



# King County Labor Area Summary June 2021



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

## Overview

- In June 2021, the not seasonally adjusted unemployment rate in King County was 5.2 percent – up from 4.6 percent reported in May. Twelve months ago, the unemployment rate was 10.6 percent.
- The King County labor force expanded by 16,877 or 1.3 percent over the year.
- Nonfarm employment expanded by 22,000 from May to June 2021. There were an estimated 1,431,500 total nonfarm jobs in King County.
- Eleven major industries detailed in this report expanded employment over the month and 1 shed jobs. The largest gains were attributable to hiring in leisure and hospitality. Government shed jobs over the month.
- Total nonfarm employment in June 2021 was 83,600 above the level observed 12 months earlier—following the peak Covid-19 related job losses in the spring. Compared to June 2020, employment was up 6.2 percent over the year.
- Ten major industries detailed in this report expanded employment over the year and two shed jobs. Leisure and hospitality and retail trade added the largest number of jobs since June 2020. Manufacturing and government each shed jobs over the same time period.

**Important note:** April 2020 was marked by the highest unemployment rates in recent memory. This report, 14 months after the peak of the pandemic employment crisis, shifts the narrative from crisis to recovery.

This report compares the week containing the 12<sup>th</sup> of June with the corresponding week in the previous month and year. For all intents and purposes, this is the sixteenth report that addresses the disruption caused by COVID-19 and the social distancing measures put into effect to slow the contagion. Until recently, the most reliable closer-to-real-time indicator has been weekly Unemployment Insurance claims. A supplemental section dedicated to weekly UI claims tracking for King County for the past several weeks is included in this report.

## Unemployment rates and labor force information

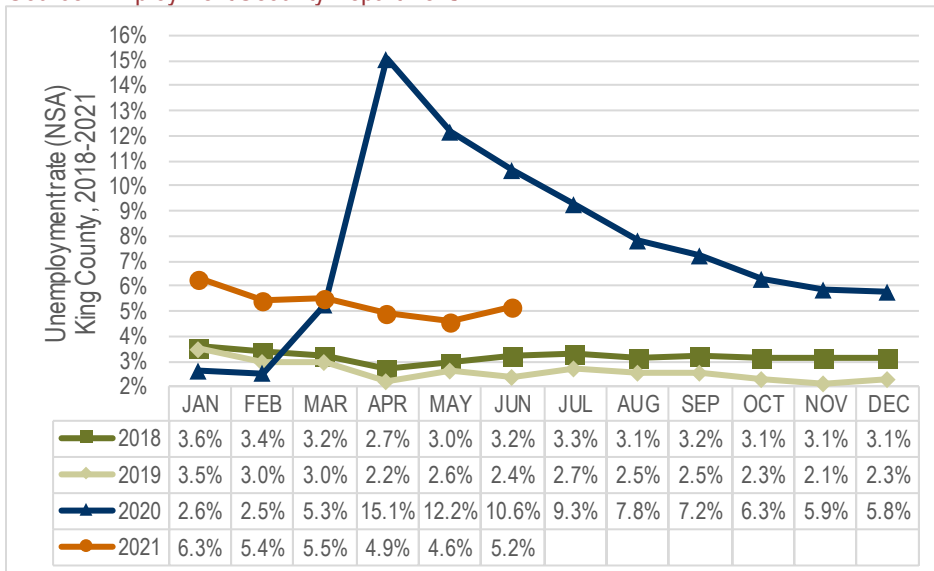
The not seasonally adjusted unemployment rate for King County was 5.2 percent (preliminary) in June 2021. This is up from 4.6 percent (revised) in May. The unemployment rate in June 2020 was 10.6 percent, after having reached a record 15.1 percent in April 2020.

