



Washington Labor Market Quarterly Review

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July - September 2008

INDICATORS

UNEMPLOYMENT RATE

Washington

(Seasonally Adjusted)

July 2008	5.6%
August 2008	6.0%
September 2008 (prel)	5.8%

United States

(Seasonally Adjusted)

July 2008	5.7%
August 2008	6.1%
September 2008 (prel)	6.1%

NONAGRICULTURAL EMPLOYMENT

Washington (Seasonally Adjusted)

(in thousands)

July 2008	2,984.7
August 2008	2,986.1
September 2008 (prel)	2,968.0

Percent Change (over the year)

July 2007-2008	1.0%
August 2007-2008	1.0%
September 2007-2008 (prel)	0.4%

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Washington Labor Markets: A Global Perspective

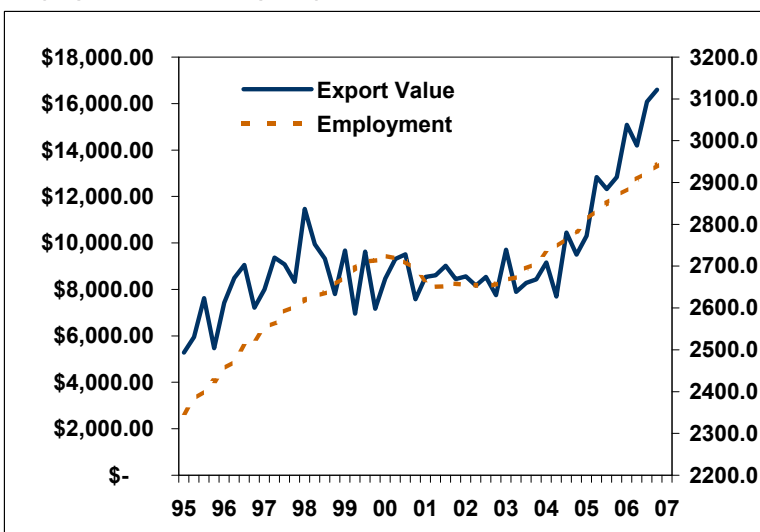
By Dave Wallace, Economist

Trade: A Good Thing or a Bad Thing?

Economists are often strong advocates of free trade. So it came as a surprise last year when well known economist Alan Blinder estimated¹ that as many as 40 million American jobs could be lost to outsourcing. Similarly, NAFTA (the North American Free Trade Agreement) has been something of a whipping post in this political cycle. Given all this re-evaluation of the benefits of trade, one has to wonder about the impact of the global economy on Washington state.

Unlike many states, Washington is generally seen to be benefiting from international trade and the increasingly global nature of our world. Boeing airplanes, Starbucks coffee, and Microsoft software are well known examples of Washington-produced

Figure 1. Value of Exports and Covered Employment
Washington State, Quarterly 1995 to 2007
Employment Seasonally Adjusted and in Thousands



Source: Census and Washington State Employment Security Department

¹ "How Many U.S. Jobs Might Be Offshorable?", Alan Blinder, CEPS Working Paper No. 142, March 2007, <http://www.princeton.edu/~blinder/papers/07ceps142.pdf>. Similarly, economist Paul Samuelson in 2004 questioned the idea that trade is necessarily a positive for countries (<http://www.nytimes.com/2004/09/09/business/worldbusiness/09outsource.html?pagewanted=print&position=>).

goods exported around the globe. However, most of the parts of those planes are built elsewhere; Microsoft faces lawsuits in Europe and software piracy in China, and Starbucks appears to be retrenching (and was incidentally kicked out of the Forbidden City). So is it possible that, as Mr. Blinder feared, trade is not as benign as previously assumed in Washington?

We also know that even the best economic policy often creates winners and losers. This article will attempt to explain how Washington state labor markets are affected by global forces, the net affect, as well as which segments stand to gain and which stand to lose.

Demand for workers is ultimately derived from demand for the goods or services they produce. Therefore by looking at trade, particularly exports, we can gauge the impact of the world upon Washington labor markets.

Examining trade data is tricky. For example, when trying to measure a given state's exports, what specifically do you measure? You can look at the number of cargo ships or airplanes leaving from a given port, the total volume shipped out, or the value of the goods shipped. Since we are trying to gauge the employment picture, the ideal data would be the ones most related to employment. None of these measures are perfect, but the first two are relatively

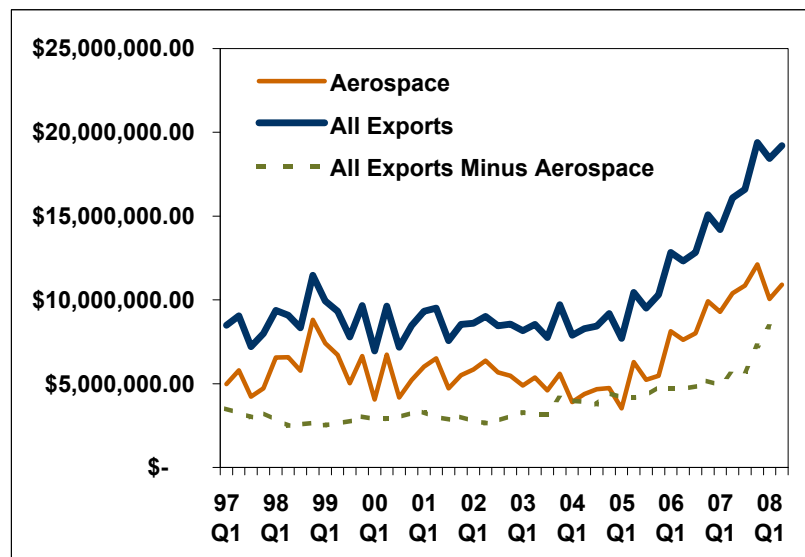
more problematic², hence I will focus more on export value than on volume or weight. A further complication when looking at trade is how to track its origination. Typically goods are tracked from the port from which they exit the United States, but of course this doesn't identify the true origin.

