



# Snohomish County Labor Area Summary November 2017



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

## Overview

- In November 2017, the not seasonally adjusted unemployment rate in Snohomish County was 4.3 percent. This is up from 4.1 percent over the month, and higher than 4.2 percent, observed 12 months ago.
- There were an estimated 287,500 nonfarm jobs in Snohomish County as of November 2017.
- Nonfarm employment in Snohomish County expanded by 1,400 jobs over the month but contracted by 1,600 or 0.6 percent over the year.
- From October to November, the largest employment gains were observed in retail trade (up 1,200) and government (up 500). Declines were observed in construction, professional and business services and financial activities.
- Seven industries added jobs and three shed jobs over the year. The largest annual gains were attributed to education and health services and construction (each up 1,000) and retail trade (up 700). The deepest losses were attributable to declines in manufacturing (down 4,500).

## Unemployment rates and labor force information

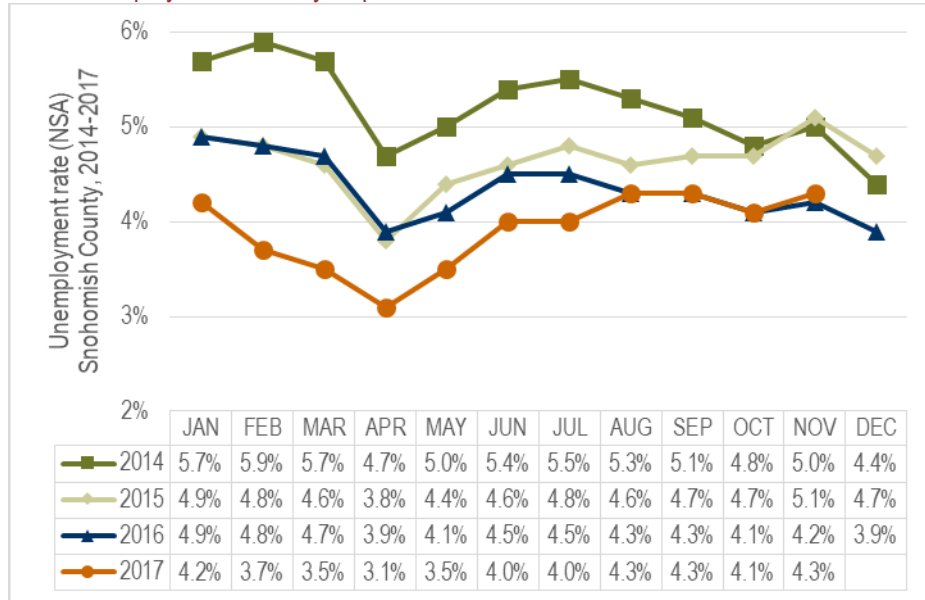
The not seasonally adjusted unemployment rate for Snohomish County was 4.3 percent (preliminary) in November 2017. This is up from 4.1 percent (revised) in October. The unemployment rate in November 2016 was 4.2 percent.

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

- Snohomish County labor force: 419,650
- Total employed: 401,516
- Total unemployed: 18,134
- Unemployment rate: 4.3%

Month-to-month, Snohomish County’s total resident labor force expanded by 1,651 people. The number of employed people increased by 693 and the number of active job seekers increased by 958. Over-the-year, the labor force expanded by 5,648 people or 1.4 percent.

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



*The unemployment rate peaked at 11.2% in early 2010. In November 2017, the unemployment rate was 4.3 percent.*

**Washington state**

The not seasonally adjusted unemployment rate for Washington state increased from 4.2 percent in October (revised) to 4.5 percent in November (preliminary). The statewide labor force increased by 84,866 (2.3 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 5.1 percent.

The November forecast by Washington’s Economic and Revenue Forecast Council predicts that the statewide unemployment rate will average 5.02 percent in and will dip to 4.40 percent in 2018 (This is a slight downward revision compared to 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 increased from 3.8 percent (revised) in October to 4.0 percent (preliminary) in November. Twelve months ago, the unemployment rate was 3.9 percent.

