

Washington Labor Market



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May 2002



In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

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WASHINGTON RECOVERY WILL HAVE TO WAIT

It was noted in last month's issue of *Washington Labor Market* (April 2002) that one sign of an improving labor market could very well be a *rising* number of unemployed and unemployment rate as discouraged workers perceive labor market improvement and re-enter the labor force. To the extent they do not immediately find work, their re-entrance can increase the ranks of the unemployed. The national labor market data suggest that this is indeed what took place in April. The national unemployment rate may have climbed, but so too did the labor force, the number of employed, and nonfarm employment.

Washington's labor market data were not quite as promising. Like the nation, the state seasonally adjusted jobless rate rose along with the number of unemployed. However, the number of employed persons fell, as did seasonally adjusted nonfarm employment. Disappointing, yes. Surprising, no. Washington's labor market recovery was forecast to lag that of the nation due to several unique circumstances. The aerospace situation is one, of course, but continued losses in the state's balance of trade-dependent (particularly Pacific Rim, namely Japan) manufacturing sectors as well as its computer-related sectors stand in the way of any imminent turnaround.

LABOR FORCE AND UNEMPLOYMENT

Washington's seasonally adjusted unemployment rate rose three-tenths of one percent to 7.1 percent in April. The nation's seasonally adjusted unemployment rate also rose three-tenths of one percent over the month to 6.0 percent. Washington's non-adjusted unemployment rate fell three-tenths of one percent to 7.0 percent. As mentioned in the opening sections of this month's *Washington Labor Market*, the state's rising jobless rate was the net result of contractions in all parts of the labor force. This 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, all but a handful of Washington counties saw their unemployment rates fall in April. This is normal as typically mild spring weather enables agriculture and other natural resource activities to ramp up. The greatest over-the-month decline in jobless rate was in Columbia County, which eased more than four percentage points. It was followed by Ferry, Klickitat, and Okanogan

counties with declines of around two percentage points. As expected, all four counties are highly resource dependent. Nearly two-thirds of Washington's counties had jobless rate declines that exceeded that statewide (a decline of three-tenths of a percentage point). The state's less seasonal Puget Sound counties saw their jobless rates fall only a tad, which was at or below the statewide pattern. Adams County, however, saw its unemployment rate rise more than one percentage point, followed by Cowlitz County with a six-tenths of a percentage point decline in its jobless rate.

In terms of year-over-year changes in unemployment rates, Puget Sound's I-5 corridor continued to reveal the most pronounced increases in jobless rates with the run-ups ranging from more than one percentage point in Pierce County to nearly three percentage points in Snohomish County. 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 rate by more than a percentage point over the year. Southwest Washington's Clark County also figured into the mix with a jobless rate that was up more than two percentage points over the year. Still, only half of Washington's counties saw their jobless rates increase year-over-year in April, 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—more than five percentage points, followed by Klickitat County at nearly four percentage points and Grays Harbor and Pacific at more than two percentage points.

It is important to recognize, however, that despite the jobless rate declines cited above, most of these same counties also have the highest absolute levels of unemployment as measured by jobless rates. In fact, Klickitat and Ferry counties, both of which saw the largest year-over-year easing in their jobless rates, had the highest absolute jobless rates in April 2002 at 13.6 percent and 13.2 percent, respectively. Seven other Washington counties had unemployment rates in double digits. Included in this group was Yakima County, which had the highest metropolitan area jobless rate at 10.4 percent. Nearly two-thirds had jobless rates above the state average. At the other end

of the spectrum, Whitman County, as usual, had the lowest unemployment rate in April 2002 at 2.0 percent. It was again followed by other “wheat” counties, namely Garfield, Asotin, and Lincoln, with jobless rates below 5.0 percent. San Juan had the lowest jobless rate in western Washington at 4.4 percent. Thurston County had the lowest metropolitan unemployment rate at 5.4 percent, though the Tri-Cities and Kitsap County were not far behind at 5.8 percent and 5.9 percent, respectively.

