

# Washington Labor Market

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## Highlights

SOFT LABOR MARKET GETS SOFTER .....	1
LABOR FORCE AND UNEMPLOYMENT .....	1
INDUSTRY DEVELOPMENTS.....	4
<i>Over the Month</i> .....	4
<i>Year-Over-Year</i> .....	4
AREA TRENDS .....	5
INDUSTRY NOTES .....	6
<i>Pig in the Python</i> .....	6
<i>Weyerhaeuser Layoff Notices Mount</i> .....	6
<i>Military Sees Green</i> .....	7
NATIONAL NOTES .....	8
<i>Prices Hold Steady, Mild Growth Over the Year..</i>	8
<i>GDP Picks Up</i> .....	9
<i>Productivity Perks Up,</i>	
<i>Greenspan and Co. Scratch Heads</i> .....	9
<i>Consumers Lose Confidence</i> .....	11



## SOFT LABOR MARKET GETS SOFTER

The state's soft labor market just got softer with Washington's seasonally adjusted unemployment rate up two-tenths of a percentage point to 7.4 percent in September. The upside of this, according to the Employment Security Department's Chief Economist, Kirsta Glenn, is that Washington offers a qualified and ready applicant pool for firms that are hiring.

Across the U.S. most state unemployment rates were stable from August to September and remained higher than a year earlier, according to Bureau of Labor Statistics reports. No state had a rate increase larger than 0.3 percentage point over the month. In a repeat of August's turnout, Alaska posted the nation's highest seasonally adjusted jobless rate at 7.5 percent, up two-tenths of a point, with Washington (7.4 percent) and Oregon (6.8 percent) ranking second and third highest, respectively.

Meanwhile, the nation's seasonally adjusted unemployment rate was essentially unchanged over the month, having declined by one-tenth of a percentage point to 5.6 percent. As was noted in the formal news announcement release, a stable-to-falling national jobless rate will have a cushioning effect on the Washington economy. But national declines in unemployment also remind us that Washington will experience a slower recovery than at the national level.

## LABOR FORCE AND UNEMPLOYMENT

Seasonally adjusted variables feeding the upward jobless movement in Washington were all positive in direction in September. The labor force, up 1.2 percent, added over 37,500 workers on a seasonally adjusted basis over the month. This is the first positive change over the August-September period since 1998, and basically indicates that more people entered Washington's labor force than seasonally typical for the month. It is also worth noting that Washington's seasonally adjusted labor force expanded a robust 3.5 percent from September 2001, the largest over the year increase in September since 1997 and the first expansion after two years of contraction. While it's hard to pinpoint causes for the jump in labor force, one possible explanation is an improved sense of optimism among labor force participants. The seasonally adjusted number of employed, including agricultural and self-employed workers, was up 1 percent, representing just over 28,700 jobs. But

outpacing these variables, the seasonally adjusted number of unemployed was up 4 percent, adding almost over 8,800 to the jobless count. The state's not seasonally adjusted jobless rate was steady over the month at 6.7 percent.

Meanwhile, the seasonally adjusted U.S. unemployment rate declined one tenth of one percentage point to 5.6 percent in September. Little change was noted in national labor force and employment numbers. The civilian labor force bumped up 0.5 percent to 143.3 million and the number employed, likewise, edged up 0.5 percent to 135.2 million. The number of unemployed fell 0.6 percent to just over 8 million. The number of discouraged workers, those not currently looking for work because they believed no jobs were available to them, was up over the month by an estimated 15,000 to 387,000 and over the year added roughly 107,000 people to their ranks since the same time last year.

Turning to the sub-state labor force picture, few counties saw upswings of any significance in their not seasonally adjusted jobless rates over the month in September. Those that did see notable increases, Columbia (1.8 percentage points), Wahkiakum (0.8 points), Cowlitz (0.6 points), and Garfield (0.6 points), represent a swath of rural, southern territory likely impacted by highly seasonal fluctuations. Despite an aggressive decline of 2.4 percentage points over the month, Klickitat County continued to post the highest unemployment rate in September at 10.4 percent. Other counties posting significant declines in jobless rates for the month included Yakima (-2.1 percentage points), Douglas (-2.3 points), and Chelan (-3.0 points) counties. Of course, employment in these counties tends to be highly seasonal, and with the autumn tree fruit harvest kicking into high gear, such declines in jobless rates are not surprising.

In September labor force expansions occurred primarily in the state's agriculturally intensive counties, including Yakima, Grant, Klickitat, Chelan, Douglas, Kittitas, Whitman, and Okanogan, again reflecting seasonal influxes of crop workers and commencement of the academic year at WSU in Whitman County. Sixteen counties' labor forces expanded beyond the statewide expansion of 0.14 percent, two saw no change, and twenty-four saw contractions over

the month. Those with the most significant labor force contractions, greater than 3 percent, were Garfield (-5.7 percent), San Juan (-5.6 percent), Skamania (-4.9 percent), Adams (-3.6 percent), and Asotin (-3.3 percent).

