



# Snohomish County Labor Area Summary February 2017



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

## Overview

- In February 2017, the not seasonally adjusted unemployment rate in Snohomish County was 3.7 percent. This is down from 4.2 in January and down from 4.8 percent observed 12 months ago.
- There were an estimated 285,800 nonfarm jobs in Snohomish County as of February 2017.
- Nonfarm employment in Snohomish County contracted by 100 jobs over the month but expanded by 3,200 or 1.1 percent over the year.
- From January to February, the largest gains were observed in government (up 300); professional and business services, education and health services and leisure and hospitality each added 200. Retail trade and manufacturing each shed jobs over the month (down 700 and 600 respectively).
- The largest annual gains were attributed to hiring in construction and professional and business services (each up 1,300) and leisure and hospitality (up 1,100). Two industries shed jobs over the year: manufacturing (down 3,300) and information (down 100).

## Unemployment rates and labor force information

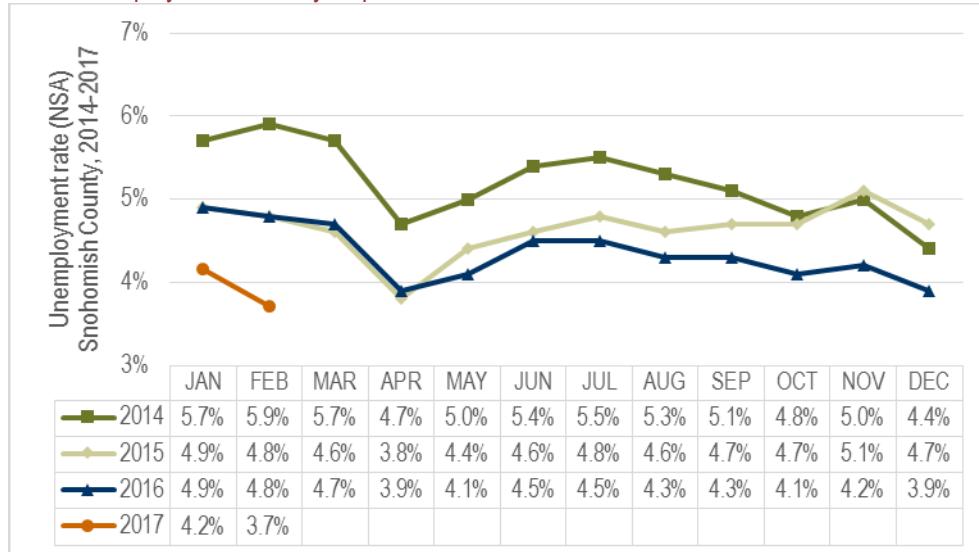
The not seasonally adjusted unemployment rate for Snohomish County was 3.7 percent (preliminary) in February 2017. This is down from 4.2 percent reported in January. For comparison, the unemployment rate in February 2016 was 4.8 percent. The January uptick in the unemployment rate is consistent with the typical seasonal rhythm of the unemployment rate, and is largely a product of the aftermath of holiday hiring and layoffs. January and February are typically characterized by the highest unemployment rates of any given year. The unemployment rate in Snohomish County has not dipped below 4 percent since 2008.

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 11.2 percent in January and February, 2010. Since then, the elevated rate has slowly diminished. February 2017 figures are:

- Snohomish County labor force: 420,604
- Total employed: 404,989
- Total unemployed: 15,615
- Unemployment rate: 3.7%

Month-to-month, Snohomish County’s total resident labor force expanded by 4,608. The number of employed people increased by 6,318 and the number of active job seekers decreased by 1,710, pushing the unemployment rate down. Over-the-year, the labor force expanded by 10,919 people or 2.7 percent.

**Figure 1. Unemployment rates, not seasonally adjusted**  
 Snohomish County, January 2014 through February 2017  
 Source: Employment Security Department/LMPA



The unemployment rate peaked at 11.2% in early 2010. In February 2017, the unemployment rate was 3.7 percent.