INDUSTRY DEVELOPMENTS

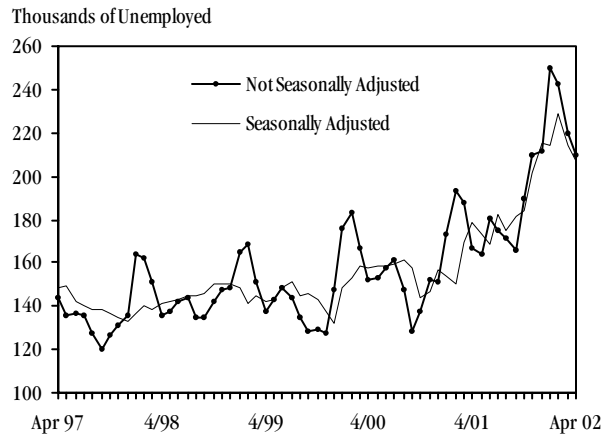
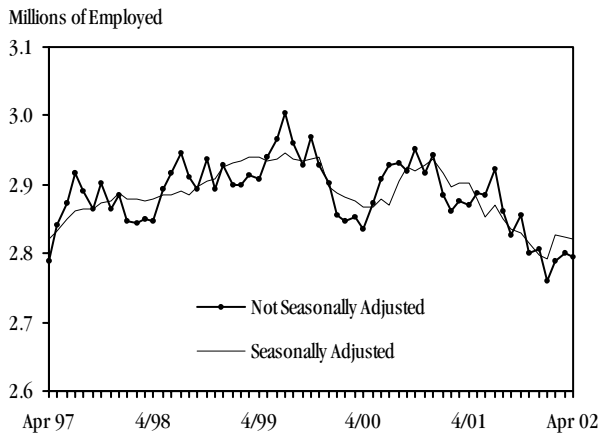
Over the Month

Washington added 8,800 nonagricultural wage and salary jobs over the month in April for a non-adjusted increase of 0.3 percent. Nonfarm employment usually climbs in April, but at a higher rate, so the gain was regarded as weak. Services accounted for 4,500 or more than half of that gain, though its computer and data processing sector (-600) continued to decline. Retail trade was up 3,200 with eating and drinking places accounting for 2,000 of that increase. General merchandise (+700), building materials/garden supplies (+500) and auto dealers/service stations (+300) posted modest gains. Construction was up 2,000, mostly in special trade contractors and heavy construction. Finance, insurance, and real estate was up 200. Manufacturing shed 400 jobs as seasonal gains in food and kindred products (+800) and lumber and wood products (+200) were more than offset by losses in sectors like aircraft and parts (-1,200), printing and publishing (-400), and electronics (-300). Transportation, communications, and utilities was down 600 with losses in communications (-500) and utilities (-400) more than offsetting gains in transportation (+300). State government was down 1,300. Of that, the non-education component was down 100 while education was down 1,200. Local government was up 1,500 with 700 of that gain on the education side. Federal government was up 100.

Year-Over-Year

Washington’s nonfarm employment adjusted in collaboration with the Office of the Forecast Council fell by 69,600 jobs or 2.6 percent from April 2001 to April 2002 on a seasonally adjusted basis. Non-adjusted data show that manufacturing shed 30,500 jobs with nearly four out of five of those jobs lost in durable goods. Transportation equip-

Washington State Total Resident Employment and Unemployment April 1997-April 2002



ment accounted for more than a third of those lost jobs, mostly in aircraft and parts (-9,800). Sizable losses were also registered in electronics (-4,400), food processing (-3,400), industrial machinery and computer equipment (-3,100) and primary metals (-2,400). Construction shed 15,000 jobs with two-thirds of that loss among special trade contractors. The trade sector lost 12,900 jobs with 6,300 of that loss among wholesalers and with building materials and garden supplies (-1,100), apparel and accessories (-1,100), food stores (-900), and eating and drinking (-600) fueling the retail losses. Services shed 12,400 workers. Business services, in particular, lost 16,000 jobs including 7,600 in computer and data processing. Personal services (-1,800), hotels and lodging (-1,300) and legal services (-800) also posted significant losses. On the plus side, health services (+7,300), social services (+2,200), educational services (+1,100) and engineering and management (+400) added jobs. Transportation, communications, and utilities was down 10,500 with losses across the board, but mostly in transportation (-6,100). Finance, insurance, and real estate was up 5,100 with gains in all areas, but especially finance (+4,200). Government was up 12,900 with more than half of that gain in state and local education.

AREA TRENDS

Not seasonally adjusted unemployment rates in Washington typically fall around seven-tenths of a percentage point from March to April. As such, it can be argued that the three-tenths of one percentage point decline from March 2002 to April 2002 was less of a decline than should have been expected.

From March to April, metropolitan Washington's pattern paralleled that of the state (or, more likely, drove it) as its unemployment rate was also down three-tenths of a percentage point, in this case to 6.6 percent. The jobless rate movement in western Washington was similar in that it was down two-tenths of a percentage point over the month to 6.8 percent. Here, the metropolitan presence within western Washington was undoubtedly a factor. The decline in unemployment rates 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 nearly one percentage point to 7.6 percent while timber-dependent Washington's jobless rate fell eight-tenths of a percentage point to 8.8 percent. At those levels, their jobless rates were clearly 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 furloughed.

