



**Washington State
Employment Security**

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

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

Washington Labor Market

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INDICATORS UNEMPLOYMENT RATE

Washington (Seasonally Adjusted)			
Sept (prel)	2003	7.5%	
Aug (rev)	2003	7.5%	
July	2003	7.5%	
Annual Average ¹	2002	7.3%	

United States (Seasonally Adjusted)			
Sept (prel)	2003	6.1%	
Aug (rev)	2003	6.1%	
July	2003	6.2%	
Annual Average ¹	2002	5.8%	

¹ Not Seasonally Adjusted

MANUFACTURING WORKER AVERAGE HOURLY EARNINGS

Washington			
September	2003	\$17.76	
August	2003	\$17.88	
July	2003	\$17.83	
September	2002	\$18.41	

MANUFACTURING WORKER AVERAGE WEEKLY HOURS

Washington			
September	2003	39.5	
August	2003	39.1	
July	2003	38.6	
September	2002	40.7	

CONSUMER PRICE INDEX ALL URBAN CONSUMERS (CPI) 1982-84 = 100

Seattle-Tacoma-Bremerton			
August	2003	194.4	
Yearly Change	Aug 2002-Aug 2003	2.2%	

U.S. City Average			
September	2003	185.2	
Yearly Change	Sept 2002-Sept 2003	2.3%	

HIGHLIGHTS

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Labor Market Still Struggles to Stabilize Current State Economic Conditions

Washington's seasonally adjusted unemployment rate remained at 7.6 percent in September following an upward revision in August from 7.5 percent to 7.6 percent. Although August's adjusted numbers showed an increase in the number of unemployed and a decrease of the number employed, pushing up the labor force, September numbers indicate declines in both the number unemployed and employed.

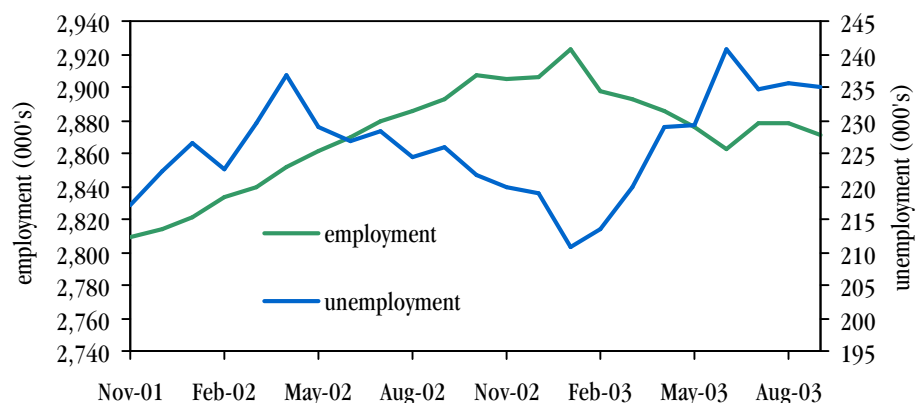


are leaving the workforce. This could be due to movement out of the state, into training or education programs, into self-employment, or unemployed workers may have become discouraged and have stopped looking for work. Looking at non-adjusted numbers, the employment estimates drawn from Washington's establishment survey, indicates that nonagricultural employment was up 10,800 over the month of September¹. Education did its seasonal

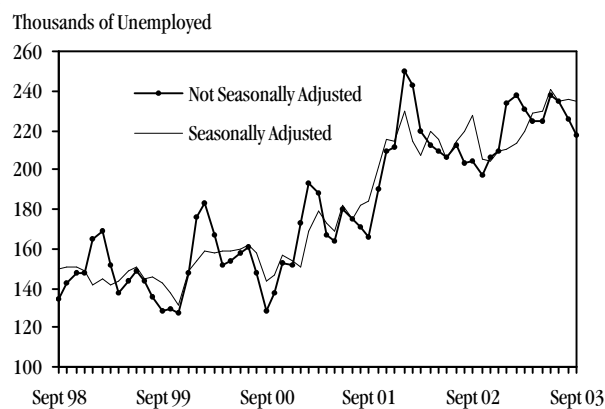
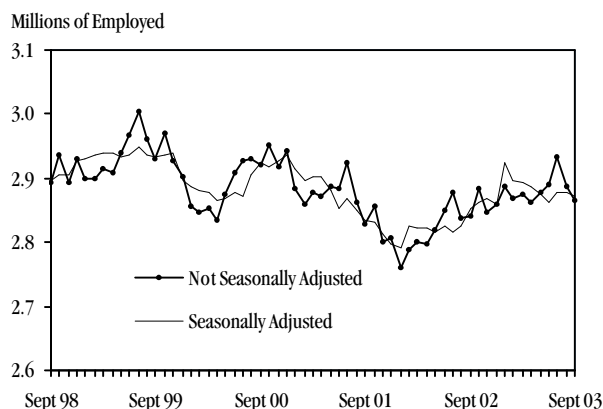
¹ The estimates from the establishment survey need to be compared to the estimates from the household survey that are not seasonally adjusted. Non-adjusted estimates of employment change from the household survey indicate that employment has fallen by about 20,000 over the month. Why this discrepancy? First, both are estimates, not actual counts. Second, the household survey includes the agricultural sector, which undoubtedly saw seasonally motivated layoffs. Lastly, the nonagricultural numbers (establishment survey) include estimates of self-employment and are not adjusted for multiple jobholders.

- Continued on page 2

2003 continues to be a troubling year for the labor market.