Since 1995, note (Figure 1) that employment seems to be somewhat in synch with movements in trade (or more specifically exports) in Washington state. Both employment and exports rose in the latter 1990s, fell off during the 2001 recession, and eventually began rapid increases from 2004 onwards. The impact of the aerospace industry in Washington obviously had a significant impact as Boeing has been hiring at a fast pace to keep up with production needs – largely

due to foreign demand. However, when transportation equipment (of which aerospace is the largest component) is taken out, exports exhibited a moderated but still similar pattern to that of employment (Figure 2).

States such as Michigan (which was the state with the highest unemployment rate in August) and Ohio have in recent years seen the negative side of the global economy³. Many of their export industries have suffered as they have struggled to compete in global markets. Washington, on the other hand, due to its particular mix of industries, has been doing quite well. If we look at exports as a percentage of the state's total output (measured as Gross Domestic Product or GDP), Washington ranked number one (Figure 3).

Figure 2. Value of Exports (\$1,000s)
Washington State, Quarterly 1997 to 2008



Source: Bureau of the Census/WISER/Haver

² Cargo ships and weight both deal essentially with volume. This would overly stress the importance of heavy or bulky items such as wheat or cooking oils. Similarly it would discount the relevance of small but expensive items such as software and technological devices.

³ Though it is interesting to see that as of 2007, Michigan was still doing very well in terms of exports as a percentage of state GDP. Note from Figure 3, Michigan ranked 7th overall.

Figure 3. States with Highest Percent of Exports to GDP in 2007

Rank	State	Value of Exports	Export as % of GDP
1	Washington	\$66,258,477,000	21.3%
2	Arkansas	\$19,185,653,000	20.1%
3	Texas	\$168,099,640,000	14.7%
4	Louisiana	\$30,374,691,000	14.1%
5	Vermont	\$3,434,562,000	14.0%
6	Kentucky	\$19,616,267,000	12.7%
7	Michigan	\$44,371,421,000	11.6%
8	South Carolina	\$16,560,187,000	10.8%
9	Indiana	\$25,877,837,000	10.5%
10	Oregon	\$16,515,405,000	10.4%

Source: Bureau of Economic Analysis/WISER/Haver

Washington does even better when looking at job creation due to manufacturing exports. *Figure 4* lists the top states, in terms of the percentage of its employment, that are attributable to manufactured exports. According to the Department of Commerce, nearly 11 percent of Washington's private sector employment was linked to manufactured exports in 2006. In addition Washington ranked fourth overall among states in 2007 in terms of the value of ex-

ports, and third highest in terms of growth in the value of exports over the last four years.

What this means is that as much as any other region in the U.S., if not more so, our output and hence income, wages, and employment are directly linked to international trade. It would be an extremely hard case to make that the global economy has had a net negative economic effect on Washington state.

Figure 4. Employment Related to Manufactured Exports 2006 (thousands of jobs)

State	Jobs Linked Manufactured Exports	Private Sector Employment	% of Jobs Due to Manufactured Exports
Washington	256.6	2422.8	10.6
South Carolina	150.1	1607.6	9.3
Vermont	23.6	263.6	9.0
Kansas	96.2	1155.6	8.3
Oregon	112.4	1485.6	7.6
Iowa	98.4	1332.3	7.4
Indiana	192.2	2632.2	7.3
Wisconsin	174.6	2551.7	6.8
Alabama	111.7	1644.2	6.8
Texas	579.9	8600.2	6.7

Source: International Trade Administration; Department of Commerce

⁴ European Economics & Financial Centre Conference, London, Sept. 6, 2007

Winners and Losers (Industries, Occupations, and Areas)

"Trade theory also asserts, however, that within any given country, the gains from trade may be unevenly distributed. To be sure, the vast majority of individuals undoubtedly gain for the reasons I have just described. Yet, there will be some workers who experience labor market disruptions as their jobs are eliminated due to rising imports or the offshoring of production facilities. These individuals clearly suffer, and their losses in terms of job opportunities, income, and morale can be both substantial and long-lived.

For developed, capital-abundant countries like the United States and the United Kingdom, standard trade theory suggests that trade with the developing world will have its greatest negative effect on the less-skilled because developing economies such as China and India are relatively abundant in that type of labor. The United States, for example, imports large quantities of apparel, furniture, and toys from China, while exporting significant quantities of civilian aircraft and semi-conductors (U.S. Census Bureau, Foreign Trade Statistics). One of the possible labor market outcomes of trade liberalization, then, is a widening of the earnings distribution in the developed world. Many are rightly concerned about this possibility. Within recent decades, both the United States and Great Britain have seen the extent of inequality in their wage distributions increase sharply."

-- William Poole⁴, President, Federal Reserve Bank of St. Louis

The author in the above quote is saying that evidence shows that while the net effect of trade on job creation is positive (and much more so for a trade-ori-

ented state like Washington), the benefits are not evenly distributed. Despite the overall success of the state's farm sector, asparagus and beet growers have been decimated along with their food processing counterparts. Hence the purpose of this section will be to analyze the effect of global forces on differing sectors in Washington state.

