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Washington Labor Market Quarterly Review

Volume 28, Number 4 October - December 2004

INDICATORS

UNEMPLOYMENT RATE

Washington (Seasonally Adjusted)

December (prel)	2004	5.8%
November (rev)	2004	5.7%
October	2004	5.6%

United States (Seasonally Adjusted)

December (prel)	2004	5.4%
November (rev)	2004	5.4%
October	2004	5.5%

Nonagricultural Employment
(in thousands)

October	2004	2,751.5
November	2004	2,759.5
December	2004	2,751.3

Nonagricultural Employment % Change

October	2003-2004	2.2%
November	2003-2004	2.5%
December	2003-2004	2.4%

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Ahead by a Nose

Current State Economic Conditions

By Scott Bailey, Regional Labor Economist

December wasn't a great month for job creation—about 2,900 new jobs on a seasonally-adjusted basis. But the gain was enough to push the current estimate of nonfarm employment above its previous peak by 800 jobs. Hiring in the fourth quarter totaled 14,800, slightly below the previous two quarters but enough to keep the recovery on track.

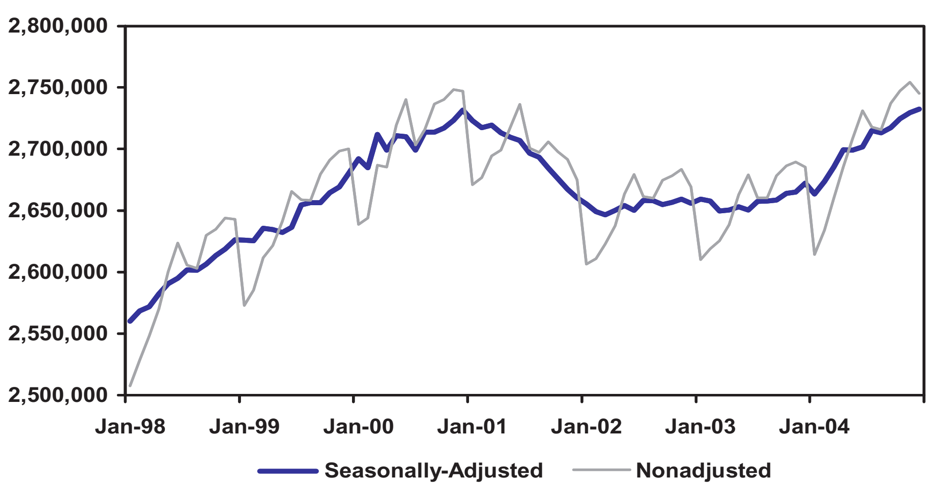
Nonfarm Employment by Industry (from the monthly survey of employers)

Unadjusted nonfarm employment rose 5,500 jobs in November, with seasonal hiring in retail trade and education, and seasonal layoffs in construction, food processing, and leisure and hospitality.

Seasonally-Adjusted Employment

November's preliminary estimate, which showed a gain of 3,200 jobs after seasonal adjustment, was revised upward to 5,000 jobs. In December, 2,900 jobs were added. Adding to payrolls: construction, with 900 new jobs, aerospace (+700), fruit and vegetable processing (+700), wholesale trade (+700), temp agencies (+800), and K-12 education (+1,000).

Nonfarm Employment Finally Tops Pre-Recession Peak



Source: Washington State Employment Security Department

Employment Security Department WASHINGTON STATE

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

Retail trade had a weak month (-1,400), but this loss will likely be offset in the next two months with fewer post-holiday layoffs. Local government outside of education declined by 1,100 jobs; in the aftermath of the election, layoffs were greater than usual because of the unusually large number of temporary workers hired leading up to the November election.

The annual growth rate over the past twelve months stood at 2.2 percent. Total nonfarm employment is now 800 above the pre-recession peak. Private sector employment outside of manufacturing is 42,000 above that benchmark, government is 24,000 jobs to the better, but factory payrolls are still 66,000 jobs short—and 100,000 under its all-time high in 1998 (all numbers adjusted for the shift of tribal employers from private to public sector in January 2001).

The hottest industries over the year: warehousing and storage, employment services, electronic wholesale markets, retail building supply stores, and private sector education services. In the deep freeze are aluminum refineries, fruit and vegetable processing, wired telecommunication carriers, paper products, and electronics.

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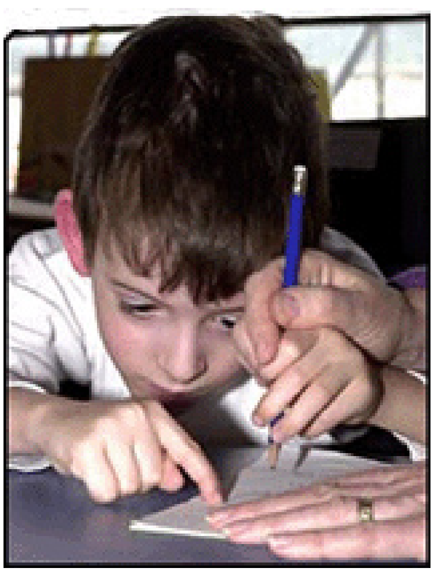
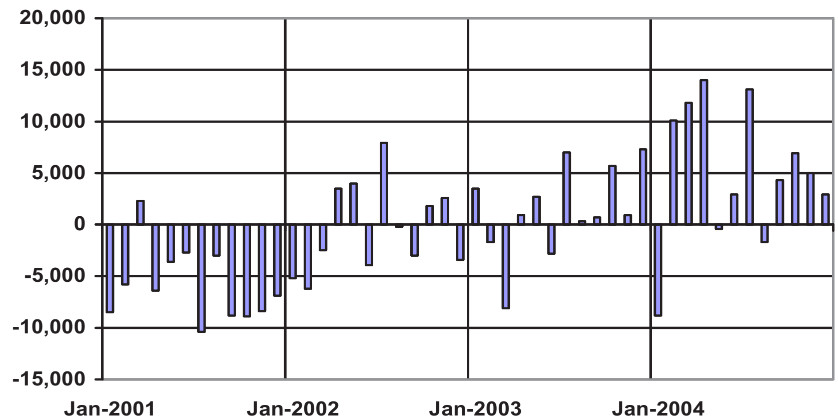


Four Consecutive Months of Seasonally-Adjusted Employment Gains



Source: Washington State Employment Security Department

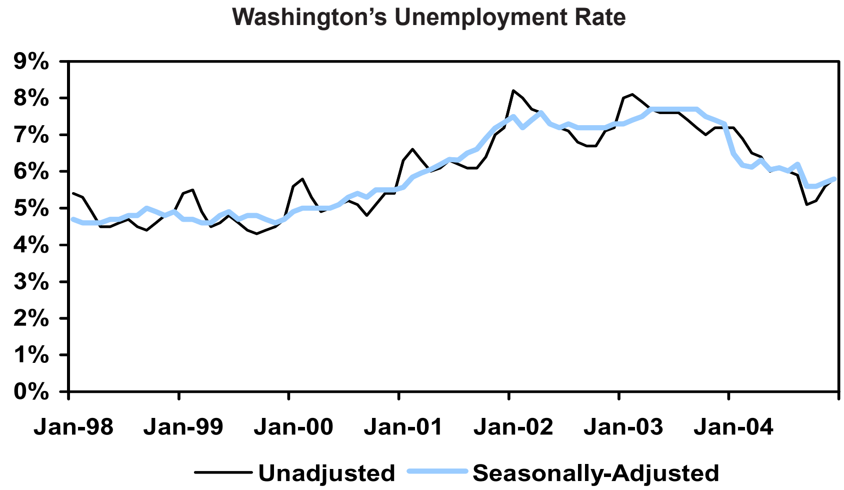
Change in Employment by Industry: Top Five and Bottom Five

Industry	December 2004 Jobs	Change over Year	Growth Rate
On the upswing…			
Warehousing and Storage	8,700	1,000	13.0%
Employment Services	47,700	4,100	9.4%
Electronic Markets and Agents and Brokers	10,500	900	9.4%
Building Material and Garden Supply Stores	27,900	2,200	8.6%
Education Services	45,500	3,300	7.8%
Heading down…			
Computer and Electronic Product Manufacturing	21,900	-800	-3.5%
Paper Manufacturing	12,200	-500	-3.9%
Wired Telecommunications Carriers	8,100	-600	-6.9%
Fruit and Vegetable Processing	10,100	-1,200	-10.6%
Aluminum Production	1,300	-600	-31.6%

Source: Washington State Employment Security Department

Unemployment (from the monthly survey of households)

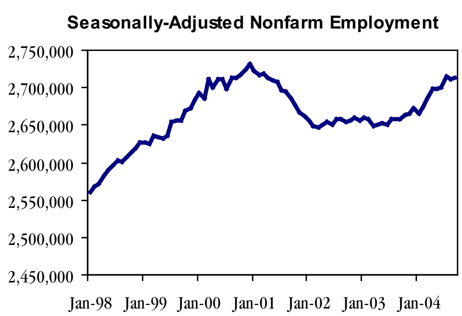
Washington's seasonally-adjusted unemployment rate was essentially unchanged at 5.8 percent in December. The estimated number of employed and unemployed both increased over the month.