Washington State Total Resident Employment and Unemployment September 1998 - September 2003



Marysville teachers who were on strike in September still showed up in the employment estimates. This is based on a federal definition of striking workers as those who are not being paid...

turnaround changing from a large net loss sector to a large net gain sector. Local education was up 6,100, state education was up 7,400, and educational services were up 2,900. Local education was down from the previous year's levels by 2,300 while state education was up 1,200. Educational services were down 200 from last year's level. The Marysville teachers who were on strike in September still showed up in the employment estimates. This is based on a federal definition of striking workers as those who are not being paid, while teachers are paid an annual salary and would be expected to make up any lost time, so they are counted as employed.

There were few other advancing sectors over the month; health services were up 1,000 and professional and business services were up 300. Transportation, warehousing, and utilities and retail trade were both up just 100 jobs over the month. Retail trade showed some cyclical strength, up over the year by 1,200. Health services also remained strong, up over the year by 4,600. Professional and business services showed little over-the-year strength, adding only 200 jobs. Within the professional and business services sector, employment agencies (or temporary help agencies) are often one of the first sectors to increase jobs in an upturn. While this sector was up over the month by 900 jobs, it was still down over the year by 2,400.

Other sectors display seasonal layoffs such as construction, down 1,000 over the

month; financial activities, down 400; and leisure and hospitality, down 3,800. Still, all three of these sectors showed some strength coming out of the recession. Over the year construction was up 3,000 jobs, financial activities were up 6,700, and leisure and hospitality were up 3,100 jobs.

Manufacturing continued to reveal both over-the-month and over-the-year weakness, down over the month by 600 jobs and over the year by 17,300 jobs. Aerospace continues to be among the weakest sectors as it was down 1,100 over the month and 10,600 over the year. Computer and electronic product manufacturing also continues to be quite weak, down over the year by 2,400.

The information sector was down 500 over the month and 800 over the year. Over the month, software publishing was down 100 while telecommunications was up 200. Over the year however, software publishing looked to be in much better shape, up 1,800 while telecommunications was down 1,900. Most of the job losses in the telecommunications sector have been in the wired rather than the wireless sector.

National Outlook: Unusually strong growth in output not yet reflected in the labor market

Gross National Product (GDP), which measures the value of all goods and services produced in the United States, grew by an incredible 7.2 percent in the third quarter of 2003. This outdid most analysts' projections and was the strongest growth rate since the first quarter of 1984.

The Bureau of Economic Analysis reported that the major contributors to the increase in GDP were consumption expenditure, up 6.6 percent; residential fixed investment, up 11.1 percent; and exports, up 9.3 percent. The real change in private inventories fell slightly subtracting from overall growth. Still, this bodes well for future investment as firms are operating at very low inventory to sales ratios.

Consumption expenditure was bolstered by tax cuts, especially the child tax rebate. Evidence is that consumers spent most of their rebates in July and August, as consumption expenditure does not seem to have grown as strongly in September. Spending on durable goods such as cars was especially strong, up 26.9 percent during the third quarter of 2003, after rising by 24.3 percent in the second quarter.

Investment expenditure, which led the economy down in this recession, has shown some life over the past two quarters. Investment in equipment and software increased by 15.4 percent, after increasing 8.3 percent last quarter. Residential investment, which has been growing since the first quarter of 2002, grew by 20.4 percent during the third quarter of 2003. This is the highest growth rate since the second quarter of 1996 and was almost twice analysts' prediction.

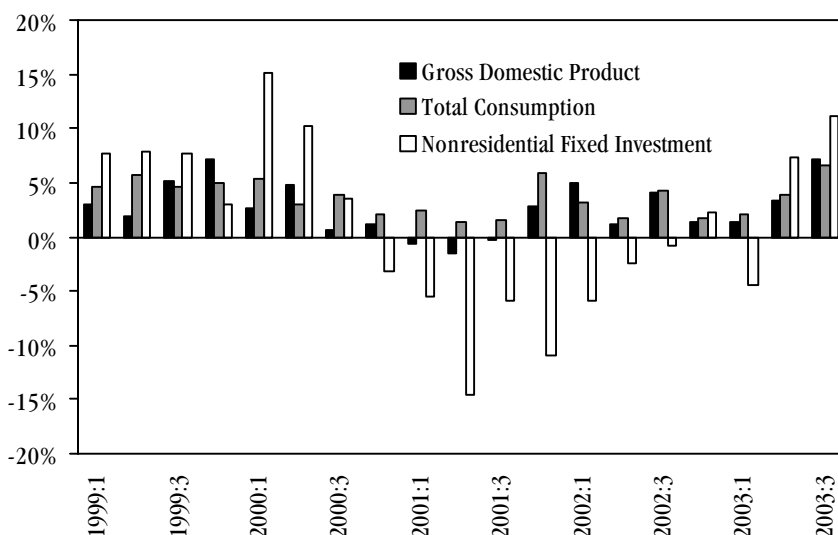
The trade gap, which has been reaching record proportions, narrowed slightly but is still quite high. Trade in services increased by over 13 percent in both exports and imports highlighting the increasing importance of this sector. The dollar slightly weakened over the quarter contributing in part to the good performance. Still, the dollar remains pegged to key Asian currencies, and slow growth in the rest of the world makes it unlikely that the gains seen this quarter will continue.

While GDP grew at a torrid pace, employment declined over the quarter by 41,000 from June to September 2003. The great increase in output as the number of workers fell, will cause very high productivity calculations (output per worker). The mystery of the declining labor force continues. Businesses, however, are now predicting more future hiring helped in part by a rising stock market. Most predictions are for somewhat slower growth in the fourth quarter, as most of the tax rebate has been spent. Still, business investment is the sector to watch and the positive employment growth at the end of the third quarter (employment grew by 57,000 in September 2003) may bode well for employment growth in the fourth quarter.



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GDP sees highest growth since the first quarter of 1984.



