Washington State Employment Security Department

Labor Market and Economic Analysis



INDICATORS

UNEMPLOYMENT RATE

Washington

(Seasonally Adjusted)

April 2008		4.7%
May 2008		5.3%
June 2008	(prel)	5.5%

United States

(Seasonally Adjusted)

April 2008		5.0	%
May 2008		5.5	%
June 2008	(prel)	5.5	%

NONAGRICULTURAL EMPLOYMENT Washington (Seasonally Adjusted)

(in thousands)

April 2008	2,962.6
May 2008	2,964.6
June 2008 (prel)	2,962.6

Percent Change (over the year)

April 2007-2008		1.5%
May 2007-2008		1.3%
June 2007-2008	(prel)	1.2%

IN THIS ISSUE

MINIMUM WAGE JOBS	
OVER TIME	2
By Industry	3
By Region	5
NATIONAL UPDATE	6
Housing and Construction	7
Financial Markets	7
STATS-AT-A-GLANCE	9
COMING SOON	11

Washington Labor Market Quarterly Review

Volume 32, Number 2

April - June 2008

Minimum Wage Jobs: 2007 Update

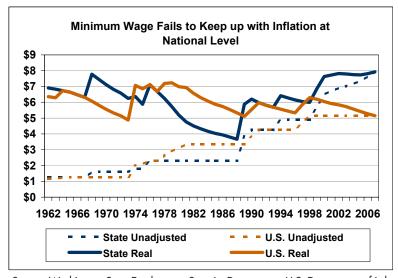
By Scott Bailey, Regional Labor Economist

- Washington continues to have the highest minimum wage among states.
- The percentage of jobs that paid the minimum was higher in the second quarter of 2007 than it had been in seven years.
- Minimum wage jobs are concentrated in three industries: food services, agriculture, and retail trade.
- Counties east of the Cascades have a higher proportion of minimum wage jobs, in part because they have a higher proportion of jobs in those three industries.

In May, 2007, President Bush signed into law the first national increase in the minimum wage since 1997. The minimum rose from \$5.15 per hour to \$5.85 in July 2007, and was just bumped up to \$6.55 per hour on July 24, 2008. A third and final jump to \$7.25 per hour is scheduled for July 24, 2009.

Even with these substantial increases, the federal minimum wage will still be well below the minimum for Washington.

Figure 1. Washington and U.S. Statutory Minimum Wage, Nominal and Adjusted for Inflation, Using U.S. Personal Consumption Expenditure Price Deflator



Source: Washington State Employment Security Department, U.S. Department of Labor

In 1998, Washington voters approved an initiative which automatically indexed the state's minimum wage to a measure of inflation, specifically the U.S. Consumer Price Index for Urban Wage earners and Clerical Workers (CPI-W). Oregon voters adopted a similar indexing in 2002.

On January 1st of this year, Washington's minimum wage increased by 14 cents an hour to \$8.07 – once again the highest in the nation. Oregon has temporarily dropped from second to fourth at \$7.95, but will likely pass two non-indexed states (California and Massachusetts, both at \$8.00) in 2009. Thirty-two states have minimums higher than the new federal standard of \$5.85 per hour, compared with twenty-four last year. Ten states have indexed their minimums so that they will rise automatically with inflation. Five states still have no legal minimum wage (reverting to the federal minimum), and one, Kansas, continues to distinguish itself by having the lowest minimum on the books at $$2.65^{1}$.

As shown in *Figure 1*, the federal minimum, after adjustment for inflation, was close to its lowest point since its inception until the recent increase. Historically, minimum wages have been increased, allowed to decline against inflation for a number of years, and then readjusted. Indexing has eliminated the sawtooth pattern in Washington; this

year's minimum wage is now roughly the same as in 1968. In contrast, the U.S. minimum was more than two dollars an hour below its 1979 peak. With inflation on the rise, the U.S. minimum will still be well below (on the order of 60 cents an hour) its peak in the 1970s.

Minimum Wage Jobs Over Time

In the second quarter of 2007, 2.8 percent of jobs in the state of Washington paid the minimum wage, if employment is calculated on a full-time equivalency (FTE) basis². This was the highest percentage since early 2000.

During the 1990s, minimum wage jobs averaged around one percent of total employment. The percentage fluctuated from as low as half a percent up to 1.5 percent (Figure 2). The first large increase in the state minimum wage in 1999 had a modest effect on the number of minimum wage jobs, but the second wage hike in 2000 appeared to compress the bottom of the wage scale. Since then, between 1.8 percent and 2.8 percent of all jobs have paid the minimum - with the exception of a low of 1.5 percent in the third quarter of 2001 – during the middle of the recession.

Beginning in 1994, the percentage of jobs paying the minimum became more volatile from quarter to quarter. In 1999,

however, a regular seasonal pattern emerged, with the first three quarters roughly equal and a drop in the percentage in the fourth quarter.

These percentages are figured on an FTE (full-time equivalency) basis of 520 hours worked in a quarter - the equivalent of working a forty-hour week all thirteen weeks over the threemonth period. Because many minimum-wage jobs are part time and tend to be of shorter duration than average, the actual number and percentage of workers with a minimum wage job at any point in time is higher than indicated. In 2nd quarter 2007, 6.2 percent of jobs – where a job is any employee-employer relationship during those three months – paid the minimum.

