



# Washington Economic Update

March 28, 2016

## Summary

Nonfarm payroll employment in Washington increased by 10,600 jobs and the unemployment rate was unchanged at 5.8 percent in February according to data released by the Bureau of Labor Statistics (BLS).

## Washington Unemployment Rate

During February, the unemployment rate in Washington was unchanged at 5.8 percent. The number of people counted as unemployed fell by 913 in February to 208,984, while the labor force grew by 17,341 to 3,605,688. Among the 50 states and the District of Columbia, 40 posted lower unemployment rates for the month than Washington. A year earlier, the unemployment rate in Washington stood at 5.7 percent.

The 10 year peak for the unemployment rate in Washington was 10.4 percent in January 2010. The series high for the unemployment rate in Washington occurred in November 1982 when the unemployment rate reached 12.2 percent. The 10 year low for the unemployment rate was 4.6 percent in June 2007. This also represents the series low for the unemployment rate in Washington. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in February. February's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## Washington Payroll Employment

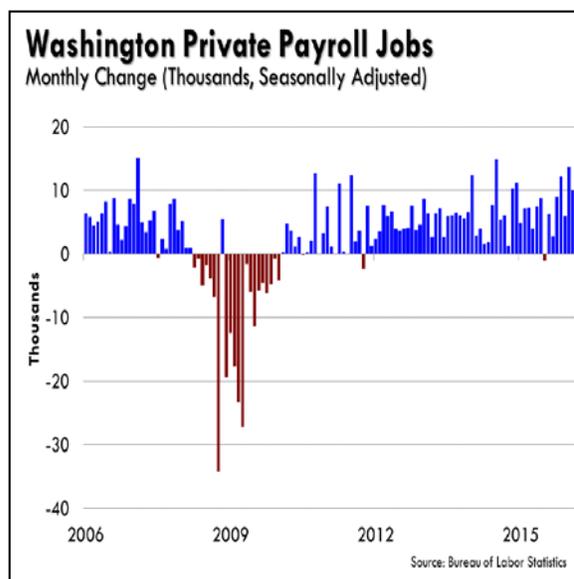
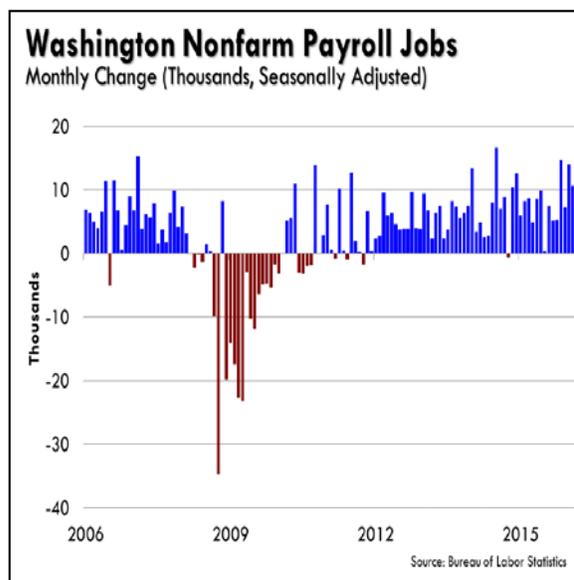
Washington nonfarm payrolls increased by 10,600 jobs, or 0.33 percent, on a seasonally adjusted basis during February. In the prior month, nonfarm payrolls increased by 14,000. Over the past 12 months nonfarm payrolls in Washington increased by 96,500, or 3.09 percent. Washington nonfarm payroll employment has increased in each of the past 12 months.

Nationally, nonfarm payrolls increased by 242,000 jobs in February, or 0.17 percent. Over the 12-month period ending February 2016 nonfarm payrolls grew by 2,672,000 jobs, or 1.9 percent. Washington posted the fifth highest percentage gain in nonfarm payroll employment among the 50 states and the District of Columbia over the past 12 months.

During February, Washington private sector payrolls increased by 10,000, or 0.38 percent. Private sector payrolls increased by 13,700 jobs in the prior month. Over the past 12 months, private sector payrolls in Washington increased by 86,100, or 3.36 percent. Washington private sector payroll employment has increased in 11 of the past 12 months.

Nationally private-sector payroll jobs increased by 230,000 jobs in 1.9, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,597,000 jobs in the private sector, an increase of 2.18 percent. Washington ranks 6th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During February, total government payroll employment in Washington increased by 600, or 0.11 percent. Federal government payroll employment increased by 100, or 0.14 percent. State government payroll employment increased by 200, or 0.13 percent, while local government payroll employment increased by 300, or 0.09 percent.



Over the past year, total government payroll employment increased by 10,400, or 1.87 percent. State government payroll employment increased by 700, or 0.45 percent. Local government payroll employment increased by 7,900, or 2.39 percent.

The best performing sectors on a seasonally adjusted basis during February were Construction (+5,500) and Leisure & Hospitality (+2,800). The poorest performing sectors during the month were Manufacturing (-2,500) and Educational & Health Services (-200).



The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+21,100) and Professional & Business Services (+16,500). The poorest performing sectors for the year were Manufacturing (-2,800) and Mining & Logging (-600).

#### Other Washington Labor Force Statistics

The labor force participation rate in Washington rose to 63.5 percent in February from 63.3 percent the prior month. Among the 50 states and the District of Columbia, 26 have a higher labor force participation rate than Washington. The labor force participation rate in Washington is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Washington was 68.5 percent in September 2009. The series high for the labor force participation rate in Washington occurred in January 1999 when the labor force participation rate hit 70.4 percent. The 10 year low for the labor force participation rate was 62.9 percent in October 2015. The series low for the labor force participation rate occurred in March 1976 when the labor force participation rate hit 60.6 percent.

The national labor force participation rate rose by 0.2 percentage point to 62.9 percent in February, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Washington civilian noninstitutionalized population 16 years and older counted as employed, rose to 59.8 percent in February from 59.6 percent the prior month. Among the 50 states and the District of Columbia, 29 have higher employment-to-population ratios than Washington. The employment-to-population ratio in Washington is 0.3 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Washington was 65.1 percent in February 2008. The series high for the employment-to-population ratio in

Washington occurred in January 1999 when the employment-to-population ratio hit 67.0 percent. The 10 year low for the employment-to-population ratio was 59.0 percent in October 2011. The series low for the employment-to-population ratio occurred in April 1976 when the employment-to-population ratio hit 55.3 percent.

The national employment-to-population ratio rose by 0.2 percentage point to 59.8 percent in February. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for March is scheduled for release on April 15, 2016. The national employment situation report for March will be released on Friday, April 1, 2016.