However, as discussed earlier, it is not always easy distinguishing domestic from global impacts. There is some very good data on specific exports from Washington (*Figure 5*). Note for example that "transportation equipment" had the largest export value in 2007, as it also had in 2002. The value of transportation equipment exports from the state nearly doubled in this five-year span, and in the

second quarter of 2007 supported a workforce of over 100,000 persons. In addition, orders on the books for commercial planes from the Boeing Corporation are very high, indicating a sustained demand into the foreseeable future⁵.

What we can read from that is that the global economy has a positive affect on the transportation sub-sector of manufacturing. This, of course, should come as a surprise to no one, but how about other industries? Interestingly, the increase in the exported value of transportation equipment grew at a below average pace when compared to other highly exported goods. Crop production (such as apples and cherries) increased by over 200 percent between 2002 and 2007, and supported a second quarter

workforce of about 58,000 (for all of 2006 the average employment was approximately 54,000). In fact in this period of higher commodity prices, other Washington commodities have seen rising export values; processed foods; fishing, hunting, and trapping; forestry and logging; and wood products. In addition, exports of various manufactured goods have had large jumps in the value shipped overseas.

The industries related to production of the goods listed in *Figure 5* accounted for employment of about 339,000 workers in Washington during the spring of 2007.

The critics of free trade would be sure to note that jobs are lost as well as gained due to our global exposure. Unfortunately, we do not have imports by state, so the next best thing would be to look at U.S. imports.

By value, computer and electronics were the biggest import category into the U.S. in 2007, with transportation equipment coming in second (*Figure 6*). At face value both of these look to be competing directly with Washington export industries. However, drilling down further reveals this not to necessarily be the case. The largest portion of computer and electronic components is radios and TVs (although computers and accessories make up the second largest component). As for transportation equipment, well over half of imports were for cars and trucks, with aerospace

Figure 5. Value of Top Exported Merchandise and Employment by Related Industry Exports for 2002 and 2007, Employment 2007 2nd Quarter

Item	2002	2007	5-Year Change	2007 2nd Qtr Employment
Total	\$34,626,548,518	\$66,258,480,342	91%	2,890,874
Transportation Equipment	\$23,377,446,651	\$42,665,112,588	83%	100,991
Crop Production	\$2,093,643,281	\$6,548,118,781	213%	58,140
Computers & Electronic Prod.	\$1,957,767,273	\$3,346,824,924	71%	22,577
Machinery Manufactures	\$800,152,576	\$2,097,552,792	162%	14,671
Processed Foods	\$1,278,136,375	\$2,096,874,801	64%	32,352
Petroleum & Coal Products	\$538,929,450	\$1,172,466,025	118%	2,464
Primary Metal Manufactures	\$287,386,639	\$1,121,974,778	290%	6,196
Paper Products	\$817,049,220	\$911,863,150	12%	11,187
Misc. Manufactures	\$289,897,623	\$888,185,198	206%	10,988
Chemical Manufactures	\$637,331,406	\$789,775,470	24%	5,921
Waste & Scrap	\$107,926,432	\$684,177,219	534%	0
Elec. Eq.; Appliances & Parts	\$269,637,330	\$641,489,235	138%	4,286
Fishing; Hunting; & Trapping	\$511,959,539	\$641,371,982	25%	1,951
Forestry & Logging	\$386,682,431	\$441,053,947	14%	5,207
Fabricated Metal Products	\$164,262,114	\$433,889,150	164%	19,261
Wood Products	\$324,176,590	\$420,698,047	30%	19,460
Plastic & Rubber Products	\$131,831,290	\$265,063,423	101%	10,321
Mining	\$24,129,774	\$239,620,868	893%	2,777
Spec. Classification Provision	\$184,818,287	\$172,098,786	-7%	0
Non-Metallic Mineral Mfgs.	\$64,363,731	\$148,558,425	131%	10,555

Source: WISER; U.S. Census Bureau, Foreign Trade Division

⁵ <http://active.boeing.com/commercial/orders/index.cfm>

Figure 6. Consumption Imports to U.S. from All Countries
2007, Listed by Descending Value (U.S. Dollars)

Description	Consumption Imports - Customs Value
Total	\$1,942,862,938,000
Computer and Electronic Products	\$312,868,086,000
Transportation Equipment	\$277,816,013,000
Oil And Gas	\$229,494,890,000
Chemicals	\$160,250,909,000
Machinery, Except Electrical	\$121,361,269,000
Petroleum and Coal Products	\$102,175,968,000
Miscellaneous Manufactured Commodities	\$95,352,015,000
Primary Metal Manufacturing	\$88,866,123,000
Apparel and Accessories	\$78,961,664,000
Elect. Equip., Appliances, & Components	\$67,130,117,000
Fabricated Metal Products	\$50,042,039,000
Goods Returned to Canada	\$39,624,390,000
Food and Kindred Products	\$34,720,132,000
Plastics and Rubber Products	\$32,046,496,000
Leather and Allied Products	\$29,404,449,000
Special Classification Provisions	\$28,282,380,000
Furniture and Fixtures	\$27,683,799,000
Paper	\$23,484,110,000
Agricultural Products	\$19,688,005,000
Nonmetallic Mineral Products	\$19,674,695,000

Source: WISER; U.S. Census Bureau, Foreign Trade Division

fairly well down on the list. The state of Washington is not generally known for its production of radios, TVs, and automobiles (although trucks are produced within the state).