**New! 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](http://www.esd.wa.gov/labormarketinfo/labor-force).

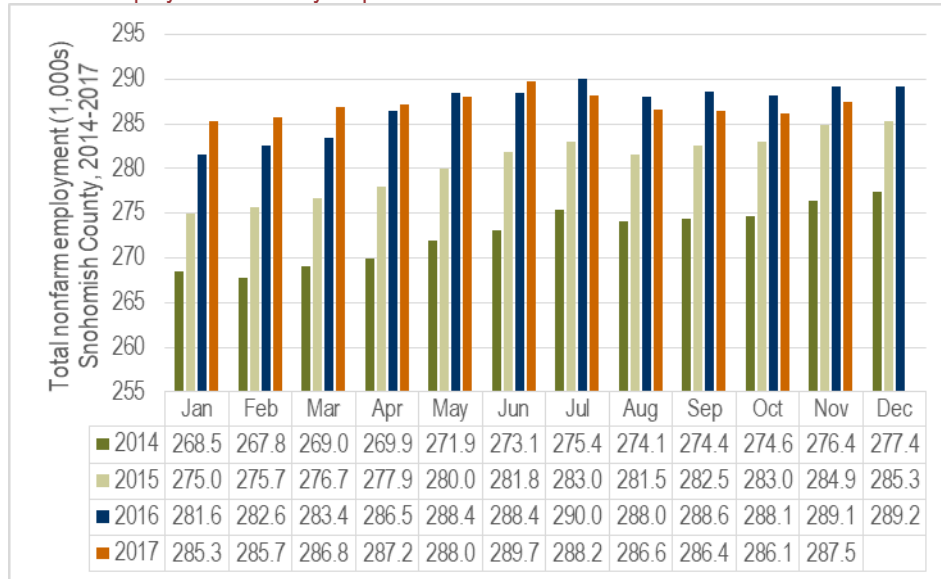
## Unemployment Insurance (UI) Claims

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 November 2017, 2,533 new claims were filed in Snohomish County and a total of 5,297 Snohomish County residents collected state UI benefits.

## Total nonfarm employment

Total nonfarm employment in Snohomish County expanded by 1,400 in November 2017 but contracted by 1,600 or 0.6 percent over the year. The estimated tally of jobs in November 2017 was 287,500.

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



*As of July 2017, Snohomish County total nonfarm employment has dipped below the levels observed 12 months earlier. Declines are primarily a result of declining employment in manufacturing.*

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.

Over the past couple years, the rate of growth has been slowing – largely a product of a declining base in manufacturing. In the last five reports—July, August, September, October and November 2017--year over year declines were observed.

**Figure 3. Total nonfarm industry employment, not seasonally adjusted  
Snohomish County, November 2016, and October and November 2017.**  
Source: Employment Security Department/WITS

Nonfarm Employment Estimates, Not Seasonally Adjusted

**Snohomish County**

Data benchmarked through June 2017

NAICS Industry Title	Prelim Nov-17	Revised Oct-17	Revised Nov-16	Change		
				Oct-17 Nov-17	Nov-16 Nov-17	Nov-16 Nov-17
Total Nonfarm	287,500	286,100	289,100	1,400	-1,600	-0.6%
Total Private	247,400	246,500	248,400	900	-1,000	-0.4%
Goods Producing	79,800	80,100	83,300	-300	-3,500	-4.2%
Mining, Logging, and Construction	22,800	23,200	21,800	-400	1,000	4.6%
Construction of Buildings	4,000	4,100	3,700	-100	300	8.1%
Heavy and Civil Engineering Construction	2,000	2,100	2,000	-100	0	0.0%
Specialty Trade Contractors	16,600	16,800	15,900	-200	700	4.4%
Manufacturing	57,000	56,900	61,500	100	-4,500	-7.3%
Durable Goods	53,000	52,900	57,800	100	-4,800	-8.3%
Wood Product Manufacturing	800	800	900	0	-100	-11.1%
Fabricated Metal Product Manufacturing	3,900	3,900	4,000	0	-100	-2.5%
Computer and Electronic Product Mfg.	5,000	5,000	5,300	0	-300	-5.7%
Aerospace Product and Parts Mfg.	37,500	37,300	42,000	200	-4,500	-10.7%
Nondurable Goods	4,000	4,000	3,700	0	300	8.1%
Service Providing	207,700	206,000	205,800	1,700	1,900	0.9%
Trade, Transportation, and Utilities	49,800	48,400	48,900	1,400	900	1.8%
Wholesale Trade	8,300	8,300	8,300	0	0	0.0%
Retail Trade	36,600	35,400	35,900	1,200	700	1.9%
Motor vehicle and parts dealers	4,900	4,900	4,700	0	200	4.3%
Food and beverage stores	6,700	6,800	6,600	-100	100	1.5%
General merchandise stores	8,300	7,900	8,600	400	-300	-3.5%
Transportation, Warehousing, and Utilities	4,900	4,700	4,700	200	200	4.3%
Information	5,600	5,600	6,100	0	-500	-8.2%
Telecommunications	3,800	3,800	4,100	0	-300	-7.3%
Financial Activities	12,900	13,000	12,500	-100	400	3.2%
Finance and Insurance	9,500	9,500	9,300	0	200	2.2%
Credit intermediation and related activities	3,200	3,200	3,100	0	100	3.2%
Insurance carriers and related activities	6,100	6,100	5,900	0	200	3.4%
Real estate and rental and leasing	3,400	3,500	3,200	-100	200	6.3%
Professional and Business Services	28,100	28,300	27,900	-200	200	0.7%
Professional, Scientific, and Technical Services	11,900	11,800	11,400	100	500	4.4%
Architectural and engineering services	2,200	2,200	2,300	0	-100	-4.3%
Administrative, Support, Waste Mgmt., & Remed.	14,600	14,800	15,000	-200	-400	-2.7%
Employment services	5,000	5,200	5,900	-200	-900	-15.3%
Educational and Health Services	34,900	34,800	33,900	100	1,000	2.9%