In terms of over-the-year changes in September, central Puget Sound counties continued to have the most pronounced jobless rate increases with upticks ranging from around one percentage point in Pierce, Island, and King counties to more than two percentage points in Snohomish County. These observations were the same as those made in July and August for the over the year period, and potentially reflect impacts the recession has had on urban-concentrated manufacturing and business service industries. In the rural southeast, Asotin and Garfield counties posted significant increases (1.7 and 1.8 percentage points, respectively) in their jobless rates over-the-year. However, Asotin's small labor force size is primarily responsible for volatile percentage changes in indicators like unemployment rate. Statewide joblessness increased seven-tenths of a point over the year.

The upshot of September's numbers is that over half of all counties saw jobless rates decrease over the year, albeit modestly in some areas. Over the year, news was best in Ferry, Pend Oreille, Adams, and Cowlitz counties, where unemployment rates fell at least 1 percentage point in September.

Though the statewide labor force expanded 3.4 percent from September 2001 to September 2002, labor force expansions continued to be most notable in the Tri-Cities as nuclear waste cleanup activities at the Hanford Reservation fueled gains in excess of 9.5 percent in Franklin County and 8.7 percent in Benton County. This labor force expansion brought an estimated 6,600 new workers to the Tri-Cities MSA, with a 6,300 increase in employment over the year. Interestingly, no Washington counties saw labor force contractions over the year in September.

## INDUSTRY DEVELOPMENTS

### *Over the Month*

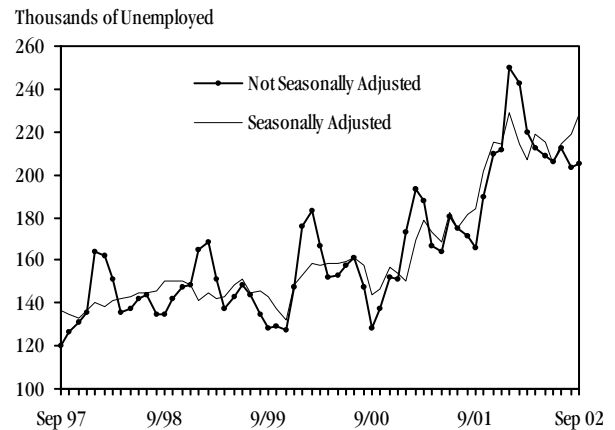
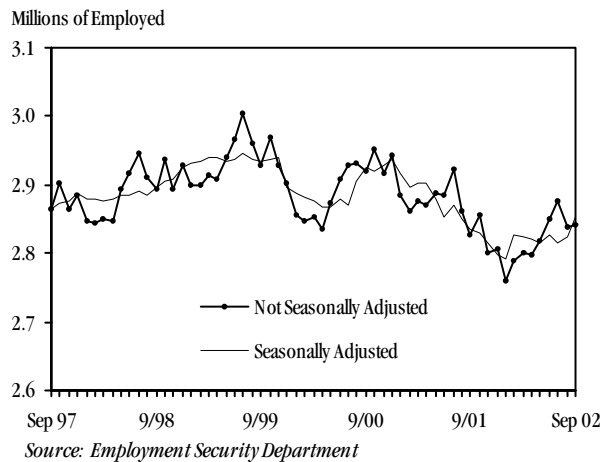
Washington's nonagricultural wage and salary employment increased by 9,600 jobs over the month of September, a nonadjusted increase of 0.4 percent which is a normal seasonal occurrence. This is the first gain in employment since June 2002. Job gains in government (+14,300, concentrated in state and local education) and services (+700) slightly outweighed the job losses in manufacturing (-3,100), construction (-1,200), wholesale and retail trade (-1,600), and finance, insurance, and real estate (-200). All of the increase in government employment occurred in local and state education. The losses in manufacturing were widespread throughout durable goods, though the most notable loss was in aircraft and parts (-1,900). Preserved fruits and vegetables was the strong gainer among nondurable goods, with an increase of 900.

Nonagricultural employment estimates prepared in collaboration with the Office of the Forecast Council are benchmarked quarterly and seasonally adjusted. Seasonally adjusted employment fell by 10,100 over the month of September, indicating that the employment gain in Washington was less than normal for this time of year. Seasonally adjusted numbers showed a loss in the manufacturing sector, but a gain in preserved fruits and vegetables. Compared to the nonadjusted numbers, seasonally adjusted numbers in both services and local education were down. The drop in services was concentrated in amusement and recreational services showing that this sector was not as strong as it normally is this time of year.

### *Year-Over-Year*

Nonagricultural employment in Washington is still significantly lower than it was at this time last year, with a decline of 50,700. Nearly two-thirds of this decline was in manufacturing, with most of that concentrated in aircraft and parts. There were also large drops in construction, transportation, services, and wholesale and retail trade. Government (specifically local state education) and finance, insurance, and real estate are the only two sectors up since September 2001.

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



### AREA TRENDS

Over-the-month movements of not seasonally adjusted jobless rates were minimal at the regional level. The metropolitan area jobless rate ticked up one-tenth of a percentage point to 6.6 percent while timber dependent areas bumped down from 7.7 percent to 7.4 percent over the month. Western Washington's jobless rate shifted back up to 6.9 percent, the same rate it held in July, from 6.7 percent in August. Meanwhile Eastern Washington had a marked decrease in its jobless rate, moving from 6.8 to 6.0 percent over the month.