Industry Summary

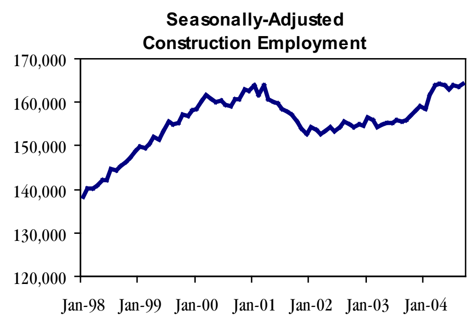
Washington's seasonally-adjusted nonfarm employment rose by 2,900 jobs in December, following an upwardly-revised 5,000 gain in November. Job growth over the past twelve months was at 2.2 percent.

Total employment is now 800 jobs above the pre-recession peak. However, total private sector employment is still 24,000 short.



Construction

Construction added 900 jobs in December, capping a big fourth quarter totaling 4,000 new jobs. Growth over the year reached 9,000 jobs, 6 percent above last December.

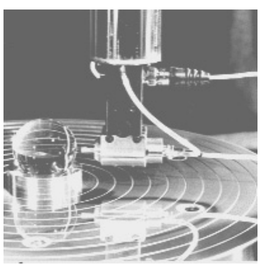


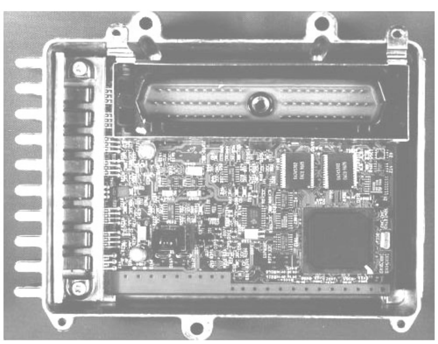
Manufacturing

Manufacturing payrolls surged by 1,100 jobs in December, the best month all year. The 2,400 jobs added in the past three months made it the best quarter since the end of 1997. Aerospace hired 700 workers in December and 2,100 during the quarter. Wood products rose by 200 for the month, and 400 for the quarter.

Washington's seasonally-adjusted nonfarm employment rose by 2,900 jobs in December, following an upwardly-revised 5,000 gain in November.

This year brought 4,000 new wholesale jobs, a 3.4 percent growth rate. The fastest growing segment was in business-to-business electronic markets.





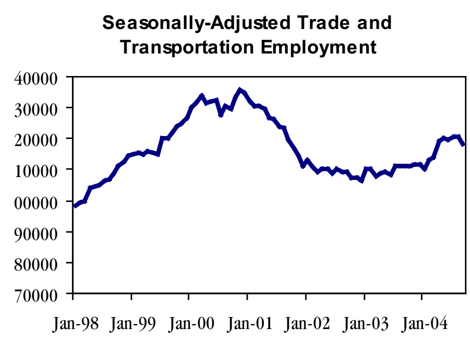
Fruit and vegetable processing, despite an increase of 700 jobs in December, lost 1,200 over the year.

Factories have added a net 400 jobs since last December. On the plus side: aerospace with 1,200, other transportation with 900, and wood products with 900. Declines were registered in aluminum smelting (-600), electronics (-800), and food processing (-1,400).

Trade, Transportation, and Utilities

Wholesale trade employment rose by a whopping 700 jobs in December, bringing the fourth quarter total to 1,200 jobs. This year brought 4,000 new wholesale jobs, a 3.4 percent growth rate. The fastest growing segment was in business-to-business electronic markets.

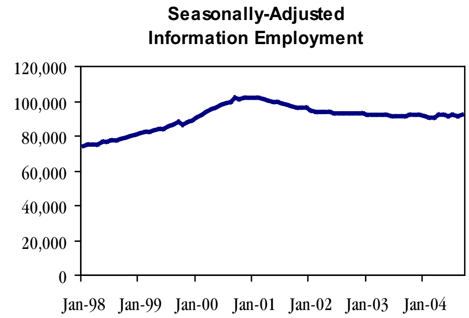
Retail trade payrolls dipped by 1,400 jobs in December, as hiring at general merchandise stores fell well below the usual seasonal trend. Employment growth for the past twelve months fell to 4,000 jobs, or 1.3 percent. Half of the new jobs were in building supply stores.



Transportation employment slipped by 200 jobs in December, but still increased by 600 in the quarter and 3,700 over the year, for a 4.2 percent growth rate. Warehousing and storage, trucking, and support activities for transportation have provided the bulk of new jobs.

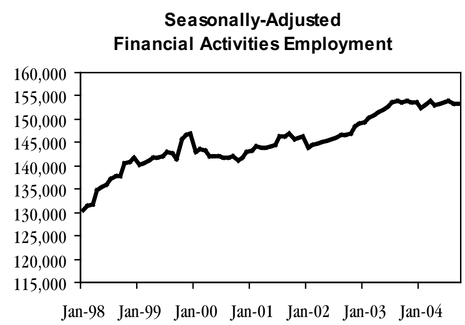
Information

Information employment inched up by 100 jobs to 93,400 in December. This sector added few jobs over the quarter, and only 1,100 in 2004, a 1.2 percent growth rate. Software added 1,500 jobs since last December, but telecom declined by 1,300.



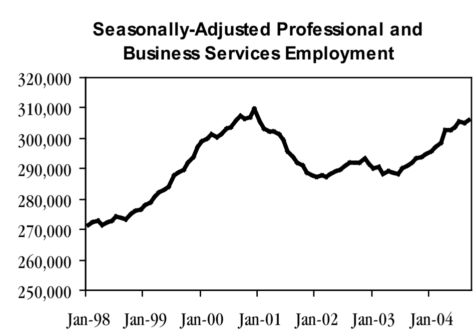
Financial Activities

Growth in financial activities picked up in the fourth quarter: 600 jobs were added in December, and 2,200 in the past three months, more than the net 1,900 for the past year. Real estate, rentals, and leasing gained 1,500 jobs in the quarter, accounting for all net gain over the year.



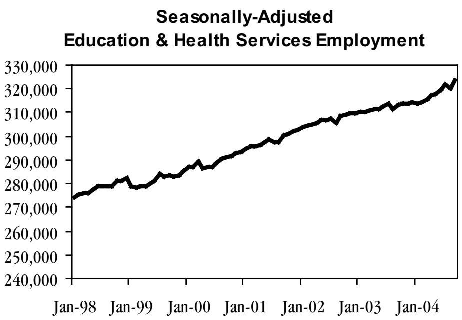
Professional and Business Services

Professional and business services continued to roll up big numbers, creating another 1,000 jobs in December, bringing the quarterly total to 3,500. Since last December, the sector has grown by 14,300 jobs or 4.9 percent. Professional, scientific, and technical services slipped by 200 over the month but has added 4,300 jobs over the year, for a 3.4 percent growth rate. Temp agencies hired 800 more workers in December, and 2,700 in the fourth quarter. Other administrative services expanded by 400 jobs over the month, and 4,400 over the year.



Education and Health Services

Education and health services added 400 jobs in December to bring quarterly job growth to zero. Still, this sector expanded enough in the first three quarters to end the year with 8,700 more jobs, a 2.8 percent growth rate. Growth was fastest in education, and slowest at hospitals and residential care facilities.



Leisure and Hospitality

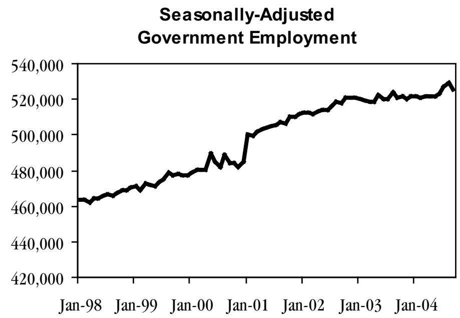
Leisure and hospitality, which ran hot from June through October, cooled considerably in November and slid by another 400 jobs in December. Still, growth for the year reached 7,200 jobs or 2.9 percent. Accommodations added 1,500 jobs over the quarter, more than any quarter in the past 15 years (as far back as there is data).