### Washington state

The not seasonally adjusted unemployment rate for Washington state decreased from 5.7 percent (revised) in January to 5.3 percent (preliminary) in February. The statewide labor force increased by 76,443 (2.1 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 6.1 percent.

The November forecast by Washington’s Economic and Revenue Forecast Council predicts that the statewide unemployment rate will average 5.74 percent in 2016 and will dip to 5.39 percent in 2017- a greater decrease than had been estimated in the September forecast. See [www.erfc.wa.gov](http://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 decreased from 3.8 percent in January (revised) to 3.4 percent (preliminary). Twelve months ago, the unemployment rate was 4.4 percent.

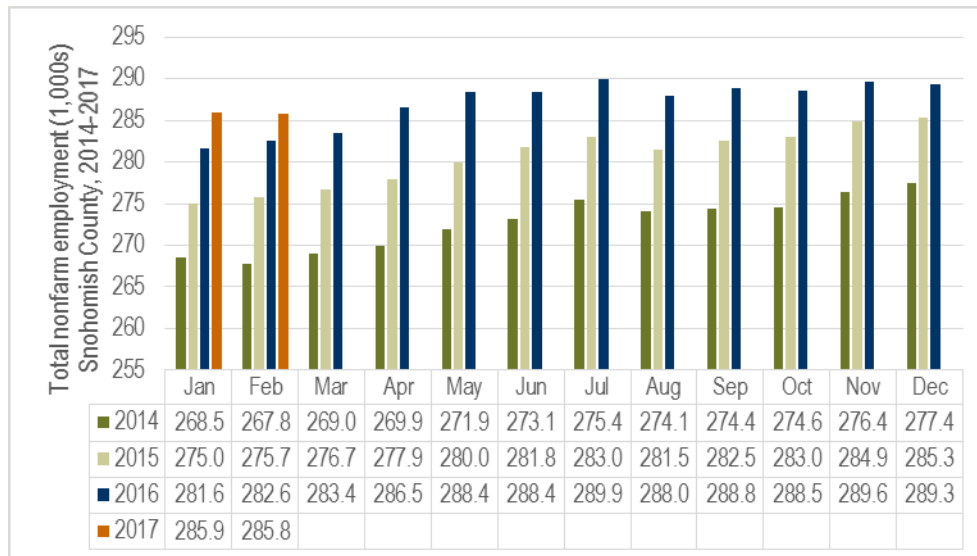
## Unemployment Insurance (UI) Claims

UI claims activity peaked in May 2009 (22,556 continued claims were counted that month) and has been on a downward trend ever since. In February 2017, 2,884 new claims were filed in Snohomish County and a total of 6,551 Snohomish County residents collected state benefits.

## Total nonfarm employment

Total nonfarm employment in Snohomish County decreased by 100 in February 2017 but expanded by 3,200 or 1.1 percent over the past 12 months. The estimated tally of jobs in February 2017 was 285,800.

**Figure 2. Nonfarm industry employment**  
Snohomish County, January 2014 through February 2017  
Source: Employment Security Department/LMPA



*Snohomish County employment continues to expand, with year-over-year growth observed in most industry sectors.*

Snohomish County employment levels peaked in early 2008 and reached their lowest levels since the start of the economic downturn in early 2010. Average annual nonfarm employment fell by 5.8 percent from 2008 to 2010. In 2010, employment levels were roughly equivalent to levels observed in 2006. Employment since 2010 has grown for all of Snohomish County's major private sector industries.