Underscoring the softness in Washington's labor market, the year-over-year numbers show Washington's not seasonally adjusted unemployment rate up just over a percentage point from April 2001 to April 2002. Western Washington and metropolitan Washington had the greatest influence on the statewide average as their year-over-year jobless rate increases of around one and a half percentage points would attest. Eastern and timber-dependent Washington, on the other hand, saw their jobless rates fall over the same period. Eastern Washington, in particular, revealed an unemployment rate that was one and a half percentage points lower in April 2002 than it was the year previous. 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	Apr-02	Mar-02	Apr-01	Mar-01
Washington State Total	7.0%	7.3%	5.9%	6.4%
Metropolitan Areas	6.6%	6.9%	5.3%	5.7%
Log & Lumber Areas	8.8%	9.6%	9.4%	10.6%
All Western WA Areas	6.8%	7.0%	5.3%	5.6%
All Eastern WA Areas	7.6%	8.5%	8.1%	9.4%

Source: Employment Security Department

INDUSTRY NOTES

Farm Friendly

National farm bills are not a new phenomenon. However, the ten-year, \$190 billion legislation recently signed by President Bush and known simply as the 2002 Farm Bill was different in that it included, for the first time, aid to fruit and vegetable growers, many of whom had been “overlooked” in previous farm bills. Those past bills tended to take a somewhat myopic view of farming in that they provided assistance to mainly grain crops. Of course, Washington is a major player in terms of U.S. wheat production so that is good news to the state’s agriculture sector regardless. However, \$94 million in assistance will be directed to U.S. apple growers to offset part of the losses they suffered during the 2000 season. Apple growers received assistance to offset some of their losses in the past several years, but those were carried out through separate emergency assistance bills. Another even bigger change wrought by the 2002 Farm Bill is that it is something of a 180 degree turn from the 1996 Freedom to Farm Bill, which was supposed to reduce government subsidization of agriculture. As it stands, the 2002 Farm Bill expands government subsidization of agriculture by \$83 billion.

The Incarceration Industry

The rising rate of incarceration may be a constraint on the work force in that it temporarily (or even permanently) removes an individual from the labor market. The rising rate of incarceration, however, has been a boon for employment in the correctional industry. In 2000, Washington had 71 correctional institutions with a combined total of 8,556

employees and a total wage base of nearly \$322 million. The annual average wage for those 8,556 workers was \$37,621—more than the statewide average wage of \$37,063. Employment in Washington's correctional industry has grown at an annual rate of just over 6 percent over the last twenty years; the wage base has expanded more than 10 percent per annum; and the average wage has risen at an annual rate of 3.8 percent. Virtually all of Washington's correctional institutions were operated by state government. The only other major presence was the federal penitentiary in Walla Walla. Until and unless the penal system grows more lax, one can expect the state's correctional industry to continue growing.

Recession Trumps Tariffs

Anyone looking for the U.S. tariffs on Canadian softwood imports to effect a quick turnaround in Washington's softwood sector had better guess again. In the eight months since the tariffs became effective at midnight on August 20, 2001, employment in the state's sawmill and plywood sector has fallen. From a not seasonally adjusted level of 21,300 in April 2001 (before the tariffs went into effect), the sector shed 1,100 jobs to where it was 20,200 in April 2002. Clearly, tariffs were not the only issue in Washington's sawmill and plywood sector. Quite frankly, the greatest drag is being exerted by the national economic recession, particularly its impact on the state and national construction sectors. Dimensional lumber remains the framing material of choice in the residential and commercial construction sectors. The general building construction sector, however, was down 2,200 jobs from April 2001 to April 2002 and is expected to remain somewhat dampened. Tariffs or not, the sawmills and plywood sector will not mount a significant rebound until domestic construction and, to a lesser extent, foreign markets recover.

Inventories Point the Way

Data from the U.S. Department of Commerce reveal that the private inventories fell at a real annual rate of 25.7 percent in the first quarter of 2002. Leading the way were durable manufactured goods with combined inventories that were down 25.0 percent. This was in contrast to the retail trade sector, for example, which saw inventories increase at a real annual rate of 12.9 percent in the first quarter of 2002 (with motor vehicles in particular showing a 10.4 percent increase). To the extent that inventory declines positively

affect the supply side of the equation from the producer perspective, this could spur production in the durable goods manufacturing sector. Of course, for that to happen, demand would also need to be present. Though the data are national in scope, they could broadly translate to the state level. If so, that would be a very positive development in Washington, whose durable goods manufacturing sector has taken a beating for several years running. In the past year alone, Washington's durable goods manufacturing sector shed 23,900 jobs or 10.1 percent of its base from April 2001 to April 2002. Since the short-term outlook for any goods producing sector depends largely on orders, it would stand to reason that, given adequate demand environment and controlling for domestic competition, these sectors could eventually see a recovery of sorts in employment.

Tanker Deal To Get Tanked?

