



Snohomish County Labor Area Summary June 2017



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

Overview

- In June 2017, the not seasonally adjusted unemployment rate in Snohomish County was 4.1 percent. This is up from 3.5 in May and down from 4.5 percent observed 12 months ago.
- There were an estimated 289,500 nonfarm jobs in Snohomish County as of June 2017.
- Nonfarm employment in Snohomish County expanded by 1,500 jobs over the month and by 1,100 or 0.4 percent over the year.
- From May to June, the largest gains were observed in construction (up 600), leisure and hospitality (up 400) and retail and professional and business services (each up 300).
- The largest annual gains were attributed to professional and business services (up 1,600), government (up 1,300) and construction (up 1,200). Two industry sectors shed jobs over the year: manufacturing (down 4,700) and information (down 100).

Unemployment rates and labor force information

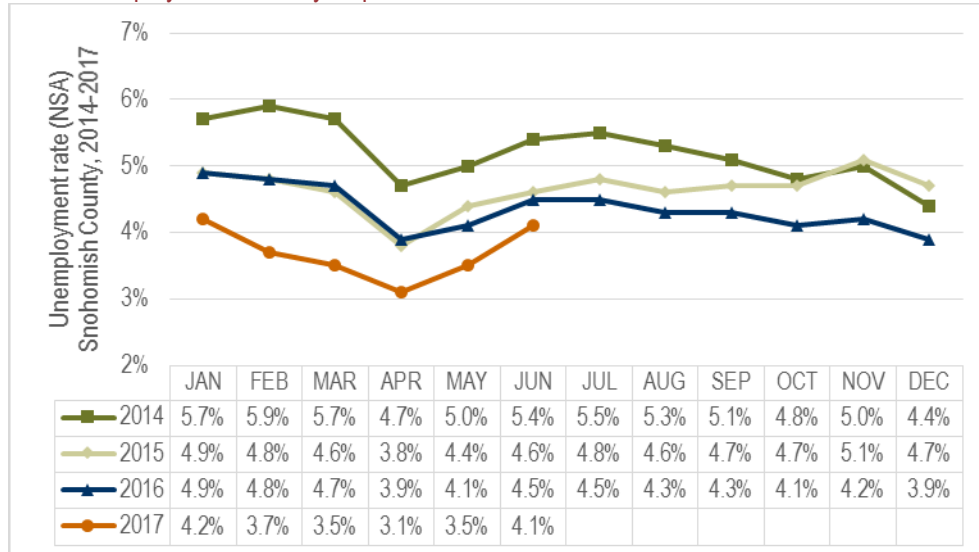
The not seasonally adjusted unemployment rate for Snohomish County was 4.1 percent (preliminary) in June 2017. This is up from 3.5 percent reported in May. For comparison, the unemployment rate in June 2016 was 4.5 percent.

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

- Snohomish County labor force: 417,152
- Total employed: 400,227
- Total unemployed: 16,925
- Unemployment rate: 4.1%

Month-to-month, Snohomish County’s total resident labor force declined by 1,419 people. The number of employed people decreased by 3,877 and the number of active job seekers increased by 2,458, pushing the unemployment rate up. Over-the-year, the labor force expanded by 3,583 people or 0.9 percent.

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



The unemployment rate peaked at 11.2% in early 2010. In June 2017, the unemployment rate was 4.1 percent.

Washington state

The not seasonally adjusted unemployment rate for Washington state bumped up from 4.3 percent (revised) in May to 4.5 percent (preliminary) in June. The statewide labor force increased by 64,449 (1.8 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 5.4 percent.

The June forecast by Washington’s Economic and Revenue Forecast Council predicts that the statewide unemployment rate will average 5.01 percent in 2017 (this is a downward revision from the March forecast) and will dip to 4.41 percent in 2018. 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 increased from 3.2 percent in May (revised) to 3.8 percent (preliminary). Twelve months ago, the unemployment rate was 4.2 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.