**Figure 3. Total nonfarm industry employment, not seasonally adjusted  
Snohomish County, February 2016, and January and February 2017.  
Source: Employment Security Department/LMPA**

Nonfarm Employment Estimates, Not Seasonally Adjusted

**Snohomish County**

Data benchmarked through September 2016

NAICS Industry Title	Prelim Feb-17	Revised Jan-17	Revised Feb-16	Change		
				Jan-17 Feb-17	Feb-16 Feb-17	Feb-16 Feb-17
Total Nonfarm	285,800	285,900	282,600	-100	3,200	1.1%
Total Private	245,400	245,800	242,800	-400	2,600	1.1%
Goods Producing	81,900	82,200	83,900	-300	-2,000	-2.4%
Mining, Logging, and Construction	21,500	21,200	20,200	300	1,300	6.4%
Construction of Buildings	3,600	3,600	3,300	0	300	9.1%
Heavy and Civil Engineering Construction	1,800	1,800	1,800	0	0	0.0%
Specialty Trade Contractors	15,700	15,500	14,800	200	900	6.1%
Manufacturing	60,400	61,000	63,700	-600	-3,300	-5.2%
Durable Goods	57,200	57,800	60,100	-600	-2,900	-4.8%
Wood Product Manufacturing	1,000	1,000	900	0	100	11.1%
Fabricated Metal Product Manufacturing	4,100	4,100	4,100	0	0	0.0%
Computer and Electronic Product Mfg.	5,300	5,300	5,200	0	100	1.9%
Aerospace Product and Parts Mfg.	41,200	41,800	44,100	-600	-2,900	-6.6%
Nondurable Goods	3,200	3,200	3,600	0	-400	-11.1%
Service Providing	203,900	203,700	198,700	200	5,200	2.6%
Trade, Transportation, and Utilities	48,000	48,700	46,600	-700	1,400	3.0%
Wholesale Trade	8,400	8,400	8,100	0	300	3.7%
Retail Trade	34,300	35,000	34,000	-700	300	0.9%
Motor vehicle and parts dealers	4,700	4,600	4,600	100	100	2.2%
Food and beverage stores	6,800	6,700	6,600	100	200	3.0%
General merchandise stores	7,900	8,300	7,800	-400	100	1.3%
Transportation, Warehousing, and Utilities	5,300	5,300	4,500	0	800	17.8%
Information	5,800	5,800	5,900	0	-100	-1.7%
Telecommunications	4,000	4,000	4,100	0	-100	-2.4%
Financial Activities	12,600	12,600	12,600	0	0	0.0%
Finance and Insurance	9,400	9,400	9,400	0	0	0.0%
Credit intermediation and related activities	3,300	3,200	3,100	100	200	6.5%
Insurance carriers and related activities	5,900	5,900	6,100	0	-200	-3.3%
Real estate and rental and leasing	3,200	3,200	3,200	0	0	0.0%
Professional and Business Services	26,700	26,500	25,400	200	1,300	5.1%
Professional, Scientific, and Technical Services	12,000	11,900	11,500	100	500	4.3%
Architectural and engineering services	2,300	2,300	2,400	0	-100	-4.2%
Administrative, Support, Waste Mgmt., & Remed.	13,100	13,000	12,400	100	700	5.6%
Employment services	4,400	4,400	4,000	0	400	10.0%
Educational and Health Services	34,100	33,900	33,500	200	600	1.8%
Ambulatory health care services	12,200	12,100	11,700	100	500	4.3%

Nursing and residential care facilities	5,000	5,000	5,000	0	0	0.0%
Social assistance	9,100	9,100	9,200	0	-100	-1.1%
Leisure and Hospitality	26,200	26,000	25,100	200	1,100	4.4%
Arts, Entertainment and Recreation	3,400	3,400	3,300	0	100	3.0%
Food Services and Drinking Places	21,500	21,300	20,500	200	1,000	4.9%
Other Services	10,100	10,100	9,800	0	300	3.1%
Government	40,400	40,100	39,800	300	600	1.5%
Federal Government	2,100	2,100	2,000	0	100	5.0%
State Government	6,800	6,700	6,800	100	0	0.0%
State Educational Services	3,700	3,700	3,700	0	0	0.0%
Local Government	31,500	31,300	31,000	200	500	1.6%
Local Educational Services	15,600	15,600	15,300	0	300	2.0%
Workers in Labor/Management Disputes	0	0	0	0	0	

*Snohomish County employment expanded by 3,200 over the past 12 months.*

## Nonfarm industry employment

### Goods-producing Industries

From January to February 2017, employment in construction and manufacturing combined contracted by 300. Year-over-year, goods producers in Snohomish County shed an estimated 2,000 jobs.