Business Notes

End of the Line for the 757

For the single-aisle, twin engine Boeing 757, 2004 will bring the end of production. Since debuting in 1982, some 1,034 Boeing 757s have been produced at the Renton plant. At a current price of \$73.5 to \$80.5 million, the 757 is economical, but still about \$20 million more than the popular 737 (starting at \$41 million for a 737-600, and \$60.5 million for a 737-900). 757 production has been slow in recent years, with just 13 deliveries and 3 orders to date in 2003, compared to 126 deliveries and 141 orders for the 737. The 737 is the preferred choice for economy airlines, including Southwest and Ryanair.

Both the 757 and 737 models are produced at Boeing's Renton plant. No concrete numbers have been released as to how many job losses the 757 line completion may cause. Key players—unions, workers, and Boeing officials—are hopeful that other lines, including the on-site 737 as well as lines in Everett, will absorb much of the 757 workforce. According to media accounts, some 225 union workers are tied to the 757 line in Renton, plus engineering, technical, and administrative staff.

Aerospace manufacturing employed 62,300 workers in Washington in September 2003, down 10,600 from year-ago levels. The average wage in air transportation was \$71,463 in 2002, compared to \$38,249 across all industries in Washington in 2002. While 15 of Washington's 39 counties had an aerospace presence in 2001, the industry is overwhelmingly concentrated in King and Snohomish counties, which combined for 96.3 percent of the state's total aerospace employment. Likewise, King and Snohomish counties generated the highest share of total aerospace wages, accounting for 97 percent of the sector's total payroll of nearly \$5.5 billion in 2001.

Small Business, Big Impact

Washington ranked eighth among the most small-business friendly states according to the *Small Business Survival Index 2003*, produced by the Small Business Survival Committee. Top rankings went to South Dakota (1), Nevada (2), and Wyoming (3). The index ranks states on policy and cost of living factors such as personal and business tax rates, property taxes, as well electricity and health care costs.

According to Employment Security Department data, 90 percent (196,083) of Washington firms covered by unemployment insurance had 19 or fewer employees in the first quarter of 2002. Those employers provided 25 percent (634,974) of covered jobs in our state. It's worth noting that over 46,000 small firms included in this count had zero employees. This group includes inactive accounts that perhaps are only active during certain times of the year, and the self-employed who elect to cover themselves with unemployment insurance.

Call Center Calls Out for New Workers

Despite speculation about potentially negative impacts on the call center industry resulting from national and state "do not call" lists, Spokane area was dealt some good news about its call center industry in October as Dakotah Direct announced plans to hire 200 to 300 workers. Company officials cite both new contracts and add-ons to existing contracts as drivers for the hiring. According to local media coverage, Dakotah Direct employs about 1,400 workers in Spokane, Coeur d'Alene, and the Tri-Cities. The new employees will be housed in Spokane.

Employment Security Department data show that the telephone call center industry has seen robust employment growth over the last ten years, averaging an annual rate of 8 percent statewide. However, it's a relatively small industry,

employing some 700 workers in Spokane County and 3,800 statewide in 2002. The industry paid an average annual wage of \$16,500 across the state that year. The telephone call center industry includes establishments engaged in providing telemarketing services on a contract, such as promoting and taking orders for clients' products by telephone. It also includes answering service and message relay firms. Excluded from the industry are firms that conduct fundraising campaigns and public opinion polling services.

Employment conditions can change rapidly in the telephone call center industry, as contracts come and go. Two layoff warning notices filed earlier this year illustrate how large the layoffs can be: Spectrum Contract Services warned up to 325 workers in Liberty Lake (Spokane County); and Spiegel Group TeleServices, Inc. warned up to 365 workers in Bothell (King and Snohomish counties).



...Spokane area was dealt some good news about its call center industry in October as Dakotah Direct announced plans to hire 200 to 300 workers.

Industry Focus: Transportation

By Rick Lockhart, Economic Analyst

When talking about industries that hold up an economy, quite often the focus is on those industries that naturally have a high profile. When scanning the business section of the newspaper you will invariably see an article on aerospace, software, or biotech to name a few. Rarely do we see major headlines regarding the goings-on of the underlying support industries. It reminds me of the common complaint among linemen in football, that all of the glory goes to the guys who actually get to touch the ball. We all know that a football team without any linemen can't score any points, but it seems we often forget to give a little credit to the linemen of our economy, namely support industries. This month's industry focus is going to take a look at a vital part of Washington's economic infrastructure—transportation (North American Industry Classification System - NAICS 48).

Quick Facts:

- Transportation had an average annual employment level of 73,813 for 2002.
- Truck transportation posted the highest level of transportation employment at 21,590 for 2002.
- With a location quotient for 2001 of 4.22, water transportation has a higher than average share of total state employment, when compared to the nation.
- The 2002 average annual wage was above state average at \$42,951.



The transportation industry in Washington can be broken down into five basic sub-sectors: air, water, truck, transit and ground passenger, and support (air traffic control, marine cargo handling, vehicle towing, etc.).

The pie chart below illustrates the percentage breakdown of transportation employment. Truck transportation comes in as the largest employer making up 30 percent² of total covered transportation employment. Of the five major sub-sectors, water transportation posted the highest annual average wage of \$55,074, the lowest being found in transit and ground passenger transportation at \$33,813. Overall, transportation accounts for 2.8 percent of Washington's total employment.