The alert reader might have noticed that *Figures 5 and 6* only list goods, nothing about services. This is significant especially since over 80 percent of the state's employment is in services.

Unfortunately though, there are very little data available regarding trade in services – particularly at the state level.

From *Figure 7* we can see some national data on trade in services. While services make up a little less than one-third of our exports, it is growing faster and the nation consistently runs a trade surplus in services. Between 2000 and 2007 exports of services grew by 60 percent, compared to 49 for exports of goods. In addition, our trade surplus in services grew by 43 percent over the same period, and services as a percentage were about twice as high among exports as imports. In other words the U.S. exports quite a bit more services than it imports, and services as a trade factor are becoming more and more important.

Of course services traditionally are much less prone to being traded internationally. This is because a service typically involves interaction between people as opposed to being able to load

Figure 7. U.S. International Transactions Accounts Data
2000 to 2007, Millions of U.S. Dollars

Current Account	2000	2001	2002	2003	2004	2005	2006	2007*
Exports of Goods	\$771,994	\$718,712	\$682,422	\$713,415	\$807,516	\$894,631	\$1,023,109	\$1,149,208
Exports of Services	\$298,603	\$286,184	\$292,299	\$304,342	\$349,734	\$388,439	\$422,594	\$479,150
Imports of Goods	\$1,226,684	\$1,148,231	\$1,167,377	\$1,264,307	\$1,477,094	\$1,681,780	\$1,861,380	\$1,964,577
Imports of Services	\$223,748	\$221,791	\$231,069	\$250,365	\$292,247	\$315,661	\$342,845	\$372,296
Balance on Goods	-\$454,690	-\$429,519	-\$484,955	-\$550,892	-\$669,578	-\$787,149	-\$838,271	-\$815,370
Balance on Services	\$74,855	\$64,393	\$61,230	\$53,977	\$57,487	\$72,778	\$79,749	\$106,854
Services as % of Total								
Exports	28%	28%	30%	30%	30%	30%	29%	29%
Imports	15%	16%	17%	17%	17%	16%	16%	16%
*2007 is Preliminary data								

Source: Bureau of Economic Analysis

an item on a ship and send it on its way. Change has occurred largely due to advances in technology. In the U.S., exports of services are usually among industries with high-wage, highly-educated workers, an area for which this country has a comparative advantage. Trade theory suggests, and a number of studies⁶ have shown, that while the U.S. will have trouble competing with low-wage industries abroad, it will have what economists call a comparative advantage in high-wage industries.

So, if we are seeing growth in service exports, what sectors are benefitting most? Outside of “services” such as royalties, licenses, and receipts of foreign-based U.S. companies, the rising stars of service imports are business, professional, and technical services, and financial services (*Figure 8*). The business, professional, and technical service industry includes companies that provide lawyers, accountants, architects/engineers, designers, computer systems design, environmental consulting, research and development, advertising, and marketing services (as well as others). Financial services are typically provided by banks, stock exchanges, credit cards companies, etc. The education and telecomm service industries have seen relatively flat growth of exports.

One can summarize the impact of trade on industries in Washington to be a net positive, as

state exports support employment in a number of fields. Transportation (primarily aerospace), crop production, computer and electronic products, various manufactured goods and processed foods were industries that benefit by selling overseas. However, computer and electronic, some of the manufacturing, and wood/paper products industries face serious competition from foreign imports. The case of agriculture is mixed. Washington competes well with its signature crops such as apples, cherries, potatoes, and wheat. However, outside of the growing wine industry, our value-added agriculture (food processing) has suffered due to global forces.

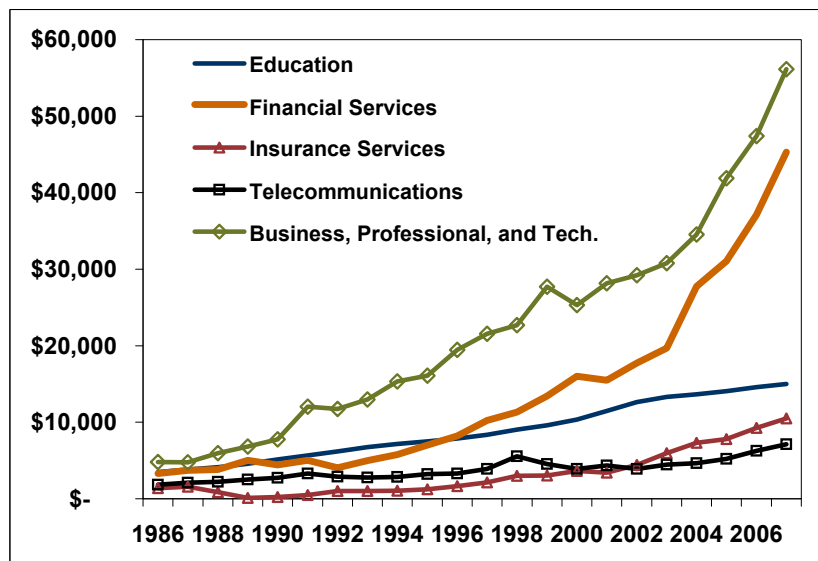
Although it is very difficult to gauge accurately, it is probable that Washington state exports more services than it imports.