Other Services

Other services such as repair services, personal services, and membership associations added 40 jobs in December, to maintain a moderate growth rate of 2 percent over the year (2,000 jobs).

Government

Government employment fell by 300 jobs in December. Federal job levels were down 200, while K-12 education added 1,000 jobs. Other local government dropped by 1,100 jobs after the unusually high building of election workers in October and November.



Over the year, public sector payrolls have grown by only 0.7 percent, with most of the growth in public education.

National Outlook

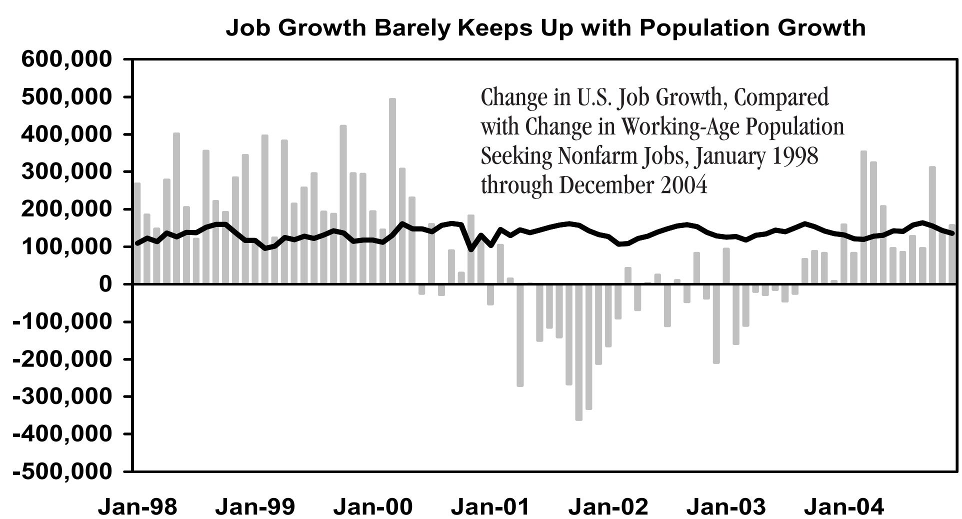
By Scott Bailey, Regional Labor Economist

Labor Stable, Trade Not

The nation's labor market, while improved over the third quarter of the year, continued to be in a holding pattern in the fourth quarter of 2004. The unemployment rate was basically unchanged at 5.4 percent, while nonfarm employment, after an encouraging October, slowed in November and December, barely keeping up with population growth. The preliminary tally put job growth at 2.2 million in 2004, the best since 1999—but that wasn't saying much. It took three years for the economy to start creating jobs after the 2001 recession. In contrast, the first year after the 1982 recession brought 3.5 million jobs, and after the 1991 recession, over a million jobs were created in 1992, 2.8 million in 1993, and 3.9 million in 1994. Only 76,000 of the 3 million+ manufacturing jobs returned in 2004—none of them, on a net basis, after May.

If manufacturing was cold, some other sectors were hot, notably: oil and gas extraction (+7 percent), coal mining (+8 percent), construction (+4 percent), building material stores (+4 percent), warehousing (+5 percent), internet publishing (+21 percent), computer systems design (+5 percent), temp agencies (+9 percent), and home health care (+5 percent).

Nonfarm employment is currently 1.7 percent above December 2003. Global Insight, the state's forecasting consultant, expects similar growth through 2005, with the unemployment rate falling by two tenths of a percentage point. Look for further depreciation of the U.S. dollar, with resultant inflation pressures as the price of imports rises, and thus higher interest rates, as the Fed acts to maintain price stability. Production, as measured by GDP, will be solid but not spectacular, advancing by 3.0 to 3.5 percent.



Source: U.S. Bureau of Labor Statistics, with calculations by Employment Security Department

The trade deficit will not improve until the U.S. starts saving more and consuming less. Put another way, the economy has to grow faster than consumption.

October's Imbalance Nearly a Record

U.S. TRADE DEFICIT

By Martin Crutsinger
The Associated Press

Exchange Rates and Trade Deficits

Economic textbooks proclaim that a decline in the value of a nation's currency will lead to an improvement in its trade balance. Imports will become more expensive, so people will buy fewer of them, while exports will become cheaper, so foreigners will buy more. Domestic producers that compete with foreigners become more competitive due to the price break. Of course, the textbooks never say how long the adjustment will take; and you have to read the advanced book to find out about the price elasticity of demand. That's a two-bit phrase for a simple concept: if the price of a good or service changes, how will consumers react?

Take for example, oil. With the price of oil shooting up, we'd expect consumption of oil to decline. The question is, by how much, and the answer, it turns out, is not very much at all. In fact, just the opposite. From November 2003 to November 2004, the price of imported oil rose 55 percent, while the number of barrels imported increased by 12 percent. As a result, the number of dollars flowing overseas to purchase that oil increased from $7.7 billion to $13.4 billion.

Applying this lesson to the U.S. trade deficit, the value of the good old dollar compared to the currencies of our trading partners has dropped substantially of late—by a trade-weighted 16 percent since February of 2002. And yet, our trade deficit has gotten larger, growing from $32.6 billion per month to $55.5 billion. With our economy growing faster than many of our trading partners, and with exceedingly low interest rates and plentiful credit, we can continue to buy more imports. But part of the story is that there are no easy domestic substitutes for many of the goods we import, and so as exchange rates slide, our trade balance worsens.

Another part of the story is that China, our number one supplier of imports, pegs its currency (the renminbi) to the dollar, so there has been no change in the exchange rate. Some observers believe that their currency is undervalued by as much as 40 percent compared to the dollar. An adjustment would help some U.S. exporters who compete with the Chinese—for example, in high technology, the U.S. is currently running a trade deficit. But does anyone really think that toy manufacturing would return to America if the renminbi were allowed to float?

The trade deficit will not improve until the U.S. starts saving more and consuming less. Put another way, the economy has to grow faster than consumption. Global Insight, predicts that this will occur slowly over the next few years, but they don't indicate how or why consumption would slow, given our penchant for spending faster than we earn. Robert Reich, former Secretary of Labor, has recently proposed an elegantly simple solution to both the trade deficit and the Social Security shortfall. First, waive the social security tax on the first $10,000 of earnings, as long as the tax payment amount is diverted into investment (e.g. some kind of IRA). Second, raise the ceiling on the amount of taxable earnings for Social Security in order to cover both the costs of the savings waiver and the amount of the shortfall. Currently, the first $90,000 of earnings is taxed, making the social security tax fairly regressive (lower income persons pay a higher percentage of their income to the tax than higher income persons).

Of course, investing in renewable energy production would reap benefits, as well, in terms of lowering the trade deficit and also climate control. But that's another story.

Business Briefs

By Dave Wallace, Economic Analyst

'Tis the Season for Rising Profits?

With the economic recovery now firmly beyond the "jobless" phase, there were high hopes for a strong holiday season for the retail sector. However, expectations had been somewhat scaled back to something along the lines of a "good, but not great" holiday season. Despite the relatively solid state of the economy, high energy and health care costs coupled with lackluster income growth have dampened the expected outlook. The National Retail Federation had forecasted an increase in the value of holiday purchases of 4.5 percent.

Even this moderated forecast might prove optimistic. Sales the weekend before Christmas were down by 3.3 percent from the previous year. Sellers of luxury items have fared better than mid-range items, which are more directly impacted by rising costs. Another suspected cause of lower than expected sales have been the increasing use of gift cards and online shopping.

Seeking Part-time Work as an Elf?

Not surprisingly, retailer's expectations have affected their seasonal hiring plans. That, in addition to what is still a fairly loose labor market, has made the job of finding seasonal work more difficult than is usual. Most firms do their holiday hiring in October and according to the International Council of Shopping Centers, numbers were just slightly higher in 2004 than in 2003.

Washington's employment picture has improved somewhat in the last few months of 2004. The retail industry saw an employment rise of 4.4 percent in November from the previous year and an 8.5 percent jump from the month prior.

Amazon Positioned to Take Advantage

According to a survey by Harris Interactive, on-line spending from November 1 to December 12 of this year was up by 28 percent compared to last year. This trend of holiday shoppers choosing to stay at home and do their shopping via computer helps some retailers, just as it has hurt others.