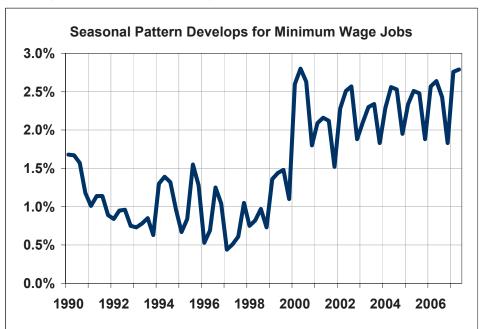
On January 1, 2008, Washington's minimum wage increased by 14 cents an hour to \$8.07.



¹ U.S. Department of Labor, www.dol.gov/esa/minwage/america.htm.

²Minimum wage jobs were defined as those having an hourly wage within two percent of the minimum, to cover rounding errors. One FTE job is equal to 2,080 hours worked. Federal employment and employment at private households were excluded from the analysis.

Figure 2. Percent of Jobs Paying the Minimum Wage, FTE Basis, State of Washington Quarterly, First Quarter 1990 Through Second Quarter 2007



Source: Washington State Employment Security Department

By Industry

Minimum wage jobs continue to be concentrated in a handful of industries. Food services, agriculture, and retail trade accounted for about two-thirds of the total in every quarter going back to 1990. In the second quarter of 2007, when the minimum wage was \$7.93, accommodations and food services hosted 37 percent of the state's minimum wage jobs. Another 20 percent of these low-wage jobs were in agriculture, and 17 percent were in retail trade.

From another angle, 17 percent of agricultural jobs – one in six – paid at or near the minimum wage; on fruit and nut farms, almost a quarter of jobs paid the minimum. Seventeen percent

of accommodations and food services were in this category; as were almost a third of all jobs at limited-service restaurants (such as fast-food outlets).

There are many industries in which minimum wage jobs are relatively rare (one percent or less of all jobs), including mining, utilities, construction, manufacturing, wholesale trade, transportation, information, finance and insurance, professional services, corporate offices, private educational services, state government, and local government.

Figure 3 lists minimum wage jobs by major sector, along with data for those detailed industries with the most minimum wage jobs.

Food services, agriculture, and retail trade accounted for about two-thirds of the total minimum wage jobs in every quarter going back to 1990.







Figure 3. Minimum Wage Jobs by Industry, Second Quarter 2007

		Percent	
		of All	Percent
	FTE*		of All FTE
	Minimum	Wage	Jobs in
NAICS Industry	Wage Jobs	Jobs	Industry
11 Agriculture, Forestry, Fishing and Hunting	12,742	20%	17%
1113 Fruit and Tree Nut Farming	6,956	11%	24%
21 Mining	8	0%	0%
22 Utilities	1	0%	0%
23 Construction	471	1%	0%
31 Manufacturing	1,551	2%	1%
42 Wholesale Trade	1,198	2%	1%
44 Retail Trade	10,550	17%	5%
4451 Grocery Stores	1,708	3%	4%
4471 Gasoline Stations	1,418	2%	14%
452 General Merchandise Stores	1,468	2%	4%
48 Transportation and Warehousing	595	1%	1%
51 Information	885	1%	1%
52 Finance and Insurance	219	0%	0%
53 Real Estate and Rental and Leasing	1,151	2%	3%
54 Professional, Scientific, and Technical Services	589	1%	0%
55 Management of Companies and Enterprises	56	0%	0%
56 Admin. and Support and Waste Mgmt. Svcs.	2,366	4%	2%
561320 Temporary Help Agencies	1,003	2%	3%
61 Educational Services	234	0%	1%
62 Health Care and Social Assistance	3,435	5%	2%
624410 Child Day Care Services	1,412	2%	12%
71 Arts, Entertainment, and Recreation	1,770	3%	7%
72 Accommodation and Food Services	22,829	36%	17%
721 Lodging	1,793	3%	8%
7221 Full-Service Restaurants	5,533	9%	10%
7222 Limited-Service Eating Places	14,603	23%	29%
81 Other Services	1,900	3%	3%
92 State Government	269	0%	0%
93 Local Government	830	1%	0%
Unknown	92	0%	3%
Total	63,742	100%	3%

^{*}One FTE job = 520 hours worked per quarter (full-time, 40-hour work week).

Source: Washington State Employment Security Department



By Region

Minimum wage jobs are distributed unequally around the state. In Okanogan County, 14 percent of jobs paid the minimum, while in King County, only one percent paid that low. Minimum wage jobs were 6.8 percent of FTE employment in rural counties, 5.2 percent of micropolitan employment, 4.3 percent of MSA employment, and 1.6 percent of metropolitan division employment. For counties west of the Cascades, minimum wage jobs counted for 2.1 percent of jobs; on the east side, 5.6 percent. Some of the disparity can be explained by the different in-

dustrial makeup of the various

regions in the state. The three primary sectors for minimum wage jobs – accommodations and food services, retail trade, and agriculture - are more prevalent in areas with a higher ratio of minimum wage jobs. For example, in the second quarter of 2007, these sectors made up 22 percent of statewide jobs, but were 31 percent of jobs east of the Cascades, 21 percent of metro area jobs, 29 percent of micropolitan area jobs, and 30 percent of jobs in rural counties. Tighter labor markets and higher housing costs in urban areas are also likely contributors, exerting both a push and a pull on

wages relative to rural areas. As

a result, in metro areas, a smaller percentage of jobs in retail trade and accommodations and food services pay the minimum wage than in rural areas.