Over the year in September not seasonally adjusted unemployment rates notched upward by seven tenths of a percentage point statewide, with only timber dependent areas (-0.1 percentage point) and Eastern Washington (-0.2 point) seeing declining jobless rates, each quite small. Western Washington's jobless rate grew a full percentage point over the year in September. Likewise, metropolitan Washington saw a nine-tenths point increase over the year.

### Unemployment Rates by Geographic Areas State of Washington

Areas	Sep-02	Aug-02	Sep-01	Aug-01
Washington State Total	6.7%	6.7%	6.0%	6.0%
Metropolitan Areas	6.6%	6.5%	5.7%	5.6%
Log & Lumber Areas	7.4%	7.7%	7.5%	8.1%
All Western WA Areas	6.9%	6.7%	5.9%	5.7%
All Eastern WA Areas	6.0%	6.8%	6.2%	7.0%

Source: Employment Security Department

## INDUSTRY NOTES

### *Pig in the Python*

Deliberate or not, progress is slow in catching up with an enormous backlog of work at West Coast docks after a 12-day lockout put 29 ports at a standstill in early October. By mid-October over 200 cargo ships were gridlocked near West Coast docks stemming from the lockout. Longshoremen and shippers had been negotiating a new three-year contract since spring of this year when the lockout was instigated by port operators in response to an alleged work slowdown among laborers. President Bush invoked the Taft-Hartley Act in order to stop the lockout, citing that the nation's economy would be thrown into deeper turmoil should the lockout continue. Parties in the contract and workflow dispute entered an 80-day cooling off period in late October after a court-ordered ruling returned dockworkers to work.

Washington's water transportation industry employed some 8,700 workers statewide in September. About 3,500 worked in marine cargo handling statewide in 2000, the most recent detailed estimates available.

While the overall economic impact of the lockout itself is unknown, some economists hedge that its impact on Washington will be minimal. Washington's top two exports, aircraft and high tech (not including software) don't depend heavily on water transportation. And the agricultural goods exported from Washington, especially grain and apples, can withstand storage without spoilage. However, on the other side of the market, businesses dependent upon imports, especially retailers, are sure to become restless should congestion continue at major ports.

### *Weyerhaeuser Layoff Notices Mount*

Forest products industry giant Weyerhaeuser made three layoff announcements in late October affecting 1,100 Western Washington jobs, according to records filed with the Employment Security Department under the Worker Adjustment and Retraining Notification (WARN) Act. The first WARN notice came in October 25 announcing plans to lay off up to 750 employees of Weyerhaeuser's corporate headquarters in Federal Way effective December 16. Next came two notices on October 28, one affecting 91 workers at the logging operation in Enumclaw effective December 21, the other aimed at approximately 260 workers between the Enumclaw

sawmill and the Snoqualmie finishing plant set for New Year's Day 2003. Two other WARN notices have been issued in the past year to the company's Washington work force: one affecting 60 Snoqualmie workers in March this year, one impacting 87 Longview workers in the fall of 2001. While not all WARN notices translate to actual layoffs, those filed in October in Enumclaw and Snoqualmie are almost sure losses because the plants there are to be closed and the last of the company's major King County timberlands to be sold.

Founded in 1900, Weyerhaeuser is an international forest products company that operates four major segments: timberlands; wood products; pulp, paper, and packaging; and real estate. Total company employment (international estimates) at Weyerhaeuser increased significantly in 2001 (58,000 compared to 47,200 in 2000) due to its recent takeover of Willamette Industries. Yet Weyerhaeuser's absorption of Willamette is credited with the current round of closures and layoffs because of debt associated with the acquisition, costs associated with U.S. tariffs on Canadian lumber (of which the company owns and imports), and soft demand for its final products.

### *Military Sees Green*

Military spending may be coming to Washington stores. The defense spending and military construction bills signed into law in October by President Bush will deliver larger paychecks and new construction projects to Washington military installations. Across all pay grades, service members will see a 4.1 percent increase in base pay next year. On top of that, some targeted classifications will get higher raises, anywhere from 5 to 9.5 percent, according to the Department of Defense. The Washington Office of Financial Management estimates roughly 51,000 armed forces personnel reside in Washington. The question of the day is: will more green for military and their dependents translate into more green for retailers during the holiday shopping season?

In addition to pay increases, Washington will benefit from \$278.4 million earmarked for military construction projects concentrated primarily at Ft. Lewis in Pierce County and Naval facilities in Kitsap County. Boeing Company defense programs will also cash in on newly ap-



proved defense spending with the Pentagon funding acquisition of new C-17 cargo aircraft, next wave development of F-22 and F/A-18 fighters, among other projects. However, most of these dollars will benefit Boeing facilities in Missouri and California, not Washington.

## NATIONAL NOTES

### *Prices Hold Steady, Mild Growth Over the Year*

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent in September, before seasonal adjustment, according to the Bureau of Labor Statistics of the U.S. Department of Labor. This followed an increase of 0.3 percent in August. The September level of 181.0 (1982-84=100) was 1.5 percent higher than its level in September 2001.