Circumstances surrounding Covid-19, specifically social distancing measures, took hold in the Seattle area before expanding statewide and much of the nation. A swift and steep spike in unemployment has been declining since April 2020. June 2021 labor force estimates follow:

- King County labor force: 1,298,951
- Total employed: 1,231,011
- Total unemployed: 67,940
- Unemployment rate: 5.2%

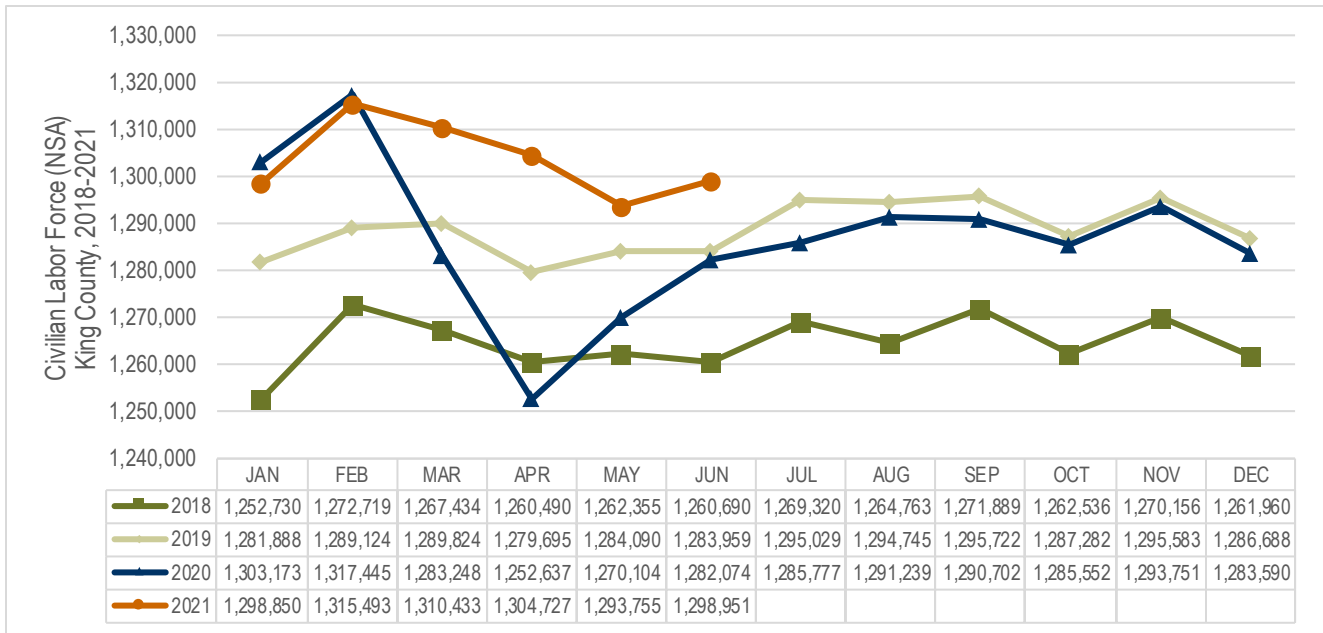
**Figure 1.** Unemployment rates, not seasonally adjusted  
King County, January 2018 through June 2021

Source: Employment Security Department/LMEA



*The unemployment rate has stabilized in the 5 percent range in recent months. Last April, the unemployment rate reached 15.1%* Month-to-month, King County’s labor force increased by 5,196 resident workers. The number counted among the employed contracted by 2,887 and the number of active job seekers expanded by 8,083, pushing the unemployment rate up over the month. Over-the-year, the labor force expanded by 16,877 people or 1.3 percent. Within that, the number of employed workers expanded by 84,596 or 7.4 percent and the number of unemployed workers contracted by 67,719 or 49.9 percent.