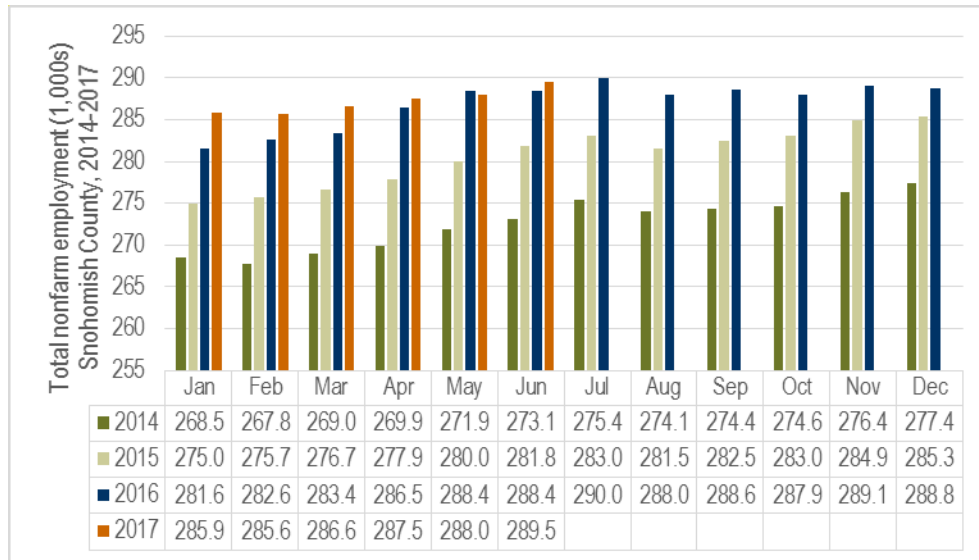
Unemployment Insurance (UI) Claims

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 June 2017, 2,248 new claims were filed in Snohomish County and a total of 5,445 Snohomish County residents collected state benefits.

Total nonfarm employment

Total nonfarm employment in Snohomish County increased by 1,500 in June 2017 and by 1,100 or 0.4 percent over the past 12 months. The estimated tally of jobs in June 2017 was 289,500.

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



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, June 2016, and May and June 2017.**
Source: Employment Security Department/WITS

Nonfarm Employment Estimates, Not Seasonally Adjusted

Snohomish County

Data benchmarked through December 2016

| NAICS Industry Title | Prelim Jun-17 | Revised May-17 | Revised Jun-16 | Change | | |
|--|------------------|-------------------|-------------------|------------------|------------------|------------------|
| | | | | May-17 Jun-17 | Jun-16 Jun-17 | Jun-16 Jun-17 |
| Total Nonfarm | 289,500 | 288,000 | 288,400 | 1,500 | 1,100 | 0.4% |
| Total Private | 248,500 | 246,800 | 248,700 | 1,700 | -200 | -0.1% |
| Goods Producing | 81,700 | 81,200 | 85,200 | 500 | -3,500 | -4.1% |
| Mining, Logging, and Construction | 22,900 | 22,300 | 21,700 | 600 | 1,200 | 5.5% |
| Construction of Buildings | 3,800 | 3,800 | 3,500 | 0 | 300 | 8.6% |
| Heavy and Civil Engineering Construction | 2,100 | 2,000 | 2,200 | 100 | -100 | -4.5% |
| Specialty Trade Contractors | 16,700 | 16,300 | 15,800 | 400 | 900 | 5.7% |
| Manufacturing | 58,800 | 58,900 | 63,500 | -100 | -4,700 | -7.4% |
| Durable Goods | 55,100 | 55,200 | 59,800 | -100 | -4,700 | -7.9% |
| Wood Product Manufacturing | 900 | 900 | 1,000 | 0 | -100 | -10.0% |
| Fabricated Metal Product Manufacturing | 4,000 | 4,000 | 4,100 | 0 | -100 | -2.4% |
| Computer and Electronic Product Mfg. | 5,300 | 5,300 | 5,300 | 0 | 0 | 0.0% |
| Aerospace Product and Parts Mfg. | 39,200 | 39,300 | 43,800 | -100 | -4,600 | -10.5% |
| Nondurable Goods | 3,700 | 3,700 | 3,700 | 0 | 0 | 0.0% |
| Service Providing | 207,800 | 206,800 | 203,200 | 1,000 | 4,600 | 2.3% |
| Trade, Transportation, and Utilities | 47,900 | 47,600 | 47,300 | 300 | 600 | 1.3% |
| Wholesale Trade | 8,400 | 8,400 | 8,200 | 0 | 200 | 2.4% |
| Retail Trade | 34,900 | 34,600 | 34,400 | 300 | 500 | 1.5% |
| Motor vehicle and parts dealers | 4,800 | 4,800 | 4,700 | 0 | 100 | 2.1% |
| Food and beverage stores | 6,900 | 6,800 | 6,500 | 100 | 400 | 6.2% |
| General merchandise stores | 7,900 | 7,900 | 7,900 | 0 | 0 | 0.0% |
| Transportation, Warehousing, and Utilities | 4,600 | 4,600 | 4,700 | 0 | -100 | -2.1% |
| Information | 6,000 | 6,000 | 6,100 | 0 | -100 | -1.6% |
| Telecommunications | 3,900 | 3,900 | 4,100 | 0 | -200 | -4.9% |
| Financial Activities | 12,600 | 12,500 | 12,600 | 100 | 0 | 0.0% |
| Finance and Insurance | 9,300 | 9,300 | 9,400 | 0 | -100 | -1.1% |
| Credit intermediation and related activities | 3,200 | 3,200 | 3,100 | 0 | 100 | 3.2% |
| Insurance carriers and related activities | 5,800 | 5,800 | 6,000 | 0 | -200 | -3.3% |
| Real estate and rental and leasing | 3,300 | 3,200 | 3,200 | 100 | 100 | 3.1% |
| Professional and Business Services | 28,400 | 28,100 | 26,800 | 300 | 1,600 | 6.0% |
| Professional, Scientific, and Technical Services | 11,500 | 11,500 | 11,300 | 0 | 200 | 1.8% |
| Architectural and engineering services | 2,200 | 2,200 | 2,400 | 0 | -200 | -8.3% |
| Administrative, Support, Waste Mgmt., & Remed. | 15,300 | 15,000 | 14,000 | 300 | 1,300 | 9.3% |
| Employment services | 5,600 | 5,400 | 4,800 | 200 | 800 | 16.7% |
| Educational and Health Services | 34,500 | 34,500 | 33,800 | 0 | 700 | 2.1% |
| Ambulatory health care services | 12,300 | 12,300 | 11,700 | 0 | 600 | 5.1% |