As the recognized worldwide leader in online retailing, Seattle-based Amazon.com was in position to take advantage of this. The company announced that this holiday season was its busiest ever and the first one in which consumer electronics outpaced book sales. Amazon.com has over 8,000 permanent employees and hires for many more seasonal positions throughout the U.S. The firm has a Washington location in Tacoma in addition to its headquarters in Seattle.

Industry Focus: Aerospace

By Alex Roubinchtein, Economic Analyst

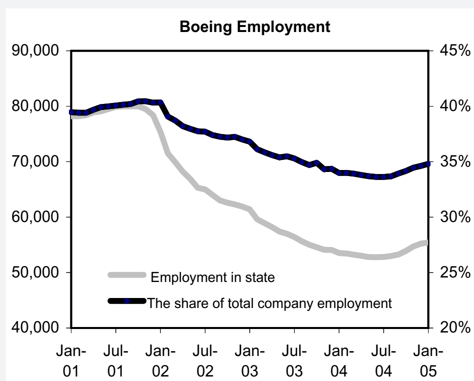
Cyclical Comeback with Hopes to Slow Structural Declining

On September 18, 2001, Boeing announced that it would lay off 20,000 to 30,000 of its commercial airplane workers. It was expected that a majority of the cuts would come in the Puget Sound region.

By that time, the company had already shed 24,000 jobs from the peak employment in June 1998 (numbers include subsidiaries and contingent labor).

Starting in November 2001, Boeing employment in Washington fell each month until July 2004. The reduction of employment in our state was much steeper than the total of company employment. As a result, Washington's share of total employment decreased by more than one-fifth (from 40.4 percent to 33.6 percent). Starting in July the Boeing employment in Washington and Washington's share of total company employment are coming back. By January 2005 the Washington's share of total company employment increased by 1.2 percentage points.

The chart represents the recent absolute and relative changes in Boeing employment in Washington state.



Industry Outlook and Conclusions

The latest 10 years, long-term industry employment forecast calls for nearly flat aerospace employment based on a 2002 baseline. Considering the loss of more than 14,000 jobs in the industry from its annual average in 2002 through the second quarter of 2004, this is quite significant.

Most forecasts do not predict that aerospace employment numbers will rebound to the 112,000 level reached in 1998, or even the much more modest annual level of 2000, which was 86,200. The optimistic expectations are limited to an employment rebound of not more than one third of the current level. That rebound could be considered as somewhere near the statistical limit, as one-third of the decline was associated with cyclical factors. More realistic predictions put future peak employment in a range of 75,000-78,000.

The aerospace industry remains a major part of the state's economy and it will also continue to play an important role in the national economy. Further structural declines in employment will probably be limited. At the national level, the industry will play an important role in long-term opportunities for economic growth and in maintaining the technological advantage of the U.S. economy. Avoiding a further significant decline in the industry is also important from the perspective of economic security.

The real threat for the state could be the redistribution of production to other states or nations.

To see a complete report, please go to the home page of www.workforceexplorer.com and click on "Washington Manufacturing Research Project" and scroll down to "Aerospace Products and Parts."

Occupational Focus: What in the World is a Millwright and How Do I Become One?

By David Wallace, Economic Analyst

Most occupations have titles that are self-explanatory or at least we have a degree of familiarity that allows us to understand the type of work involved. However, as someone who writes about occupations, I must admit to only having a vague idea about what a millwright is. My curiosity was piqued in hearing about how logging firms were having a hard time filling these high paying positions (ranging from an average entry wage of $16.89 per hour to $24.88 per hour for experienced workers in 2003). This particularly stood out in a period of declining share of employment for manufacturing industries.

According to the (4th Edition) American Heritage Dictionary, *wright* is an old English word meaning a person who constructs or repairs something. Logically it follows that a millwright would construct or repair mills or mill machinery.

The basic duties of a millwright are to assemble and fix machinery used in a variety of industries. In Washington State it is estimated that just under one-quarter of millwrights work in pulp, paper, and paperboard mills. An additional 13 percent work in the sawmill and wood preservation industry, making the timber and wood industry the most likely sector for finding work in this occupation. The building equipment contractors and nonresidential building construction industries are also significant employers of millwrights.

Millwrights typically work in a shop setting, though some positions may require outside work. Specific duties include assembling of new machinery received as well as repair of any existing machinery. Millwrights must consult on optimal placement, be able to read blueprints, and effectively use precision measuring equipment. Four years of on-the-job training is typical for millwrights, but there are also vocational training programs available.

There were an estimated 1,870 millwrights in Washington in 2002, a figure projected to climb to 1,958 by 2012. This would amount to an annual employment growth of 0.5 percent on average and openings of 50 to 60 per year.

Estimated Employment 2002	Estimated Employment 2012	Avg. Annual Growth 2002-2012	Average Annual Total Openings 2002-2007	Average Annual Total Openings 2007-2012	Mean Wage 2003	Mean Entry Wage 2003	Mean Experienced Wage 2003
1,870	1,958	0.5%	50	60	$22.22	$16.89	$24.88

Across the State

A First Peek at the Year 2004

By Scott Bailey, Regional Labor Economist

The state had its best year for job growth since 1999. But just where was the growth, geographically? Broadly speaking, we have a pretty good idea. It was a good year for rural counties, a better year for urban counties outside of Seattle, and a slow year for the biggest metro area in the state. If we want a more detailed picture, we can try to track growth at the sector level; however, for some sectors there is insufficient published data, so there are some holes in our understanding.

December to December Total Job Growth

Most counties finished the year in relatively good shape. When it came to nonfarm employment, a dozen labor market areas had grown by more than 3 percent since December of 2003, and thirteen more were above 2 percent. San Juan expanded at an even 5 percent, Skagit at 4.4 percent, Ferry at 4.3. Only two counties, Cowlitz and Walla Walla, showed a loss over the year. Rural counties (2.3 percent) outgunned their urban counterparts (2.1 percent); but metro areas outside of Seattle grew at 2.9 percent. Seattle lagged the state at 0.9 percent.

Construction

Statewide, construction expanded at a 6 percent clip over the past 12 months. Eleven labor markets have experienced growth at or above 8 percent, as shown in the table, while only Grays Harbor has had an over-the-year decline. Rural counties averaged 5.8 percent, while urban areas outside of Seattle were at 6.4 percent. Seattle still had rapid growth at 4.4 percent.

Change in Construction Employment, Selected Labor Markets

December 2003 to December 2004

County	Dec. 2003	Dec. 2004	Chg.	Growth
Adams	100	130	30	30%
Ferry	230	270	40	17%
Whitman	360	410	50	14%
Kittitas	880	980	100	11%
Island	1,160	1,270	110	9%
Jefferson	770	840	70	9%
Tacoma	18,000	19,600	1,600	9%
Olympia	4,500	4,900	400	9%
Lewis	2,300	2,500	200	9%
Wenatchee	2,210	2,400	190	9%
Bellingham	6,200	6,700	500	8%

Across the State *(continued)*

Manufacturing

The state has added a scant 400 factory jobs this past year (0.2 percent growth). About half of the labor markets around the state are reporting an over-the-year gain, including nine with growth rates of 2 percent or more. A half dozen show no change, and nine have lost ground, with the extremes shown in the table below. Within manufacturing, aerospace, other transportation equipment, and wood products have added the most jobs statewide. We know that 900 of the 1,200 new aerospace jobs are in Seattle, but there isn't enough detail at the county level to pinpoint gains in the other two industries. Rural counties, overall, broke even for the year, while metro areas grew at less than 1 percent, and slightly faster outside of Seattle.

Change in Manufacturing Employment, Selected Labor Markets

December 2003 to December 2004

County	Dec. 2003	Dec. 2004	Chg.	Growth
On the plus side…				
Okanogan	180	210	30	17%
Island	640	710	70	11%
Whitman	880	970	90	10%
Wenatchee	2,100	2,240	140	7%
Jefferson	740	780	40	5%
Clallam	1,160	1,200	40	3%
Clark	13,200	13,600	400	3%
Skagit	5,280	5,420	140	3%
Tacoma	18,600	19,000	400	2%
And on the other hand…				
Cowlitz	7,190	7,080	-110	-2%
Bellingham	8,300	8,100	-200	-2%
Klickitat	360	350	-10	-3%
Pacific	1,040	1,000	-40	-4%
Walla Walla	3,720	3,540	-180	-5%
Pend Oreille	370	310	-60	-16%

Much of the 800 jobs lost in electronics can be pegged to Seattle (-300), Spokane (-100) and Clark (-100). The 2,100 decline in nondurable goods—including 1,400 in food processing—cannot be geographically specified at this time.