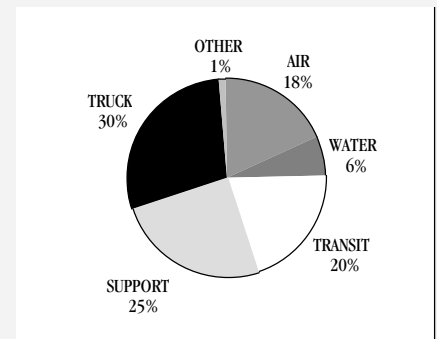
Water transportation may not make up the lion's share of transportation employment, but it is important to point out a couple of things about it. First, its 4.22 national location quotient is significant. It points to Washington as having a higher than average concentration of water transportation employment. Second, with 76 percent of Washington's water transportation

employment being found in King County, it is important to note that it came in at number six on our recently released key growth industry list for King County (visit the industry section of www.workforceexplorer.com). Between 1990 and 2002, water transportation posted 39.7 percent growth in employment and a 17.1 percent growth in real wages in King County.

With Washington's position on the Pacific Rim and our dependency on trade industries, it is easy to see why transportation is an important player in our economy. From timber to aircraft and parts, Washington has an established need for water, rail, and truck transportation. Even as the industries that make up our core of major exporters has changed over the years, the transportation industry has been able to continually grow and meet the ever-changing needs of our economy.

² It is important to note the truck transportation industry also includes a large number of independent owner-operators that are not captured in covered employment numbers.

Washington Transportation Employment, 2002



Overall, transportation accounts for 2.8 percent of Washington's total employment.



Occupational Focus: Landscape Architects and Supervisors

By Dave Wallace, Economic Analyst

According to pollsters, landscaping can add from 5 to 7 percent to the value of a home. In addition, landscaping to business has been credited with higher occupancy rates, higher rents, attracting customers, as well as lowering heating and cooling costs. Given this and the strength of housing markets it should come as no surprise that it is considered to be a growing occupation.

According to projections put out by the Employment Security Department, both



mid-range average annual employment growth (2000-2005) and long-term growth (2005-2010) for Landscape Architects will be above average. For the ten-year period 2000-2010, employment is forecasted to rise from 1,056 to 1,336 in Washington. While Landscaping and Lawn Service supervisors are not expected to grow as quickly in percentage terms, the occupation is projected to grow by more in absolute numbers and remains well above average in terms of percentage growth. Between 2000-2005, supervisors in this field are expected to increase by about 120 positions annually. In the last half of the decade the forecast rises to 142 annually. In addition to a strong housing market, this job growth is driven by anticipated growth in residential, commercial, and heavy construction, as well

as a continuing need to balance growth with preservation of the environment.

Many Landscape Architects work for government and large private firms, but the self-employment rate is nearly four times that for all professionals. The work requires both a creative as well as an analytical aspect, to combine beauty and functionality. The ability to communicate and present ideas, as well as strong design and drafting skills are important for success in this field.

Landscape and lawn service supervisors may work for or as a landscape contractor, golf course superintendent, or nursery supervisors. Along with the physical demands of the job, most positions require some formal education beyond high school as well as on the job experience.

Title	Estimated Employment			Avg. Annual Growth Rate		Avg. Annual Openings		2001 Hourly Wage		
	2000	2005	2010	2000-2005	2005-2010	2000-2005	2005-2010	Mean	Entry	Experienced
Supervisors of Landscaping, Lawn Services	2,956	3,555	4,266	2.9%	3.3%	93	126	\$21.41	\$14.26	\$25.00
Landscape Architects	1,058	1,167	1,336	2.3%	2.2%	29	34	\$23.58	\$16.11	\$27.31

Across the State

Normal seasonal hiring in education caused the state's non-adjusted unemployment rate to fall in September. Some agricultural counties on the eastern side of the state also continued to experience fairly dramatic employment swings associated with the agricultural cycle.

For September, urban counties had a slightly higher unemployment rate than did rural counties. The urban areas with the three highest unemployment rates were Clark, 8.9 percent; Tacoma, 7.7 percent; and the Seattle metropolitan area, 7.1 percent.

Bremerton, Olympia, and Bellingham had the lowest unemployment rates, 5.8 percent, 5.9 percent, and 5.9 percent respectively. All urban counties are up over the year except for Bremerton.

Rural counties are still showing the affects of seasonal agricultural hiring. Despite their relatively low unemployment rate in September, annual averages show that the rural unemployment rate remains higher than the urban on average. Year-to-date data through September 2003 also shows this same pattern. Rural areas are down

slightly from the 2002 annual average, but this advantage may disappear with the addition of October through December.

³Urban counties include Whatcom, Snohomish, Island, King, Pierce, Kitsap, Thurston, Clark, and Spokane.

Unemployment Rate, Not Seasonally Adjusted			
	Sep-03	Aug-03	Sep-02
Washington State total	7.0%	7.2%	6.7%
Urban counties ³	7.1%	7.1%	6.7%
Rural counties	6.9%	7.6%	6.5%

Unemployment Rate, Not Seasonally Adjusted			
	(ytd) 2003	2002 Annual Average	1995-2000
State	7.4%	7.3%	5.4%
Urban	7.1%	7.0%	4.5%
Rural	8.4%	8.6%	8.5%

Special Feature: High Tech, Where Are They Now?

By Kirsta Glenn, Chief Economist

During the late 1990s employment in high tech industries increased dramatically as many individuals pursued courses of study to prepare them for lucrative careers in high tech. These workers had considerable skills and joined a growing workforce. This article will attempt to follow the fortunes of those workers who were so full of hope in the late 1990s. By 2002, what had happened to the tech workers of 1999?

In 1999, 126,207 people worked in the information industry. These people represented a great stock of human education and skills. As some of them lost their jobs over the next three years, their skills went with them. The fate of those skilled workers will influence the ability of the industry to rebuild itself when demand returns. The analysis is based on information from the covered employment and wage database from 1999 through 2002.

The Fate of Information Workers

A total of 126,207 workers were employed in the information industry in 1999. Employment in the information industry didn't peak until 2001, while average annual wage and total wages peaked in 1999. Wage numbers were impacted by stock options paid out in many information industry firms.