**Figure 2. Civilian labor force, not seasonally adjusted**  
 King County, January 2018 through June 2021  
 Source: Employment Security Department/LMEA



The labor force dropped swiftly last year and has been recovering. As of June 2021, the labor force has expanded by 1.3% over the year

### Washington state

The not seasonally adjusted unemployment rate for Washington State increased from 5.0 percent (not seasonally adjusted) in May 2021 to 5.3 percent (preliminary) in June. The statewide labor force increased by 34,506 over the month. Within that, the estimated number of employed people expanded by 18,395 and the number of unemployed job seekers expanded by 16,111, pushing the unemployment rate up. Over the year, the labor force is up 41,557 or 1.1 percent. Beneath the surface, the employed labor force expanded by 250,325 or 7.2 percent and the count of unemployed contracted by 208,768 or 49.8 percent. The unemployment rate 12 months ago was 10.8 percent.

The June forecast by Washington’s Economic and Revenue Forecast Council estimates that the statewide unemployment rate averaged 8.1 percent in 2020. The unemployment rate is expected to decrease to an average rate of 5.4 percent in 2021 and drop to 4.1 percent in 2022, signaling a positive adjustment compared to the March report. 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. King County’s unemployment rate consistently runs below that of Snohomish County. The not seasonally adjusted unemployment rate for the combined MD increased from 4.8 percent (revised) in May to 5.5 percent (preliminary) in June. Twelve months ago, the unemployment rate was 10.7 percent, during the early days of the Covid-19 pandemic.

### 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

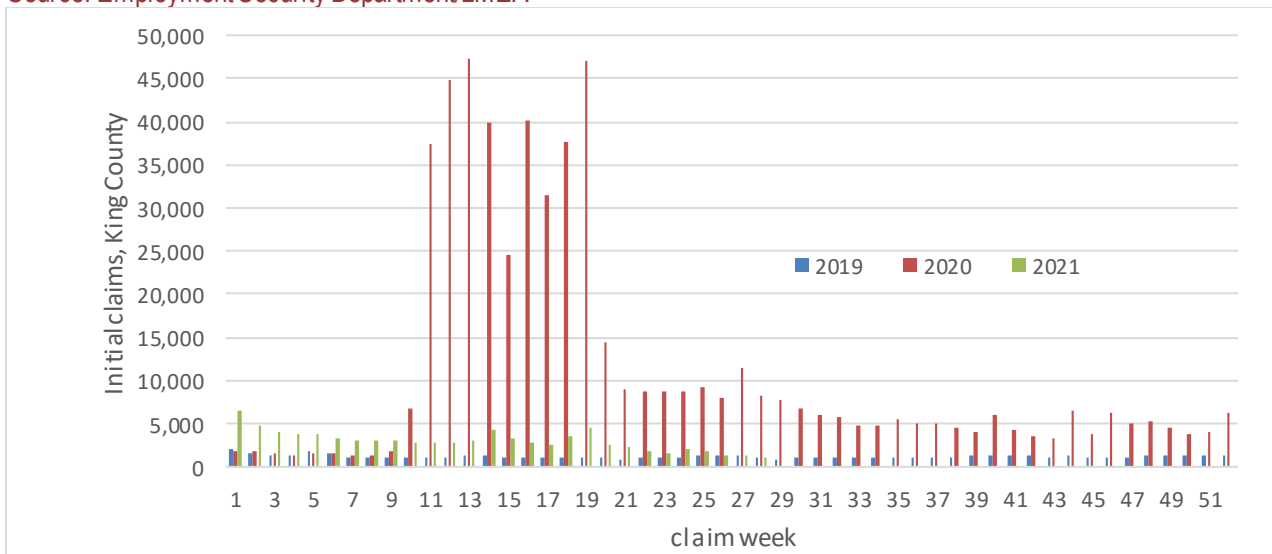
UI claims activity during the Great Recession peaked in May 2009 (49,117 continued claims were counted that month) and were on downward trend that had more-or-less settled out to about 12,000 per month until the arrival of the Coronavirus economy. The wave of claims in April 2020 reached unprecedented levels; 137,755 King County residents filed initial claims and 130,305 individuals collected unemployment insurance that month. In June 2021, 6,981 new claims were filed by King County residents and a total of 19,990 King County residents collected benefits from the state UI system.