The \$26 billion FY 2003 defense budget proposal for the Air Force to lease 100 Boeing 767 wide-body jets and converting them into air-refueling tankers is facing harsh scrutiny from critics in the Senate, namely Senator John McCain (R-Arizona), and the Bush Administration, namely Budget Director Mitch Daniels. Both believe the lease proposal, potentially the largest in military history, would be more costly than purchasing the 767s outright or modernizing the existing fleet of roughly 550 K-135 tankers. Cost aside, the proposal is also being scrutinized because the Air Force apparently did not list modernization or replacement of the existing air-refueling tanker fleet among its priority requests. This led critics to question whether the proposal was based on need or the desire to help the Boeing Company's commercial airplane group weather the current economic downturn. Needless to say, the decision to either proceed with the proposal or to scrap it would have tremendous impact on Boeing's 767 work force. Commercial demand for and production of the 767 has waned of late, particularly in the wake of the newer and bigger 777.

Plane Production to Descend in 2003

In other Boeing news, the company is forecasting that it will produce 275 to 300 commercial airplanes in 2003. That would be down 20 percent to 30 percent from the 380 airplanes it expects to build in this calendar year (2002). Furthermore, the 2003 forecast would be down even more considerably (40 percent to 50 percent) from the 527 airplanes actually built in 2001. Inasmuch as the company's

current work force restructuring was implemented largely as a response to anticipated production levels in 2002, the company may be looking to effect additional layoffs to further scale down its work force to the reality of 275 to 300 airplanes. That there have been no assurances by the company that the current job cuts will stop at 30,000 leads some to speculate that layoffs continuing beyond mid-year cannot be ruled out. All eyes will be on the overall layoff count, which currently stands at roughly 21,300 (13,350 in the Puget Sound region), and any federal WARN notices (60-day layoff notices) that come out in May or later, especially if the 30,000 target has already been met. All this having been said, the company expects its commercial airplane production to rebound in 2004.

Construction About to Get Boost

April employment data showed Washington's construction sector in poor shape. In year-over-year terms, general building construction was down 2,200 (-5.5 percent), heavy construction was down 2,700 (-15.6 percent), and special trade construction was down 10,100 (-10.7 percent). The general building component, however, could get a boost starting in May as building begins in earnest on the Hanford Nuclear Reservation's waste vitrification plant, a facility that will turn nuclear waste into more stable glass logs. In April 2002, nearly 2,500 management, engineering, and construction workers were engaged in the project with management and engineering comprising the bulk of those workers. That will start to change in May 2002, however, as the construction phase gets fully underway. At peak project employment in 2004, nearly 4,500 workers will be engaged in the project with roughly 3,000 in construction. The construction work will ramp down quickly after that to where it is essentially non-existent by 2007. For the present, though, construction work at Hanford should serve as something of a bright spot in a statewide construction sector that is currently in the doldrums.

NATIONAL NOTES

Inflation Gets Gassed

The U.S. Consumer Price Index for All Urban Consumers (CPI-U) was up 0.6 percent over the month in April and up 1.6 percent over the year. This means that inflation bumped up a bit over the month. Once again, a sharp increase in energy costs was responsible for driving up the index. Outside of energy, other consumer costs remained

relatively contained, including those for food, health care, and education. That was reflected in the lower “core” rate of inflation (inflation minus food and energy). For its part, the Seattle-Tacoma-Bremerton CPI-U rose 0.6 percent over the two-month period from February 2002 to April 2002. Inflation growth also eased over the year as the Seattle CPI-U was up 2.5 percent in April 2002 compared to rates closer to 3.5 percent in the previous three April’s. The term *eased* is, of course, a relative term since annual growth in the Seattle CPI-U was considerably higher than seen in the U.S. CPI-U over the same periods.

Employees Cost Less

The U.S. Employment Cost Index (ECI) shows that on a seasonally adjusted quarterly basis, total compensation (wages and salaries and benefits) costs have risen at declining rates since the first quarter of 2000, when the national economic recession was determined to have begun. The most recent data show that total compensation costs rose 0.8 percent in the first quarter of 2002. That reflects progressive easing since the 1.1 percent recorded in the first quarter of 2001. None of this should be surprising given the “buyers” market that has emerged during the recession. Even with the economy in recovery, the ECI should remain “quiet” since labor market recovery does tend to lag economic recovery. Don’t expect the ECI to pick up significantly until the economy is in sustained expansion, particularly with respect to nonfarm employment growth. Longer term, labor force demographics (i.e., exodus of Baby Boomers from the labor market) should foster a “sellers” market and higher compensation costs.

Strong First Quarter

The U.S. Department of Commerce’s Bureau of Economic Analysis announced that the preliminary estimate of real Gross Domestic Product (GDP), the output of goods and services produced in the U.S., increased at an annual rate of 5.6 percent in the first quarter of 2002. Although this was revised downward slightly from the advanced estimate of 5.8 percent, it remained 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.

