



# King County Labor Area Summary July 2019



Anneliese Vance-Sherman, Ph.D., Regional Labor Economist  
Washington State Employment Security Department  
Labor Market and Economic Analysis  
Phone: 425-258-6315  
Mobile: 360-630-1232  
Email: [avancesherman@esd.wa.gov](mailto:avancesherman@esd.wa.gov)  
Website: [esd.wa.gov/labormarketinfo](http://esd.wa.gov/labormarketinfo)

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

## Overview

- In July 2019, the not seasonally adjusted unemployment rate in King County was 3.1 percent. This is up from 2.8 percent reported in June. Twelve months ago, the unemployment rate was 3.6 percent.
- The King County labor force expanded by 2.2 percent over the year.
- Nonfarm employment expanded by 8,600 from June to July 2019. There were an estimated 1,493,700 total nonfarm jobs in King County.
- Nine of the major industries detailed in this report added jobs and three shed jobs from June to July on a not seasonally adjusted basis. The largest one-month gains were attributable to professional and business services, and the deepest losses were observed in government.
- Total nonfarm employment in July 2019 was 50,800 above the level observed 12 months earlier. This represents a 3.5 percent increase in employment over the year.
- Year-to-year growth was observed in all but two major industries detailed in this report. The largest gains were observed in professional and business services and information. The only two industries reporting over-the-year losses were government and construction.

## Unemployment rates and labor force information

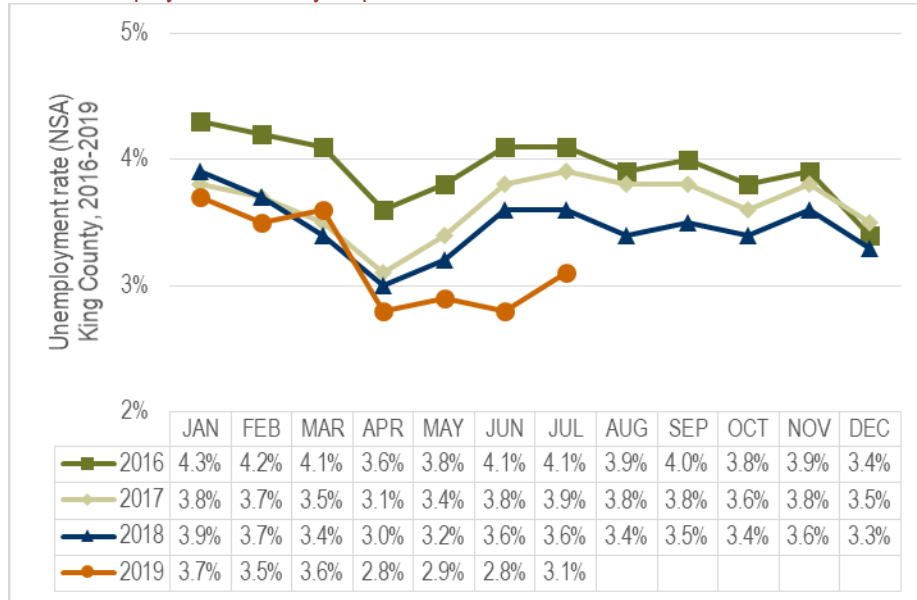
The not seasonally adjusted unemployment rate for King County was 3.1 percent (preliminary) in July 2019. This is up from 2.8 percent (revised) reported in June. For reference, the unemployment rate in July 2018 was 3.6 percent.

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. July 2019 figures are:

- King County labor force: 1,291,696
- Total employed: 1,251,536
- Total unemployed: 40,160
- Unemployment rate: 3.1%

Month-to-month, King County’s labor force expanded by 12,992 people. The number of employed people increased by 9,123 and the number of active job seekers increased by 3,869. Over-the-year, the labor force expanded by 27,956 people or 2.2 percent.