Finally, in the case of accommodations and food services, the type of business has an impact. Rural counties with destination resorts such as San Juan, Jefferson, and Skamania counties have a relatively low percentage of minimum wage jobs. Micropolitan counties tend to have a higher than average concentration of limited-service restaurants (such as fast food outlets). which have a higher percentage of minimum wage jobs (25 percent) than full-service restaurants (9 percent).

Figure 4. Minimum Wage Jobs by Geographic Area, Second Quarter 2007

		Percent of				Percent of	
	FTE*	All	Percent		FTE*	All	Percent
	Minimum	Minimum	of All		Minimum	Minimum	of All
	Wage	Wage	Jobs in		Wage	Wage	Jobs in
Area	Jobs	Jobs	Area	Area	Jobs	Jobs	Area
Total	63,742	100.0%	2.8%	Kitsap (MSA)	1,815	2.8%	3.5%
Metropolitan Division (MD)	21,484	33.7%	1.6%	Kittitas (Micro)	433	0.7%	4.1%
Metro Area (MSA)	30,634	48.1%	4.3%	Klickitat	397	0.6%	8.1%
Micropolitan Area	7,658	12.0%	5.2%	Lewis (Micro)	872	1.4%	4.4%
Rural Counties	3,821	6.0%	6.9%	Lincoln	76	0.1%	3.8%
				Mason (Micro)	411	0.6%	3.6%
Adams	481	0.8%	8.7%	Okanogan	1,712	2.7%	14.0%
Asotin	219	0.3%	5.6%	Pacific	207	0.3%	4.6%
Benton (MSA)	2,526	4.0%	4.2%	Pend Oreille	84	0.1%	3.8%
Chelan (MSA)	1,415	2.2%	4.9%	Pierce (MD)	5,945	9.3%	2.9%
Clallam (Micro)	658	1.0%	3.9%	San Juan	24	0.0%	0.7%
Clark (MSA)	3,202	5.0%	3.1%	Skagit (MSA)	1,570	2.5%	4.2%
Columbia	38	0.1%	4.0%	Skamania (MSA)	88	0.1%	5.5%
Cowlitz (MSA)	1,359	2.1%	4.5%	Snohomish (MD)	4,233	6.6%	2.1%
Douglas (MSA)	642	1.0%	8.6%	Spokane (MSA)	5,296	8.3%	3.3%
Ferry	53	0.1%	4.8%	Stevens	298	0.5%	4.0%
Franklin (MSA)	1,532	2.4%	7.4%	Thurston (MSA)	2,109	3.3%	2.8%
Garfield	20	0.0%	3.9%	Wahkiakum	15	0.0%	2.6%
Grant (Micro)	2,746	4.3%	9.8%	Walla Walla (Micro)	937	1.5%	4.8%
Grays Harbor (Micro)	785	1.2%	4.2%	Whatcom (MSA)	2,058	3.2%	3.4%
Island (Micro)	379	0.6%	3.6%	Whitman (Micro)	435	0.7%	3.7%
Jefferson	197	0.3%	3.1%	Yakima (MSA)	7,024	11.0%	8.7%
King (MD)	11,306	17.7%	1.2%	Unknown	145	0.2%	1.3%

^{*}One FTE job = 520 hours worked per quarter (full-time, 40-hour work week).

Source: Washington State Employment Security Department

National Update

By Scott Bailey, Regional Labor Economist

We may be in the most unusual recession ever. The housing market is cratering, the financial markets are teetering on the brink, we've had six (soon to be seven) straight months of employment losses, unemployment has jumped up a point, retail sales are down, and yet - GDP grew by 1 percent in the first quarter of the year, and may hit 2 percent in the second quarter, thanks to the much-maligned stimulus package. The rule of thumb of two quarters of decline may not hold in this case, and as a recent Wall Street Journal article mused, this could be the first recession without GDP going negative. The other rule of thumb – if it walks like a duck, and quacks like a duck - appears to be in play. The four major factors that recessionwatchers track (industrial production, employment, retail sales, and personal income less transfer payments) are reprised from our previous Washington Labor Market Quarterly Review and updated below.

Why is the "real" economy (production of goods and services) doing relatively well – so far – when the financial sector is imploding? Tim Duy has given this question some thought¹. One part of the answer is the "relatively" factor. The recovery from the 2001 recession

was very weak. This was the first recovery in which manufacturing employment did not increase. In fact, this was the first recovery that doesn't actually qualify as a recovery. How so? Potential GDP is a measure of the economy's long-term growth trajectory. Typically GDP falls below its potential during a recession, and then rises above it during a recovery. However, during the most recent recovery, GDP never made it back to its potential (see graph below). The current gap between potential and actual GDP is close to the gap during the depths of the 1991 recession.