Respite for Short-Term Rates

Consistent with the statements made by its chairman, Alan Greenspan, the Federal Open Market Committee (FOMC) voted unanimously at its May 7 meeting to keep its target for the federal funds rate unchanged at 1.75 percent. The biggest question going into the meeting was whether or not the FOMC would raise short-term rates. The FOMC feels that the nation's economic recovery is, in fact, real as reflected in a notable upward swing in inventory investment. If the pace of economic growth does start to pick up significantly, the FOMC may very well feel compelled to do so. However, the FOMC felt that the recovery remains tenuous at best and it did not want to stall that recovery by raising rates prematurely.

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

	Indexes			% Change From	
	Apr-02	Mar-02	Apr-01	Mar-02	Apr-01
U.S. City Average	179.8	178.8	176.9	0.6%	1.6%
Seattle *	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 ¹

In Thousands, Not Seasonally Adjusted

	April	March	April	March	Numeric Change	
	2002 (Prel)	2002 (Rev)	2001 (Rev)	2001 (Rev)	Mar. 2002 to Apr. 2002	Apr. 2001 to Apr. 2002
Total Nonagricultural Wage & Salary Workers	2,636.8	2,628.0	2,700.5	2,698.8	8.8	-63.7
Manufacturing	310.2	310.6	340.7	341.6	-0.4	-30.5
Durable Goods	213.1	214.0	237.0	238.4	-0.9	-23.9
Lumber & Wood Products	29.7	29.5	30.4	30.6	0.2	-0.7
Logging	6.3	6.2	5.8	6.0	0.1	0.5
Sawmills & Plywood	20.2	20.2	21.3	21.3	0.0	-1.1
Furniture & Fixtures	4.4	4.4	4.8	4.8	0.0	-0.4
Stone, Clay & Glass	8.3	8.2	8.9	9.0	0.1	-0.6
Primary Metals	7.4	7.5	9.8	9.9	-0.1	-2.4
Aluminum	3.9	3.9	5.6	5.6	0.0	-1.7
Fabricated Metals	13.3	13.4	14.4	14.4	-0.1	-1.1
Industrial Machinery & Equipment	21.9	21.9	25.0	25.3	0.0	-3.1
Computer & Office Equipment	5.8	5.8	6.3	6.3	0.0	-0.5
Electronic & Other Electrical Equipment	15.7	16.0	20.1	20.8	-0.3	-4.4
Transportation Equipment	90.2	90.9	100.4	100.5	-0.7	-10.2
Aircraft & Parts	76.9	78.1	86.7	86.7	-1.2	-9.8
Ship & Boat Building	6.9	6.5	6.9	7.1	0.4	0.0
Instruments & Related	14.0	14.1	14.6	14.5	-0.1	-0.6
Miscellaneous Manufacturing	8.2	8.1	8.6	8.6	0.1	-0.4
Nondurable Goods	97.1	96.6	103.7	103.2	0.5	-6.6
Food & Kindred Products	35.9	35.1	39.3	38.3	0.8	-3.4
Preserved Fruits & Vegetables	11.0	10.3	12.6	11.4	0.7	-1.6
Textiles, Apparel & Leather	7.3	7.1	7.7	7.8	0.2	-0.4
Paper & Allied Products	14.0	14.0	15.0	15.1	0.0	-1.0
Printing & Publishing	22.3	22.7	23.9	24.2	-0.4	-1.6
Chemicals & Allied Products	5.7	5.8	6.0	6.0	-0.1	-0.3
