



King County Labor Area Summary September 2019



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*Data used in this report available at the web address listed above.

Overview

- In September 2019, the not seasonally adjusted unemployment rate in King County was 3.0 percent. This is unchanged over the month. Twelve months ago, the unemployment rate was 3.5 percent.
- The King County labor force expanded by 3.1 percent over the year.
- Nonfarm employment expanded by 2,200 from August to September 2019. There were an estimated 1,491,200 total nonfarm jobs in King County.
- Six of the major industries detailed in this report added jobs and six shed jobs from August to September on a not seasonally adjusted basis. The largest one-month gains were attributable to government, and the deepest losses were observed in leisure and hospitality.
- Total nonfarm employment in September 2019 was 49,400 above the level observed 12 months earlier. This represents a 3.4 percent increase in employment over the year.
- Year-to-year growth was observed in every major industry detailed in this report. The largest gains were observed in the technology-intensive industries of professional and business services and information.

Unemployment rates and labor force information

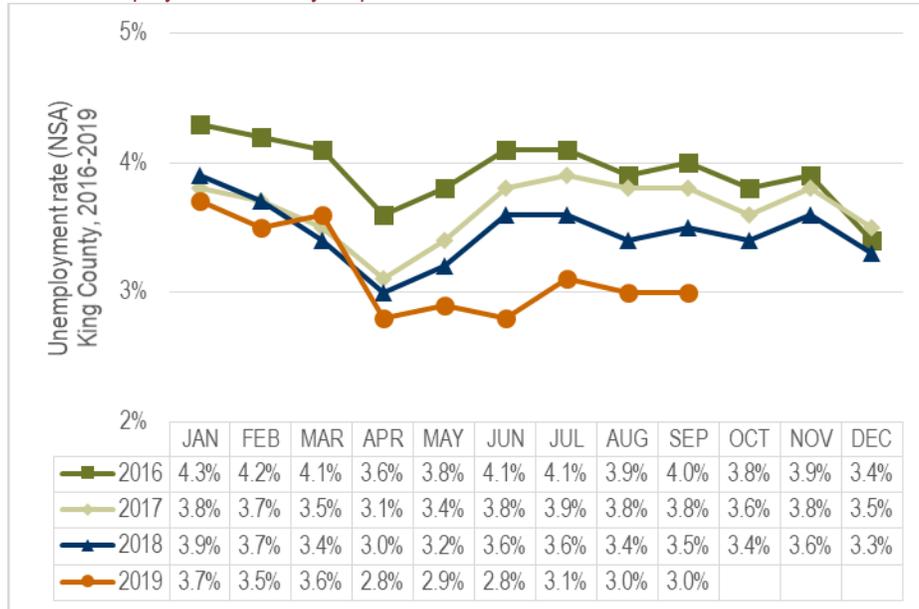
The not seasonally adjusted unemployment rate for King County was 3.0 percent (preliminary) in September 2019. This is unchanged from the rate reported in August (revised). For reference, the unemployment rate in September 2018 was 3.5 percent.

The 'Great Recession' gripped Washington in mid-2008. Through the course of 2008 and 2009, the unemployment rate rapidly increased, reaching a peak rate of 9.5 percent in the beginning of 2010. Since then, the elevated rate has diminished. September 2019 figures are:

- King County labor force: 1,302,877
- Total employed: 1,263,242
- Total unemployed: 39,635
- Unemployment rate: 3.0%

Month-to-month, King County’s labor force expanded by 7,771 people. The number of employed people increased by 6,918 and the number of active job seekers expanded by 853. Over-the-year, the labor force expanded by 39,022 people or 3.1 percent.

Figure 1. Unemployment rates, not seasonally adjusted
 King County, January 2016 through September 2019
 Source: Employment Security Department/LMEA



The unemployment rate peaked at 9.5% in early 2010. In September 2019, the unemployment rate was 3.0 percent.

Washington state

The not seasonally adjusted unemployment rate for Washington State decreased over the month from 4.5 percent in August (revised) to 4.2 percent in September (preliminary). The statewide labor force increased by 133,814 (3.5 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 4.0 percent.

The September forecast by Washington’s Economic and Revenue Forecast Council predicts that the statewide unemployment rate will average 4.52 percent in 2019 and will rise to 4.59 percent in 2020. This is virtually unchanged relative to the June forecast. See www.erfc.wa.gov for more information.

Seattle-Bellevue-Everett Metropolitan Division (MD)

The Seattle-Bellevue-Everett MD combines labor force information for Snohomish and King Counties. During the current economic downturn, King County’s unemployment rate has consistently run below that of Snohomish County. The not seasonally adjusted unemployment rate for the combined MD remained unchanged at 3.1 percent (revised) in September 2019. Twelve months ago, the unemployment rate was 3.5 percent.