Reported bi-monthly, the Seattle-Tacoma-Bremerton CPI-U index showed 0.5 percent increase over the two-month period from June 2002 to August 2002. Inflation growth in Seattle was a modest 1.9 percent over the year between August 2001 and August 2002. Putting this modest over the year inflation in context, the August 2001 Seattle CPI-U was up 3.6 percent over the year.

On a seasonally adjusted basis, the CPI-U rose 0.2 percent in September, following an increase of 0.3 percent in August. The index for food (both at home and restaurants), which declined 0.1 percent in August, rose 0.2 percent in September. The index for food at home increased 0.3 percent, with about four-fifths of the increase due to a 2.2 percent rise in the index for nonalcoholic beverages. Energy costs advanced for the third consecutive month—up 0.7 percent in September. Within energy, the index for petroleum-based energy rose 1.0 percent and the index for energy services increased 0.4 percent. Excluding food and energy, the CPI-U rose 0.1 percent after increasing 0.3 percent in August. Smaller increases in the indexes for shelter and for apparel, coupled with downturns in the indexes for education and communication and for public transportation, were largely responsible for the deceleration in September.

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

	Indexes			% Change From	
	Sep-02	Aug-02	Sep-01	Sep-02	Sep-01
U.S. City Average	181.0	180.7	178.3	0.2%	1.5%
Seattle *	Aug-02	Jun-02	Aug-01	Jun-02	Aug-01
	190.3	189.4	186.8	0.5%	1.9%

\* 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

*GDP Picks Up*

Real gross domestic product—the output of goods and services produced in the United States—increased at an annual rate of 3.1 percent in the third quarter, according to advance estimates released by the Bureau of Economic Analysis. While this figure is only an advanced estimate that will be revised in late November and again in late December, it indicates good news about the condition of the national economy. Annualized change in GDP has made some moody swings over the last few quarters, having come from negative territory in the first three quarters of 2001 to an impressive 5 percent increase in the first quarter 2002, only to swing down to 1.3 percent in the second quarter. Personal consumption expenditures, equipment and software, government spending, and exports were the prime contributors to last quarter's increase in GDP.

*Productivity Perks Up,  
Greenspan and Co. Scratch Heads*

In separate remarks during speeches made in October, FMOE Chairman Alan Greenspan and Vice Chairman Roger Ferguson, Jr. each noted significant gains in productivity, in particular nonfarm business and manufacturing, over the year. Productivity measures describe the relationship between real output and the labor time involved in its production, showing the changes over time in the amount of goods and services produced per hour. According to revised estimates made by the Bureau of Labor Statistics, nonfarm business productivity increased 4.8 percent over the year in the second quarter and 1.5 percent over the first quarter of 2002. Manufacturing productivity posted a 5.2 percent gain over the year in the second quarter, with a

quarterly gain of 4.3 percent. In his remarks at the Stockton Lectures 2002 (London Business School), Ferguson outlined the historic context of productivity: from 1960 to 1973 nonfarm productivity grew at 3 percent per year and from 1973 to 1995 it dropped to an annual rate of about 1.5 percent. Then, between 1995 and 2001 productivity grew annually by 2.25 percent.

The puzzlement in these figures is how productivity made progress of relatively grand proportions over a year rife with bad economic news. In remarks made by Greenspan at the American Enterprise Institute Conference in Washington, D.C., there are mixed opinions on the prospects for future productivity growth, at which point he turned to examining the possible causes of the recent rise. Greenspan outlined the following as possible explanations of the productivity growth of the last year:

- trimming of corporate excesses of the late 1990s;
- reallocation of resources, including secondary circulation of capital goods such as computers purchases from failed start-ups;
- more demanding workloads for current workers;
- a lagged effect of productivity increases made in the late 1990s; and
- potential but marginal influences of low inflation.

Looking forward, then, Greenspan is on the fence as to whether the productivity expansion is temporary or long-term in nature. Ferguson hedges that productivity in the next few years will grow at rates similar to those observed between 1960 and 1973 due to the fact that it did not follow other economic measures by declining in the current downturn, running contrary to its normal behavior. Other economists are dubious as to whether recent productivity figures even warrant the attention of those in Greenspan's ranks, commenting that recent productivity expansions are only atypical in magnitude, but otherwise par for the course according to the business cycle.

### *Consumers Lose Confidence*

Consumer confidence fell a precipitous 14.3 index points over the month to its lowest level since 1993, according to the index's producer, The Conference Board. While consumers were largely credited with sustaining the nation's weakened economy during the current recession, this news, compounded by four consecutive months of decline, casts a gloomy shadow on the upcoming holiday shopping season. Then again, consumers, as a group, are notorious for saying one thing and doing another. The Conference Board points to three leading causes of the decline: a weak labor market, potential for military action in Iraq, and the prolonged decline in financial markets. The Consumer Confidence Survey consists of questionnaires mailed to a national, representative sample of 5,000 households. The survey addresses current and expected business, employment, and income conditions. Economists give the index mixed reviews, its small sample size a leading concern about its validity.