### Weekly Initial Claims

In March 2020, the Employment Security Department began publishing weekly counts of initial claims for Unemployment Insurance. Initial claims provide an indicator of layoffs. Because they are entered weekly, they are a bit more nimble than our survey-based datasets.

Initial claims activity has been dropping in recent weeks; however, the number of initial claims remains above the number of claims that we saw at this time of the year in 2019. For reference, 1,110 applications for regular unemployment insurance were received during the 28th week of 2021 (July 11-17). This compares to 8,207 initial claims received during the 28th week of 2020 and 1,076 claims during the 28th week of 2019.

**Figure 3. Initial Claims for Unemployment Insurance**  
King County, January 2020 through July 2021  
Source: Employment Security Department/LMEA



The week of June 6-12 (week 23) is the reference week for labor force and payroll statistics in this report. Weekly initial claims information is published every Thursday.

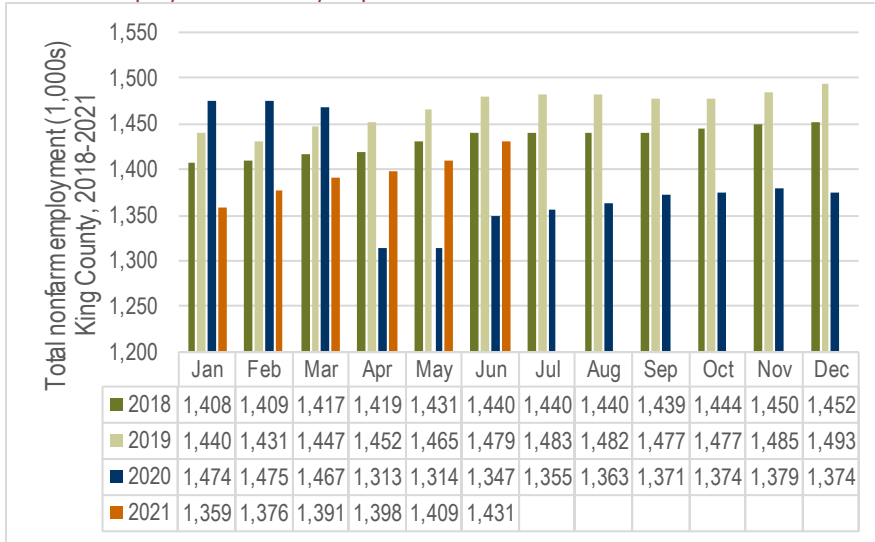
Weekly claims data can be found here: <https://esd.wa.gov/labormarketinfo>

Additional information can be found here: <https://esd.wa.gov/newsroom/covid-19>

## Total nonfarm employment

Total nonfarm employment (not seasonally adjusted) expanded by 22,000 from May (revised) to June 2021 (preliminary). Over the year, employers in King County collectively recovered 83,600 jobs—up 6.2 percent relative to June 2020. The tally of nonfarm jobs in King County was estimated as 1.4 million in June 2021.

**Figure 4. Nonfarm industry employment**  
King County, January 2018 through June 2021  
Source: Employment Security Department/LMEA



*King County job growth was disrupted by the Covid-19 pandemic. Employment in June 2021 was 6.2 percent higher than in June 2020.*

The Puget Sound area was impacted before other areas in the state and nationally. This report reveals the impacts of Covid-19 and related measures on the local labor market. Specifically, data in this report coincides with the week of June 6-12 on the unemployment insurance calendar (previous section). Because the deep drop in employment occurred in April 2020, this is the third report that shifts the narrative from labor market damage to labor market recovery.