In 1999, educators and policy makers were still speaking of a "new economy" with perpetual growth and high wages bid up by a shortage of skills. Many students switched to computer, software, and web design classes to cash in on the bonanza.

Now in 2003, there is an impression of few opportunities. There have been many stories in the news of former web designers who are now reduced to service sector entry-level jobs.

What does the data show? By 2002, only 63,350 (about 50 percent) of the information workers in 1999 were still

working in the information industry, 32,900 (26 percent) were employed in another industry, and 29,950 (24 percent) had left covered employment. Still, remember the difference between job and industry. We don't know if the workers in the information industry were information technology professionals and, if so, whether or not they are still in information technology occupations. For example, they might be information technology professionals in the finance or utilities or retail sectors. Utilities and retailers, among others, have been frustrated by their inability to compete with Microsoft and internet firms for information technology workers even though they offered \$50K-\$60K a year. Those jobs may have become much more attractive after the bust.

Key Results

Of those who worked in the information industry in 1999, over 10,000 or 8 percent had disappeared from the covered employment in Washington completely by 2002. Many of these people represent lost skills and knowledge for the Washington workforce. Some of these people would have left their jobs even in the best of economic times, but under the best of times others would have taken their places to continue to build the stock of high tech skills in Washington.

Those workers who left the information industry in 1999, though, experienced



quite mixed fortunes. Almost half were able to become re-employed in the information industry in 2000. These re-employed workers had less staying power, though, with only 60 percent remaining in the information industry by the following year.

The information workers of 1999 had different fortunes as seen in their wage growth by 2002. About a third saw wage growth of over 50 percent while a second third either dropped out of covered employment or saw their wages decline by over 50 percent.

The potential gains of information industry jobs remain high. As high tech firms begin to come back, innovation will be at a premium. Highly skilled, highly paid workers tend to be very mobile workers. The next few years will reveal whether or not Washington has retained a critical mass of high tech workers so that new firms emerge and skilled workers are drawn to the state. (Full article is available on workforceexplorer.com.)

What kind of a follow-up article would be of interest?

1. Are students continuing to train for information industry jobs?
2. What has happened to start-up firms in information since the bust?
3. What has happened to workers over the downturn in another industry?
 - a. Manufacturing?
 - b. Aerospace?
 - c. Construction?
 - d. Another topic?

Send your ideas to the Labor Market and Economic Analysis Branch of the Employment Security Department at econquestions@esd.wa.gov.

How much money for every man, woman, and child?

An Overview of Washington's Per Capita Income

By Carolyn Cummins, Economic Analyst and Gary Kamimura, Policy Analyst

Per capita personal income is an oft-cited measure of economic performance and change. By dividing total personal income into total population it provides a basis for comparing otherwise disparate geographic and populated areas.

Washington's per capita income was \$32,661 in 2002, which translated into an over-the-year real gain of just 0.8 percent (\$244). Income figures in 2002 represented a recovery from a negative 0.8 percent hit in 2001, but were still about seven bucks short of real per capita income in 2000 (\$32,668). These flat income numbers went hand in hand with the economic downturn after years of robust growth in the second half of the

1990s. Despite the virtual holding pattern over the past couple of years, Washington's per capita income maintained a 6 percent advantage over the nation (\$30,832) in 2002.

The idling of per capita income in Washington is not historically unfounded. In a trend that generally follows the business cycle (depicted in graph below), Washington's real per capita income declined in 1970 and 1971, 1980 and 1982, 1993, and 2001. Over the 1962-2002 period, Washington's per capita income progressed in cyclical fashion at a real average annual rate of 2.2 percent. U.S. per capita income, by comparison, essentially

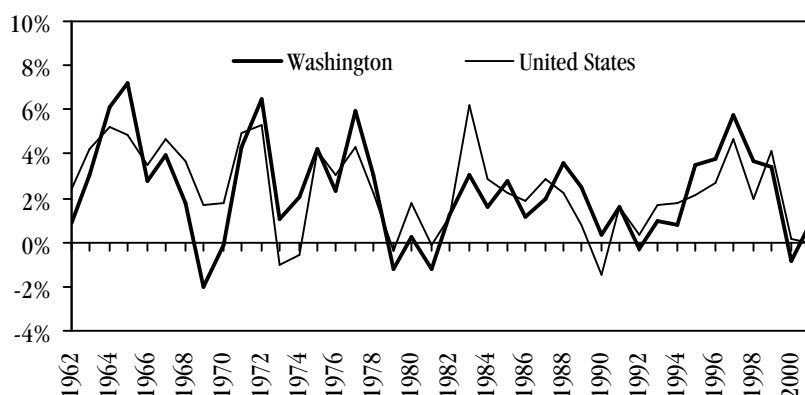
matched Washington's overall performance with 2.3 percent average annual real growth.

Washington continued to generate the highest per capita income in the northwestern United States in 2002. Alaska had the second highest per capita income in the region at \$31,792, including transfer payments to residents from the Alaska Permanent Fund (\$1,540 in 2002). Washingtonians enjoyed incomes over \$7,700 higher per capita than Montana, which had the lowest income in the northwest at \$24,906 (but the highest real growth for the year).

A regional view of Washington in terms of per capita income reveals rather distinctly the disparity that has come to be termed, the *Two Washingtons*. When viewed in absolute terms, the state's western, urban, metropolitan, and Puget Sound regions maintain a distinct advantage with regard to per capita income (see *regional per capita table*). For example, an averaging of the per capita incomes for the state's western, urban, metropolitan, and Puget Sound regions reveals a per capita income of \$29,036 compared to \$22,791 for the state's eastern, rural, non-metropolitan, and non-Puget Sound regions in 2001 (there is a one-year lag in the generation of sub-state data). That represents a \$6,200 gap. However, that gap actually narrowed down from \$11,000 in 2000 as personal income erosion was more pronounced in urban, metropolitan Washington than in rural, nonmetropolitan Washington.