Trade, Transportation, and Utilities

Statewide, this sector has expanded by 2.1 percent in the past twelve months, with faster growth in wholesale trade (3.5 percent) and transportation and warehousing (4.0 percent) and a slower change of pace in retail trade (1.1 percent). Ten labor markets have had brisk growth in this sector, and the local trends tended to follow the state pattern of slower growth in retail trade. Six labor markets lost jobs over the year, but with the exception of Cowlitz (-130 jobs) the declines were only 10 to 20 jobs. Urban counties grew at a slightly faster rate than rural counties.

Change in Trade, Transportation, and Utilities Employment, Selected Labor Markets

December 2003 to December 2004

County	Dec. 2003	Dec. 2004	Chg.	Growth
Olympia	14,900	15,900	1,000	7%
Skagit	9,050	9,630	580	6%
Bellingham	14,600	15,500	900	6%
Okanogan	2,200	2,330	130	6%
San Juan	870	920	50	6%
Mason	2,140	2,260	120	6%
Jefferson	1,340	1,410	70	5%
Grays Harbor	4,310	4,530	220	5%
Wenatchee	8,450	8,840	390	5%
Bremerton	13,400	14,000	600	4%

Information

Information employment is heavily concentrated in King County. This sector has added 1,100 jobs over the year. The Seattle metro area is showing a gain of 1,600 jobs, while Tacoma has lost 200, Spokane 100, and the Tri-Cities another 70; Clark information jobs are unchanged in number. This is one of the few sectors where Seattle is doing better than the rest of the state.

Financial Activities

Financial activities (banking, securities, insurance, real estate, rental and leasing) are up 1,800 jobs or 1 percent statewide. Metro areas that publish job totals separately for this sector have all been doing fairly well, with the exception of Seattle and Spokane.

Professional and Business Services

Only eight labor market areas publish estimates for this sector, which has grown by 14,400 jobs, or 5 percent, statewide. Four metro areas account for 70 percent of the new jobs.

Education and Health Services

A similarly small number of areas offer current estimates in education and health services. Statewide, the sector added 9,000 in 2004, a 3 percent rate of growth. While the counties listed account for a majority of the job growth statewide, all are at or below the state growth rate. A large portion of the state's growth in this sector is taking place in other, unidentifiable areas.

Change in Education and Health Services Employment, Selected Labor Markets

December 2003 to December 2004

County	Dec. 2003	Dec. 2004	Chg.	Growth
Spokane	32,800	33,700	900	3%
Tri-Cities	8,500	8,700	200	2%
Seattle	138,700	141,800	3,100	2%
Clark	14,800	15,100	300	2%
Tacoma	38,600	39,200	600	2%
Cowlitz	4,810	4,850	40	1%

Leisure and Hospitality

Leisure and hospitality has had better than average growth this past year, with 7,000 new jobs and 3 percent growth rate. Much of that growth has taken place in the six metro areas that publish data for the sector—job creation has been especially robust in Tacoma, where the sector expanded by 7 percent.

Government

Outside of manufacturing, the state's slowest-growing sector has been government. Public sector employment is published for all labor markets of the state. Some labor markets have enjoyed a relatively rapid increase in government payrolls, mostly in rural areas. Three labor markets have experienced substantial declines: Seattle, Walla Walla, and Lewis. Growth for rural counties is about the same as that for urban areas outside of Seattle.

Special Feature

Educational Attainment and the U.S. Labor Market: Winners and Losers

By Dean Schau, Regional Labor Economist

Human Capital

The philosophy instructor and nascent economist Adam Smith stated several centuries ago that the wealth of a nation was not its possession of gold, but rather its human capital—human capital being the education and skills of the nation's labor force. He also noted in the same book, that the standard of living for the working class in the American colonies was considerably higher than that of the British Empire, where he lived.

In the new world, labor was scarce and resources abundant. In England, the opposite was true. So, in the New World, entrepreneurs were encouraged by the market system to substitute capital for labor. This improved worker productivity, and with it came much better pay. Because of the higher wages, American entrepreneurs were always looking for means of substituting capital for labor.

The best years for blue-collar manual workers may have been in the 1950s or 1960s, when basic jobs in American factories provided good benefits, and incomes. Much has changed since then. America is still a huge producer of manufactured goods, but manufacturing has gone the way of American farming, lots of capital and fewer workers. If an American production facility could not reduce its cost by reducing its labor, it could move its production overseas.

In 1960, one in every four jobs in the state of Washington was in manufacturing. Today, that ratio is one in every eight, and the downward trend continues. Over this same period of time, the percentage of jobs in the service sector has doubled. Fortunately, it is much more difficult to export service jobs overseas.

Lesser Educated Getting Lesser Pay

Having a solid education has clearly paid out in a knowledge-based economy. For men with less than a ninth grade education, the loss in real median income has been considerable, going from $23,569 in 1990 to $21,361 in 2001. This was a loss of 9.4 percent. For their female counterparts, the loss was negligible, but they were already at the bottom and remained so over the same period of time. In percentage terms, they did gain relative to males. In 1990, women with less than a ninth grade education earned 70.4 percent relative to the undereducated males. By 2001, this had improved to 78.1 percent.

It is apparent now, more than ever, that the path to economic success in America is through education. As former Secretary of Labor Robert Reich noted in an article titled "The Fracturing of the Middle Class" in 1973, a male college graduate earned 40 percent more than a male with just a high school diploma. By 2001, the gap had widened to 86 percent. He also noted that heightened international competition, along with rapid technological change, largely accounts for the plunge in real hourly wages for high school dropouts.

In summary, the days when one could drop out of high school and find a good job are long gone. They are replaced with very good employment prospects for those who have highly needed human capital skills. With the baby boomers bound for retirement in the next decade or so, the U.S. economy will need as many college graduates as possible, both men and women.

Median Real Constant Dollar Annual Income of Year-Round, Full-Time Workers 25 Years Old and Over, by Highest Level of Education Attainment and Sex: 1990 to 2001

Sex	Total	Less than 9th grade	Some high school, no completion	High school completion (included equivalency)	Some college, no degree	Associate's degree
Men						
1990	$41,644	$23,569	$28,322	$36,115	$43,000	$43,972[1/]
2001	$41,617	$21,361	$26,209	$34,723	$41,045	$42,776
%Change	99.90%	90.60%	92.50%	96.10%	95.50%	97.30%
Women						
1990	$28,959	$16,600	$19,551	$24,822	$30,118	$32,507
2001	$31,356	$16,691	$19,156	$25,303	$30,418	$32,153
%Change	108.30%	100.50%	98.00%	101.90%	101.00%	98.90%

	Bachelor's Degree or Higher				
	Total	Bachelor's	Master's	Professional	Doctorate
Men					
1990	$57,820	$53,168	$64,669[1/]	$96,217[1/]	$74,360[1/]
2001	$62,223	$55,929	$70,899	$100,000	$86,965
%Change	107.60%	105.20%	109.60%	103.90%	117.00%
Women					
1990	$41,161	$37,963	$45,444[1/]	$60,778[1/]	$56,307[1/]
2001	$44,776	$40,994	$50,669	$61,748	$62,123
%Change	108.80%	108.00%	111.50%	101.60%	110.30%

1/Data for the year 1991 was used.