**Figure 5. Total nonfarm industry employment, not seasonally adjusted**  
 King County, June 2020 and May and June 2021  
 Source: Employment Security Department/LMEA

Nonfarm Employment Estimates, Not Seasonally Adjusted

**King County**

Data benchmarked through December 2020

NAICS Industry Title	Prelim Jun-21	Revised May-21	Revised Jun-20	Change		
				May-21 Jun-21	Jun-20 Jun-21	Jun-20 Jun-21
Total Nonfarm	1,431,500	1,409,500	1,347,900	22,000	83,600	6.2%
Total Private	1,262,400	1,239,100	1,177,800	23,300	84,600	7.2%
Goods Producing	173,500	172,400	171,800	1,100	1,700	1.0%
Mining and Logging	500	500	400	0	100	25.0%
Construction	83,000	82,900	75,500	100	7,500	9.9%
Construction of Buildings	23,600	23,200	22,700	400	900	4.0%
Heavy and Civil Engineering Construction	6,600	6,800	6,300	-200	300	4.8%
Specialty Trade Contractors	52,900	52,800	46,600	100	6,300	13.5%
Manufacturing	90,000	89,000	95,800	1,000	-5,800	-6.1%
Durable Goods	66,500	65,700	71,900	800	-5,400	-7.5%
Fabricated Metal Product Manufacturing	5,600	5,800	6,300	-200	-700	-11.1%
Computer and Electronic Product Mfg.	7,100	7,200	8,100	-100	-1,000	-12.3%
Navgtnl., Measuring, Electromed., & Control	4,200	4,200	4,800	0	-600	-12.5%
Transportation Equipment Manufacturing	35,600	34,900	40,000	700	-4,400	-11.0%
Aerospace Product and Parts Mfg.	32,200	31,600	36,800	600	-4,600	-12.5%
Nondurable Goods	23,500	23,300	23,900	200	-400	-1.7%
Food Manufacturing	11,300	11,400	11,800	-100	-500	-4.2%
Service Providing	1,258,000	1,237,100	1,176,100	20,900	81,900	7.0%
Trade, Transportation, and Utilities	289,100	284,700	267,200	4,400	21,900	8.2%
Wholesale Trade	62,800	61,300	59,100	1,500	3,700	6.3%
Retail Trade	176,700	175,000	160,000	1,700	16,700	10.4%
Motor Vehicle and Parts Dealers	10,900	10,500	9,800	400	1,100	11.2%
Food and Beverage Stores	25,200	24,900	24,500	300	700	2.9%
General Merchandise Stores	16,800	16,500	16,600	300	200	1.2%
Transportation, Warehousing, and Utilities	49,600	48,400	48,100	1,200	1,500	3.1%
Transportation and Warehousing	47,600	46,300	46,100	1,300	1,500	3.3%
Air Transportation	13,600	13,400	12,800	200	800	6.3%
Truck Transportation	7,800	7,500	6,400	300	1,400	21.9%
Support Activities for Transportation	10,700	10,600	10,500	100	200	1.9%
Warehousing and Storage	3,200	3,300	3,400	-100	-200	-5.9%
Information	133,700	131,600	128,000	2,100	5,700	4.5%
Software Publishers	73,800	72,600	72,800	1,200	1,000	1.4%
Financial Activities	73,900	73,400	71,600	500	2,300	3.2%
Finance and Insurance	43,500	43,300	42,400	200	1,100	2.6%
Credit Intermediation and Related	16,100	16,000	15,900	100	200	1.3%
Insurance Carriers and Related	19,200	19,100	18,800	100	400	2.1%