A second part of the answer is

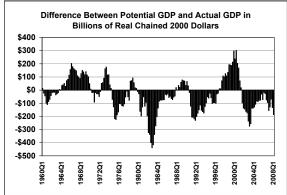
that foreign money, chiefly from

foreign governments, has been pouring into the U.S. in record amounts. A few years ago, our growing trade deficit was financed by both private sector investors and foreign governments (like China) buying up Treasury bills. Currently the private sector investors have bowed out. Thus far in 2008, according to Brad Setser², the Chinese government has been purchasing an average of \$40 billion a month in T-bills enough to completely finance the trade deficit. China and other countries are buying T-bills even

though it is a losing proposition (low interest rates, sliding dollar value) in order to maintain exchange rates and keep the price of their exports to the U.S. low. This cannot last forever; so-called "hot money" is now pouring into China, in anticipation of the Chinese currency appreciating against the dollar. When that happens, Chinese products will increase in price here, with negative impacts on the Chinese economy.

The third part of the answer: this recession seems to be unfolding in slow motion, and is still in its infancy. Keep your seat belt strapped on.

In the meantime, total American debt – household, business, government – continues to skyrocket. As Yves Smith pointed out in a recent post³, our collective debt is now 3.5 times GDP. This is much higher than during the 1950s (1.3), and even higher than in its last peak in the Great Depression (2.7). This is simply



Source: Congressional Budget Office

¹http://economistsview.typepad.com/economistsview/2008/07/tim-duy-not-so.html

http://blogs.cfr.org/setser/2008/07/21/just-how-much-money-does-china-have-how-fast-are-china%e2%80%99s-foreign-assets-growing-and-how-much-is-hot-money/

³http://www.nakedcapitalism.com/2008/07/has-deleveraging-even-begun-not-for.html

unsustainable. Sooner or later, U.S. savings will have to rise, consumption and material living standards will fall, and the debt level will drop. This could be a long and painful process.

Housing and Construction

The housing market has a number of dimensions, including new home construction, remodeling, home values, sales, foreclosures and vacancy rates. The good news is that it appears that new home construction and sales appear to have bottomed out. New home sales peaked at an annualized rate of 1.4 million in mid-2005 before plummeting to 530,000 this past June. The inventory of new homes for sale (which does not include condos or cancellations) is now 20 percent below its 2006 peak.

The bad news is that a recovery is nowhere in sight. According to the blog Calculated Risk (an excellent source of information and analysis for the housing market⁴), vacancy rates for owner-"unoccupied" homes, as well as for rental units, are near all-time highs. By CR's estimate, there are about 1.75 million excess housing units nationwide, which should keep a damper on housing starts and sales prices for quite some time. Roughly a third of home sales are foreclosure resales. The number of foreclosures is understated, as the huge volume of paperwork has swamped both the mortgage companies and the courts.

As the labor market weakens, and more mortgages are reset to higher interest rates, the number of homes heading for foreclosure will not abate any time soon.

In Washington, according to HUD, just over 14,000 housing units have been issued permits thus far in 2008. That's about two-thirds of last year's activity for the first half of the year. If trends continue through the second half of the year, it would be the slowest year for housing construction in the state since 1983. Home values in both Seattle and Portland peaked in August 2007, and have fallen by 6 to 7 percent since then, according to the Case-Shiller index. The index actually blipped up in April for both metro areas, but dipped again in Seattle in May. A number of up-scale neighborhoods in Denver, New York, and San Francisco that were once considered to be invulnerable to the housing downturn are now reporting growing numbers of foreclosures; the idea that somehow our corner of the universe will escape unscathed is likely a fantasy. While every market will play out differently, on a national average we are perhaps about halfway through the decline in home values - and it will likely overshoot on the downside before finding a new equilibrium.

For a while, non-residential construction was taking up the slack for the residential side of the ledger. Alas, that too has

come a cropper. Vacancy rates at shopping malls, strip malls, and office buildings are rising, while hotel room occupancy rates are falling. Billings for architectural work, a leading indicator, have fallen drastically.

Financial Markets

The U.S. financial system first woke up to its sorry state last August, with the revelation that hundreds of billions worth of mortgage-backed securities weren't exactly living up to their AAA rating. Thus began the great deleveraging as overexposed banks started writing down assets, lowering debt levels and trying to recapitalize their depleted reserves. This is not a static process, however, for as the economy has worsened, defaults are rising - first in mortgages (continuing as mortgages are reset, housing prices fall and foreclosures mount), and now in credit cards and car loans. Along the way we lost a major investment bank, and now commercial bank failures are starting to trickle in. While the closure of IndyMac was directly related to mortgages, other failing regional banks are being hurt by construction and development loans to the actual homebuilders.

From time to time, some analyst will declare that the financial system has "turned the corner." Sadly, such pronouncements have been quickly followed by a new crisis, bigger than the previous one. Nouriel Roubini⁵

 $[\]frac{4}{\text{http://calculatedrisk.blogspot.com/2008/07/q2-homeownership-and-vacancy-rates.html}}$

⁵http://www.rgemonitor.com/blog/roubini

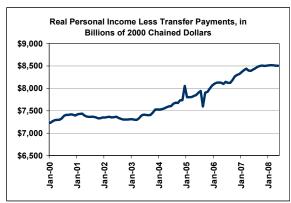
has consistently made accurate calls on the meltdown. Some choice nuggets:

- Two years Roubini predicted that Fannie Mae and Freddie Mac would end up in trouble.
- Roubini and others have pegged total losses in the global financial system at \$1.6 trillion to \$2.0 trillion, less than one-fourth of which has been written off so far.
- The FDIC will use up 15 percent of its funds, bailing out Indy Mac, and will likely run out of money and need to be recapitalized by the federal government as bank failures mount.
- Recent actions by government authorities – the Securities and Exchange Commission (SEC) banning short-sales of financial institution stocks, the Fed bailing out investment banks at the discount window, the Federal Home Loan Bank loaning billions to banks and mortgage companies like Countrywide, the proposed bailout of Fannie Mae, etc. – are subsidizing the system in unwise ways, and delaying the implementation of needed reforms.