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



*The unemployment rate peaked at 9.5% in early 2010. In July 2019, the unemployment rate was 3.1 percent.*

**Washington state**

The not seasonally adjusted unemployment rate for Washington State increased over the month from 4.4 percent in June (revised) to 4.5 percent in July (preliminary). The statewide labor force increased by 110,394 (2.9 percent) over the year. For comparison, the statewide unemployment rate 12 months ago was 4.3 percent.

The June 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 4.57 percent in 2020. This is a slight upward revision relative to the March 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 2.9 percent (revised) in June to 3.2 percent (preliminary). Twelve months ago, the unemployment rate was 3.6 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](http://www.esd.wa.gov/labormarketinfo/labor-force).

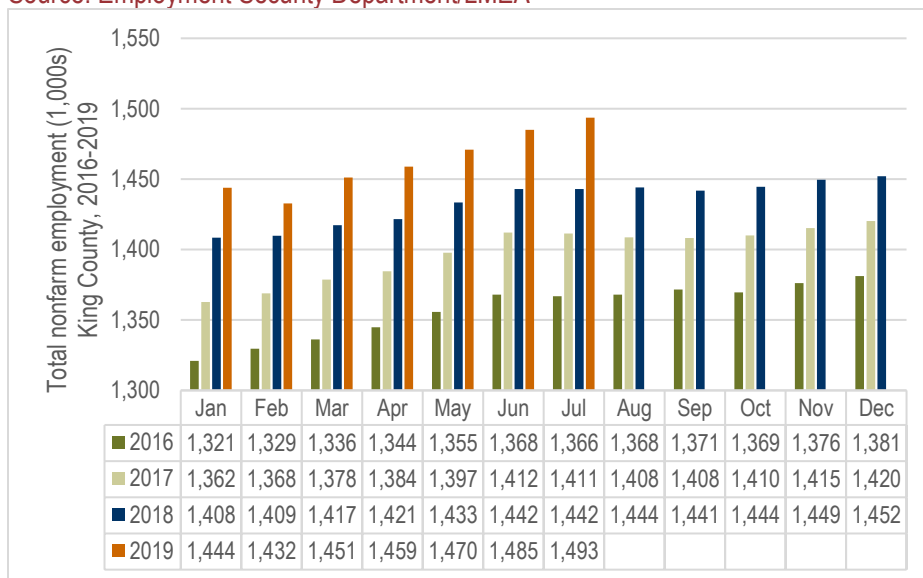
## Unemployment Insurance (UI) Claims

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 July 2019, 5,078 new claims were filed by King County residents and a total of 11,911 King County residents collected benefits from the state UI system.

## Total nonfarm employment

Total nonfarm employment (not seasonally adjusted) increased by 8,600 from June to July 2019. Over the year, employers in King County added 50,800 jobs or 3.5 percent. The tally of nonfarm jobs in King County exceeded 1.49 million.

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



*King County job growth continues to climb. From July 2018 to July 2019, King County employment expanded by 50,800.*

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, July 2018, June and July 2019  
 Source: Employment Security Department/LMEA