In relative terms, it seems that the economic downturn impacted all of Washington's regions negatively in terms of real per capita income. However, there was stronger downward pressure on the state's urban areas (-2.0 percent) than in rural areas (-1.2 percent), and more so in the Puget Sound region (-1.6 percent) than the rest of the state (-1.3 percent).

**Annual Percent Change in Real Per Capita Personal Income
Washington and United States, 1963-2002**



Source: Bureau of Economic Analysis

**Regional Per Capita Income (Averages
of County Per Capita Income) Washington, 2000 and 2001**

	2000		2001	1999-2000	
	Current Dollars	Constant 2001 Dollars	Constant 2001 Dollars	Nominal Change	Real Change
Washington	\$31,605	\$32,688	\$31,976	1.2%	-2.2%
Eastern WA	\$21,534	\$22,272	\$21,880	1.6%	-1.8%
Western WA	\$26,581	\$27,492	\$27,207	2.4%	-1.0%
Non-Puget Sound	\$22,824	\$23,606	\$23,294	2.1%	-1.3%
Puget Sound	\$30,420	\$31,462	\$30,972	1.8%	-1.6%
Rural WA	\$22,525	\$23,297	\$23,027	2.2%	-1.2%
Urban WA	\$29,682	\$30,699	\$30,088	1.4%	-2.0%
Non-Metropolitan	\$22,515	\$23,287	\$22,963	2.1%	-1.3%
Metropolitan	\$27,318	\$28,254	\$27,879	2.0%	-1.4%

Source: Bureau of Economic Analysis

Stats-At-A-Glance

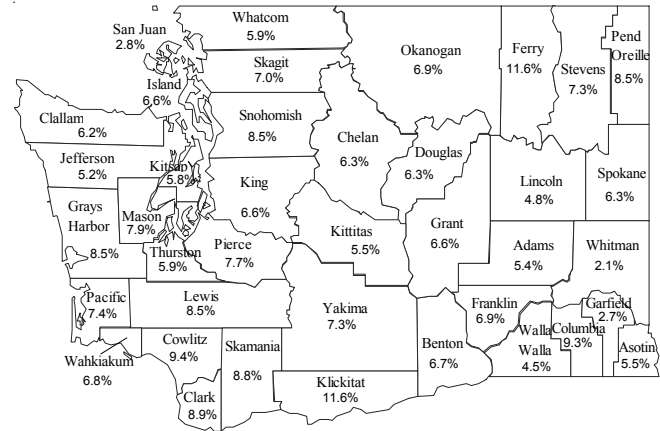
Resident Civilian Labor Force and Employment in Washington State

Unemployment Rates by County, September 2003

Washington State = 7.0%

United States = 5.8%

Not Seasonally Adjusted



(In Percentage)	September 2003 (Prel.)	August 2003 (Prel.)	September 2002 (Rev.)	August 2002 (Rev.)
Seasonally Adjusted Unemployment:				
Washington State	7.6%	7.6%	7.2%	7.2%
United States	6.1%	6.1%	5.7%	5.8%

Not Seasonally Adjusted: (In Thousands)				
Resident Civilian Labor Force	3,083.9	3,111.8	3,097.0	3,108.5
Employment	2,866.8	2,886.7	2,890.2	2,895.9
Unemployment	217.1	225.1	206.8	212.6
Percent of Labor Force	7.0%	7.2%	6.7%	6.8%

Resident Labor Force and Employment in Washington State and Labor Market Areas ^{1/}

Date: 10/14/03

Benchmark: 2002

Washington State
Employment Security Department
Labor Market and Economic Analysis