Petroleum, Coal, Plastics	11.9	11.9	11.8	11.8	0.0	0.1
Mining & Quarrying	3.0	3.0	3.4	3.4	0.0	-0.4
Construction	137.0	135.0	152.0	151.9	2.0	-15.0
General Building Contractors	37.7	37.6	39.9	39.8	0.1	-2.2
Heavy Construction, except Building	14.6	13.7	17.3	16.5	0.9	-2.7
Special Trade Contractors	84.7	83.7	94.8	95.6	1.0	-10.1
Transportation, Communications & Utilities	136.6	137.2	147.1	147.2	-0.6	-10.5
Transportation	87.4	87.1	93.5	92.9	0.3	-6.1
Trucking & Warehousing	31.9	31.6	33.6	33.1	0.3	-1.7
Water Transportation	8.5	8.7	8.9	8.5	-0.2	-0.4
Transportation by Air	24.7	24.5	27.2	27.0	0.2	-2.5
Communications	33.4	33.9	37.2	37.9	-0.5	-3.8
Electric, Gas & Sanitary Services	15.8	16.2	16.4	16.4	-0.4	-0.6
Wholesale & Retail Trade	618.3	615.5	631.2	629.3	2.8	-12.9
Wholesale Trade	138.5	138.9	144.8	145.4	-0.4	-6.3
Durable Goods	80.8	81.6	84.5	85.2	-0.8	-3.7
Nondurable Goods	57.7	57.3	60.3	60.2	0.4	-2.6
Retail Trade	479.8	476.6	486.4	483.9	3.2	-6.6
Building Materials/Garden Supplies	21.5	21.0	22.6	22.0	0.5	-1.1
General Merchandise	51.1	50.4	50.8	50.2	0.7	0.3
Food Stores	69.3	69.3	70.2	69.2	0.0	-0.9
Automobile Dealers & Service Stations	49.9	49.6	49.7	49.4	0.3	0.2
Apparel & Accessory Stores	23.0	23.0	24.1	23.9	0.0	-1.1
Eating & Drinking Establishments	179.3	177.3	179.9	177.8	2.0	-0.6
Finance, Insurance & Real Estate	143.7	143.5	138.6	138.5	0.2	5.1
Finance	66.1	66.2	61.9	62.3	-0.1	4.2
Insurance	42.6	42.6	42.0	41.8	0.0	0.6
Real Estate	35.0	34.7	34.7	34.4	0.3	0.3
Services	764.6	760.1	777.0	776.1	4.5	-12.4
Hotels & Lodging	27.3	26.6	28.6	27.8	0.7	-1.3
Personal Services	23.0	22.8	24.8	24.6	0.2	-1.8
Business Services	164.9	164.7	180.9	183.5	0.2	-16.0
Computer & Data Processing Services	63.8	64.4	71.4	72.7	-0.6	-7.6
Amusement & Recreational Services	35.8	35.4	38.9	39.1	0.4	-3.1
Health Services	203.5	203.0	196.2	196.4	0.5	7.3
Nursing & Personal Care	34.2	34.3	33.0	33.3	-0.1	1.2
Hospitals	61.9	61.5	59.9	60.2	0.4	2.0
Legal Services	19.7	19.8	20.5	20.0	-0.1	-0.8
Educational Services	40.2	40.3	39.1	39.0	-0.1	1.1
Social Services	67.4	66.5	65.2	64.4	0.9	2.2
Engineering & Management Services	73.8	73.8	73.4	73.2	0.0	0.4
Government	523.4	523.1	510.5	510.8	0.3	12.9
Federal	68.3	68.2	66.6	66.6	0.1	1.7
State	150.4	151.7	148.1	148.4	-1.3	2.3
State Education	83.9	85.1	82.4	82.9	-1.2	1.5
Local	304.7	303.2	295.8	295.8	1.5	8.9
Local Education	159.5	158.8	154.7	154.9	0.7	4.8
Workers in Labor-Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0