The current stresses in the system were exemplified by the actions of investment bank Merrill Lynch this past week. First, they sold off collateralized debt obligations (CDOs) for \$5.7 billion. These bundles of mortgagebacked securities were initially valued at over \$30 billion, and had already been written down to \$11 billion. The kicker - to sell them, Merrill supplied 75 percent of the financing. In other words, they just traded one form of debt for another. If the CDOs lose any more value, Merrill is out of luck. Second, the bank

put up for sale \$8 billion in stock in an effort to shore up its capital. According to Calculated Risk, when it sold stock last December. "Merrill offered to compensate Temasek Holdings [its largest shareholder] if Merrill sold additional stock, at a lower price, within one year." So \$2.5 billion of this stock is going straight to Temasek Holdings, as a gift/penalty for diluting the value of their previous purchase. "Merrill should have been highly motivated to avoid paying this price protection penalty, and this shows a certain desperation – although the good news is there is no future reset protection for Temasek."

Research by Carmen Reinhart and Kenneth Rogoff⁶ has shown that recent serious banking crises in developed countries have slowed economic growth for an average of five years. In Japan during the 1990s the government propped up failing banks for several years, resulting of which was a "lost decade" for their economy. It remains to be seen whether current policy responses in the U.S. will speed the adjustment along (as happened in Norway in 1991) or delay the inevitable (as in Japan).



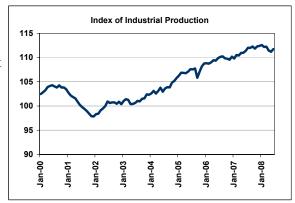
Source: U.S. Bureau of Economic Analysis / Haver Analytics



Source: U.S. Census Bureau / Haver Analytics



Source: U.S. Bureau of Labor Statistics / Haver Analytics



Source: Federal Reserve Board / Haver Analytics

 $^{^6} http://www.economics.harvard.edu/faculty/rogoff/files/Is_The_US_Subprime_Crisis_So_Different.pdf$

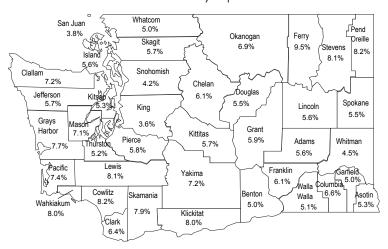
Second Quarter Stats-At-A-Glance

Monthly Resident Civilian Labor Force and Employment in Washington State and U.S.

Average Unemployment Rates by County April, May, and June 2008 Washington = 5.0% / United States = 5.2%

Not Seasonally Adjusted

(In Thousands)	Apr 2008 (Updated)	May 2008 (Updated)	Jun 2008 (Prel)
Seasonally Adjusted Unemployme	nt Rate:		
Washington State	4.7%	5.3%	5.5%
United States	5.0%	5.5%	5.5%
Washington State Not Seasonally Adjusted:			
Resident Civilian Labor Force	3,445.2	3,434.4	3,467.7
Employment	3,288.0	3,260.3	3,279.8
Unemployment	157.2	174.1	187.9
Percent of Labor Force	4.6%	5.1%	5.4%



Washington State **Employment Security Department** Labor Market and Economic Analysis