	September 2003 Preliminary				August 2003 Revised				September 2002 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	3,083,900	2,866,800	217,100	7.0	3,111,800	2,886,700	225,100	7.2	3,097,000	2,890,200	206,800	6.7
Bellingham MSA	84,200	79,200	5,000	5.9	88,100	83,000	5,200	5.9	83,800	79,000	4,800	5.7
Bremerton PMSA	99,300	93,500	5,800	5.8	101,300	95,400	5,900	5.8	99,300	93,400	5,900	6.0
Olympia PMSA	103,800	97,700	6,100	5.9	106,000	99,800	6,100	5.8	102,800	97,200	5,600	5.4
Seattle-Bellevue-Everett PMSA	1,370,300	1,273,400	96,900	7.1	1,389,300	1,292,000	97,300	7.0	1,384,800	1,292,500	92,300	6.7
King County 2/	1,001,400	935,500	65,900	6.6	1,016,200	949,200	67,000	6.6	1,014,400	949,600	64,800	6.4
Snohomish County 2/	341,100	312,000	29,100	8.5	344,900	316,600	28,300	8.2	342,500	316,700	25,800	7.5
Island County 2/	27,700	25,900	1,800	6.6	28,200	26,200	1,900	6.9	27,960	26,260	1,700	6.1
Spokane MSA	206,800	193,700	13,100	6.3	209,000	195,400	13,600	6.5	211,400	198,600	12,900	6.1
Tacoma PMSA	345,800	319,300	26,500	7.7	347,300	320,600	26,700	7.7	344,300	319,400	24,900	7.2
Tri-Cities MSA	104,700	97,700	7,000	6.7	104,100	97,000	7,100	6.8	102,900	97,300	5,600	5.5
Benton County 2/	79,700	74,400	5,300	6.7	79,300	73,900	5,400	6.8	78,400	74,100	4,300	5.4
Franklin County 2/	25,000	23,300	1,700	6.9	24,800	23,100	1,700	6.8	24,500	23,200	1,400	5.6
Yakima MSA	119,300	110,600	8,700	7.3	114,200	103,600	10,700	9.3	115,600	107,600	8,000	6.9
Adams	8,690	8,220	470	5.4	9,030	8,480	550	6.1	8,840	8,360	480	5.5
Asotin 2/	12,050	11,390	660	5.5	12,140	11,460	670	5.6	11,780	11,140	640	5.4
Chelan-Douglas LMA	56,980	53,370	3,610	6.3	54,360	49,630	4,730	8.7	58,970	55,700	3,280	5.6
Chelan County 2/	38,070	35,660	2,410	6.3	36,490	33,160	3,320	9.1	39,480	37,220	2,270	5.7
Douglas County 2/	18,910	17,710	1,200	6.3	17,870	16,460	1,410	7.9	19,490	18,480	1,010	5.2
Clallam	25,270	23,700	1,570	6.2	25,880	24,170	1,710	6.6	24,950	23,410	1,540	6.2
Clark 2/	182,600	166,400	16,200	8.9	182,900	165,100	17,800	9.7	183,600	167,600	16,000	8.7
Columbia	1,160	1,050	110	9.3	1,200	1,090	110	9.3	1,200	1,060	130	11.0
Cowlitz	38,910	35,240	3,670	9.4	39,530	35,680	3,850	9.7	40,500	36,380	4,120	10.2
Ferry	2,410	2,130	280	11.6	2,510	2,170	340	13.4	2,520	2,330	200	7.8
Garfield	1,180	1,150	30	2.7	1,280	1,250	30	2.5	1,200	1,150	50	4.1
Grant	41,570	38,830	2,740	6.6	41,300	38,230	3,070	7.4	40,420	37,970	2,450	6.1
Grays Harbor	26,240	24,020	2,220	8.5	26,590	24,310	2,280	8.6	26,080	23,870	2,210	8.5
Jefferson	11,910	11,280	630	5.2	12,070	11,430	640	5.3	11,730	11,060	680	5.8
Kititas	15,940	15,070	870	5.5	15,440	14,550	880	5.7	16,000	15,260	750	4.7
Klickitat	9,250	8,170	1,080	11.6	9,020	7,790	1,240	13.7	8,280	7,390	890	10.7
Lewis	28,450	26,040	2,410	8.5	29,030	26,530	2,500	8.6	28,820	26,540	2,280	7.9
Lincoln	4,940	4,700	240	4.8	5,190	4,950	240	4.6	4,880	4,660	230	4.7
Mason	19,650	18,090	1,560	7.9	19,890	18,360	1,530	7.7	19,240	17,880	1,370	7.1
Okanogan	20,370	18,970	1,400	6.9	19,500	17,880	1,610	8.3	21,650	20,260	1,390	6.4
Pacific	8,040	7,440	600	7.4	8,280	7,650	630	7.6	7,920	7,340	570	7.2
Pend Oreille	4,240	3,880	360	8.5	4,300	3,910	390	9.0	4,340	4,050	290	6.7
San Juan	7,350	7,140	210	2.8	8,060	7,850	210	2.6	7,170	6,950	220	3.1
Skagit	53,500	49,760	3,740	7.0	55,380	51,500	3,870	7.0	53,360	49,600	3,760	7.0
Skamania	3,750	3,420	330	8.8	4,000	3,630	380	9.4	3,930	3,580	350	9.0
Stevens	16,370	15,170	1,200	7.3	16,760	15,420	1,340	8.0	16,610	15,380	1,230	7.4
Wahkiakum	1,670	1,560	110	6.8	1,760	1,620	140	8.2	1,740	1,640	110	6.1
Walla Walla	27,130	25,900	1,230	4.5	27,740	26,450	1,290	4.6	26,550	25,380	1,180	4.4
Whitman	19,960	19,530	430	2.1	19,440	18,970	470	2.4	19,830	19,450	380	1.9

^{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.

