



# Snohomish County Labor Area Summary March 2017



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

## Overview

- In March 2017, the not seasonally adjusted unemployment rate in Snohomish County was 3.5 percent. This is down from 3.7 in February and down from 4.7 percent observed 12 months ago.
- There were an estimated 287,000 nonfarm jobs in Snohomish County as of March 2017.
- Nonfarm employment in Snohomish County expanded by 1,500 jobs over the month and by 3,600 or 1.3 percent over the year.
- From February to March, the largest gains were observed in construction, professional and business services and leisure and hospitality (each added 300).
- The largest annual gains were attributed to hiring in construction and professional and business services (each up 1,300) and leisure and hospitality (up 1,200). Two industries shed jobs over the year: manufacturing (down 3,000) and information (down 100).

## Unemployment rates and labor force information

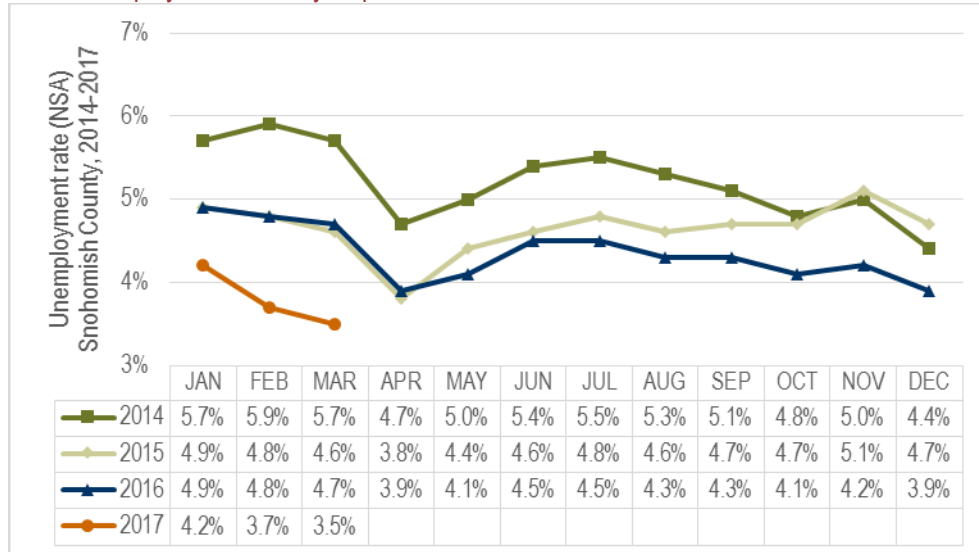
The not seasonally adjusted unemployment rate for Snohomish County was 3.5 percent (preliminary) in March 2017. This is down from 3.7 percent reported in February. For comparison, the unemployment rate in March 2016 was 4.7 percent. The unemployment rate in Snohomish County has not dipped below 4 percent 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. March 2017 figures are:

- Snohomish County labor force: 420,425
- Total employed: 405,682
- Total unemployed: 14,743
- Unemployment rate: 3.5%

Month-to-month, Snohomish County’s total resident labor force declined by 62. The number of employed people increased by 658 and the number of active job seekers decreased by 720, pushing the unemployment rate down. Over-the-year, the labor force expanded by 9,416 people or 2.3 percent.

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



The unemployment rate peaked at 11.2% in early 2010. In March 2017, the unemployment rate was 3.5 percent.

**Washington state**

The not seasonally adjusted unemployment rate for Washington state decreased from 5.2 percent (revised) in February to 4.9 percent (preliminary) in March. The statewide labor force increased by 61,402 (1.7 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 5.8 percent.

The March forecast by Washington’s Economic and Revenue Forecast Council predicts that the statewide unemployment rate will average 5.15 percent in 2017 and will dip to 4.68 percent in 2018. 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 3.4 percent in February (revised) to 3.2 percent (preliminary). Twelve months ago, the unemployment rate was 4.3 percent.