Total employment in **construction** expanded from 21,200 in January to 21,500 in February. Year-to-year, employment in construction was up 1,300. This is a 6.4 percent increase over last year's observed employment level.

- Workers and employers in construction suffered losses above and beyond most. Based on annual average employment levels, construction declined an estimated 40 percent from peak levels in 2007 to 2011. Recovery has lagged other industries and employment is highly seasonal. The cold wet months of winter tend to reflect month-to-month losses. Hiring will pick up again in the spring.

Net **Manufacturing** employment remained fell by 600 over the month, and by 3,300 over the year. Manufacturing is the largest set of industries in Snohomish County and accounts for 60,400 jobs in Snohomish County -- about one in five nonfarm jobs.

- Manufacturing is a diverse set of industries experiencing different patterns of growth and decline. Since reaching a post-recession peak in late 2012, employment dropped slightly and more-or-less leveled off.
- Over the year, employment losses for the manufacturing sector came primarily from aerospace manufacturing (Snohomish County's largest manufacturing industry, accounting for 41,200 jobs). Over the year, employment in the aerospace manufacturing industry dropped by 2,900. The past couple years have been characterized by declining employment in aerospace.
  - 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.

### Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 200 jobs over the month. Over the year, service-sector employers added 5,200 jobs to the Snohomish County economy, expanding employment by 2.6 percent. The largest year-over-year gains

among service-providing industries were attributable to hiring in professional and business services (up 1,300), leisure and hospitality (up 1,100) and transportation and warehousing (up 800).

**Wholesale trade** employment neither increased nor decreased over the month, but expanded by 300 jobs over the year. 8,400 jobs are found in this industry.

Employment in **retail trade** contracted by 700 in February but expanded by 300 jobs or 0.9 percent over the past 12 months.

- Year over year employment was up in all major retail industry breakouts detailed in this report, with the largest gains observed in food and beverage stores (up 200).

Employment in **transportation, warehousing and utilities** did not change over the month but expanded by 800 jobs over the year, representing 17.8 percent growth. Transportation warehousing and utilities employed 5,300 in February.

Employment in the **information** sector – a small sector that is dominated by the telecommunications industry in Snohomish County – remained unchanged from January but decreased by 100 over the year. Information sector businesses employed 5,800 in Snohomish County in February.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. Net employment did not change over the month or over the year. Altogether, the financial activities industries employed an estimated 12,600 in February.

**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 February, employment in this diverse sector expanded by about 200 jobs. Over the year, employers added 1,300 jobs or 5.1 percent.

- Growth was observed in professional, scientific and technical services (up 500) as well as within administrative support, waste management and remediation (up 700). Employment services was up 400 over the year.

Employment in the **educational and health services** increased by 200 in February and expanded by 600 (1.8 percent) over the year. Year-over-year growth was concentrated in ambulatory health care services (up 500).

- Educational and health services weathered the economic storm relatively well compared to other industries. Employment in this sector is generally more dependent on population trends rather than business cycles.

**Leisure and hospitality** added 200 jobs in February and contributed 1,100 new jobs to the Snohomish County economy over the year. Leisure and hospitality expanded by 4.4 percent over the year and accounted for an estimated 26,200 jobs.

**Other services** represents a diverse collection of industries that do not fit elsewhere and include employers ranging from auto mechanics and dry cleaners to membership clubs. Net employment remained unchanged over the month but employment was up 300 over the year.

**Government** employment increased by 300 jobs over the month and expanded by 600 over the year (1.5 percent). Year-over-year gains were concentrated in local government, particularly reflecting employment gains in public K-12 education.

### **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 November and updated in March. Forecast information is available at [www.erfc.wa.gov](http://www.erfc.wa.gov).