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

Date: 7/30/08 Benchmark: March 2007

Labor Market and Economic Analysis		April	2008 Revise	od.		May	2008 Revise	ud		luno	2008 Prelim	inan/
ſ	Labor	Employ-	Unemploy-	Unemploy-	Labor	Employ-	Unemploy-	Unemploy-	Labor	Employ-	Unemploy-	Unemploy-
Not Seasonally Adjusted	Force	ment	ment	ment Rate	Force	ment	ment	ment Rate	Force	ment	ment	ment Rate
Washington State Total		3.288.000	157.200	4.6	3.434.400	3,260,300	174.100	5.1	3,467,700	3,279,800	187.900	5.4
Bellingham MSA	109.300	104.400	4,900	4.5	108.700	103.400	5.300	4.9	108,720	102,710	6.010	5.5
Bremerton MSA		118.000	5,900	4.7	123,500	117,000	6.400	5.2	123,610	116,240	7,370	6.0
Kennewick-Pasco-Richland MSA	120,100	114,000	6,000	5.0	119,500	113,100	6,400	5.4	128,300	121,300	7,000	5.5
Benton County 2/		84,154	4,131	4.7	87,972	83,458	4,514	5.1	94,430	89,520	4,910	5.2
Franklin County 2/	31,781	29,882	1,899	6.0	31,562	29,635	1,927	6.1	33,880	31,790	2,090	6.2
Longview MSA (Cowlitz)	44,319	40.958	3.361	7.6	44,337	40.692	3.645	8.2	44,260	40.390	3.880	7.2
Mt. Vernon-Anacortes MSA (Skagit)	58,751	55,705	3.046	5.2	58,725	55,429	3,296	5.6	59,210	55,520	3.700	6.2
Olympia MSA		124,902	6,197	4.7	130,328	123,665	6,663	5.1	129,930	122,530	7,400	5.7
Seattle-Bellevue-Everett MD*		1,404,700	46,600	3.2	1,449,700	1,390,300	59,300	4.1	1,454,350	1,395,520	58,830	4.0
King County 2/		1.046.982	33.376	3.1	1.078.637	1.036.275	42.362	3.9	1,082,250	1.040.140	42.110	3.9
Snohomish County 2/	370,910	357,728	13,182	3.6	371,029	354,070	16,959	4.6	372,110	355,390	16.720	4.5
Spokane MSA	236,646	224,607	12,039	5.1	235,451	222,943	12,508	5.3	233,210	219,230	13,970	6.0
Tacoma Metropolitan Division		374,624	20,714	5.2	394,353	371,696	22,657	5.7	391,720	366,556	25,160	6.4
Wenatchee MSA	59,200	56,000	3,200	5.4	59,400	55,700	3,700	6.3	67,020	62,950	4,070	6.1
Chelan County 2/	39,279	37,035	2,244	5.7	39,384	36,838	2,546	6.5	44,390	41,660	2,730	6.2
Douglas County 2/		18,926	958	4.8	19,990	18,825	1,165	5.8	22,630	21,290	1,340	5.9
Yakima MSA	117,405	109,284	8,121	6.9	117,095	108,461	8,634	7.4	126,110	116,870	9,240	7.3
Aberdeen MSA (Grays Harbor)	31,242	28,965	2,277	7.3	31,409	29,006	2,403	7.7	31,830	29,220	2,600	8.2
Centralia MSA (Lewis)		29,118	2,410	7.6	31,506	29,005	2,501	7.9	31,500	28,750	2,750	8.7
Ellensburg MSA (Kittitas)		20,381	1,203	5.6	21,235	20,047	1,188	5.6	21,390	20,100	1,290	6.0
Moses Lake MSA (Grant)	39,680	37,364	2,316	5.8	39,874	37,472	2,402	6.0	42,990	40,470	2,520	5.9
Oak Harbor MSA (Island County)	33,090	31,412	1,678	5.1	33,120	31,312	1,808	5.5	33,180	31,110	2,070	6.2
Port Angeles MSA (Clallam)	30,410	28,286	2,124	7.0	30,272	28,139	2,133	7.0	30,450	28,130	2,320	7.6
PulMSAn MSA (Whitman)	21,035	20,269	766	3.6	20,524	19,657	867	4.2	18,590	17,530	1,060	5.7
Shelton MSA (Mason)	25,340	23,660	1,680	6.6	25,447	23,592	1,855	7.3	25,330	23,450	1,880	7.4
Walla Walla MSA (Walla Walla)		28,020	1,376	4.7	29,396	27,879	1,517	5.2	30,590	28,920	1,670	5.5
Adams	7,791	7,386	405	5.2	7,722	7,276	446	5.8	8,300	7,820	490	5.9
Asotin 2/		10,304	616	5.6	10,564	10,154	410	3.9	10,660	10,000	670	6.2
Clark 2/	214,201	201,002	13,199	6.2	211,640	198,649	12,991	6.1	210,200	195,870	14,330	6.8
Columbia	1,460	1,375	85	5.8	1,475	1,374	101	6.8	1,550	1,440	110	7.0
Ferry	2,886	2,604	282	9.8	2,936	2,667	269	9.2	3,050	2,760	290	9.6
Garfield	997	952	45	4.5	1,034	983	51	4.9	1,060	1,000	60	5.6
Jefferson	13,634	12,917	717	5.3	13,680	12,912	768	5.6	13,750	12,910	840	6.1
Klickitat	9,960	9,213	747	7.5	10,029	9,225	804	8.0	10,580	9,700	890	8.4
Lincoln	4,704	4,454	250	5.3	4,762	4,499	263	5.5	4,860	4,570	290	6.0
Okanogan	19,310	17,987	1,323	6.9	19,269	17,948	1,321	6.9	21,700	20,220	1,490	6.9
Pacific	9,253	8,575	678	7.3	9,266	8,603	663	7.2	9,510	8,770	740	7.7
Pend Oreille	5,379	4,901	478	8.9	5,293	4,894	399	7.5	5,320	4,880	440	8.2
San Juan	8,295	7,995	300	3.6	8,558	8,247	311	3.6	9,150	8,790	370	4.0
Skamania 2/		4,891	436	8.2	5,215	4,834	381	7.3	5,200	4,770	430	8.3
Stevens	18,887	17,257	1,630	8.6	18,699	17,238	1,461	7.8	18,790	17,290	1,500	8.0
Wahkiakum	1,654	1,532	122	7.4	1,680	1,550	130	7.7	1,710	1,560	150	8.5

^{1/} Official U.S. Department of Labor, Bureau of Labor Statistics data/Haver Analytics

Note: Detail may not add due to rounding.

^{2/} Estimates are determined by using the Population/Claims Share disaggregation methodology.