*Prepared by Carolyn Cummins, Staff Economist*

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

In Thousands, Not Seasonally Adjusted

	September 2002 (Prel)	August 2002 (Rev)	September 2001 (Rev)	August 2001 (Rev)	Numeric Change Aug. 2002 to Sept. 2002 Sept. 2001 to Sept. 2002	
<b>Total Nonagricultural Wage &amp; Salary Workers ....</b>	<b>2,651.6</b>	<b>2,642.0</b>	<b>2,702.3</b>	<b>2,695.8</b>	<b>9.6</b>	<b>-50.7</b>
<b>Manufacturing .....</b>	<b>308.4</b>	<b>311.5</b>	<b>339.7</b>	<b>342.0</b>	<b>-3.1</b>	<b>-31.3</b>
Durable Goods .....	207.1	210.6	233.5	235.1	-3.5	-26.4
Lumber & Wood Products .....	30.2	30.5	31.6	31.7	-0.3	-1.4
Logging .....	6.8	6.9	7.0	7.1	-0.1	-0.2
Sawmills & Plywood .....	20.2	20.3	21.2	21.2	-0.1	-1.0
Furniture & Fixtures .....	4.4	4.4	4.7	4.8	0.0	-0.3
Stone, Clay & Glass .....	8.5	8.6	8.8	8.9	-0.1	-0.3
Primary Metals .....	7.2	7.2	8.6	8.7	0.0	-1.4
Aluminum .....	3.8	3.7	4.5	4.6	0.1	-0.7
Fabricated Metals .....	13.3	13.4	14.3	14.2	-0.1	-1.0
Industrial Machinery & Equipment .....	21.5	21.6	23.7	24.1	-0.1	-2.2
Computer & Office Equipment .....	5.8	5.8	6.0	6.1	0.0	-0.2
Electronic & Other Electrical Equipment .....	14.7	15.2	18.2	18.9	-0.5	-3.5
Transportation Equipment .....	85.4	87.7	100.7	100.9	-2.3	-15.3
Aircraft & Parts .....	72.8	74.7	87.8	87.8	-1.9	-15.0
Ship & Boat Building .....	6.2	6.6	6.6	6.7	-0.4	-0.4
Instruments & Related .....	14.0	14.0	14.6	14.6	0.0	-0.6
Miscellaneous Manufacturing .....	7.9	8.0	8.3	8.3	-0.1	-0.4
Nondurable Goods .....	101.3	100.9	106.2	106.9	0.4	-4.9
Food & Kindred Products .....	40.3	39.6	42.4	42.4	0.7	-2.1
Preserved Fruits & Vegetables .....	14.9	14.0	15.3	14.9	0.9	-0.4
Textiles, Apparel & Leather .....	7.4	7.5	7.7	7.8	-0.1	-0.3
Paper & Allied Products .....	14.1	14.2	14.9	15.1	-0.1	-0.8
Printing & Publishing .....	22.3	22.4	23.0	23.4	-0.1	-0.7
Chemicals & Allied Products .....	5.3	5.3	6.0	6.0	0.0	-0.7
Petroleum, Coal, Plastics .....	11.9	11.9	12.2	12.2	0.0	-0.3
<b>Mining &amp; Quarrying .....</b>	<b>3.2</b>	<b>3.2</b>	<b>3.5</b>	<b>3.6</b>	<b>0.0</b>	<b>-0.3</b>
<b>Construction .....</b>	<b>154.5</b>	<b>155.7</b>	<b>162.8</b>	<b>164.6</b>	<b>-1.2</b>	<b>-8.3</b>
General Building Contractors .....	40.9	41.6	42.8	43.5	-0.7	-1.9
Heavy Construction, except Building .....	18.8	18.2	21.2	20.9	0.6	-2.4
Special Trade Contractors .....	94.8	95.9	98.8	100.2	-1.1	-4.0
<b>Transportation, Communications &amp; Utilities ....</b>	<b>138.7</b>	<b>138.0</b>	<b>146.4</b>	<b>147.2</b>	<b>0.7</b>	<b>-7.7</b>
Transportation .....	90.2	89.6	93.5	94.0	0.6	-3.3