Fourth Quarter Stats-At-A-Glance

Monthly Resident Civilian Labor Force and Employment in Washington State

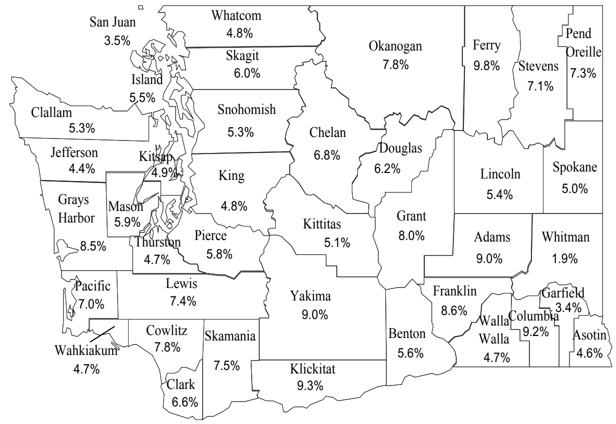
(In Thousands)	October 2004 (Rev)	November 2004 (Rev)	December 2004 (Prel)
Seasonally Adjusted Unemployment:			
Washington State	5.6%	5.7%	5.8%
United States	5.5%	5.4%	5.4%
Not Seasonally Adjusted:			
Resident Civilian Labor Force	3,228.3	3,226.4	3,261.9
Employment	3,060.9	3,045.2	3,072.5
Unemployment	167.4	181.2	189.4
Percent of Labor Force	5.2%	5.6%	5.8%

Average Unemployment Rates by County October, November, and December 2004

Washington State = 5.5%

United States = 5.1%

Not Seasonally Adjusted



Civilian Labor Force Estimates for Washington State Counties and MSAs[1/]

Washington State
Employment Security Department
Labor Market and Economic Analysis

Benchmark: March 2003

Not Seasonally Adjusted	October 2004 Revised Labor Force	Employ-ment	Unemploy-ment	Unemploy-ment Rate	November 2004 Revised Labor Force	Employ-ment	Unemploy-ment	Unemploy-ment Rate	December 2004 Preliminary Labor Force	Employ-ment	Unemploy-ment	Unemploy-ment Rate
Washington State Total	3,228,300	3,060,900	167,400	5.2	3,226,400	3,045,200	181,200	5.6	3,261,900	3,072,500	189,400	5.8
Bellingham MSA	93,400	89,000	4,300	4.6	94,800	90,300	4,500	4.7	96,800	92,000	4,800	4.9
Bremerton PMSA	106,300	101,100	5,300	4.9	108,000	102,600	5,300	4.9	109,200	103,800	5,400	4.9
Olympia PMSA	113,500	108,300	5,200	4.6	114,700	109,300	5,400	4.7	116,700	111,300	5,500	4.7
Seattle-Bellevue-Everett PMSA	1,417,700	1,347,100	70,600	5.0	1,433,300	1,361,700	71,600	5.0	1,448,200	1,377,900	70,400	4.9
King County 2/	1,038,500	987,800	50,700	4.9	1,049,700	998,500	51,200	4.9	1,059,700	1,010,400	49,300	4.7
Snohomish County 2/	350,100	331,900	18,200	5.2	354,400	335,500	18,900	5.3	359,000	339,500	19,500	5.4
Island County 2/	29,000	27,400	1,600	5.7	29,300	27,700	1,600	5.5	29,600	28,000	1,600	5.3
Spokane MSA	222,700	212,700	10,100	4.5	225,600	214,600	11,000	4.9	229,100	216,400	12,700	5.6
Tacoma PMSA	367,900	346,600	21,300	5.8	372,300	350,500	21,900	5.9	376,700	355,000	21,700	5.7
Tri-Cities MSA	108,900	103,200	5,700	5.2	105,200	98,300	6,900	6.6	105,900	98,300	7,700	7.3
Benton County 2/	82,600	78,500	4,100	5.0	79,200	74,700	4,500	5.7	79,500	74,700	4,800	6.0
Franklin County 2/	26,300	24,700	1,500	5.9	26,000	23,600	2,400	9.4	26,400	23,500	2,900	10.9
Yakima MSA	117,800	110,700	7,100	6.0	108,200	97,500	10,700	9.9	110,100	97,700	12,400	11.3
Adams	9,280	8,870	400	4.3	7,670	6,840	820	10.7	7,530	6,550	980	13.0
Asotin 2/	12,260	11,720	540	4.4	12,350	11,770	580	4.7	12,510	11,910	600	4.8
Chelan-Douglas LMA	58,850	56,040	2,810	4.8	53,140	49,320	3,820	7.2	52,860	48,590	4,260	8.1
Chelan County 2/	39,190	37,270	1,930	4.9	35,440	32,800	2,640	7.5	35,240	32,320	2,930	8.3
Douglas County 2/	19,650	18,770	880	4.5	17,700	16,520	1,170	6.6	17,620	16,280	1,340	7.6
Clallam	26,390	25,150	1,250	4.7	26,570	25,160	1,410	5.3	26,960	25,360	1,600	5.9
Clark 2/	185,900	174,000	11,900	6.4	187,600	175,600	12,000	6.4	192,700	179,500	13,200	6.9
Columbia	1,130	1,040	80	7.5	1,110	1,010	100	8.9	1,230	1,090	140	11.2
Cowlitz	40,320	37,380	2,940	7.3	40,680	37,450	3,230	7.9	41,030	37,650	3,390	8.2
Ferry	2,530	2,320	200	8.0	2,540	2,290	250	9.8	2,570	2,280	300	11.5
Garfield	1,190	1,170	20	1.9	1,200	1,150	50	4.1	1,190	1,140	50	4.4
Grant	43,870	41,580	2,290	5.2	38,220	34,920	3,300	8.6	37,320	33,380	3,940	10.6
Grays Harbor	27,880	25,690	2,190	7.9	28,180	25,710	2,470	8.8	28,640	26,050	2,580	9.0
Jefferson	12,790	12,290	500	3.9	12,880	12,290	590	4.6	13,010	12,390	620	4.8
Kittitas	17,400	16,730	680	3.9	16,780	15,900	880	5.2	16,450	15,410	1,030	6.3
Klickitat	8,440	7,800	640	7.6	8,010	7,270	740	9.2	7,850	6,980	870	11.1
Lewis	30,630	28,600	2,020	6.6	31,060	28,720	2,350	7.5	31,170	28,660	2,510	8.1
Lincoln	4,760	4,570	190	4.0	4,720	4,460	260	5.6	4,760	4,440	320	6.8
Mason	22,980	21,710	1,270	5.5	23,770	22,400	1,360	5.7	22,560	21,140	1,430	6.3
Okanogan	24,170	22,950	1,220	5.0	19,590	17,940	1,660	8.4	19,190	17,150	2,040	10.6
Pacific	8,490	7,990	500	5.9	8,310	7,680	640	7.7	8,470	7,850	620	7.3
Pend Oreille	4,450	4,180	270	6.1	4,560	4,220	330	7.3	4,640	4,250	390	8.3
San Juan	7,290	7,080	210	2.9	7,060	6,820	240	3.3	7,080	6,790	290	4.1
Skagit	55,840	52,800	3,040	5.4	55,820	52,390	3,420	6.1	56,270	52,650	3,630	6.4
Skamania	4,040	3,790	250	6.3	3,930	3,660	280	7.1	4,010	3,640	370	9.2
Stevens	17,420	16,380	1,040	6.0	17,340	16,120	1,210	7.0	17,900	16,390	1,510	8.5
Wahkiakum	1,820	1,750	80	4.1	1,820	1,720	90	5.2	1,850	1,760	90	4.9
Walla Walla	28,580	27,570	1,010	3.5	27,820	26,460	1,360	4.9	27,900	26,320	1,580	5.7
Whitman	21,410	21,060	350	1.6	21,460	21,060	400	1.9	21,380	20,930	460	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.