City level estimates

The Bureau of Labor Statistics and Employment Security Department publish labor force information for cities with a population of 25,000 or more. Unemployment rates for selected cities can be found at www.esd.wa.gov/labormarketinfo/labor-force.

Unemployment Insurance (UI) Claims

UI claims activity peaked in May 2009 (49,117 continued claims were counted that month) and has been on a downward trend ever since. In September 2019, 4,699 new claims were filed by King County residents and a total of 11,839 King County residents collected benefits from the state UI system.

Total nonfarm employment

Total nonfarm employment (not seasonally adjusted) expanded by 2,200 from August to September 2019. Over the year, employers in King County added 49,400 jobs or 3.4 percent. The tally of nonfarm jobs in King County was more than 1.49 million.

Figure 2. Nonfarm industry employment
King County, January 2016 through September 2019
Source: Employment Security Department/LMEA



King County job growth continues to climb. From September 2018 to September 2019, King County employment expanded by 49,400.

King County employment levels peaked in 2008 and reached their lowest levels since the start of the economic downturn in early 2010. Average annual total nonfarm employment fell by 6.4 percent from 2008 to 2010. In 2010, employment levels were roughly equivalent to 2005 levels. Employment since 2010 has expanded for all of King County's major private sector industries and has exceeded the 2008 level since 2012.

Figure 3. Total nonfarm industry employment, not seasonally adjusted
 King County, September 2018, August and September 2019
 Source: Employment Security Department/LMEA

Nonfarm Employment Estimates, Not Seasonally Adjusted

King County

Data benchmarked through March 2019

NAICS Industry Title	Prelim Sep-19	Revised Aug-19	Revised Sep-18	Change		
				Aug-19 Sep-19	Sep-18 Sep-19	Sep-18 Sep-19
Total Nonfarm	1,491,200	1,489,000	1,441,800	2,200	49,400	3.4%
Total Private	1,315,900	1,318,900	1,267,500	-3,000	48,400	3.8%
Goods Producing	191,900	191,400	184,900	500	7,000	3.8%
Mining and Logging	500	500	500	0	0	0.0%
Construction	81,900	81,500	80,200	400	1,700	2.1%
Construction of Buildings	24,900	24,700	22,700	200	2,200	9.7%
Heavy and Civil Engineering Construction	8,300	7,800	6,400	500	1,900	29.7%
Specialty Trade Contractors	48,700	48,900	51,000	-200	-2,300	-4.5%
Manufacturing	109,500	109,400	104,200	100	5,300	5.1%
Durable Goods	82,200	82,200	78,500	0	3,700	4.7%
Fabricated Metal Product Manufacturing	7,600	7,600	7,100	0	500	7.0%
Computer and Electronic Product Mfg.	8,300	8,400	8,300	-100	0	0.0%
Navgtl., Measuring, Electromed., & Control	4,800	4,900	4,800	-100	0	0.0%
Transportation Equipment Manufacturing	45,400	45,300	43,500	100	1,900	4.4%
Aerospace Product and Parts Mfg.	42,100	42,000	40,200	100	1,900	4.7%
Nondurable Goods	27,300	27,200	25,700	100	1,600	6.2%
Food Manufacturing	13,200	13,400	12,400	-200	800	6.5%
Service Providing	1,299,300	1,297,600	1,256,900	1,700	42,400	3.4%
Trade, Transportation, and Utilities	279,700	280,800	276,200	-1,100	3,500	1.3%
Wholesale Trade	65,500	66,100	65,400	-600	100	0.2%
Retail Trade	158,900	159,600	157,000	-700	1,900	1.2%
Motor Vehicle and Parts Dealers	11,700	11,900	11,700	-200	0	0.0%
Food and Beverage Stores	24,700	24,100	23,600	600	1,100	4.7%
General Merchandise Stores	18,500	18,700	19,400	-200	-900	-4.6%
Transportation, Warehousing, and Utilities	55,300	55,100	53,800	200	1,500	2.8%
Transportation and Warehousing	53,500	53,300	51,900	200	1,600	3.1%
Air Transportation	15,100	15,200	14,300	-100	800	5.6%
Truck Transportation	6,900	6,900	6,800	0	100	1.5%
Support Activities for Transportation	13,700	13,800	13,000	-100	700	5.4%
Warehousing and Storage	3,100	3,200	3,400	-100	-300	-8.8%
Information	123,700	124,900	113,900	-1,200	9,800	8.6%
Software Publishers	70,300	70,400	64,700	-100	5,600	8.7%
Financial Activities	78,500	78,300	74,100	200	4,400	5.9%
Finance and Insurance	45,900	45,900	43,400	0	2,500	5.8%
Credit Intermediation and Related	16,900	16,900	16,300	0	600	3.7%