Trucking & Warehousing .....	33.9	33.7	34.3	34.5	0.2	-0.4
Water Transportation .....	8.7	8.6	9.0	9.2	0.1	-0.3
Transportation by Air .....	25.3	25.3	26.5	26.9	0.0	-1.2
Communications .....	32.5	32.4	36.5	36.8	0.1	-4.0
Electric, Gas & Sanitary Services .....	16.0	16.0	16.4	16.4	0.0	-0.4
<b>Wholesale &amp; Retail Trade .....</b>	<b>629.6</b>	<b>631.2</b>	<b>636.2</b>	<b>641.2</b>	<b>-1.6</b>	<b>-6.6</b>
Wholesale Trade .....	142.3	141.3	144.2	145.2	1.0	-1.9
Durable Goods .....	82.3	82.6	83.3	84.2	-0.3	-1.0
Nondurable Goods .....	60.0	58.7	60.9	61.0	1.3	-0.9
Retail Trade .....	487.3	489.9	492.0	496.0	-2.6	-4.7
Building Materials/Garden Supplies .....	21.8	22.2	21.7	21.9	-0.4	0.1
General Merchandise .....	52.8	52.3	52.7	52.5	0.5	0.1
Food Stores .....	70.3	70.1	70.8	71.3	0.2	-0.5
Automobile Dealers & Service Stations .....	50.7	50.9	50.1	50.4	-0.2	0.6
Apparel & Accessory Stores .....	23.7	24.1	24.2	24.9	-0.4	-0.5
Eating & Drinking Establishments .....	182.6	185.0	183.9	186.4	-2.4	-1.3
<b>Finance, Insurance &amp; Real Estate .....</b>	<b>143.9</b>	<b>144.1</b>	<b>143.5</b>	<b>143.0</b>	<b>-0.2</b>	<b>0.4</b>
Finance .....	66.1	66.1	65.3	64.4	0.0	0.8
Insurance .....	42.4	42.5	42.3	42.5	-0.1	0.1
Real Estate .....	35.4	35.5	35.9	36.1	-0.1	-0.5
<b>Services .....</b>	<b>775.1</b>	<b>774.4</b>	<b>776.5</b>	<b>779.2</b>	<b>0.7</b>	<b>-1.4</b>
Hotels & Lodging .....	29.4	30.4	30.7	32.3	-1.0	-1.3
Personal Services .....	22.7	22.4	23.0	23.4	0.3	-0.3
Business Services .....	169.4	169.8	176.5	178.2	-0.4	-7.1
Computer & Data Processing Services .....	64.0	64.8	66.7	68.1	-0.8	-2.7
Amusement & Recreational Services .....	39.2	40.3	40.8	43.4	-1.1	-1.6
Health Services .....	206.3	206.2	199.7	199.4	0.1	6.6
Nursing & Personal Care .....	34.3	34.3	33.4	33.3	0.0	0.9
Hospitals .....	62.5	62.5	61.3	61.1	0.0	1.2
Legal Services .....	19.8	20.0	19.9	20.1	-0.2	-0.1
Educational Services .....	36.5	31.5	35.9	30.3	5.0	0.6
Social Services .....	67.7	66.8	66.2	65.2	0.9	1.5
Engineering & Management Services .....	73.2	73.8	72.8	73.4	-0.6	0.4
<b>Government .....</b>	<b>498.2</b>	<b>483.9</b>	<b>493.7</b>	<b>475.0</b>	<b>14.3</b>	<b>4.5</b>
Federal .....	70.3	70.6	69.1	69.4	-0.3	1.2
State .....	137.4	130.9	135.9	130.2	6.5	1.5
State Education .....	70.6	63.5	68.9	62.3	7.1	1.7
Local .....	290.5	282.4	288.7	275.4	8.1	1.8
Local Education .....	140.1	130.9	138.3	125.6	9.2	1.8
<b>Workers in Labor-Management Disputes .....</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<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/