^{*}Metropolitan Division

Nonagricultural Wage and Salary Employment in Washington State, Place of Work 1/ Seasonally Adjusted

arterly Benchmark: December 2007 Thousands	Jun. 2008	May 2008	Apr. 2008	Mar. 2008	Feb. 2008	J 20
ustry	(Prel)	(Rev)	(Rev)	(Rev)	(Rev)	(R
al Nonfarm	2,964,700	2,964,700	2,963,900	2,964,100	2,966,300	2,965,5
Natural Resources and Mining	7,700	7,800	8,000	8,000	8,000	8,0
Logging	4,700	4,800	4,800	4,800	4,900	4,9
Construction	204,800	205,700	206,800	207,300	207,700	207,9
Construction of Buildings	53,100	53,300	53,600	53,900	53,800	53,
Heavy and Civil Engineering	21,900	22,200	22,700	23,000	23,100	23,
Speciality Trade Contractors	129,800	130,200	130,500	130,400	130,800	130,
Manufacturing	297,300	296,600	296,500	296,300	296,600	296,
Durable Goods	217,000	216,000	215,800	215,400	215,400	215,
Wood Product Manufacturing	18,100	18,100	18,200	18,300	18,400	18,
Fabricated Metal Product Manufacturing	20,800	20,700	20,800	20,800	20,800	20
Computer and Electronic Product Manufacturing	23,200	23,000	23,000	23,000	23,000	23
Transportation Equipment Manufacturing	98,500	97,900	97,300	97,000	96,800	96
Aerospace Product and Parts Manufacturing	85,900	85,300	84,700	84,200	83,900	83
Non Durable Goods	80,300	80,600	80,700	80,900	81,200	81
Food Manufacturing	34,200	34,000	33,900	34,000	34,200	34
Wholesale Trade	130,100	130,200	130,100	130,300	131,000	131
Retail Trade	328,200	328,100	329,000	329,000	327,800	327
Motor Vehicle and Parts Dealers	42,300	42,300	42,600	42,600	42,700	42
Food and Beverage Stores	61,100	61,100	61,300	61,300	61,300	61
Clothing and Clothing Accessories Stores	29,900	30,100	30,300	30,300	29,900	29
General Merchandise Stores	61,700	61,400	61,200	61,400	61,000	60
Transportation, Warehousing and Utilities	96,200	96,500	96,500	96,500	96,500	96
Utilities	4,800	4,700	4,700	4,700	4,600	4
Transportation and Warehousing	91,400	91,800	91,800	91,800	91,900	92
Air Transportation	10,800	10,800	10,800	10,800	10,800	10
Water Transportation	3,400	3,400	3,400	3,400	3,400	3
Truck Transportation	24,800	24,700	24,700	24,700	24,900	25
Support Activities for Transportation	18,900	18,800	18,500	18,700	18,800	18
Support Activities for Water Transportation	6,100	5,900	5,600	5,700	5,900	5
Warehousing and Storage	11,100	11,200	11,200	11,300	11,200	11
Information	105,400	104,900	104,300	103,900	103,600	103
Software Publishers	50,200	50,000	49,300	49,200	48,900	48
Telecommunications	25,600	25,800	25,900	26,200	26,300	26
Financial Activities	152,500	153,200	153,500	153,900	154,500	154
Finance and Insurance	102,100	102,300	102,400	102,600	102,900	103
Credit Intermediation and Related Activities	51,500	51,500	51,500	51,800	51,800	51
Insurance Carriers and Related Activities	39,000	39,300	39,300	39,200	39,400	39
Real Estate and Rental Leasing	50,400	50,900	51,100	51,300	51,600	51
Professional and Business Services	352,900	352,700	350,000	351,500	352,100	352
Professional, Scientific and Technical Services	162,800	163,000	161,600	161,200	162,400	162
Legal Services	20,200	20,400	20,400	20,500	20,600	20
Architectural and Engineering Services	37,300	37,600	37,600	37,700	37,800	37
Computer Systems Design and Related Services	30,900 34,600	31,200	31,600	31,600	31,600	31
Management of Companies and Enterprises	. ,	34,600	34,500	34,400	34,400	34
Admin and Support and Waste Management and Remediation	155,500	155,100	153,900	155,900	155,300	156
Employment Services	58,300	58,100	57,100	58,100	58,000	58 255
	355,300	355,100	356,400	356,100	356,300 46,600	355
Education Services	46,500 68,600	46,400 68,500	47,200 68,400	46,800 68,200	68,000	47 67
Nursing and Residential Care Facilities	56,300	56,400	56,500	56,600	56,700	56
Social Assistance	59,600	59,600	60,000	60,100	60,300	59
Leisure and Hospitality	286,800			285,600	286,400	285
Arts, Entertainment and Recreation	47,600	286,200 47,600	286,200 48,200	47,500	47,400	47
Accommodation	31,500	31,400	31,100	31,400	31,200	31
Food Services and Drinking Places	207,700			206,700	,	206
overnment	540,000	207,200 540,400	206,900 539,400	538,600	207,800 538,900	538
Federal Government	67,200	68,100	67,700	67,800	67,800	67
Total State Government	149,900	149,800	149,700	149,100	149,500	149
State Government Educational Services	80,100	80,200	80,600	79,900	80,700	80
Total Local Government	322,900	322,500	322,000	321,700	321,600	320
Local Government Educational Services	153,300					153
	เมอ.อบป	153,000	152,900	152,800	152,100	100

^{1/} Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and 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 by the Labor Market and Economic Analysis Branch using a Quarterly Benchmark process.