¹ 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. ² 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	April 2002 Preliminary				March 2002 Revised				April 2001 Revised			
	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate
Washington State Total	3,005,000	2,795,600	209,400	7.0	3,021,000	2,801,500	219,500	7.3	2,978,500	2,803,600	174,900	5.9
Bellingham MSA	80,400	75,400	5,000	6.2	80,700	75,200	5,400	6.7	79,800	75,000	4,700	5.9
Bremerton PMSA	94,200	88,700	5,500	5.9	95,200	89,300	5,900	6.2	91,700	86,700	5,000	5.5
Olympia PMSA	101,600	96,100	5,500	5.4	101,900	96,100	5,900	5.7	98,700	93,400	5,300	5.3
Seattle-Bellevue-Everett PMSA	1,359,500	1,271,200	88,200	6.5	1,374,900	1,285,100	89,800	6.5	1,360,100	1,299,100	61,000	4.5
King County 2/	994,500	932,700	61,700	6.2	1,005,500	942,900	62,600	6.2	997,300	953,200	44,100	4.4
Snohomish County 2/	336,600	311,700	24,900	7.4	340,700	315,100	25,500	7.5	334,300	318,600	15,800	4.7
Island County 2/	28,400	26,800	1,600	5.6	28,700	27,000	1,600	5.7	28,510	27,340	1,170	4.1
Spokane MSA	206,800	193,400	13,400	6.5	208,700	193,200	15,500	7.4	208,800	196,200	12,600	6.1
Tacoma PMSA	335,600	311,500	24,100	7.2	337,300	312,700	24,600	7.3	327,400	308,100	19,300	5.9
Tri-Cities MSA	98,800	93,100	5,800	5.8	96,300	90,100	6,200	6.4	92,800	86,600	6,300	6.7
Benton County 2/	75,200	71,300	3,900	5.2	73,200	69,000	4,200	5.7	70,500	66,300	4,100	5.9
Franklin County 2/	23,600	21,700	1,800	7.8	23,100	21,100	2,000	8.8	22,400	20,200	2,100	9.5
Yakima MSA	102,600	92,000	10,600	10.4	102,200	90,500	11,700	11.4	104,000	91,900	12,200	11.7
Adams	8,040	7,090	940	11.7	7,540	6,750	790	10.5	7,510	6,800	710	9.5
Asotin 2/	11,640	11,060	580	5.0	11,680	11,100	590	5.0	11,460	10,940	520	4.5
Chelan-Douglas LMA	49,440	45,190	4,250	8.6	49,250	44,700	4,550	9.2	49,840	45,510	4,330	8.7
Chelan County 2/	31,880	28,810	3,060	9.6	31,720	28,500	3,220	10.1	32,060	29,020	3,040	9.5
Douglas County 2/	17,560	16,370	1,190	6.7	17,530	16,200	1,330	7.6	17,780	16,490	1,290	7.2
Clallam	23,870	22,160	1,710	7.2	24,060	22,100	1,960	8.1	23,770	22,040	1,730	7.3
Clark 2/	181,900	166,600	15,300	8.4	182,700	167,100	15,600	8.5	177,900	167,400	10,500	5.9
Columbia	1,770	1,620	150	8.6	1,220	1,060	160	12.9	1,830	1,660	170	9.4
Cowlitz	40,130	35,650	4,480	11.2	39,880	35,670	4,210	10.6	40,900	36,390	4,510	11.0
Ferry	2,530	2,200	340	13.2	2,550	2,160	390	15.3	2,440	1,990	450	18.5
Garfield	1,180	1,140	50	3.9	1,170	1,110	60	4.9	1,130	1,090	40	3.8
Grant	36,910	33,530	3,380	9.2	35,830	32,140	3,690	10.3	35,140	31,490	3,650	10.4
Grays Harbor	25,840	23,680	2,160	8.3	26,120	23,620	2,500	9.6	25,530	22,730	2,810	11.0
Jefferson	11,140	10,470	670	6.0	11,110	10,380	730	6.6	10,810	10,210	600	5.5
Kittitas	15,640	14,630	1,010	6.5	15,770	14,600	1,180	7.5	15,280	14,220	1,060	6.9
Klickitat	7,710	6,650	1,050	13.6	7,800	6,590	1,220	15.6	8,160	6,750	1,410	17.3
Lewis	28,830	26,420	2,410	8.3	28,810	26,150	2,650	9.2	27,580	24,910	2,670	9.7
Lincoln	4,690	4,460	230	4.9	4,610	4,330	280	6.1	4,530	4,320	210	4.7
Mason	19,450	18,170	1,290	6.6	19,500	18,010	1,490	7.6	18,030	16,660	1,370	7.6
Okanogan	17,790	15,950	1,840	10.3	17,610	15,460	2,150	12.2	19,020	16,840	2,180	11.5
Pacific	7,850	7,240	610	7.7	7,790	7,110	680	8.7	7,410	6,690	730	9.8
Pend Oreille	4,330	3,900	430	10.0	4,410	3,910	510	11.5	4,090	3,610	480	11.7
San Juan	6,290	6,010	280	4.4	6,120	5,790	330	5.3	6,030	5,790	250	4.1
Skagit	51,810	47,970	3,830	7.4	51,210	47,250	3,960	7.7	50,700	47,340	3,360	6.6
Skamania	3,780	3,370	410	10.8	3,840	3,370	470	12.2	3,640	3,230	410	11.3
Stevens	16,000	14,180	1,820	11.4	16,130	14,010	2,120	13.1	16,050	14,050	2,000	12.5
Wahkiakum	1,690	1,560	130	7.4	1,720	1,570	150	8.8	1,720	1,580	140	8.2
Walla Walla	25,980	24,420	1,560	6.0	26,150	24,380	1,770	6.8	25,760	23,930	1,830	7.1
Whitman	19,250	18,860	390	2.0	19,340	18,880	460	2.4	18,940	18,530	400	2.1