Date: 10/15/02  
Benchmark: 2001

	September 2002 Preliminary				August 2002 Revised				September 2001 Revised			
Not Seasonally Adjusted	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 . . . . .	3,046,500	2,841,500	205,000	6.7	3,042,200	2,838,900	203,300	6.7	2,947,100	2,771,100	176,000	6.0
Bellingham MSA . . . . .	79,400	74,800	4,700	5.9	81,600	76,900	4,600	5.7	78,700	73,700	5,000	6.4
Bremerton PMSA . . . . .	95,300	89,500	5,800	6.1	95,800	90,200	5,600	5.8	90,300	85,100	5,200	5.8
Olympia PMSA . . . . .	101,400	95,900	5,500	5.4	101,500	96,200	5,300	5.2	96,400	91,200	5,200	5.4
Seattle-Bellevue-Everett PMSA . . . . .	1,362,300	1,270,200	92,000	6.8	1,369,400	1,281,300	88,100	6.4	1,329,200	1,258,300	70,900	5.3
King County 2/ . . . . .	996,500	932,000	64,500	6.5	1,001,900	940,200	61,800	6.2	975,700	923,300	52,500	5.4
Snohomish County 2/ . . . . .	337,300	311,500	25,900	7.7	338,900	314,200	24,700	7.3	325,700	308,500	17,100	5.3
Island County 2/ . . . . .	28,400	26,700	1,700	5.9	28,600	27,000	1,600	5.6	27,790	26,480	1,310	4.7
Spokane MSA . . . . .	204,600	191,700	12,800	6.3	202,100	189,400	12,700	6.3	201,400	189,600	11,800	5.9
Tacoma PMSA . . . . .	341,400	316,500	24,900	7.3	338,400	314,600	23,800	7.0	322,800	302,600	20,200	6.3
Tri-Cities MSA . . . . .	102,700	97,100	5,600	5.5	101,000	95,300	5,600	5.6	94,400	89,000	5,500	5.8
Benton County 2/ . . . . .	78,700	74,400	4,300	5.4	77,300	73,000	4,300	5.5	72,400	68,200	4,200	5.8
Franklin County 2/ . . . . .	24,100	22,700	1,400	5.7	23,700	22,300	1,400	5.8	22,000	20,800	1,300	5.7
Yakima MSA . . . . .	114,100	106,100	8,000	7.0	110,100	100,000	10,000	9.1	112,300	103,800	8,500	7.6
Adams . . . . .	8,910	8,440	470	5.3	9,240	8,770	470	5.1	8,630	8,080	560	6.4
Asotin 2/ . . . . .	11,640	11,010	630	5.4	12,040	11,420	610	5.1	11,440	11,020	430	3.7
Chelan-Douglas LMA . . . . .	57,760	54,490	3,260	5.7	55,000	50,370	4,630	8.4	56,090	52,640	3,450	6.2
Chelan County 2/ . . . . .	37,010	34,750	2,260	6.1	35,340	32,120	3,230	9.1	35,910	33,570	2,350	6.5
Douglas County 2/ . . . . .	20,750	19,750	1,000	4.8	19,650	18,250	1,400	7.1	20,180	19,070	1,110	5.5
Clallam . . . . .	24,260	22,770	1,490	6.1	24,520	22,990	1,530	6.2	23,610	22,140	1,470	6.2
Clark 2/ . . . . .	181,900	166,800	15,100	8.3	183,300	167,700	15,600	8.5	174,900	161,400	13,600	7.8
Columbia . . . . .	1,250	1,120	130	10.0	1,250	1,140	100	8.2	1,140	1,020	120	10.5
Cowlitz . . . . .	39,490	35,410	4,080	10.3	39,870	36,010	3,860	9.7	39,250	34,810	4,440	11.3
Ferry . . . . .	2,430	2,230	200	8.1	2,450	2,250	200	8.3	2,320	2,090	230	9.8
Garfield . . . . .	1,150	1,110	40	3.2	1,220	1,190	30	2.6	1,100	1,090	20	1.4
Grant . . . . .	41,020	38,550	2,470	6.0	39,340	36,710	2,630	6.7	38,500	35,930	2,570	6.7
Grays Harbor . . . . .	25,630	23,440	2,190	8.5	25,550	23,460	2,090	8.2	25,060	22,890	2,170	8.6
Jefferson . . . . .	11,620	10,980	650	5.6	11,630	10,980	640	5.5	11,080	10,530	550	5.0
Kittitas . . . . .	15,590	14,850	740	4.8	14,640	13,910	730	5.0	14,550	13,870	680	4.7
Klickitat . . . . .	8,530	7,650	880	10.4	8,160	7,110	1,040	12.8	8,370	7,450	910	10.9
Lewis . . . . .	29,130	26,860	2,280	7.8	29,130	26,900	2,220	7.6	27,290	25,220	2,070	7.6
Lincoln . . . . .	4,890	4,670	220	4.5	5,000	4,790	220	4.4	4,590	4,410	180	4.0
Mason . . . . .	19,120	17,790	1,320	6.9	19,440	18,120	1,320	6.8	17,840	16,630	1,200	6.8
Okanogan . . . . .	21,760	20,380	1,390	6.4	20,180	18,740	1,450	7.2	21,720	20,260	1,460	6.7
Pacific . . . . .	7,780	7,220	560	7.1	7,950	7,400	560	7.0	7,560	7,020	540	7.2
Pend Oreille . . . . .	4,720	4,430	290	6.1	4,580	4,290	300	6.5	4,220	3,910	320	7.5
San Juan . . . . .	7,220	7,010	210	2.9	7,650	7,430	220	2.8	6,720	6,540	180	2.7
Skagit . . . . .	52,170	48,420	3,760	7.2	53,530	49,920	3,620	6.8	50,670	47,410	3,260	6.4
Skamania . . . . .	3,850	3,520	330	8.5	4,050	3,680	360	9.0	3,740	3,410	330	8.8
Stevens . . . . .	16,200	14,990	1,210	7.5	16,510	15,180	1,330	8.0	15,950	14,690	1,260	7.9
Wahkiakum . . . . .	1,670	1,560	110	6.7	1,720	1,620	100	5.9	1,620	1,520	100	6.2
Walla Walla . . . . .	25,810	24,690	1,130	4.4	25,900	24,650	1,250	4.8	24,740	23,540	1,200	4.9
Whitman . . . . .	19,890	19,520	380	1.9	18,480	18,060	420	2.3	18,820	18,390	430	2.3