This process uses the most recent quarter from the Unemployment Insurance Tax Reports (currently fourth quarter 2007) and estimates employment from that point to present.

Coming Soon

Green Jobs in Washington State

The green economy is upon us. Washington state employers have for the past several years invested their time, energy, and resources to develop better products for a more sustainable society and a cleaner environment.

So what is the green economy and what are green jobs? The green economy is rooted in environmental protection and energy security. Green jobs promote environmental protection and energy security.

The level of interest in the green economy and green issues has been extremely high in Washington state. Now the Employment Security Department is preparing to conduct a survey to determine the number of green jobs in the economy. We are planning to ask 17,000 employers to tell us what products or services they have been working on and what green related jobs they have in the green economy sector. What is a green sector? It is any part of a major or specialized production of products, goods, or services in the following areas:

- Energy efficiency
- Renewable energy
- Preventing and reducing pollution
- Mitigating or cleaning up pollution

Look for the full report in January 2009.

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ABOUT THE SURVEY		WASHINGTON STA	TE CDE	ENI		C C	ПΒ	ZEV	4 (1	TAT
Washington has long been a leader in environmental stewardsl energy, and energy efficiency. Washington State has establishe environmental protection and clean energy.		WASHINGTON STA	IIE GRE	-1N/-		33	OK	/EI		
The legislature has directed the Employment Security Departm that directly support environmental protection and clean energy provide services that support any of the following four core are:	goals. We are surveying firms that produce any goods or	Total Number of Workers and	er information for	the past	three m					
Increasing energy efficiency	ad und goula.	Job Titles Related to Four Core A						or Green J		
Producing renewable energy Preventing and reducing environmental pollution Providing mitigation or clean-up of environmental pollution		Enter total number of workers for each job title and the core are Please estimate how many full and part time employees have t their primary facus. (Choose only one one area per employee.	ne following core crees as	Incre	asing Efficiency	Produ Renewable	ring	Prevent and Red	nting ducing	Provid Mitigo
If you or any of your staff have worked in any of these four core within the past three months, continue to page two. If not, ples postage-paid envelope.	areas as their primary job function, either full or part time ase fill out the information below and return using the	for more than one care area, choose the one that accounts for t Exclude consultants, outside contractors, wendors, and others no	ne most time on the job).					Polluti		or Clear Environr Pollut
 Please direct this survey to your Operations Manager or Hun 	no Boroumer Donatmost	Include only staff located within the state of Washington.		Number of	Employees	Number of S	imployees	Number of E	imployees	Number of 5
Include information about all your locations in Washington St All information will be treated confidentially.	and.	Title Related to Core Area	Total Number of Workers in position	Full Time	Part Time	full Time	Part Time	Full Time	Part Time	Full Time
OPTIONS FOR RESPONDING TO THE SURVEY		emple: Civil Engineer	3	2						
Return the survey in the enclosed postage-paid envelope, or				_				\vdash		_
 Fax both sides to (360) 438-3215, or Contact us at (800) 837-3074 to report by telephone or receive 	ve answers to your questions.			_				\vdash		_
 In order to use your information, please respond before Sept Your promot response is appreciated. 	ember 26, 2008.							\perp		_
- Total prompt response is appreciated.										
						\Box	_		_	\rightarrow
PLEASE REPORT FOR ALL WASHINGTON STATE BUSINESS LOCATIONS	CONTACT PERSON			-		-	_	\vdash	\rightarrow	\rightarrow
How many employees do you currently have in	Name:		_	-		-		\vdash	\rightarrow	-
Washington State?	Title:		-	-		-	_	\vdash	\dashv	-
Number of employees who are full time:	Telephone: ()		_	\vdash		\vdash	_	\vdash	\rightarrow	\rightarrow
Number of employees who are part time:	Date:		_	-		\vdash	_	\vdash	\rightarrow	\rightarrow
Do you provide goods or services in any of the four core areas? Yes No.			_	-		-	_	\vdash	\rightarrow	-
the four core areas? Yes No			+	\vdash		-	_	\vdash	\dashv	-
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THANK YOU FOR PARTICIPATING!			_			\vdash	_		\dashv	\neg
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	Labor Market and Economic Analysis		_						\dashv	\neg
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	Employment Security is an equal-opportunity employer and provider of programs and services.		1	i –		\vdash		\Box	\neg	\neg
	Auxiliary aids and services are available upon request to people with disabilities.	Justry Certifications								_
	Page 1	s your organization have any special industry certifications th	it relate to any of the		or No		No O		r No	Yes o
	Page 1	rouse areas (i.e., LEED, Certified Organic, etc.)? Yes		0	0	0	0	0	0	0
			Thank you for yo	ur partic	ipation.					

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Washington Labor Market Quarterly Review

Published by the Labor Market and Economic Analysis branch

David Wallace, Acting Chief Economist
Scott Bailey, Regional Labor Economist
Jami Mills, Economist
Alexander Roubinchtein, Ph.D., Economist
Chris Thomas, Economist
Bonnie Dalebout, Graphic Design Supv.
Sandra K. Jones, Communications Consult.
Linda Ojard, Graphic Designer

For additional labor market information contact our

Labor Market Information Center (LMIC) 1-800-215-1617

Or visit us on the Web www.workforceexplorer.com



Washington State Employment Security Department

Labor Market and Economic Analysis