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

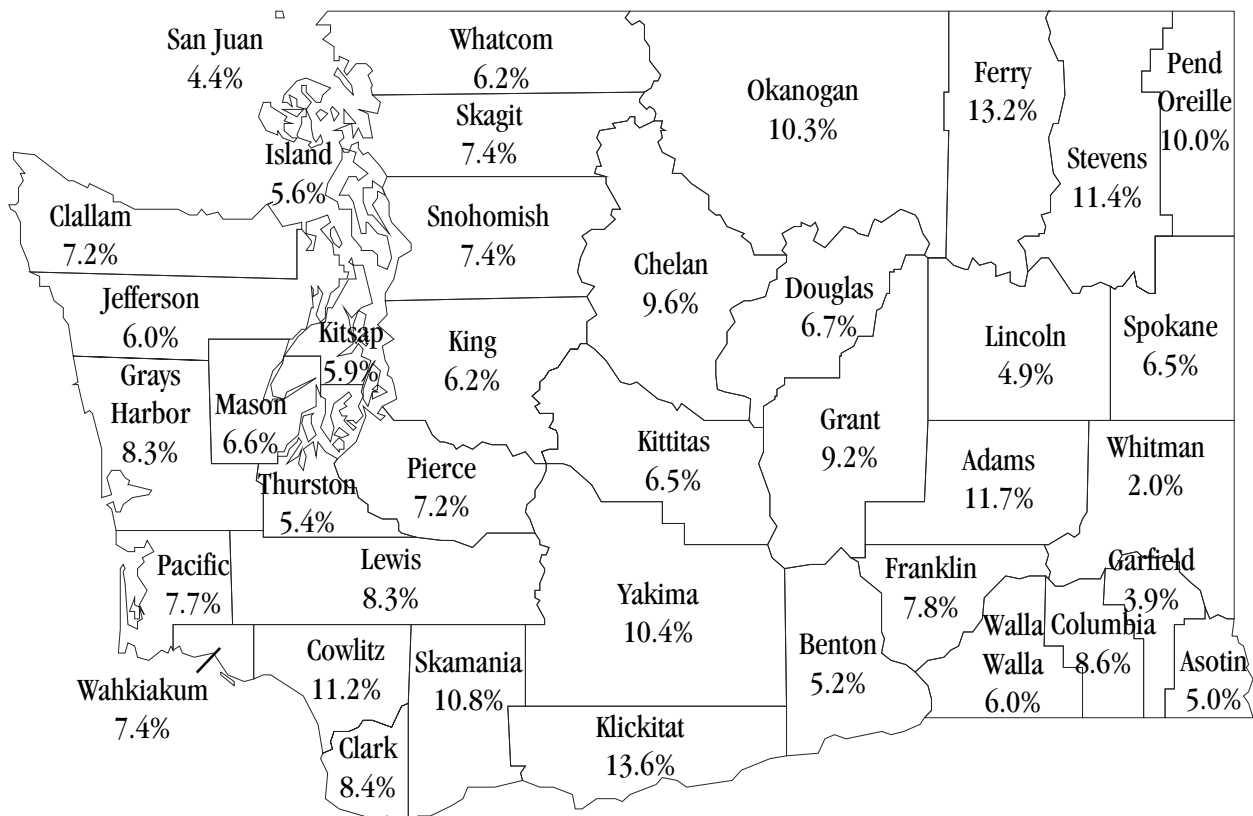
<i>(In Thousands)</i>	April 2002 (Prel)	March 2002 (Rev)	April 2001 (Rev)	March 2001 (Rev)
<i>Seasonally Adjusted Unemployment:</i>				
Washington State	7.1%	6.8%	6.0%	5.9%
United States	6.0%	5.7%	4.5%	4.3%
<i>Not Seasonally Adjusted:</i>				
Resident Civilian Labor Force	3,005.0	3,021.0	2,978.5	3,005.3
Employment	2,795.6	2,801.5	2,803.6	2,814.0
Unemployment	209.4	219.5	174.9	191.3
Percent of Labor Force	7.0%	7.3%	5.9%	6.4%

Unemployment Rates by County, April 2002

Washington State = 7.0%

United States = 5.7%

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		
	Apr 02	Mar 02	Apr 01	Apr 02	Mar 02	Apr 01	Apr 02	Mar 02	Apr 01
TOTAL MANUFACTURING INDUSTRIES	\$728.41	\$732.05	\$695.20	40.4	40.4	40.0	\$18.03	\$18.12	\$17.38
SELECTED MANUFACTURING INDUSTRIES									
Lumber and Wood Products	\$688.79	\$638.60	\$620.50	43.9	41.2	41.7	\$15.69	\$15.50	\$14.88
Primary Metal Industries	\$671.03	\$671.64	\$774.36	38.9	38.6	44.3	\$17.25	\$17.40	\$17.48
Transportation Equipment	\$993.93	\$1,030.32	\$969.14	41.5	41.9	41.1	\$23.95	\$24.59	\$23.58
Food and Kindred Products	\$550.66	\$537.47	\$530.67	38.4	38.2	39.9	\$14.34	\$14.07	\$13.30
Chemicals and Allied Products	\$1,056.14	\$1,097.34	\$1,002.40	38.9	41.3	42.1	\$27.15	\$26.57	\$23.81
SELECTED NONMANUFACTURING INDUSTRIES									
Construction	\$890.19	\$864.11	\$857.21	36.8	35.9	37.4	\$24.19	\$24.07	\$22.92
Wholesale and Retail Trade (Includes eating and drinking establishments)	\$393.75	\$392.79	\$403.20	31.3	31.1	32.0	\$12.58	\$12.63	\$12.60



Washington Labor Market

Published monthly by the Labor Market and
Economic Analysis Branch:

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