Construction Jobs Offset Other Cuts in August Employment

Local News

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Olympia, WA - Washington’s construction industry led all sectors in employment gains in August, with a seasonally adjusted estimate of 1,900 jobs, contributing to a net gain of 3,900 construction jobs since August 2011.These and other job estimates are detailed in the latest report from the state’s Employment Security Department. The preliminary, seasonally adjusted unemployment rate for August was 8.6 percent.For the second year in a row, the employment estimates for the leisure-and-hospitality industry and the wholesale-trade industry showed unusually large losses for August. They contributed to an estimated net loss of 1,100 nonfarm jobs across the state.“Based on the raw data, jobs in these sectors didn’t change significantly,” said Joe Elling, chief labor economist for the state’s Employment Security Department. “The reported losses show up when the seasonal adjustments are applied.”

Economists seasonally adjust monthly job numbers and the unemployment rate to remove or discount normal seasonal variations, such as holiday hiring. If an industry adds more jobs or doesn’t eliminate as many jobs as expected based on past history, it shows up as a seasonally adjusted gain. Similarly, when jobs are cut deeper than expected in a given month, or if normal hiring doesn’t occur, that shows up as a job loss.“It can take up to two or three years to determine when deviations from the seasonal norms are temporary or longer term,” said Elling.In addition to construction, the industries with the most seasonally adjusted job gains in August were manufacturing, up 1,500 jobs; financial activities, up 1,200; education and health services, up 500; and government, with an estimated net gain of 300.On the loss side, wholesale trade dropped an estimated 2,600 jobs; leisure and hospitality lost 2,300; retail trade shed 1,600 jobs; and professional and business services lost 200.Within the government sector, federal employment in Washington grew by 1,800 jobs, state agencies lost an estimated 900 jobs, public higher education declined by 100 jobs, K-12 schools added 500, and local government lost 1,400.In August, an estimated 301,700 people (seasonally adjusted) in Washington were unemployed and looking for work. That includes 129,676 who claimed unemployment benefits last month.Also in August, 3,429 unemployed workers ran out of unemployment benefits, bringing the total to 108,669 since extended benefits were activated in July 2008.