Real Estate and Rental and Leasing	30,400	30,100	29,200	300	1,200	4.1%
Professional and Business Services	241,600	235,900	230,300	5,700	11,300	4.9%
Professional, Scientific, and Technical Services	142,600	139,900	133,600	2,700	9,000	6.7%
Legal Services	12,200	12,100	11,700	100	500	4.3%
Accounting, Tax Prep., Bookkpg., and Payroll	10,300	9,900	9,200	400	1,100	12.0%
Architectural, Engineering, and Related	19,300	19,000	19,100	300	200	1.0%
Computer Systems Design and Related	46,400	46,600	45,900	-200	500	1.1%
Management of Companies and Enterprises	29,300	29,300	30,200	0	-900	-3.0%
Admin., Support, Waste Mgmt., and Remediation	69,700	66,600	66,500	3,100	3,200	4.8%
Administrative and Support Services	66,100	62,900	63,300	3,200	2,800	4.4%
Employment Services	24,200	22,500	22,600	1,700	1,600	7.1%
Educational and Health Services	187,000	186,300	175,400	700	11,600	6.6%
Educational Services	29,500	29,900	26,300	-400	3,200	12.2%
Ambulatory Health Care Services	61,000	60,600	57,700	400	3,300	5.7%
Hospitals	28,800	29,000	29,600	-200	-800	-2.7%
Nursing and Residential Care Facilities	18,300	18,400	18,700	-100	-400	-2.1%
Social Assistance	49,300	48,400	43,100	900	6,200	14.4%
Leisure and Hospitality	114,500	106,400	88,400	8,100	26,100	29.5%
Arts, Entertainment, and Recreation	22,700	21,200	14,600	1,500	8,100	55.5%
Accommodation	9,800	8,200	7,300	1,600	2,500	34.2%
Food Services and Drinking Places	82,000	77,000	66,600	5,000	15,400	23.1%
Other Services	49,100	48,400	45,100	700	4,000	8.9%
Repair and Maintenance	8,600	8,700	7,900	-100	700	8.9%
Personal and Laundry Services	13,100	13,400	12,400	-300	700	5.6%
Religious, Grantmkg., Civic, Professional, & Similar	27,500	26,400	24,800	1,100	2,700	10.9%
Government	169,100	170,400	170,100	-1,300	-1,000	-0.6%
Federal Government	19,300	19,400	19,300	-100	0	0.0%
State Government	50,200	50,900	51,900	-700	-1,700	-3.3%
State Government Educational Services	36,000	36,600	37,500	-600	-1,500	-4.0%
Local Government	99,600	100,100	98,900	-500	700	0.7%
Local Government Educational Services	42,800	43,000	42,300	-200	500	1.2%
Workers in Labor/Management Disputes	0	0	0	0	0	

*King County has recovered 83,600 jobs since June 2020.*

## Nonfarm industry employment

### Goods-producing Industries

From May to June 2021, total employment in goods-producing industries expanded by 1,100, with employment gains observed in construction and manufacturing. Year-over-year, goods-producing employment was up 1,700 or 1.0 percent, reflecting a substantial rebound by construction offset somewhat by declining employment in manufacturing.

Employment levels in **construction-related industries** expanded by 100 over the month. The tally of jobs in construction was estimated at 83,000. Year-to-year, employment in construction was up 7,500 or 9.9 percent.

- Despite a major temporary setback due to physical distancing protocols in April 2020, King County based employment in construction quickly recovered and surpassed pre-pandemic levels. Recent growth has been concentrated in the largest component of construction; specialty trade contractors added 6,300 jobs over the year.
- Construction is a highly-seasonal industry. While we can expect to see seasonal losses over the winter, a strong real estate market and a boom in home improvement projects is continuing to buoy this set of industries.

**Manufacturing** represents a variety of activities in King County, with products ranging from aircraft, marine and electronic products to food manufacturing. In June, King County-located manufacturing employers collectively added 1,000 jobs. Over the year, total manufacturing employment was down 5,800 or 6.1 percent. This is largely a reflection of the drop in aerospace that took hold after April 2020.

- The tally of aerospace products and parts manufacturing jobs was up 600 over the month but down 4,600 over the year. 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.
- Employment in nondurable goods expanded by 200 over the month but contracted by 400 jobs over the year.

### Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employers added 20,900 jobs in June. Over the year, service providers added 81,900 jobs. The largest one-month increases were observed in leisure and hospitality, professional and business services, and information. Government is the only industry reporting one-month losses. Over the year, leisure and hospitality and retail trade added the most jobs. The only major service industry to have shed jobs relative to June 2020 was government.