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

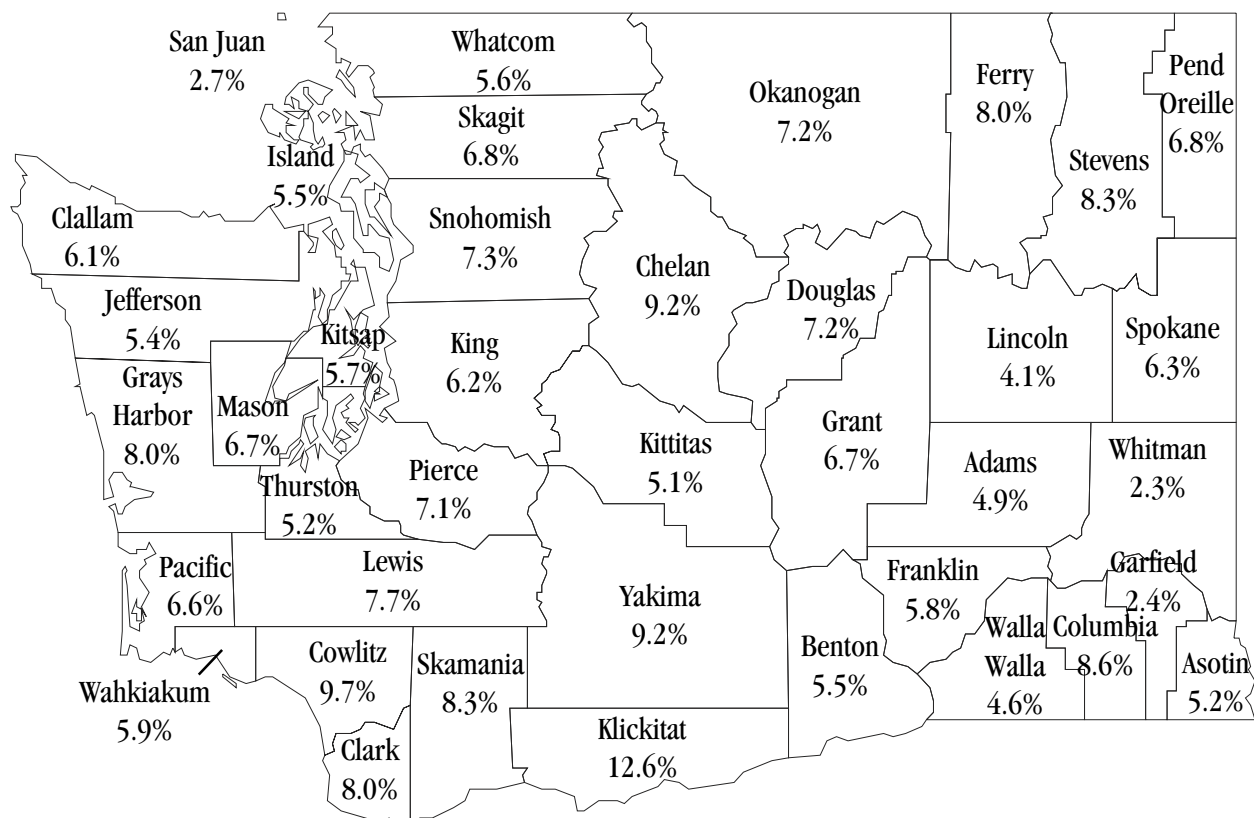
<i>(In Thousands)</i>	August 2002 (Prel)	July 2002 (Rev)	August 2001 (Rev)	July 2001 (Rev)
<i>Seasonally Adjusted Unemployment:</i>				
Washington State	7.2%	7.1%	6.5%	6.3%
United States	5.7%	5.9%	4.9%	4.6%
<i>Not Seasonally Adjusted:</i>				
Resident Civilian Labor Force	3,043.1	3,089.3	2,984.6	3,049.4
Employment	2,840.4	2,877.1	2,806.0	2,860.7
Unemployment	202.7	212.2	178.6	188.7
Percent of Labor Force	6.7%	6.9%	6.0%	6.2%

### Unemployment Rates by County, August 2002

**Washington State = 6.7%**

**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		
	Sept. 02	Aug. 02	Sept. 01	Sept. 02	Aug. 02	Sept. 01	Sept. 02	Aug. 02	Sept. 01
<b>TOTAL MANUFACTURING INDUSTRIES</b>	\$731.04	\$722.20	\$732.26	40.3	40.1	41.0	\$18.14	\$18.01	\$17.86
<b>SELECTED MANUFACTURING INDUSTRIES</b>									
Lumber and Wood Products	\$674.58	\$658.44	\$665.27	42.4	42.1	42.7	\$15.91	\$15.64	\$15.58
Primary Metal Industries	\$662.04	\$682.22	\$701.67	36.0	37.3	39.8	\$18.39	\$18.29	\$17.63
Transportation Equipment	\$951.11	\$943.87	\$1,025.77	38.9	39.1	41.8	\$24.45	\$24.14	\$24.54
Food and Kindred Products	\$590.55	\$590.18	\$568.58	41.5	41.3	42.4	\$14.23	\$14.29	\$13.41
Chemicals and Allied Products	\$1,182.96	\$1,097.68	\$1,065.55	42.4	40.7	42.1	\$27.90	\$26.97	\$25.31
<b>SELECTED NONMANUFACTURING INDUSTRIES</b>									
Construction	\$925.34	\$924.38	\$920.15	37.8	37.5	38.5	\$24.48	\$24.65	\$23.90
Wholesale and Retail Trade (Includes eating and drinking establishments)	\$417.93	\$408.60	\$395.95	32.6	32.3	31.6	\$12.82	\$12.65	\$12.53





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