	66.0	65.2	0.5	1.7
Engineering & Management Services .....	73.9	73.8	73.4	73.4	0.1	0.5
<b>Government .....</b>	524.5	523.8	513.6	510.5	0.7	10.9
Federal .....	68.6	68.5	67.2	66.6	0.1	1.4
State .....	150.2	150.7	148.6	148.1	-0.5	1.6
State Education .....	84.0	84.5	82.6	82.4	-0.5	1.4
Local .....	305.7	304.6	297.8	295.8	1.1	7.9
Local Education .....	159.4	159.4	154.9	154.7	0.0	4.5
<b>Workers in Labor-Management Disputes .....</b>	0.0	0.0	0.0	0.0	0.0	0.0

<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	May 2002 Preliminary				April 2002 Revised				May 2001 Revised			
	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate
Washington State Total . . . . .	3,025,300	2,816,300	209,000	6.9	3,008,900	2,796,800	212,100	7.0	3,000,400	2,822,100	178,300	5.9
Bellingham MSA . . . . .	80,400	75,500	4,900	6.1	80,500	75,400	5,100	6.4	80,300	75,400	4,900	6.2
Bremerton PMSA . . . . .	94,200	88,600	5,600	5.9	94,500	88,700	5,700	6.1	92,400	87,200	5,300	5.7
Olympia PMSA . . . . .	101,400	95,800	5,500	5.5	101,400	95,700	5,700	5.6	98,500	93,300	5,300	5.3
Seattle-Bellevue-Everett PMSA . . . . .	1,366,900	1,276,800	90,100	6.6	1,362,400	1,273,000	89,400	6.6	1,367,200	1,302,200	64,900	4.7
King County 2/ . . . . .	1,000,100	936,800	63,200	6.3	996,500	934,100	62,500	6.3	1,003,100	955,500	47,600	4.7
Snohomish County 2/ . . . . .	338,300	313,100	25,300	7.5	337,400	312,200	25,200	7.5	335,400	319,300	16,100	4.8
Island County 2/ . . . . .	28,400	26,900	1,600	5.5	28,500	26,800	1,700	5.9	28,620	27,410	1,210	4.2
Spokane MSA . . . . .	208,000	195,300	12,800	6.1	207,100	193,500	13,600	6.6	208,400	196,300	12,000	5.8
Tacoma PMSA . . . . .	337,000	312,200	24,800	7.4	335,900	311,400	24,500	7.3	328,700	308,800	19,900	6.0
Tri-Cities MSA . . . . .	100,400	94,700	5,800	5.7	99,000	93,100	5,900	6.0	94,900	89,100	5,800	6.1
Benton County 2/ . . . . .	76,800	72,600	4,200	5.5	75,400	71,300	4,000	5.4	72,400	68,300	4,200	5.7
Franklin County 2/ . . . . .	23,700	22,100	1,500	6.5	23,600	21,800	1,900	7.9	22,500	20,800	1,700	7.4
Yakima MSA . . . . .	105,600	95,300	10,300	9.8	102,800	92,000	10,800	10.5	107,700	96,200	11,500	10.7
Adams . . . . .	8,030	7,420	610	7.5	8,000	7,040	960	12.0	7,860	7,170	690	8.7
Asotin 2/ . . . . .	11,630	11,130	490	4.2	11,710	11,130	580	5.0	11,620	11,180	450	3.8