Nonagricultural Wage & Salary Workers in Washington State, Place of Work ¹

In Thousands, Not Seasonally Adjusted					Numeric Change	
	September 2003 (Prel)	August 2003 (Rev)	September 2002 (Rev)	August 2002 (Rev)	Aug. 2003 to Sept. 2003	Sept. 2002 to Sept. 2003
Total Nonagricultural Wage & Salary Workers	2,668.0	2,657.2	2,676.1	2,661.2	10.8	-8.1
Natural Resources and Mining	9.3	9.4	9.7	9.7	-0.1	-0.4
Logging	6.4	6.4	6.5	6.6	0.0	-0.1
Construction	167.9	168.9	164.9	167.0	-1.0	3.0
Construction of Buildings	44.0	44.0	42.9	43.9	0.0	1.1
Heavy and Civil Engineering	21.9	21.7	22.0	22.1	0.2	-0.1
Specialty Trade Contractors	102.0	103.2	100.0	101.0	-1.2	2.0
Manufacturing	267.5	268.1	284.8	287.9	-0.6	-17.3
Durable Goods	180.1 2/	181.4	196.2	198.7	-1.3	-16.1
Wood Product Manufacturing	17.5	17.8	18.2	18.5	-0.3	-0.7
Fabricated Metal Products	16.3	16.4	17.3	17.4	-0.1	-1.0
Computer and Electronic Products	23.1	23.2	25.5	26.2	-0.1	-2.4
Transportation Equipment	73.8	74.6	83.8	85.1	-0.8	-10.0
Aerospace Products and Parts	62.3	63.4	72.9	73.8	-1.1	-10.6
Nondurable Goods	87.4	86.7	88.6	89.2	0.7	-1.2
Food Manufacturing	37.5 2/	36.7	37.7	38.3	0.8	-0.2
Wholesale Trade	116.1	116.2	116.4	116.4	-0.1	-0.3
Retail Trade	308.4	308.3	307.2	307.0	0.1	1.2
Motor Vehicle and Parts Dealers	41.5	41.6	41.5	41.7	-0.1	0.0
Food and Beverage Stores	59.8	59.8	62.9	63.1	0.0	-3.1
Clothing and Clothing Accessories Stores	23.6	24.4	24.3	24.9	-0.8	-0.7
General Merchandise Stores	54.0	53.5	49.1	48.3	0.5	4.9
Transportation, Warehousing, and Utilities	88.2	88.1	90.3	89.3	0.1	-2.1
Utilities	4.6	4.7	4.5	4.5	-0.1	0.1
Transportation and Warehousing	83.6	83.4	85.8	84.8	0.2	-2.2
Air Transportation	12.7	12.7	13.9	13.9	0.0	-1.2
Water Transportation	3.1	3.1	3.2	3.2	0.0	-0.1
Truck Transportation	22.2	22.1	22.9	23.3	0.1	-0.7
Support Activities for Transportation	16.1	16.5	15.8	15.7	-0.4	0.3
Support Activities for Water Transportation	5.2	5.5	4.5	4.4	-0.3	0.7
Warehousing and Storage	8.4	8.0	8.7	7.6	0.4	-0.3
Information	92.3	92.8	93.1	93.9	-0.5	-0.8
Software Publishers	38.0	38.1	36.2	36.5	-0.1	1.8
Telecommunications	26.7	26.5	28.6	28.8	0.2	-1.9
Financial Activities	153.7	154.1	147.0	147.4	-0.4	6.7
Finance and Insurance	104.5	104.5	99.0	99.2	0.0	5.5
Credit Intermediation and Related Activities	52.4	52.3	47.6	47.6	0.1	4.8
Insurance Carriers and Related Activities	40.7	40.8	39.5	39.5	-0.1	1.2
Real Estate and Rental Leasing	49.2	49.6	48.0	48.2	-0.4	1.2
Professional and Business Services	296.7	296.4	296.5	296.8	0.3	0.2
Professional, Scientific, and Technical Services	138.2	138.3	137.0	137.8	-0.1	1.2
Legal Services	20.8	20.9	20.6	20.8	-0.1	0.2
Architectural, Engineering, and Related Services	31.6	31.7	31.9	31.8	-0.1	-0.3
Computer Systems Design and Related Services	21.6	21.5	23.1	23.4	0.1	-1.5
Management of Companies and Enterprises	33.6	33.7	30.4	30.5	-0.1	3.2
Admin., Suppt. Svcs., Waste Mgmt., and Remediation	124.9	124.4	129.1	128.5	0.5	-4.2
Employment Services	43.1	42.2	45.5	44.1	0.9	-2.4
Education and Health Services	311.0	307.1	306.6	301.4	3.9	4.4
Educational Services	38.6	35.7	38.8	33.9	2.9	-0.2
Hospitals	63.0	62.8	62.5	62.5	0.2	0.5
Nursing and Residential Care Facilities	53.5	53.5	52.7	52.5	0.0	0.8
Social Assistance	45.5	44.4	44.9	44.4	1.1	0.6
Leisure and Hospitality	259.6	263.4	256.5	259.2	-3.8	3.1
Arts, Entertainment, and Recreation	46.0	46.4	45.4	44.7	-0.4	0.6
Accommodation	29.4	30.8	29.1	30.5	-1.4	0.3
Food Services and Drinking Places	184.2	186.2	182.0	184.0	-2.0	2.2
Government	497.2	483.3	504.1	485.0	13.9	-6.9
Federal	68.8	69.3	70.3	70.4	-0.5	-1.5
State	138.7	132.2	137.8	131.0	6.5	0.9
State Educational Services	72.2	64.8	71.0	63.7	7.4	1.2
Local	289.7	281.8	296.0	283.6	7.9	-6.3
Local Educational Services	134.6	128.5	136.9	125.5	6.1	-2.3
Workers in Labor-Management Disputes	0.2	0.0	0.0	0.0	0.2	0.2

¹Excludes 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. ²Workers excluded because of involvement in labor-management dispute.

What's New?

High Tech, Where Are They Now?

In the late 1990s thousands of workers upgrade their skills and stampeded into the high tech biz with dreams of stock options and early retirement. Then the bubble burst.

Read the entire article (excerpted in this edition's Special Feature) at www.workforceexplorer.com.

Of the 126,207 people who worked in Washington's information industry in 1999:

- In 2002, 50 percent were in the information industry, 24 percent had disappeared from covered employment, and 26 percent were working in another industry.
- Of those who went to another industry, most went to professional and technical services (7.4 percent) or administrative and waste management (6.8 percent).
- Between 1999 and 2002, these workers filed 28,768 claims for unemployment insurance.
- By 2002, a third had seen their wages increase by more than 50 percent, a third saw a change of less than 50 percent, and a third saw a decline of more than 50 percent or disappeared from covered employment.

New Article Examines Structural and Cyclical Impacts on Jobs

Will what is termed as the jobless recovery turn into a long-term weakening of the Washington job market? This article, also located at www.workforceexplorer.com, examines the relative influence of structural changes in the economy on employment in individual industries. The analysis finds that the recession of 2001 did not precipitate a fundamental structural shift in the state's economy; rather, industries that are primarily structural in nature have been slowly changing in importance for the economy over the 1990s and into the 21st century.

To view the entire report, point your browser to the "Economy" page at:

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Kirsta Glenn, Chief Economist
Carolyn Cummins, Economic Analyst
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Karen Thorson, Graphic Designer

For additional
labor market information
contact our

**Labor Market Information Center
(LMIC)**
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