Nonfarm Employment Estimates, Not Seasonally Adjusted

**King County**

Data benchmarked through December 2018

| NAICS Industry Title                       | Prelim<br>Jul-19 | Revised<br>Jun-19 | Revised<br>Jul-18 | Change           |                  |                  |
|--|------------------|-------------------|-------------------|------------------|------------------|------------------|
|  |                  |                   |                   | Jun-19<br>Jul-19 | Jul-18<br>Jul-19 | Jul-18<br>Jul-19 |
| Total Nonfarm                              | 1,493,700        | 1,485,100         | 1,442,900         | 8,600            | 50,800           | 3.5%             |
| Total Private                              | 1,320,500        | 1,308,600         | 1,268,600         | 11,900           | 51,900           | 4.1%             |
| Goods Producing                            | 190,500          | 187,500           | 183,500           | 3,000            | 7,000            | 3.8%             |
| Mining and Logging                         | 500              | 500               | 500               | 0                | 0                | 0.0%             |
| Construction                               | 79,100           | 79,000            | 79,400            | 100              | -300             | -0.4%            |
| Construction of Buildings                  | 24,000           | 23,500            | 22,700            | 500              | 1,300            | 5.7%             |
| Heavy and Civil Engineering Construction   | 7,400            | 7,000             | 6,400             | 400              | 1,000            | 15.6%            |
| Specialty Trade Contractors                | 47,700           | 48,500            | 50,300            | -800             | -2,600           | -5.2%            |
| Manufacturing                              | 110,800          | 108,000           | 103,600           | 2,800            | 7,200            | 6.9%             |
| Durable Goods                              | 82,700           | 81,400            | 78,000            | 1,300            | 4,700            | 6.0%             |
| Fabricated Metal Product Manufacturing     | 7,600            | 7,500             | 7,100             | 100              | 500              | 7.0%             |
| Computer and Electronic Product Mfg.       | 8,700            | 8,400             | 8,400             | 300              | 300              | 3.6%             |
| Navgtl., Measuring, Electromed., & Control | 4,900            | 4,900             | 4,800             | 0                | 100              | 2.1%             |
| Transportation Equipment Manufacturing     | 46,300           | 45,400            | 42,700            | 900              | 3,600            | 8.4%             |
| Aerospace Product and Parts Mfg.           | 43,000           | 42,100            | 39,500            | 900              | 3,500            | 8.9%             |
| Nondurable Goods                           | 28,100           | 26,600            | 25,600            | 1,500            | 2,500            | 9.8%             |
| Food Manufacturing                         | 13,700           | 12,800            | 12,300            | 900              | 1,400            | 11.4%            |
| Service Providing                          | 1,303,200        | 1,297,600         | 1,259,400         | 5,600            | 43,800           | 3.5%             |
| Trade, Transportation, and Utilities       | 282,900          | 281,300           | 276,800           | 1,600            | 6,100            | 2.2%             |
| Wholesale Trade                            | 65,900           | 65,300            | 65,500            | 600              | 400              | 0.6%             |
| Retail Trade                               | 161,400          | 160,500           | 157,400           | 900              | 4,000            | 2.5%             |
| Motor Vehicle and Parts Dealers            | 11,800           | 11,600            | 11,900            | 200              | -100             | -0.8%            |
| Food and Beverage Stores                   | 24,400           | 24,400            | 23,700            | 0                | 700              | 3.0%             |
| General Merchandise Stores                 | 18,900           | 18,600            | 19,800            | 300              | -900             | -4.5%            |
| Transportation, Warehousing, and Utilities | 55,600           | 55,500            | 53,900            | 100              | 1,700            | 3.2%             |
| Transportation and Warehousing             | 53,700           | 53,600            | 52,000            | 100              | 1,700            | 3.3%             |
| Air Transportation                         | 15,300           | 15,300            | 14,500            | 0                | 800              | 5.5%             |
| Truck Transportation                       | 6,800            | 6,800             | 6,800             | 0                | 0                | 0.0%             |
| Support Activities for Transportation      | 13,700           | 13,700            | 13,200            | 0                | 500              | 3.8%             |
| Warehousing and Storage                    | 3,100            | 3,100             | 3,400             | 0                | -300             | -8.8%            |
| Information                                | 122,600          | 120,100           | 113,600           | 2,500            | 9,000            | 7.9%             |
| Software Publishers                        | 69,300           | 68,000            | 64,800            | 1,300            | 4,500            | 6.9%             |
| Financial Activities                       | 77,700           | 77,200            | 74,400            | 500              | 3,300            | 4.4%             |
| Finance and Insurance                      | 45,300           | 45,300            | 43,600            | 0                | 1,700            | 3.9%             |
| Credit Intermediation and Related          | 16,700           | 16,800            | 16,400            | -100             | 300              | 1.8%             |