This would imply that a certain number of jobs in the state would be created or sustained by this trade flow. The specific service exports that have done well in recent years are the professional/scientific/technical and financial services sector.

Occupations

Generally speaking, a worker can assume that if they work in an industry that successfully exports and competes abroad, that they benefit from trade. Likewise, if one works in an industry that is hemorrhaging jobs due to foreign competition that the occupation typically suffers due to global forces. However, this is not necessarily the case. Industries and occupations don’t always correspond. Take for example someone who works in the health care industry. A nurse or even an orderly are jobs that must be done in person

Figure 8. Exports of Private Services
1986 to 2007, Millions of U.S. Dollars



Source: Bureau of Economic Analysis

⁶ “Fear and Offshoring: The Scope and Potential Impact of Imports and Exports of Services,” J. Bradford Jenson and Lori G. Kletzer, January 2008, Peterson Institute for International Economics.

and hence they cannot normally be outsourced. A medical transcriptionist's work, on the other hand, could be outsourced with relative ease. Hence, it is important to examine occupations as well as industries.

Alan Blinder, the economist mentioned in the opening paragraph, based his outsourcing job loss estimates on work he did analyzing occupations. Using the Bureau of Labor Statistics Standard Occupational Coding (SOC) system, he analyzed 291 different occupations that were identified as "potentially offshorable." To be considered offshorable, a job must be able to deliver its service electronically, without serious degradation of its quality. It was something of a subjective process that attributed scores from 25 (being the least likely to be offshored) to 100 (being very easily offshored).

By this standard, computer programmers and data key entry operators are the occupations with the highest risk of losing jobs to global competition. *Figure 9* lists the 20 occupations deemed most exposed to being offshored and the Washington state employment associated with it. All of the occupations on the list can either transmit their services electronically, or the job can be done from a distance.

The occupations deemed least susceptible (among those that have some potential) to be offshored are listed in *Figure 10*. Business operations specialists, architects, health and safety engineers, music directors and composers, photographers, ad-

vertising sales agents, and postal workers were the least likely to be outsourced. Note that these jobs all require some sort of physical presence.

According to Blinder's system, occupations with an index of less than 50 are not considered to be offshorable; those between 50 and 75 are somewhat offshorable, and those with an index of 76 or above are highly offshorable. If we attach Washington state employment numbers and roll up by occupational groups, we can see what types of jobs are at risk, and what types are relatively safe from being outsourced.

As it turns out, computer and mathematical occupations have the highest proportion of at-risk-of-offshoring employment (*Fig-*

ure 11). Ninety-two percent of employment in these jobs could be lost overseas. Production and legal occupations also have high percentages of employment considered to be at-risk. At the other end of the spectrum, personal care workers have no jobs at risk of being outsourced. Very few sales, health care support, or health care practitioner type jobs are considered to be at risk of being offshored.

There are some anomalies; for example, the high degree of at-risk employment in legal occupations seems counterintuitive. Closer examination though reveals that the average index among legal professions is 52, meaning that 88 percent of these jobs are at a very mild risk of being outsourced.

Figure 9. Occupations Most Exposed to Offshoring
Washington State Employment, 2nd Quarter 2008

Occupational Title	Off-shorability Index	Employment 2008 Q2
Computer Programmers	100	12,998
Data Entry Keyers	100	4,083
Electrical and Electronics Drafters	98	851
Mechanical Drafters	98	1,575
Computer & Info. Scientists, Research	96	1,144
Actuaries	96	185
Mathematicians	96	79
Statisticians	96	887
Mathematical Science Occupations, All Other	95	148
Film and Video Editors	95	168
Medical Transcriptionists	95	2,343
Telemarketers	95	7,795
Telephone Operators	95	186
Proofreaders and Copy Markers	95	374
Numerical Tool & Process Cont. Programmers	95	472
Customer Service Representatives	94	36,322
Reservation & Transp. Ticket Agents & Travel	94	3,041
Word Processors and Typists	94	1,721
Office Clerks, General	94	72,468
Office & Admin. Support, All Other	94	12,825

Source: Employment Security Department/Alan Blinder

Figure 10. Possible, but Unlikely Occupations for Offshoring
Washington State Employment, 2nd Quarter 2008

Occupational Title	Off-shorability Index	Employment 2008 Q2
Business Operations Specialists, All Other	25	25,998
Architects, Except Landscape and Naval	25	4,140
Health and Safety Engineers	25	489
Music Directors and Composers	25	918
Photographers	25	3,220
Advertising Sales Agents	25	3,523
Postal Svc. Mail Sort., Processors, & Proc. Mach. Ops.	25	3,709
Sales Managers	26	5,014
Mail Clerks & Mail Mach. Operators, Exc. Postal	26	2,337
Camera and Photographic Equipment Repairers	26	157
Watch Repairers	26	0
Weighers, Measurers, Checkers, and Samplers	27	2,137
Food Cooking Machine Operators and Tenders	27	630
Managers of Helpers, Laborers, & Mat. Movers	28	3,499
Managers of Transp. & Mat.-Moving Machine Operators	28	5,974
Shipping, Receiving, and Traffic Clerks	29	16,374
Gas Plant Operators	29	0
Petroleum Pump System Operators & Refinery Ops.	29	745
Plant and System Operators, All Other	29	328
Astronomers	30	2,025

Source: Employment Security Department/Alan Blinder

Overall, an employee who fears being outsourced should be asking these questions; 1) can my completed work be effectively sent electronically?, 2) or, alternatively, can it be physically done elsewhere? If the answer is “yes” to either question, the job has the potential to be outsourced. However, having the potential to be outsourced doesn’t necessarily mean it will occur. An alternative way of viewing this is that any given job that can be outsourced, can also be “insourced.” Remember