Chelan-Douglas LMA . . . . .	50,470	45,870	4,610	9.1	49,520	45,230	4,290	8.7	50,530	45,980	4,550	9.0
Chelan County 2/ . . . . .	32,450	29,250	3,200	9.9	31,940	28,840	3,090	9.7	32,460	29,320	3,140	9.7
Douglas County 2/ . . . . .	18,020	16,620	1,400	7.8	17,590	16,390	1,200	6.8	18,070	16,660	1,410	7.8
Clallam . . . . .	23,760	22,140	1,620	6.8	23,930	22,160	1,770	7.4	24,140	22,370	1,770	7.3
Clark 2/ . . . . .	184,600	170,200	14,400	7.8	180,200	166,100	14,100	7.8	179,400	167,500	11,900	6.6
Columbia . . . . .	1,620	1,480	140	8.5	1,600	1,430	170	10.4	1,880	1,740	140	7.2
Cowlitz . . . . .	40,320	35,920	4,410	10.9	40,310	35,660	4,650	11.5	41,180	36,570	4,610	11.2
Ferry . . . . .	2,530	2,270	260	10.2	2,540	2,200	340	13.5	2,490	2,090	400	16.0
Garfield . . . . .	1,200	1,160	40	3.3	1,190	1,140	50	4.4	1,170	1,130	40	3.3
Grant . . . . .	37,910	34,060	3,850	10.2	36,960	33,540	3,420	9.2	35,840	31,910	3,930	11.0
Grays Harbor . . . . .	26,090	23,950	2,140	8.2	25,850	23,640	2,210	8.6	25,870	23,170	2,700	10.4
Jefferson . . . . .	11,250	10,540	700	6.3	11,190	10,490	700	6.3	11,140	10,550	590	5.3
Kittitas . . . . .	15,250	14,360	900	5.9	15,670	14,650	1,020	6.5	14,950	14,020	940	6.3
Klickitat . . . . .	8,030	6,900	1,120	14.0	7,970	6,660	1,310	16.4	8,480	7,110	1,370	16.1
Lewis . . . . .	28,890	26,520	2,370	8.2	28,880	26,400	2,480	8.6	27,820	25,300	2,520	9.0
Lincoln . . . . .	4,830	4,600	220	4.6	4,690	4,460	240	5.0	4,670	4,490	180	3.9
Mason . . . . .	19,770	18,470	1,300	6.6	19,550	18,210	1,330	6.8	17,970	16,630	1,340	7.5
Okanogan . . . . .	17,960	16,360	1,600	8.9	17,680	15,800	1,880	10.6	19,740	17,680	2,060	10.4
Pacific . . . . .	7,940	7,330	610	7.7	7,970	7,260	710	8.9	7,560	6,860	700	9.3
Pend Oreille . . . . .	4,450	4,110	340	7.6	4,420	3,970	440	10.1	4,170	3,770	400	9.6
San Juan . . . . .	6,380	6,120	260	4.1	6,310	6,020	290	4.6	6,490	6,280	220	3.3
Skagit . . . . .	51,400	47,690	3,710	7.2	51,960	48,070	3,890	7.5	50,710	47,290	3,420	6.7
Skamania . . . . .	3,880	3,470	410	10.6	3,800	3,330	470	12.3	3,830	3,440	390	10.3
Stevens . . . . .	16,150	14,660	1,490	9.2	16,130	14,250	1,870	11.6	16,200	14,550	1,650	10.2
Wahkiakum . . . . .	1,680	1,560	120	7.0	1,740	1,600	150	8.4	1,700	1,560	140	8.4
Walla Walla . . . . .	26,350	25,170	1,180	4.5	26,250	24,430	1,820	6.9	26,020	24,770	1,250	4.8
Whitman . . . . .	18,950	18,560	380	2.0	19,340	18,930	410	2.1	18,910	18,540	370	2.0