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

In Thousands, Not Seasonally Adjusted	October 2004 (Prel)	September 2004 (Rev)	October 2003 (Rev)	September 2003 (Rev)	Numeric Change Sep. 2004 to Oct. 2004	Numeric Change Oct. 2003 to Oct. 2004
Total Nonagricultural Wage & Salary Workers	2,754.4	2,737.8	2,692.8	2,680.6	16.6	61.6
Natural Resources and Mining	8.8	8.8	9.2	9.1	0.0	-0.4
Logging	5.6	5.6	5.9	5.9	0.0	-0.3
Construction	173.7	174.5	165.2	165.4	-0.8	8.5
Construction of Buildings	46.2	46.2	44.5	43.9	0.0	1.7
Heavy and Civil Engineering	22.5	22.7	21.5	21.8	-0.2	1.0
Specialty Trade Contractors	105.0	105.6	99.2	99.7	-0.6	5.8
Manufacturing	264.1	264.7	265.9	267.8	-0.6	-1.8
Durable Goods	180.7	180.3	181.8 2/	182.5 2/	0.4	-1.1
Wood Product Manufacturing	17.6	17.6	17.7	18.0	0.0	-0.1
Fabricated Metal Products	16.8	16.8	16.9	17.0	0.0	-0.1
Computer and Electronic Products	22.9	22.9	23.2	23.0	0.0	-0.3
Transportation Equipment	74.5	73.9	74.5	74.9	0.6	0.0
Aerospace Products and Parts	63.0	62.4	63.0	63.2	0.6	0.0
Nondurable Goods	83.4	84.4	84.1	85.3	-1.0	-0.7
Food Manufacturing	35.9 2/	36.6	36.6 2/	37.5 2/	-0.7	-0.7
Wholesale Trade	120.1	119.4	116.9	117.1	0.7	3.2
Retail Trade	315.0	314.2	309.5	308.4	0.8	5.5
Motor Vehicle and Parts Dealers	42.6	42.5	42.0	41.7	0.1	0.6
Food and Beverage Stores	62.0	62.1	60.5	60.6	-0.1	1.5
Clothing and Clothing Accessories Stores	24.7	25.0	24.0	24.3	-0.3	0.7
General Merchandise Stores	55.9	54.9	54.7	53.7	1.0	1.2
Transportation, Warehousing, and Utilities	94.3	94.3	89.8	89.7	0.0	4.5
Utilities	4.5	4.5	4.4	4.4	0.0	0.1
Transportation and Warehousing	89.8	89.8	85.4	85.3	0.0	4.4
Air Transportation	12.9	13.3	13.0	13.0	-0.4	-0.1
Water Transportation	3.3	3.4	3.3	3.3	-0.1	0.0
Truck Transportation	22.2	22.7	22.5	22.7	-0.5	-0.3
Support Activities for Transportation	18.0	17.9	16.6	16.3	0.1	1.4
Support Activities for Water Transportation	6.9	6.8	5.4	5.5	0.1	1.5
Warehousing and Storage	9.0	8.9	8.5	8.3	0.1	0.5
Information	97.4	97.9	92.5	92.4	-0.5	4.9
Software Publishers	40.4	40.5	38.2	38.1	-0.1	2.2
Telecommunications	27.9	27.9	27.5	27.2	0.0	0.4
Financial Activities	158.1	158.3	154.3	155.3	-0.2	3.8
Finance and Insurance	106.6	106.7	104.6	104.8	-0.1	2.0
Credit Intermediation and Related Activities	56.6	56.6	53.6	53.7	0.0	3.0
Insurance Carriers and Related Activities	39.2	39.2	39.9	40.1	0.0	-0.7
Real Estate and Rental Leasing	51.5	51.6	49.7	50.5	-0.1	1.8
Professional and Business Services	307.8	308.7	297.7	297.3	-0.9	10.1
Professional, Scientific, and Technical Services	139.1	139.4	135.6	135.3	-0.3	3.5
Legal Services	21.3	21.4	20.9	21.0	-0.1	0.4
Architectural, Engineering, and Related Services	32.0	32.1	31.3	31.3	-0.1	0.7
Computer Systems Design and Related Services	21.3	21.4	20.7	20.9	-0.1	0.6
Management of Companies and Enterprises	32.7	32.7	31.8	32.0	0.0	0.9
Admin., Suppt. Svcs., Waste Mgmt., and Remediation	136.0	136.6	130.3	130.0	-0.6	5.7
Employment Services	49.8	49.7	47.2	46.3	0.1	2.6
Education and Health Services	323.9	320.0	315.0	311.7	3.9	8.9
Educational Services	45.6	41.7	42.3	39.4	3.9	3.3
Hospitals	63.1	63.2	63.0	62.9	-0.1	0.1
Nursing and Residential Care Facilities	53.6	53.8	53.2	53.1	-0.2	0.4
Social Assistance	47.2	47.0	45.5	45.4	0.2	1.7
Leisure and Hospitality	254.1	263.3	249.2	259.6	-9.2	4.9
Arts, Entertainment, and Recreation	40.0	45.2	39.2	46.3	-5.2	0.8
Accommodation	29.0	30.2	28.2	29.2	-1.2	0.8
Food Services and Drinking Places	185.1	187.9	181.8	184.1	-2.8	3.3
Government	535.6	511.7	528.3	506.6	23.9	7.3
Federal	70.4	70.7	70.4	70.9	-0.3	0.0
State	155.8	142.3	150.3	138.9	13.5	5.5
State Educational Services	88.2	74.3	84.1	73.2	13.9	4.1
Local	309.4	298.7	307.6	296.8	10.7	1.8
Local Educational Services	153.3	139.2	151.2	137.3	14.1	2.1
Workers in Labor-Management Disputes	0.3	0.0	0.2	0.2	0.3	0.1

[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 Bureau of Labor Statistics

November

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

In Thousands, Not Seasonally Adjusted	November 2004 (Prel)	October 2004 (Rev)	November 2003 (Rev)	October 2003 (Rev)	Numeric Change Oct. 2004 to Nov. 2004	Numeric Change Nov. 2003 to Nov. 2004
Total Nonagricultural Wage & Salary Workers	2,757.0	2,751.5	2,692.9	2,692.8	5.5	64.1
Natural Resources and Mining	8.8	8.9	8.8	9.2	-0.1	0.0
Logging	5.6	5.6	5.7	5.9	0.0	-0.1
Construction	170.5	174.4	160.2	165.2	-3.9	10.3
Construction of Buildings	45.2	46.2	43.5	44.5	-1.0	1.7
Heavy and Civil Engineering	21.5	22.7	20.2	21.5	-1.2	1.3
Specialty Trade Contractors	103.8	105.5	96.5	99.2	-1.7	7.3
Manufacturing	262.0	264.3	261.8	265.9	-2.3	0.2
Durable Goods	181.1	180.6	180.7 2/	181.8 2/	0.5	0.4
Wood Product Manufacturing	17.5	17.5	17.7	17.7	0.0	-0.2
Fabricated Metal Products	16.6	16.8	16.8	16.9	-0.2	-0.2
Computer and Electronic Products	22.8	22.9	23.0	23.2	-0.1	-0.2
Transportation Equipment	75.3	74.5	74.2	74.5	0.8	1.1
Aerospace Products and Parts	63.8	63.0	62.6	63.0	0.8	1.2
Nondurable Goods	80.9	83.7	81.1	84.1	-2.8	-0.2
Food Manufacturing	34.2 2/	36.2 2/	33.8 2/	36.6 2/	-2.0	0.4
Wholesale Trade	119.5	119.8	116.3	116.9	-0.3	3.2
Retail Trade	324.3	315.5	317.7	309.5	8.8	6.6
Motor Vehicle and Parts Dealers	42.5	42.6	41.6	42.0	-0.1	0.9
Food and Beverage Stores	62.2	61.9	60.9	60.5	0.3	1.3
Clothing and Clothing Accessories Stores	26.6	24.8	25.9	24.0	1.8	0.7
General Merchandise Stores	61.1	56.1	59.2	54.7	5.0	1.9
Transportation, Warehousing, and Utilities	93.4	94.2	89.3	89.8	-0.8	4.1
Utilities	4.5	4.5	4.4	4.4	0.0	0.1
Transportation and Warehousing	88.9	89.7	84.9	85.4	-0.8	4.0
Air Transportation	13.0	13.2	12.9	13.0	-0.2	0.1
Water Transportation	3.2	3.3	3.3	3.3	-0.1	-0.1
Truck Transportation	22.0	22.2	22.0	22.5	-0.2	0.0
Support Activities for Transportation	17.6	18.0	16.6	16.6	-0.4	1.0
Support Activities for Water Transportation	6.8	6.9	5.6	5.4	-0.1	1.2
Warehousing and Storage	8.8	8.9	8.4	8.5	-0.1	0.4
Information	98.0	97.9	92.4	92.5	0.1	5.6
Software Publishers	40.3	40.4	37.9	38.2	-0.1	2.4
Telecommunications	28.1	27.8	27.8	27.5	0.3	0.3
Financial Activities	158.4	158.3	154.3	154.3	0.1	4.1
Finance and Insurance	106.8	106.7	104.6	104.6	0.1	2.2
Credit Intermediation and Related Activities	57.0	56.7	53.9	53.6	0.3	3.1
Insurance Carriers and Related Activities	39.0	39.2	39.7	39.9	-0.2	-0.7
Real Estate and Rental Leasing	51.6	51.6	49.7	49.7	0.0	1.9
Professional and Business Services	307.6	308.0	297.2	297.7	-0.4	10.4
Professional, Scientific, and Technical Services	139.6	139.3	136.0	135.6	0.3	3.6
Legal Services	21.4	21.4	21.0	20.9	0.0	0.4
Architectural, Engineering, and Related Services	32.0	32.0	31.2	31.3	0.0	0.8
Computer Systems Design and Related Services	21.3	21.3	20.9	20.7	0.0	0.4
Management of Companies and Enterprises	32.7	32.6	31.9	31.8	0.1	0.8
Admin., Suppt. Svcs., Waste Mgmt., and Remediation	135.3	136.1	129.3	130.3	-0.8	6.0
Employment Services	50.1	49.9	47.4	47.2	0.2	2.7
Education and Health Services	324.7	323.1	316.3	315.0	1.6	8.4
Educational Services	45.9	45.0	43.3	42.3	0.9	2.6
Hospitals	63.3	63.0	63.1	63.0	0.3	0.2
Nursing and Residential Care Facilities	53.7	53.5	53.2	53.2	0.2	0.5
Social Assistance	46.8	47.2	45.3	45.5	-0.4	1.5
Leisure and Hospitality	248.5	254.4	243.1	249.2	-5.9	5.4
Arts, Entertainment, and Recreation	38.3	40.1	37.3	39.2	-1.8	1.0
Accommodation	28.4	29.1	27.5	28.2	-0.7	0.9
Food Services and Drinking Places	181.8	185.2	178.3	181.8	-3.4	3.5
Government	539.9	531.2	536.3	528.3	8.7	3.6
Federal	69.7	70.3	69.9	70.4	-0.6	-0.2
State	153.0	152.1	151.4	150.3	0.9	1.6
State Educational Services	86.0	84.8	85.5	84.1	1.2	0.5
Local	317.2	308.8	315.0	307.6	8.4	2.2
Local Educational Services	157.2	152.9	154.8	151.2	4.3	2.4
Workers in Labor-Management Disputes	0.3	0.3	0.2	0.2	0.0	0.1