Figure 11. Degree of Exposure by Occupational Groups
Washington State Employment, 2nd Quarter 2008

Occupational Group	2008 2nd Quarter		
	Off-shoreable Employment	All occupations	% Off-shoreable
Management	44,749	112,226	40%
Business and Financial	53,229	151,219	35%
Computer and Mathematical	100,458	109,621	92%
Architectural and Engineering	36,015	84,646	43%
Life, Physical, and Social Science	16,182	51,296	32%
Legal	25,114	28,606	88%
Arts, Design, Ent., Sports, & Media	26,882	67,798	40%
Healthcare Practitioners and Technical	11,224	145,610	8%
Healthcare Support	2,343	79,611	3%
Personal Care and Service Workers	148	143,449	0%
Sales and Related Workers	14,389	356,840	4%
Office and Administrative Workers	294,705	505,586	58%
Production Occupations	159,436	186,421	86%
All Occupation Groups	784,874	3,396,861	23%

Source: Employment Security Department/Alan Blinder

from the previous section (on industries) that as services have become more prone to being exported and imported, the United States has been able to maintain a trade surplus with services.

Conclusion

The evidence strongly suggests that the overall impact of global markets on Washington’s labor markets to be positive. This is largely due to the state’s specific mixture of goods as well as being strategically located with ports and a proximity to Canada.

However, these benefits are not distributed equally. Certain industries such as aerospace and information have benefitted from this relationship, whereas others such as wood, textiles, and food processing have suffered. Others such as agriculture have had a mixed experience. Likewise, some occupations have been immune to global competition, others have thrived in it, and yet others have been hurt by it. Jobs are generally considered to be at risk of global competition if the work can be sent electronically, or the work site can be moved to a distant location. However, global competition cuts both ways – it creates as well as destroys jobs.

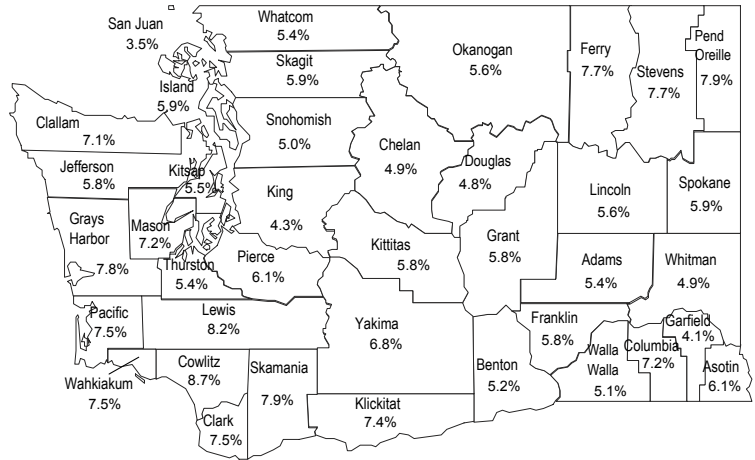
As individuals, it would seem that we can best position ourselves to survive and prosper in a global economy by upgrading our skills. Likewise, as a state, Washington would benefit from strong investment in the education and skills of its workforce.

Third Quarter Stats-At-A-Glance

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

(In Thousands)	Jul. 2008 (Revised)	Aug. 2008 (Revised)	Sep. 2008 (Prel)
Seasonally Adjusted Unemployment Rate:			
Washington State	5.6%	6.0%	5.8%
United States	5.7%	6.1%	6.1%
Washington State			
<i>Not Seasonally Adjusted:</i>			
Resident Civilian Labor Force	3,486.5	3,480.8	3,496.7
Employment	3,298.6	3,282.0	3,309.9
Unemployment	187.9	198.8	186.8
Percent of Labor Force	5.4%	5.7%	5.3%

Average Unemployment Rates by County July, August, and September 2008 Washington = 5.5% / United States = 6.0% Not Seasonally Adjusted



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

Date: 10/31/08
Benchmark: March 2007

Washington State
Employment Security Department
Labor Market and Economic Analysis