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

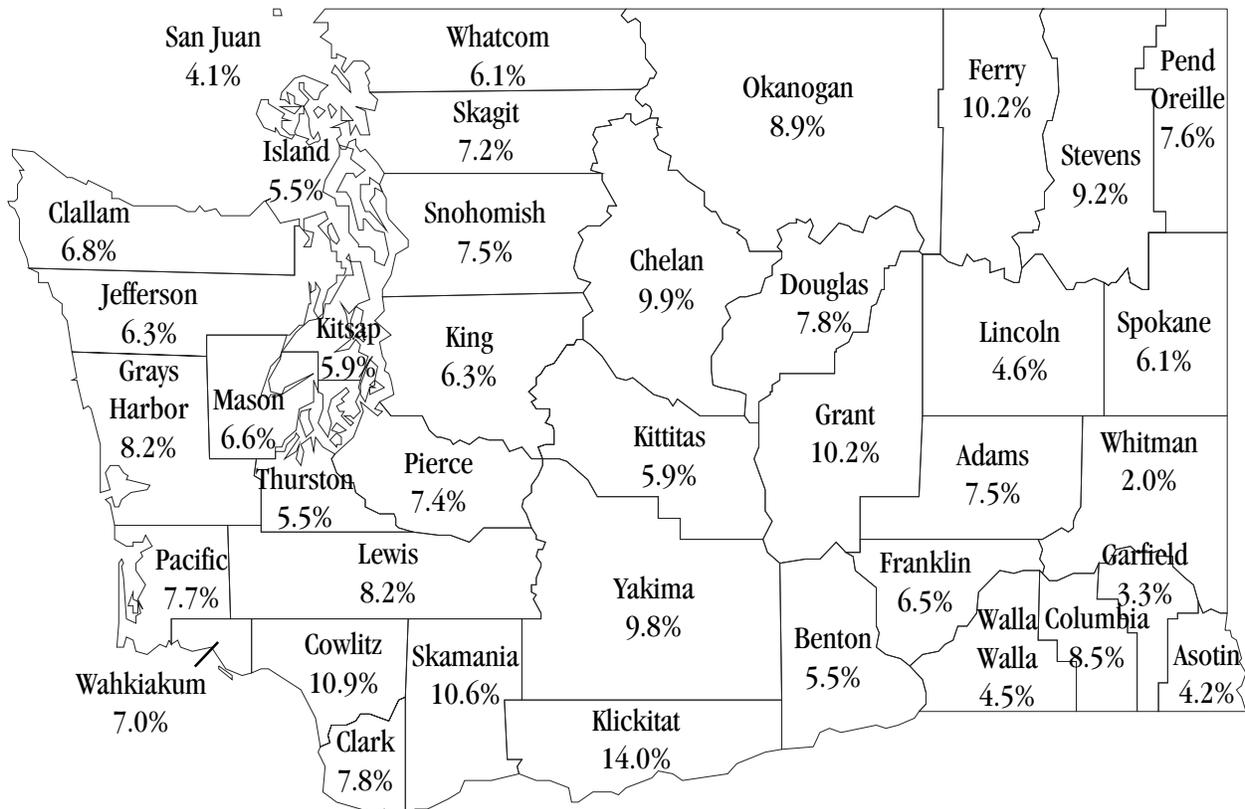
<i>(In Thousands)</i>	May 2002 (Prel)	April 2002 (Rev)	May 2001 (Rev)	April 2001 (Rev)
<i>Seasonally Adjusted Unemployment:</i>				
Washington State	7.1%	7.2%	6.1%	6.0%
United States	5.8%	6.0%	4.4%	4.5%
<i>Not Seasonally Adjusted:</i>				
Resident Civilian Labor Force	3,025.3	3,008.8	3,000.4	2,978.5
Employment	2,816.3	2,796.7	2,822.1	2,803.6
Unemployment	209.0	212.1	178.3	174.9
Percent of Labor Force	6.9%	7.0%	5.9%	5.9%

### Unemployment Rates by County, May 2002

**Washington State = 6.9%**

**United States = 5.5%**

***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		
	May 02	Apr 02	May 01	May 02	Apr 02	May 01	May 02	Apr 02	May 01
<b>TOTAL MANUFACTURING INDUSTRIES</b>	\$723.39	\$724.81	\$690.93	40.3	40.2	39.8	\$17.95	\$18.03	\$17.36
<b>SELECTED MANUFACTURING INDUSTRIES</b>									
Lumber and Wood Products	\$654.26	\$669.24	\$607.38	41.2	42.9	40.6	\$15.88	\$15.60	\$14.96
Primary Metal Industries	\$681.62	\$672.41	\$731.00	39.4	38.6	42.5	\$17.30	\$17.42	\$17.20
Transportation Equipment	\$999.02	\$1,002.56	\$974.84	41.8	41.6	41.5	\$23.90	\$24.10	\$23.49
Food and Kindred Products	\$549.19	\$547.79	\$528.93	39.2	38.2	40.5	\$14.01	\$14.34	\$13.06
Chemicals and Allied Products	\$1,039.58	\$1,054.53	\$950.73	39.2	39.1	41.3	\$26.52	\$26.97	\$23.02
<b>SELECTED NONMANUFACTURING INDUSTRIES</b>									
Construction	\$885.97	\$884.26	\$873.25	36.9	36.6	38.1	\$24.01	\$24.16	\$22.92
Wholesale and Retail Trade (Includes eating and drinking establishments)	\$395.95	\$397.22	\$393.13	31.6	31.5	31.4	\$12.53	\$12.61	\$12.52