Insurance Carriers and Related	19,500	19,500	18,700	0	800	4.3%
Real Estate and Rental and Leasing	32,600	32,400	30,700	200	1,900	6.2%
Professional and Business Services	246,100	246,500	236,000	-400	10,100	4.3%
Professional, Scientific, and Technical Services	136,000	137,500	129,500	-1,500	6,500	5.0%
Legal Services	11,900	12,100	11,600	-200	300	2.6%
Accounting, Tax Prep., Bookkpg., and Payroll	9,400	9,400	9,100	0	300	3.3%
Architectural, Engineering, and Related	19,900	20,300	19,200	-400	700	3.6%
Computer Systems Design and Related	45,600	45,400	43,500	200	2,100	4.8%
Management of Companies and Enterprises	31,300	31,600	31,600	-300	-300	-0.9%
Admin., Support, Waste Mgmt., and Remediation	78,800	77,400	74,900	1,400	3,900	5.2%
Administrative and Support Services	75,100	73,600	71,500	1,500	3,600	5.0%
Employment Services	31,900	30,300	28,600	1,600	3,300	11.5%
Educational and Health Services	192,000	190,300	184,900	1,700	7,100	3.8%
Educational Services	30,100	29,300	28,800	800	1,300	4.5%
Ambulatory Health Care Services	64,600	64,100	61,600	500	3,000	4.9%
Hospitals	32,400	32,400	31,300	0	1,100	3.5%
Nursing and Residential Care Facilities	20,700	20,500	19,900	200	800	4.0%
Social Assistance	44,200	44,000	43,200	200	1,000	2.3%
Leisure and Hospitality	151,600	153,300	147,900	-1,700	3,700	2.5%
Arts, Entertainment, and Recreation	28,300	30,300	28,400	-2,000	-100	-0.4%
Accommodation	16,800	16,900	15,600	-100	1,200	7.7%
Food Services and Drinking Places	106,600	106,100	103,900	500	2,700	2.6%
Other Services	52,400	53,400	49,600	-1,000	2,800	5.6%
Repair and Maintenance	9,000	9,200	9,200	-200	-200	-2.2%
Personal and Laundry Services	18,100	18,100	17,700	0	400	2.3%
Religious, Grantmkg., Civic, Professional, & Similar	25,300	26,200	22,700	-900	2,600	11.5%
Government	175,300	170,100	174,300	5,200	1,000	0.6%
Federal Government	19,300	19,400	19,300	-100	0	0.0%
State Government	53,300	48,000	54,500	5,300	-1,200	-2.2%
State Government Educational Services	38,200	33,100	39,600	5,100	-1,400	-3.5%
Local Government	102,700	102,700	100,500	0	2,200	2.2%
Local Government Educational Services	42,000	40,700	41,000	1,300	1,000	2.4%
Workers in Labor/Management Disputes	0	0	0	0	0	

King County nonfarm employment increased by 3.4% over the year. Over the past few years, the rate of growth has generally hovered in the 3 percent range.

Nonfarm industry employment

Goods-producing Industries

From August to September 2019, total employment in goods-producing industries expanded by 500, with gains observed in both major contributing industries (construction and manufacturing). Year-over-year, goods-producing employment was up 7,000 or 3.8 percent.

Employment levels in the **construction** industry increased by 400 from August to September on a not seasonally adjusted basis. The tally of jobs was estimated at 81,900. Year-to-year, employment in construction was up 1,700 or 2.1 percent.

- Employment in construction is highly-seasonal. Expect employment to rise and fall with the temperature.
- Workers and employers in construction suffered losses above and beyond most. Based on annual average employment levels, construction declined an estimated 35 percent from peak levels in 2007 by the time it reached its low point in 2011. Recovery in this industry started off slowly, but has taken off in response to pent-up demand during the economic slowdown.
 - Recent reports show a slowdown of construction hiring. This is likely a reflection of constrained supply in an environment of sustained high demand.

In September, King County-located **manufacturing** employers collectively added 100 jobs. Over the year, total manufacturing employment was up 5,300 or 5.1 percent. Aerospace products and parts manufacturing expanded their workforce by 100 jobs over the month and by 1,900 jobs over the year.