[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.

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

In Thousands, Not Seasonally Adjusted	December 2004 (Prel)	November 2004 (Rev)	December 2003 (Rev)	November 2003 (Rev)	Numeric Change Nov. 2004 to Dec. 2004	Numeric Change Dec. 2003 to Dec. 2004
Total Nonagricultural Wage & Salary Workers	2,751.3	2,759.5	2,686.4	2,692.9	-8.2	64.9
Natural Resources and Mining	8.6	8.7	8.7	8.8	-0.1	-0.1
Logging	5.6	5.6	5.7	5.7	0.0	-0.1
Construction	165.3	169.7	155.2	160.2	-4.4	10.1
Construction of Buildings	44.5	45.1	42.8	43.5	-0.6	1.7
Heavy and Civil Engineering	20.0	21.5	18.8	20.2	-1.5	1.2
Specialty Trade Contractors	100.8	103.1	93.6	96.5	-2.3	7.2
Manufacturing	261.5	262.4	260.2	261.8	-0.9	1.3
Durable Goods	181.5	181.1	180.4 2/	180.7 2/	0.4	1.1
Wood Product Manufacturing	17.6	17.5	17.6	17.7	0.1	0.0
Fabricated Metal Products	16.6	16.7	16.7	16.8	-0.1	-0.1
Computer and Electronic Products	22.6	22.8	22.8	23.0	-0.2	-0.2
Transportation Equipment	76.2	75.3	74.3	74.2	0.9	1.9
Aerospace Products and Parts	64.5	63.8	62.6	62.6	0.7	1.9
Nondurable Goods	80.0	81.3	79.8	81.1	-1.3	0.2
Food Manufacturing	33.7 2/	34.2 2/	32.8 2/	33.8 2/	-0.5	0.9
Wholesale Trade	118.8	119.4	115.7	116.3	-0.6	3.1
Retail Trade	329.9	324.7	323.1	317.7	5.2	6.8
Motor Vehicle and Parts Dealers	42.3	42.5	41.5	41.6	-0.2	0.8
Food and Beverage Stores	62.6	62.5	61.0	60.9	0.1	1.6
Clothing and Clothing Accessories Stores	27.8	26.6	27.1	25.9	1.2	0.7
General Merchandise Stores	62.3	60.8	60.9	59.2	1.5	1.4
Transportation, Warehousing, and Utilities	94.2	93.9	90.1	89.3	0.3	4.1
Utilities	4.5	4.5	4.4	4.4	0.0	0.1
Transportation and Warehousing	89.7	89.4	85.7	84.9	0.3	4.0
Air Transportation	13.2	13.1	13.0	12.9	0.1	0.2
Water Transportation	3.3	3.2	3.3	3.3	0.1	0.0
Truck Transportation	21.9	22.0	21.6	22.0	-0.1	0.3
Support Activities for Transportation	18.0	17.9	16.7	16.6	0.1	1.3
Support Activities for Water Transportation	6.8	6.8	5.5	5.6	0.0	1.3
Warehousing and Storage	8.6	8.8	8.6	8.4	-0.2	0.0
Information	98.5	98.3	93.2	92.4	0.2	5.3
Software Publishers	40.6	40.4	38.5	37.9	0.2	2.1
Telecommunications	27.9	28.0	27.8	27.8	-0.1	0.1
Financial Activities	158.9	158.5	154.9	154.3	0.4	4.0
Finance and Insurance	107.3	106.9	105.3	104.6	0.4	2.0
Credit Intermediation and Related Activities	57.2	57.0	54.4	53.9	0.2	2.8
Insurance Carriers and Related Activities	39.2	39.1	39.8	39.7	0.1	-0.6
Real Estate and Rental Leasing	51.6	51.6	49.6	49.7	0.0	2.0
Professional and Business Services	306.0	307.8	296.3	297.2	-1.8	9.7
Professional, Scientific, and Technical Services	140.6	139.7	136.5	136.0	0.9	4.1
Legal Services	21.6	21.5	21.2	21.0	0.1	0.4
Architectural, Engineering, and Related Services	32.0	32.0	31.1	31.2	0.0	0.9
Computer Systems Design and Related Services	21.2	21.3	21.1	20.9	-0.1	0.1
Management of Companies and Enterprises	32.9	32.8	32.1	31.9	0.1	0.8
Admin., Suppt. Svcs., Waste Mgmt., and Remediation	132.5	135.3	127.7	129.3	-2.8	4.8
Employment Services	49.2	50.2	46.0	47.4	-1.0	3.2
Education and Health Services	324.6	324.8	316.3	316.3	-0.2	8.3
Educational Services	45.6	46.0	43.0	43.3	-0.4	2.6
Hospitals	63.5	63.3	63.0	63.1	0.2	0.5
Nursing and Residential Care Facilities	53.6	53.8	53.3	53.2	-0.2	0.3
Social Assistance	46.7	46.8	45.2	45.3	-0.1	1.5
Leisure and Hospitality	248.7	248.9	242.8	243.1	-0.2	5.9
Arts, Entertainment, and Recreation	38.9	38.7	38.2	37.3	0.2	0.7
Accommodation	28.1	28.4	27.0	27.5	-0.3	1.1
Food Services and Drinking Places	181.7	181.8	177.6	178.3	-0.1	4.1
Government	534.8	541.1	530.3	536.3	-6.3	4.5
Federal	70.5	70.0	71.2	69.9	0.5	-0.7
State	151.2	153.5	148.6	151.4	-2.3	2.6
State Educational Services	84.0	86.3	82.5	85.5	-2.3	1.5
Local	313.1	317.6	310.5	315.0	-4.5	2.6
Local Educational Services	157.0	157.1	154.2	154.8	-0.1	2.8
Workers in Labor-Management Disputes	0.3	0.3	0.2	0.2	0.0	0.1

[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 Bureau of Labor Statistics

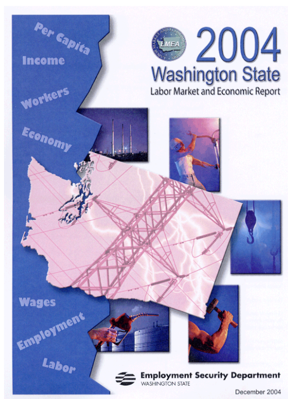
What's New?

2004 Washington State Labor Market and Economic Report

The Washington State Employment Security Department released its annual labor market and economic report, describing the highs and lows of 2004 and likening the state's recovery to a dance.

"Washington's economy has been waltzing along - literally following a waltz rhythm of one month of substantial job growth followed by two slow ones," said Greg Weeks, director of the department's Labor Market and Economic Analysis (LMEA) branch. "The forecast for job creation is murky but so far the big months have been enough to lift the economy."

The report summarizes employment trends for the past year and provides forecasts for the future with more than 70 pages of charts, text and illustrations.



The Washington Manufacturing Research Project Web Page

Economists predict upswing in manufacturing employment; new web site highlights trends in manufacturing industries.

"Employment Security created a comprehensive web site to better inform government, business, and labor groups about issues affecting the manufacturing industry so they can consider these needs in planning for the future," LMEA Director Greg Weeks said.

The new site is available through a link from the home page of www.workforceexplorer.com. Click on "Washington Manufacturing Research Project."

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