



Washington Economic Update

June 17, 2016

Summary

Nonfarm payroll employment in Washington increased by 8,700 jobs and the unemployment rate was unchanged at 5.8 percent in May according to data released by the Bureau of Labor Statistics (BLS).

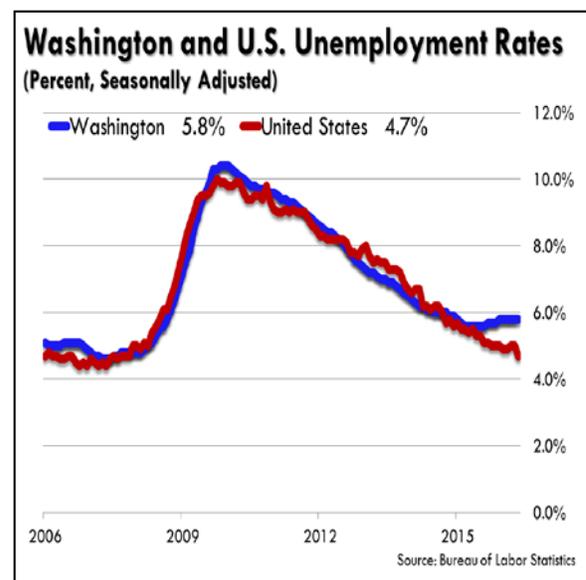
Washington Unemployment Rate

During May, the unemployment rate in Washington was unchanged at 5.8 percent. The number of people counted as unemployed fell by 1,705 in May to 209,574, while the labor force grew by 46 to 3,628,484. Among the 50 states and the District of Columbia, 41 posted lower unemployment rates for the month than Washington. A year earlier, the unemployment rate in Washington stood at 5.6 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 declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 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

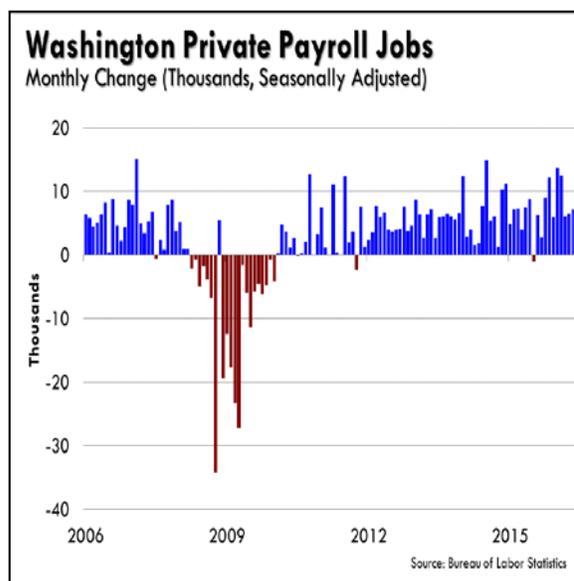
Washington nonfarm payrolls increased by 8,700 jobs, or 0.27 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls increased by 6,900. Over the past 12 months nonfarm payrolls in Washington increased by 100,800, or 3.20 percent. Washington nonfarm payroll employment has increased in each of the past 12 months.

Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. Washington posted the fourth highest percentage gain in nonfarm payroll employment among the 50 states and the District of Columbia over the past 12 months.

During May, Washington private sector payrolls increased by 7,100, or 0.27 percent. Private sector payrolls increased by 6,500 jobs in the prior month. Over the past 12 months, private sector payrolls in Washington increased by 89,500, or 3.46 percent. Washington private sector payroll employment has increased in 11 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent. Washington posted the fourth highest percentage gain in private sector payroll employment among the 50 states and the District of Columbia over the past 12 months.

During May, total government payroll employment in Washington increased by 1,600, or 0.28 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 600, or 0.39 percent, while local government payroll employment increased by 1,000, or 0.29 percent.



Over the past year, total government payroll employment increased by 11,300, or 2.02 percent. State government payroll employment increased by 300, or 0.19 percent. Local government payroll employment increased by 9,700, or 2.92 percent.

The best performing sectors on a seasonally adjusted basis during May were Professional & Business Services (+2,300) and Educational & Health Services (+2,000). The poorest performing sectors during the month were Leisure & Hospitality (-1,400) and Trade, Transportation & Utilities (-700).



The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+23,600) and Professional & Business Services (+18,400). The poorest performing sectors for the year were Manufacturing (-2,600) and Mining & Logging (-700).

Other Washington Labor Force Statistics

The labor force participation rate in Washington declined to 63.7 percent in May from 63.8 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 declined by 0.2 percentage point to 62.6 percent in May 2016, 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, declined to 60.0 percent in May from 60.1 percent the prior month. Among the 50 states and the District of Columbia, 30 have higher employment-to-population ratios than Washington. The employment-to-population ratio in Washington is 0.6 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 held steady at 59.7 percent in May. That rate was 0.3 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 June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