Ambulatory health care services	12,200	12,100	12,000	100	200	1.7%
Nursing and residential care facilities	5,400	5,400	5,100	0	300	5.9%
Social assistance	9,400	9,400	9,100	0	300	3.3%
Leisure and Hospitality	26,100	26,100	25,600	0	500	2.0%
Arts, Entertainment and Recreation	3,500	3,500	3,300	0	200	6.1%
Food Services and Drinking Places	21,200	21,200	20,900	0	300	1.4%
Other Services	10,200	10,200	10,200	0	0	0.0%
Government	40,100	39,600	40,700	500	-600	-1.5%
Federal Government	2,100	2,100	2,100	0	0	0.0%
State Government	5,700	5,600	6,800	100	-1,100	-16.2%
State Educational Services	2,700	2,600	3,800	100	-1,100	-28.9%
Local Government	32,300	31,900	31,800	400	500	1.6%
Local Educational Services	16,200	15,900	15,700	300	500	3.2%
Workers in Labor/Management Disputes	0	0	0	0	0	

*Snohomish County employment contracted by 1,600 over the past 12 months.*

## Nonfarm industry employment

### Goods-producing Industries

From October to November 2017, employment in construction and manufacturing combined dropped by 300; Construction shed 400 jobs over the month and manufacturing added 100. Year-over-year, goods producers in Snohomish County shed an estimated 3,500 jobs.

Total employment in **construction** contracted by 400 in November. Year-to-year, employment in construction was up 1,000. This is a 4.6 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.
- Employment in construction has surged in recent months, related to population increases in the county. The Census Bureau revealed in a recent report that Snohomish and Pierce Counties were among the highest for domestic in-migration nationwide.

Net **Manufacturing** employment increased by 100 over the month, but declined by 4,500 over the year. Manufacturing is the largest set of industries in Snohomish County and accounts for 57,000 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 until mid-2016 when employment began to decline again.
- Over the year, employment losses for the manufacturing sector came primarily from aerospace manufacturing (Snohomish County's largest manufacturing industry, accounting for 37,500 jobs). Over the year, employment in the aerospace manufacturing industry dropped by 4,500 or 10.7 percent. 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 1,700 jobs over the month. Over the year, service-sector employers added 1,900 jobs to the Snohomish County economy, expanding employment by 0.9 percent. The largest year-over-year gains among service-providing industries were attributable to hiring in education and health services (1,000), retail trade (700) and leisure and hospitality (500). Government and information each shed jobs over the year (600 and 500 jobs respectively).

**Wholesale trade** employment neither increased nor decreased over the month, and remained unchanged over the year as well. 8,300 jobs were found in this industry.

Employment in **retail trade** expanded by 1,200 in November and by 700 jobs or 1.9 percent over the past 12 months. Gains were observed in motor vehicles and parts dealers and food and beverage stores. Employment in general merchandise stores saw the largest monthly gains (related to holiday hiring), but saw employment losses over the year.

- Employment in the retail trade sector tends to be highly seasonal. The Employment Security Department estimates that approximately 8,033 seasonal retail jobs will be created in the Seattle MD (King and Snohomish Counties) during the 4<sup>th</sup> quarter of 2017. This amounts to a seasonal increase of 4.4 percent.

Employment in **transportation, warehousing and utilities** expanded by 200 over the month and over the year. Transportation warehousing and utilities employed 4,900 in November 2017.

Employment in the **information** sector – a small sector that is dominated by the telecommunications industry in Snohomish County – remained unchanged over the month but shed 500 jobs over the year. Information sector businesses employed 5,600 in Snohomish County in November.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. Net employment dropped by 100 over the month but expanded by 400 or 3.2 percent over the year. Year over year gains were observed in both finance and insurance and in real estate. Altogether, the financial activities industries employed an estimated 12,900 in November.

**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 November, employment in this diverse sector fell by 200. Over the year, employers added 200 jobs, increasing employment by 0.7 percent. There were an estimated 28,100 jobs in this diverse sector.

- Year over year growth was observed in professional, scientific and technical services (up 500 or 4.4 percent); administrative support, waste management and remediation shed 400 jobs over the year. Employment services was down 900.

Employment in the **educational and health services** expanded by 100 over the month and 1,000 (2.9 percent) over the year. Year-over-year growth was observed in all major breakouts detailed in this report.

- 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** employment levels did not change from October to November, but employers added 500 jobs over the year. Leisure and hospitality accounted for an estimated 26,100 Snohomish County jobs in November.

**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 and over the year. Other services employed an estimated 10,200 in November 2017.

**Government** employment expanded by 500 jobs over the month but dropped by 600 over the year. Year-over-year declines were concentrated in state educational services (down 1,100). Gains were observed in local educational services (up 500) over the year.

### **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 December. Forecast information is available at [www.erfc.wa.gov](http://www.erfc.wa.gov).