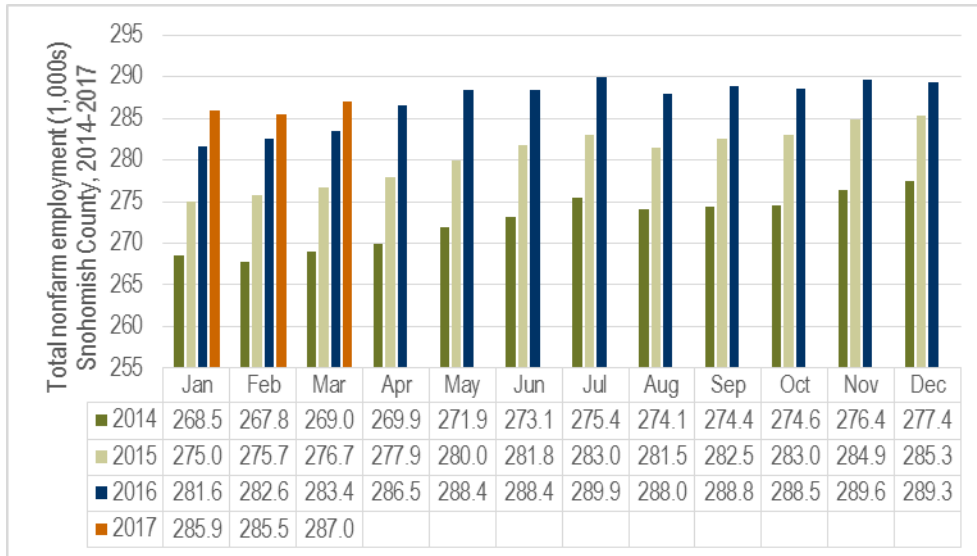
## Unemployment Insurance (UI) Claims

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 March 2017, 2,505 new claims were filed in Snohomish County and a total of 6,245 Snohomish County residents collected state benefits.

## Total nonfarm employment

Total nonfarm employment in Snohomish County increased by 1,500 in March 2017 and by 3,600 or 1.3 percent over the past 12 months. The estimated tally of jobs in March 2017 was 287,000.

**Figure 2. Nonfarm industry employment**  
Snohomish County, January 2014 through March 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, March 2016, and February and March 2017.  
 Source: Employment Security Department/LMPA

Nonfarm Employment Estimates, Not Seasonally Adjusted

**Snohomish County**

Data benchmarked through September 2016

NAICS Industry Title	Prelim Mar-17	Revised Feb-17	Revised Mar-16	Change		
				Feb-17 Mar-17	Mar-16 Mar-17	Mar-16 Mar-17
Total Nonfarm	287,000	285,500	283,400	1,500	3,600	1.3%
Total Private	246,700	245,300	243,800	1,400	2,900	1.2%
Goods Producing	82,200	81,800	83,900	400	-1,700	-2.0%
Mining, Logging, and Construction	21,700	21,400	20,400	300	1,300	6.4%
Construction of Buildings	3,700	3,600	3,300	100	400	12.1%
Heavy and Civil Engineering Construction	1,900	1,900	1,800	0	100	5.6%
Specialty Trade Contractors	15,900	15,700	15,100	200	800	5.3%
Manufacturing	60,500	60,400	63,500	100	-3,000	-4.7%
Durable Goods	57,300	57,200	59,900	100	-2,600	-4.3%
Wood Product Manufacturing	1,000	1,000	1,000	0	0	0.0%
Fabricated Metal Product Manufacturing	4,100	4,100	4,100	0	0	0.0%
Computer and Electronic Product Mfg.	5,300	5,300	5,300	0	0	0.0%
Aerospace Product and Parts Mfg.	41,300	41,200	43,900	100	-2,600	-5.9%
Nondurable Goods	3,200	3,200	3,600	0	-400	11.1%
Service Providing	204,800	203,700	199,500	1,100	5,300	2.7%
Trade, Transportation, and Utilities	48,200	48,000	46,900	200	1,300	2.8%
Wholesale Trade	8,400	8,400	8,200	0	200	2.4%
Retail Trade	34,500	34,300	34,200	200	300	0.9%
Motor vehicle and parts dealers	4,700	4,700	4,600	0	100	2.2%
Food and beverage stores	6,800	6,700	6,600	100	200	3.0%
General merchandise stores	7,900	7,900	7,900	0	0	0.0%
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	4,200	0	-200	-4.8%
Financial Activities	12,700	12,600	12,600	100	100	0.8%
Finance and Insurance	9,400	9,400	9,400	0	0	0.0%
Credit intermediation and related activities	3,200	3,300	3,100	-100	100	3.2%
Insurance carriers and related activities	5,900	5,900	6,100	0	-200	-3.3%
Real estate and rental and leasing	3,300	3,200	3,200	100	100	3.1%
Professional and Business Services	27,000	26,700	25,700	300	1,300	5.1%
Professional, Scientific, and Technical Services	12,000	12,000	11,600	0	400	3.4%
Architectural and engineering services	2,300	2,300	2,400	0	-100	-4.2%
Administrative, Support, Waste Mgmt., & Remed.	13,400	13,100	12,600	300	800	6.3%
Employment services	4,400	4,400	4,000	0	400	10.0%
Educational and Health Services	34,100	34,100	33,600	0	500	1.5%