Not Seasonally Adjusted	July 2008 Revised				August 2008 Revised				September 2008 Preliminary			
	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate	Labor Force	Employment	Unemployment	Unemployment Rate
Washington State Total	3,486,500	3,298,600	187,900	5.4	3,480,800	3,282,000	198,800	5.7	3,496,700	3,309,900	186,800	5.3
Bellingham MSA	109,100	103,100	5,900	5.5	109,000	102,900	6,000	5.5	107,800	102,200	5,600	5.2
Bremerton MSA	124,000	117,000	7,000	5.6	124,600	117,500	7,100	5.7	124,300	117,800	6,600	5.3
Kennewick-Pasco-Richland MSA	121,700	114,800	6,900	5.7	123,100	116,200	6,800	5.5	124,700	118,600	6,200	4.9
Benton County 2/	89,566	84,714	4,852	5.4	90,829	85,841	4,988	5.5	91,960	87,510	4,440	4.8
Franklin County 2/	32,155	30,081	2,074	6.5	32,405	30,482	1,923	5.9	32,780	31,080	1,710	5.2
Longview MSA (Cowlitz)	44,597	40,820	3,777	8.5	44,614	40,512	4,102	9.2	44,660	40,900	3,760	8.4
Mt. Vernon-Anacortes MSA (Skagit)	59,608	56,076	3,532	5.9	60,854	57,047	3,807	6.3	58,420	55,100	3,320	5.7
Olympia MSA	130,130	122,991	7,139	5.5	131,180	123,707	7,473	5.7	130,950	124,200	6,750	5.2
Seattle-Bellevue-Everett MD*	1,466,300	1,403,800	62,500	4.3	1,458,800	1,392,800	66,000	4.5	1,468,700	1,399,100	69,600	4.7
King County 2/	1,091,163	1,046,317	44,846	4.1	1,085,643	1,038,138	47,505	4.4	1,092,720	1,042,780	49,950	4.6
Snohomish County 2/	375,141	357,501	17,640	4.7	373,856	354,706	19,150	5.1	375,940	356,290	19,650	5.2
Spokane MSA	230,137	216,348	13,789	6.0	231,628	217,320	14,308	6.2	234,760	221,820	12,930	5.5
Tacoma Metropolitan Division	392,324	368,054	24,270	6.2	396,891	371,425	25,466	6.4	399,500	376,020	23,480	5.9
Wenatchee MSA	73,800	70,500	3,300	4.4	65,900	62,000	4,000	6.0	66,300	63,500	2,900	4.3
Chelan County 2/	48,807	46,657	2,150	4.4	43,651	40,888	2,763	6.3	43,900	42,010	1,890	4.3
Douglas County 2/	24,969	23,842	1,127	4.5	22,162	20,895	1,267	5.7	22,450	21,470	980	4.4
Yakima MSA	127,872	119,159	8,713	6.8	125,793	115,708	10,085	8.0	126,860	119,650	7,210	5.7
Aberdeen MSA (Grays Harbor)	31,726	29,281	2,445	7.7	31,789	29,163	2,626	8.3	31,780	29,380	2,400	7.5
Centralia MSA (Lewis)	31,309	28,675	2,634	8.4	31,661	28,916	2,745	8.7	31,610	29,170	2,440	7.7
Ellensburg MSA (Kittitas)	20,338	19,093	1,245	6.1	20,550	19,309	1,241	6.0	21,520	20,380	1,140	5.3
Moses Lake MSA (Grant)	42,761	40,250	2,511	5.9	42,690	40,028	2,662	6.2	43,760	41,450	2,310	5.3
Oak Harbor MSA (Island County)	33,128	31,124	2,004	6.0	33,467	31,394	2,073	6.2	33,460	31,610	1,850	5.5
Port Angeles MSA (Clallam)	30,725	28,491	2,234	7.3	30,969	28,646	2,323	7.5	30,620	28,580	2,040	6.7
PulMSAn MSA (Whitman)	18,485	17,386	1,099	5.9	20,369	19,395	974	4.8	21,240	20,370	870	4.1
Shelton MSA (Mason)	25,454	23,684	1,770	7.0	25,714	23,719	1,995	7.8	25,260	23,530	1,730	6.8
Walla Walla MSA (Walla Walla)	30,257	28,657	1,600	5.3	29,256	27,679	1,577	5.4	29,670	28,260	1,420	4.8
Adams	8,409	7,937	472	5.6	8,327	7,858	469	5.6	8,470	8,050	420	5.0
Asotin 2/	10,051	9,472	579	5.8	10,260	9,584	676	6.6	10,270	9,640	630	6.1
Clark 2/	212,696	197,424	15,272	7.2	216,349	198,291	18,058	8.3	214,480	199,610	14,880	6.9
Columbia	1,587	1,473	114	7.2	1,643	1,523	120	7.3	1,620	1,500	120	7.3
Ferry	3,068	2,821	247	8.1	3,088	2,832	256	8.3	3,070	2,860	210	6.9
Garfield	1,073	1,022	51	4.8	1,092	1,047	45	4.1	1,010	970	40	4.1
Jefferson	13,956	13,148	808	5.8	14,026	13,189	837	6.0	13,910	13,140	770	5.5
Klickitat	10,120	9,350	770	7.6	10,494	9,643	851	8.1	10,280	9,620	660	6.4
Lincoln	4,740	4,470	270	5.7	4,811	4,539	272	5.7	4,660	4,410	250	5.4
Okanogan	26,509	25,160	1,349	5.1	22,523	21,073	1,450	6.4	23,290	22,050	1,240	5.3
Pacific	9,732	9,025	707	7.3	9,790	9,026	764	7.8	9,600	8,900	700	7.3
Pend Oreille	5,502	5,031	471	8.6	5,461	5,023	438	8.0	5,450	5,080	370	6.8
San Juan	9,812	9,463	349	3.6	9,822	9,477	345	3.5	9,170	8,850	320	3.5
Skamania 2/	5,219	4,804	415	8.0	5,281	4,825	456	8.6	5,190	4,860	340	6.5
Stevens	18,635	17,155	1,480	7.9	18,692	17,217	1,475	7.9	18,600	17,250	1,350	7.3
Wahkiakum	1,683	1,550	133	7.9	1,686	1,552	134	7.9	1,670	1,550	120	7.0

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data/Haver Analytics
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding.
*Metropolitan Division