| | | | | | | |
|---|--------|--------|--------|------|-------|-------|
| Nursing and residential care facilities | 5,100 | 5,100 | 5,100 | 0 | 0 | 0.0% |
| Social assistance | 9,300 | 9,200 | 9,300 | 100 | 0 | 0.0% |
| Leisure and Hospitality | 27,000 | 26,600 | 26,700 | 400 | 300 | 1.1% |
| Arts, Entertainment and Recreation | 3,700 | 3,500 | 3,800 | 200 | -100 | -2.6% |
| Food Services and Drinking Places | 21,800 | 21,600 | 21,400 | 200 | 400 | 1.9% |
| Other Services | 10,400 | 10,300 | 10,200 | 100 | 200 | 2.0% |
| Government | 41,000 | 41,200 | 39,700 | -200 | 1,300 | 3.3% |
| Federal Government | 2,100 | 2,100 | 2,100 | 0 | 0 | 0.0% |
| State Government | 6,500 | 6,900 | 6,100 | -400 | 400 | 6.6% |
| State Educational Services | 3,400 | 3,800 | 3,000 | -400 | 400 | 13.3% |
| Local Government | 32,400 | 32,200 | 31,500 | 200 | 900 | 2.9% |
| Local Educational Services | 15,900 | 15,900 | 15,500 | 0 | 400 | 2.6% |
| Workers in Labor/Management Disputes | 0 | 0 | 0 | 0 | 0 | |

Snohomish County employment expanded by 1,100 over the past 12 months.

Nonfarm industry employment

Goods-producing Industries

From May to June 2017, employment in construction and manufacturing combined expanded by 500. Year-over-year, goods producers in Snohomish County shed an estimated 3,500 jobs.

Total employment in **construction** expanded by 600 in June. Year-to-year, employment in construction was up 1,200. This is a 5.5 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.

Net **Manufacturing** employment fell by 100 over the month, and by 4,700 over the year. Manufacturing is the largest set of industries in Snohomish County and accounts for 58,800 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 39,200 jobs). Over the year, employment in the aerospace manufacturing industry dropped by 4,600. 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 has filed several Worker Adjustment and Retraining Notifications (WARN) with the Employment Security Department over the past few months for layoffs scheduled for May, June and July. <https://esd.wa.gov/about-employees/WARN>

Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 1,000 jobs over the month. Over the year, service-sector employers added 4,600 jobs to the Snohomish County economy, expanding employment by 2.3 percent. The largest year-over-year gains among service-providing industries were attributable to hiring in professional and business services (up 1,600) government (up 1,300) and education and health services (up 700).

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 300 in June and by 500 jobs or 1.5 percent over the past 12 months. The largest employment gains were observed in food and beverage stores.

Employment in **transportation, warehousing and utilities** remained unchanged over the month but declined by 100 over the year. Transportation warehousing and utilities employed 4,600 in June.

Employment in the **information** sector – a small sector that is dominated by the telecommunications industry in Snohomish County – remained unchanged over the month but dropped by 100 over the year. Information sector businesses employed 6,000 in Snohomish County in June.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. Net employment expanded by 100 over the month but remained unchanged over the year. Altogether, the financial activities industries employed an estimated 12,600 in June.

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 June, employment in this diverse sector expanded by 300. Over the year, employers added 1,600 jobs or 6.0 percent. Employers in this sector were responsible for an estimated 28,400 jobs.

- Year over year growth was observed in professional, scientific and technical services (up 200) as well as within administrative support, waste management and remediation (up 1,300). Employment services was up 800 over the year.

Employment in the **educational and health services** did not change in June but expanded by 700 (2.1 percent) over the year. Year-over-year growth was concentrated in ambulatory health care services (up 600).

- 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 400 jobs in June and contributed 300 new jobs to the Snohomish County economy over the year. Leisure and hospitality expanded by 1.1 percent over the year and accounted for an estimated 27,000 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 nudged up by 100 over the month and expanded by 200 over the year.

Government employment decreased by 200 jobs over the month but expanded by 1,300 over the year (3.3 percent). Year-over-year gains were concentrated in local government, particularly reflecting employment gains in public K-12 and postsecondary 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 June. Forecast information is available at www.erfc.wa.gov.