|  |         |         |         |        |        |       |
|--|---------|---------|---------|--------|--------|-------|
| Insurance Carriers and Related                       | 19,400  | 19,500  | 18,800  | -100   | 600    | 3.2%  |
| Real Estate and Rental and Leasing                   | 32,400  | 31,900  | 30,800  | 500    | 1,600  | 5.2%  |
| Professional and Business Services                   | 245,900 | 242,200 | 235,800 | 3,700  | 10,100 | 4.3%  |
| Professional, Scientific, and Technical Services     | 137,600 | 135,300 | 130,400 | 2,300  | 7,200  | 5.5%  |
| Legal Services                                       | 12,100  | 12,100  | 11,900  | 0      | 200    | 1.7%  |
| Accounting, Tax Prep., Bookkpg., and Payroll         | 9,800   | 9,400   | 9,200   | 400    | 600    | 6.5%  |
| Architectural, Engineering, and Related              | 20,700  | 20,100  | 19,200  | 600    | 1,500  | 7.8%  |
| Computer Systems Design and Related                  | 45,300  | 44,800  | 43,500  | 500    | 1,800  | 4.1%  |
| Management of Companies and Enterprises              | 31,900  | 31,500  | 31,700  | 400    | 200    | 0.6%  |
| Admin., Support, Waste Mgmt., and Remediation        | 76,300  | 75,400  | 73,800  | 900    | 2,500  | 3.4%  |
| Administrative and Support Services                  | 72,600  | 71,900  | 70,400  | 700    | 2,200  | 3.1%  |
| Employment Services                                  | 30,000  | 29,200  | 27,000  | 800    | 3,000  | 11.1% |
| Educational and Health Services                      | 189,900 | 191,700 | 183,300 | -1,800 | 6,600  | 3.6%  |
| Educational Services                                 | 29,900  | 31,100  | 28,000  | -1,200 | 1,900  | 6.8%  |
| Ambulatory Health Care Services                      | 62,500  | 62,600  | 61,300  | -100   | 1,200  | 2.0%  |
| Hospitals  | 32,000  | 31,900  | 31,000  | 100    | 1,000  | 3.2%  |
| Nursing and Residential Care Facilities              | 21,200  | 21,300  | 20,000  | -100   | 1,200  | 6.0%  |
| Social Assistance                                    | 44,300  | 44,800  | 43,100  | -500   | 1,200  | 2.8%  |
| Leisure and Hospitality                              | 155,800 | 153,100 | 151,000 | 2,700  | 4,800  | 3.2%  |
| Arts, Entertainment, and Recreation                  | 30,500  | 28,000  | 30,300  | 2,500  | 200    | 0.7%  |
| Accommodation  | 16,800  | 16,900  | 15,500  | -100   | 1,300  | 8.4%  |
| Food Services and Drinking Places                    | 108,500 | 108,300 | 105,200 | 200    | 3,300  | 3.1%  |
| Other Services                                       | 55,200  | 55,500  | 50,200  | -300   | 5,000  | 10.0% |
| Repair and Maintenance                               | 9,400   | 9,500   | 9,300   | -100   | 100    | 1.1%  |
| Personal and Laundry Services                        | 18,200  | 18,400  | 17,400  | -200   | 800    | 4.6%  |
| Religious, Grantmkg., Civic, Professional, & Similar | 27,600  | 27,500  | 23,600  | 100    | 4,000  | 16.9% |
| Government   | 173,200 | 176,500 | 174,300 | -3,300 | -1,100 | -0.6% |
| Federal Government                                   | 19,400  | 19,300  | 19,500  | 100    | -100   | -0.5% |
| State Government                                     | 46,600  | 50,700  | 50,000  | -4,100 | -3,400 | -6.8% |
| State Government Educational Services                | 31,200  | 35,700  | 34,300  | -4,500 | -3,100 | -9.0% |
| Local Government                                     | 107,200 | 106,500 | 104,800 | 700    | 2,400  | 2.3%  |
| Local Government Educational Services                | 45,100  | 46,200  | 44,300  | -1,100 | 800    | 1.8%  |
| Workers in Labor/Management Disputes                 | 0       | 0       | 0       | 0      | 0      |       |

*King County nonfarm employment increased by 3.5% 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 June to July 2019, total employment in goods-producing industries expanded by 3,000, with gains observed in both 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 100 from June to July. The tally of jobs was estimated at 79,100. Year-to-year, employment in construction was down 300 or 0.4 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 July, King County-located **manufacturing** employers collectively added 2,800 jobs. Over the year, total manufacturing employment was up 7,200 or 6.9 percent. Aerospace products and parts manufacturing added 900 jobs over the month and added 3,500 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.
- Nondurable goods increased 1,500 over the month and 2,500 (9.8 percent) over the year.

### Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 5,600 jobs in July. Over the year, service providers added 43,800 new jobs to the King County economy, with gains observed in most 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 9,000) and education and health services (up 6,600). Government shed jobs over the year (down 1,100).

Employers in **Wholesale trade** added 600 jobs over the month and expanded by 400 jobs over the year. Wholesale trade accounted for 65,900 King County-based jobs in July.

Net employment in **retail trade** increased by 900 over the month and by 4,000 (2.5 percent) over the year.

- Under the surface, employment by motor vehicle and parts dealers dropped 100 jobs over the year, food and beverage stores added 700 and general merchandise stores shed 900 jobs.
- A large percentage of retail growth statewide has been observed in “other retail trade”; a category that includes non-store retailers. From July 2018 to July 2019, retailers captured under “other retail trade” added 4,800 jobs statewide. Many of these jobs are, of course, in King County.

Net employment in **transportation, warehousing and utilities** expanded by 100 over the month and by 1,700 or 3.2 percent over the year. This set of industries accounted for an estimated 55,600 jobs in King County.

- The most growth was observed in the air transportation industry, which added 800 jobs over the year. Support activities for transportation also increased employment.

Employment in the **information** sector expanded by 2,500 over the month and added 9,000 jobs or 7.9 percent over the year.

- The information sector includes software publishing activities. Employment in software publishing expanded by 1,300 over the month and added 4,500 jobs (6.9 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 500 over the month, and by 3,300 or 4.4 percent over the year.

- Employment in the real estate component was up 1,600 jobs (5.2 percent) over the year and employment in finance and insurance was up 1,700 (3.9 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 July, this diverse sector added 3,700 jobs. Over the year, professional and business services as a whole expanded by 10,100 jobs (4.3 percent).

- From July 2018 to July 2019, professional, scientific and technical services added 7,200 jobs (5.5 percent), management of companies and enterprises added 200 (0.6 percent), and administrative support, waste management and remediation added 2,500 jobs (3.4 percent). Employment services was up 3,000 jobs over the year.

Employers in the **educational and health services** industries shed 1,800 jobs over the month but added 6,600 jobs (3.6 percent) over the year. Educational and health services accounted for an estimated 189,900 King County-based jobs in July.

- All education and health industries detailed in this report added jobs over the year. The largest gains were attributable to hiring in private educational services (up 1,900). Ambulatory health care services, nursing and residential care facilities, and social assistance each added 1,200 and hospitals expanded employment by 1,000.
- Educational and health services weathered the economic storm relatively well compared to other industries. Employment in this sector is generally dependent on population growth.

**Leisure and hospitality** employment expanded by 2,700 over the month. Over the year, the industries that entertain residents and visitors alike added 4,800 jobs or 3.2 percent.

- Food services and drinking places added the largest number of jobs over the year (3,300) and accommodation expanded by an impressive 1,300 (8.4 percent).

**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 300 over the month but expanded by 5,000 (10.0 percent) over the year. Other services represented 55,200 King County jobs in July 2019. The largest increases were observed among religious, grantmaking, civic, professional and similar employers (up 4,000 or 16.9 percent).



**Government** employers shed 3,300 jobs in July and shed an estimated 1,100 jobs over the year.

- The largest one-month losses were attributable to the academic calendar in post-secondary education (down 4,500) and local educational services (down 1,100). These jobs will, for the most part, return in the fall.
- Over the year, losses were concentrated in state government services, particularly in educational services. Losses were partially offset by gains in local government services.

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

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