Ambulatory health care services	12,200	12,200	11,700	0	500	4.3%
Nursing and residential care facilities	5,000	5,000	5,000	0	0	0.0%
Social assistance	9,000	9,100	9,200	-100	-200	-2.2%
Leisure and Hospitality	26,500	26,200	25,300	300	1,200	4.7%
Arts, Entertainment and Recreation	3,500	3,400	3,300	100	200	6.1%
Food Services and Drinking Places	21,700	21,400	20,700	300	1,000	4.8%
Other Services	10,200	10,100	9,900	100	300	3.0%
Government	40,300	40,200	39,600	100	700	1.8%
Federal Government	2,100	2,000	2,000	100	100	5.0%
State Government	6,600	6,800	6,500	-200	100	1.5%
State Educational Services	3,500	3,700	3,500	-200	0	0.0%
Local Government	31,600	31,400	31,100	200	500	1.6%
Local Educational Services	15,600	15,600	15,400	0	200	1.3%
Workers in Labor/Management Disputes	0	0	0	0	0	

*Snohomish County employment expanded by 3,600 over the past 12 months.*

## Nonfarm industry employment

### Goods-producing Industries

From February to March 2017, employment in construction and manufacturing combined expanded by 400. Year-over-year, goods producers in Snohomish County shed an estimated 1,700 jobs.

Total employment in **construction** expanded from 21,400 in February to 21,700 in March. 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 rose by 100 over the month, and declined by 3,000 over the year. Manufacturing is the largest set of industries in Snohomish County and accounts for 60,500 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 41,300 jobs). Over the year, employment in the aerospace manufacturing industry dropped by 2,600. 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.
  - More layoffs are coming:
    - The Boeing Company filed a Worker Adjustment and Retraining Notification (WARN) with the Employment Security Department for 245 Puget Sound-area layoffs beginning on May 19. <https://esd.wa.gov/about-employees/WARN>

- The Herald reports that the company's regional payrolls have contracted by nearly 9,000 since 2015 and that more layoffs are on the horizon.  
<http://www.heraldnet.com/news/boeing-lays-off-an-undisclosed-number-of-washington-workers/>

### Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 1,100 jobs over the month. Over the year, service-sector employers added 5,300 jobs to the Snohomish County economy, expanding employment by 2.7 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 1,200) and transportation and warehousing (up 800).

**Wholesale trade** employment neither increased nor decreased over the month, but expanded by 200 jobs over the year. 8,400 jobs are found in this industry.

Employment in **retail trade** expanded by 200 in March and by 300 jobs or 0.9 percent over the past 12 months.

- The largest year-over-year gains were 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 March.

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

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. Net employment ticked upward by about 100 over the year. Altogether, the financial activities industries employed an estimated 12,700 in March.

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

- Growth was observed in professional, scientific and technical services (up 400) as well as within administrative support, waste management and remediation (up 800). Employment services was up 400 over the year.

Employment in the **educational and health services** remained unchanged from February to March but expanded by 500 (1.5 percent) over the year. Year-over-year growth was concentrated in ambulatory health care services (up 500) but employment among social services providers dropped by 200.

- 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 300 jobs in March and contributed 1,200 new jobs to the Snohomish County economy over the year. Leisure and hospitality expanded by 4.7 percent over the year and accounted for an estimated 26,500 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 expanded by 100 over the month and by 300 over the year.

**Government** employment increased by 100 jobs over the month and expanded by 700 over the year (1.8 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 March and updated in April. Forecast information is available at [www.erfc.wa.gov](http://www.erfc.wa.gov).