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

Quarterly Benchmark: March 2008

In Thousands

Industry	Sep. 2008 (Prel)	Aug. 2008 (Rev)	Jul. 2008 (Rev)	Jun. 2008 (Rev)	May 2008 (Rev)	Apr. 2008 (Rev)
Total Nonfarm	2,968,000	2,986,100	2,984,700	2,970,800	2,973,100	2,974,400
Natural Resources and Mining	7,400	7,400	7,300	7,400	7,600	7,800
Logging	4,500	4,500	4,500	4,500	4,700	4,700
Construction	198,200	200,400	203,000	203,500	204,600	205,800
Construction of Buildings	50,200	50,500	51,800	52,200	52,700	53,000
Heavy and Civil Engineering	21,700	21,800	21,800	22,200	22,500	23,100
Speciality Trade Contractors	126,300	128,100	129,400	129,100	129,400	129,700
Manufacturing	295,100	296,500	296,800	296,600	296,200	296,100
Durable Goods	214,900	215,900	216,200	215,800	214,600	214,400
Wood Product Manufacturing	16,800	17,000	17,200	17,500	17,500	17,700
Fabricated Metal Product Manufacturing	20,600	20,800	20,900	20,800	20,800	20,800
Computer and Electronic Product Manufacturing	23,000	23,000	23,000	22,800	22,600	22,700
Transportation Equipment Manufacturing	97,900	98,300	98,200	97,800	97,200	96,500
Aerospace Product and Parts Manufacturing	86,200	86,000	86,000	85,500	84,700	84,100
Non Durable Goods	80,200	80,600	80,600	80,800	81,600	81,700
Food Manufacturing	34,700	35,100	34,300	34,900	35,000	34,800
Wholesale Trade	130,800	131,100	131,100	130,700	131,000	130,900
Retail Trade	331,900	331,800	332,400	331,400	331,200	331,800
Motor Vehicle and Parts Dealers	42,500	42,400	42,500	42,600	42,600	42,900
Food and Beverage Stores	61,400	61,400	61,800	61,400	61,300	61,500
Clothing and Clothing Accessories Stores	31,200	30,800	31,500	30,900	31,000	31,200
General Merchandise Stores	63,500	63,800	63,300	63,600	62,900	62,600
Transportation, Warehousing and Utilities	96,700	97,300	97,900	96,700	96,500	96,600
Utilities	5,000	5,000	5,100	5,100	5,000	5,000
Transportation and Warehousing	91,700	92,300	92,800	91,600	91,500	91,600
Air Transportation	10,600	10,900	11,000	11,200	11,200	11,200
Water Transportation	3,600	3,600	3,600	3,500	3,500	3,500
Truck Transportation	24,800	24,800	24,700	24,800	24,800	24,800
Support Activities for Transportation	18,300	18,500	18,500	18,500	18,400	18,100
Support Activities for Water Transportation	5,500	5,600	5,600	5,600	5,600	5,300
Warehousing and Storage	10,800	10,800	10,900	10,800	10,900	10,900
Information	107,100	107,200	106,900	106,200	105,700	105,100
Software Publishers	52,500	52,100	51,400	50,700	50,700	49,900
Telecommunications	25,600	25,700	25,700	25,700	25,800	26,000
Financial Activities	152,300	153,000	153,100	153,400	153,500	153,800
Finance and Insurance	101,600	102,000	101,900	101,900	101,900	102,000
Credit Intermediation and Related Activities	50,600	51,000	51,000	51,200	51,200	51,200
Insurance Carriers and Related Activities	39,400	39,200	38,900	38,700	38,800	38,800
Real Estate and Rental Leasing	50,700	51,000	51,200	51,500	51,600	51,800
Professional and Business Services	354,100	355,600	356,000	356,000	354,200	351,900
Professional, Scientific and Technical Services	168,500	169,100	169,300	168,600	167,600	166,000
Legal Services	20,400	20,500	20,600	20,600	20,700	20,700
Architectural and Engineering Services	38,100	38,300	38,400	38,400	38,400	38,400
Computer Systems Design and Related Services	29,000	29,500	30,300	30,700	31,400	31,700
Management of Companies and Enterprises	35,000	35,300	35,200	35,100	34,600	34,500
Admin and Support and Waste Management and Remediation	150,600	151,200	151,500	152,300	152,000	151,400
Employment Services	53,300	54,100	54,200	55,100	54,500	54,000
Education and Health Services	358,900	358,100	356,300	354,900	356,200	357,500
Education Services	47,600	47,200	46,200	45,500	46,600	47,500
Hospitals	70,000	69,600	69,000	68,300	68,000	67,900
Nursing and Residential Care Facilities	56,700	56,700	56,700	56,700	56,900	56,900
Social Assistance	59,400	59,500	59,300	59,200	59,700	60,100
Leisure and Hospitality	286,700	287,300	287,100	287,100	287,100	286,900
Arts, Entertainment and Recreation	48,200	48,300	48,200	48,400	48,800	49,300
Accommodation	31,800	31,700	31,600	32,100	32,000	31,700
Food Services and Drinking Places	206,700	207,300	207,300	206,600	206,300	205,900
Government	540,000	551,600	547,900	538,300	541,000	542,100
Federal Government	69,200	69,400	69,700	69,100	69,600	69,200
Total State Government	149,500	151,700	154,700	146,600	149,700	151,700
State Government Educational Services	76,700	78,600	81,200	74,800	80,300	80,600
Total Local Government	321,300	330,500	323,500	322,600	321,700	321,200
Local Government Educational Services	154,100	157,400	154,200	153,000	152,700	152,600
Workers in Labor-Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0

1/ Excludes proprietors, self-employed, members of armed forces, 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 first quarter 2008) and estimates employment from that point to present.