- Manufacturing as a whole represents a variety of activities in King County, with products ranging from aircraft, marine and electronic products manufacturing to food manufacturing.
- Manufacturing led early economic recovery locally and statewide. In 2016 and 2017, manufacturing employment fell, but has been building back up.
- The count of aerospace products and parts manufacturing *only* catches those employers that are directly and primarily responsible for manufacturing aerospace products. Other products and services in the supply chain are counted under their best fit industries.
- Employment in nondurable goods increased by 100 over the month and expanded by and 1,600 (6.2 percent) over the year.

Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 1,700 jobs in September on a not seasonally adjusted basis. Over the year, service providers added 42,400 new jobs to the King County economy, with gains observed in all industry breakouts. The largest year-over-year gains among service-providing industries were attributable to hiring in professional and business services (up 10,100), information (up 9,800), and education and health services (up 7,100).

Employers in **Wholesale trade** shed 600 jobs in September but expanded employment by 100 over the year. Wholesale trade accounted for 65,500 King County-based jobs in September.

Net employment in **retail trade** decreased by 700 over the month but expanded by 1,900 (1.2 percent) over the year.

- Every year, ESD publishes a forecast for 4th quarter holiday hiring by retailers. Last year, Seattle-area retailers in King and Snohomish Counties added 4,290 seasonal jobs in the 4th quarter. This year, we predict that retailers in the Seattle MSA will add 5,650 jobs over the holidays.
- The largest industry employment changes called out in the King County report include a gain of 1,000 by food and beverage stores and a loss of 900 jobs from general merchandise stores.
- Most retail growth statewide has been observed in “other retail trade”; a category that includes non-store retailers. From September 2018 to September 2019, retailers captured under “other retail trade” added 2,900 jobs statewide. Many of these jobs are, of course, in King County.

Net employment in **transportation, warehousing and utilities** expanded by 200 over the month and by 1,500 or 2.8 percent over the year. This set of industries accounted for an estimated 55,300 jobs.

- The largest annual increases were attributable to air transportation (added 800 jobs) and support activities for transportation (added 700).

Employment in the **information** sector contracted by 1,200 over the month, with the conclusion of summer internships, but expanded by 9,800 jobs or 8.6 percent over the year.

- The information sector includes software publishing activities. Employment in software publishing contracted by 100 over the month but added 5,600 jobs (8.7 percent) over the year.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. The overall employment level rose by 200 over the month, and by 4,400 or 5.9 percent over the year.

- Employment over the year in finance and insurance was up 2,500 (5.8 percent) and hiring in the real estate component was up 1,900 jobs (6.2 percent)

Professional and business services includes a variety of professional and technical services such as accounting and engineering services. It also includes administrative support and management services and supports day to day business operations with services such as housekeeping and temporary employment services. In short, these are the businesses that provide operational support to others in the business community. In September, this diverse sector shed 400 jobs. Over the year, professional and business services as a whole expanded by 10,100 jobs (4.3 percent).

- From September 2018 to September 2019, professional, scientific and technical services added 6,500 jobs (5.0 percent), management of companies and enterprises shed 300 (-0.9 percent), and administrative support, waste management and remediation added 3,900 jobs (5.2 percent). Employment services was up 3,300 jobs over the year.

Employers in the **educational and health services** industries added 1,700 jobs over the month and added 7,100 jobs (3.8 percent) over the year. Educational and health services accounted for an estimated 192,000 King County-based jobs in September.

- All education and health industries detailed in this report added jobs over the year. The largest gains were attributable to hiring in ambulatory health care services (up 3,000).
- Educational and health services weathered the economic storm relatively well compared to other industries. Employment in this sector is generally dependent on population growth and stability.

Leisure and hospitality employment contracted from its mid-summer peak by 1,700 in September. Over the year, the industries that entertain residents and visitors alike added 3,700 jobs or 2.5 percent.

- Food services and drinking places collectively added the largest number of jobs over the year (2,700). Accommodation added 1,200 and arts, entertainment and recreation shed 100 jobs.

Other services represents a diverse collection of industries that do not fit elsewhere and include employers ranging from religious and grant-making organizations to auto mechanics and dry cleaners to membership clubs. Overall employment levels contracted by 1,000 over the month but expanded by 2,800 (5.6 percent) over the year. Other services represented 52,400 King County jobs in September 2019. The largest increases were observed among religious, grant making, civic, professional and similar employers (up 2,600 or 11.5 percent).

Government employers added 5,200 jobs in September and added an estimated 1,000 jobs over the year.

- The largest one-month gains were attributable to the beginning of the school year for local public school districts (local educational services were up 1,300) as well as public colleges and universities (state government educational services were up 5,100).
- Over the year, gains were concentrated in local government services – particularly local educational services. State government employment was down over the year and federal government employment was unchanged.

Forecast information for Washington state:

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. The most recent forecast was issued in September and updated in October. Forecast information is available at www.erfc.wa.gov.

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