**Wholesale trade** employment expanded by 1,500 in June and expanded by 3,700 or 6.3 percent over the year. Wholesale trade accounted for 62,800 King County-based jobs in June 2021.

Net employment in **retail trade** expanded by 1,700 over the month. Over the year, retail trade employment expanded by an estimated 16,700 jobs (10.4 percent).

- Since June 2020, each of the retail industries broken out in this report added jobs.
- The story of retail trade (especially in King County) goes beyond physical storefronts. Scaling up to the statewide level, “other retail,” a category which includes online retail sales, expanded employment by 19,100 (15.0 percent) over the year.



Net employment in **transportation, warehousing and utilities** expanded by 1,200 over the month and by 1,500 over the year. This set of industries accounted for an estimated 49,600 King County jobs.

- Over the year, air transportation added 800 jobs, truck transportation was up 1,400, and support activities for transportation was up 200.
- Employment in warehousing and storage dipped by 200 over the year.

Employment in the **information** sector expanded by 2,100 over the month and by 5,700 jobs or 4.5 percent over the year. This sector, which includes everything from software publishers to radio stations, newspapers and movie theaters had an estimated tally of 133,700 jobs in June. As a whole, the sector was relatively stable amidst the tumult of the past year.

- The information sector includes software publishing activities. Employment in software publishing expanded by 1,200 over the month and by 1,000 (1.4 percent) over the year.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. The overall employment level increased by 500 over the month and by 2,300 over the year.

- Over the year, employers in finance and insurance collectively added 1,100 jobs. Real estate and rental and leasing employment expanded by 1,200 over the year.

**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, this diverse sector added 5,700 jobs. Over the year, professional and business services expanded employment by 11,300 (4.9 percent).

- From June 2020 to June 2021, professional, scientific and technical services added 9,000 jobs (6.7 percent), management of companies and enterprises fell by 900 (3.0 percent), and administrative support, waste management and remediation was up 3,200 jobs (4.8 percent). Employment services was up 1,600 jobs over the year.

Employment levels in **educational and health services** expanded by 700 over the month. Over the year, this diverse sector recovered 11,600 jobs (6.6 percent). Educational and health services accounted for an estimated 187,000 King County-based jobs in June 2021.

- Healthcare and education is comprised of a diverse set of industries, each of which has been affected somewhat differently in this health crisis. Over the year, private educational services recovered 3,200 jobs. Ambulatory health care services added 3,300 jobs, hospitals shed 800 and nursing and residential care facilities were down 400 jobs. Social assistance added 6,200 jobs over the year.

**Leisure and hospitality** employment grew by 8,100 over the month, following the deepest losses of any industry last year. Over the year, the industries that entertain residents and visitors recovered 26,100 jobs (29.5 percent), but still has a long way to go.

- Arts, entertainment, and recreation added 8,100 jobs (55.5 percent), accommodation added 2,500 (34.2 percent) and food services added 15,400 (23.1 percent) over the year.

**Other services** represents a diverse collection of industries that do not fit elsewhere and include employers ranging from religious and grant-making organizations to hair dressers, auto mechanics and dry cleaners to membership clubs. Overall employment levels increased by 700 over the month and 4,000 over the year. Other services represented 49,100 King County jobs in June 2021.

- Each breakout in the monthly report appears to be on the path to recovery, with the largest 12-month increases attributable to hiring in religious, grantmaking, civic, professional and similar industries.

**Government** employers collectively dipped by 1,300 jobs over the month and contracted by 1,000 jobs relative to June 2020.

- Month-to-month gains were concentrated at state and local levels of government.
- The deepest year over year losses were observed in state government, particularly in education. Local government jobs have recovered relative to June 2020.

## **Forecast information for Washington state:**

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. The June forecast is currently online at [www.erfc.wa.gov](http://www.erfc.wa.gov).

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