



King County Labor Area Summary March 2022



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

This report compares the week containing the 12th of March with the corresponding week in the previous month and year. For all intents and purposes, this is the 24th report that addresses the disruption caused by the COVID-19 pandemic.

Overview

- In March 2022, the not seasonally adjusted unemployment rate in King County was 2.5 percent – down from 2.9 percent over the month. Twelve months ago, the unemployment rate was 5.0 percent.
- The King County labor force expanded by 44,796 or 3.5 percent over the year.
- Nonfarm employment expanded by 11,500 from February to March 2022. There were an estimated 1,457,900 total nonfarm jobs in King County.
- Nine major industry sectors detailed in this report expanded employment over the month and 3 shed jobs. The largest gains were attributable to hiring in professional and business services, construction, and information. Retail trade, other services and government each saw a net decrease in employment in March.
- Total nonfarm employment in March 2022 was 87,000 above the level observed 12 months earlier— following the peak Covid-19 related job losses in the spring. Compared to March 2021, employment was up 6.3 percent.
- Each major industry sector detailed in this report expanded employment over the year. The largest increases were attributable to hiring in leisure and hospitality, professional and business services, and information.

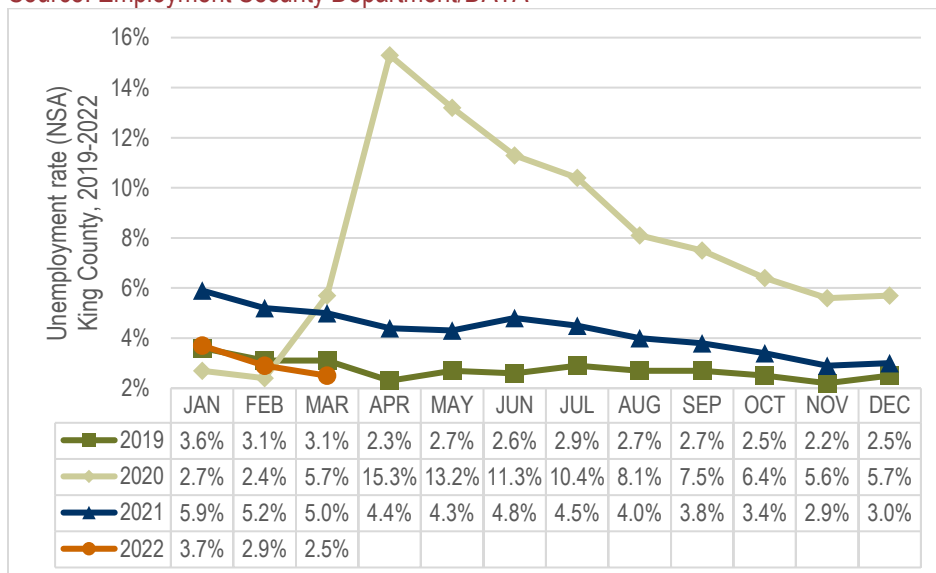
Unemployment rates and labor force information

The not seasonally adjusted unemployment rate for King County was 2.5 percent (preliminary) in March 2022. This is down from 2.9 percent in February (revised). The unemployment rate in March 2021 was 5.0 percent, after having reached a record 15.3 percent in April 2020. The low unemployment rate suggests that job seekers are successfully connecting with employment.

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 declined rapidly from April 2020 to the present. March 2022 labor force estimates follow:

- King County labor force: 1,320,641
- Total employed: 1,288,019
- Total unemployed: 32,622
- Unemployment rate: 2.5%

Figure 1. Unemployment rates, not seasonally adjusted
King County, January 2019 through March 2022
Source: Employment Security Department/DATA



The unemployment rate dropped below 3 percent in February and March 2022.

Month-to-month, King County’s labor force decreased by 12,084 resident workers. The number counted among the employed contracted by 6,171 and the number of active job seekers contracted by 5,913, pushing the unemployment rate down over the month. Over-the-year, the labor force expanded by 44,796 people or 3.5 percent. Within that, the number of employed workers expanded by 76,602 or 6.3 percent and the number of unemployed workers contracted by 31,806 or 49.4 percent.

Washington state

The not seasonally adjusted unemployment rate for Washington State decreased from 4.6 in February (revised) to 4.3 percent in March 2022 (preliminary). The statewide labor force dipped by 3,120 over the month. Within that, the estimated number of employed people increased by 8,366 and the number of unemployed job seekers contracted by 11,486. Over the year, the statewide labor force expanded by 169,709 or 4.4 percent. Beneath the surface, the employed labor force expanded by 233,655 or 6.4 percent and the count of unemployed workers contracted by 63,946 or 26.7 percent. The unemployment rate 12 months ago was 6.2 percent.

The February forecast by Washington's Economic and Revenue Forecast Council estimates that the statewide unemployment rate averaged 6.7 percent in 2021. The unemployment rate is expected to average about 4.5 percent in 2022, (down from the November forecast) and drop to 4.0 percent in 2023. 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. King County's unemployment rate consistently runs below that of Snohomish County. The not seasonally adjusted unemployment rate for the combined MD decreased from 3.0 percent (revised) in February to 2.6 percent (preliminary) in March 2022. Twelve months ago, the unemployment rate was 5.2 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

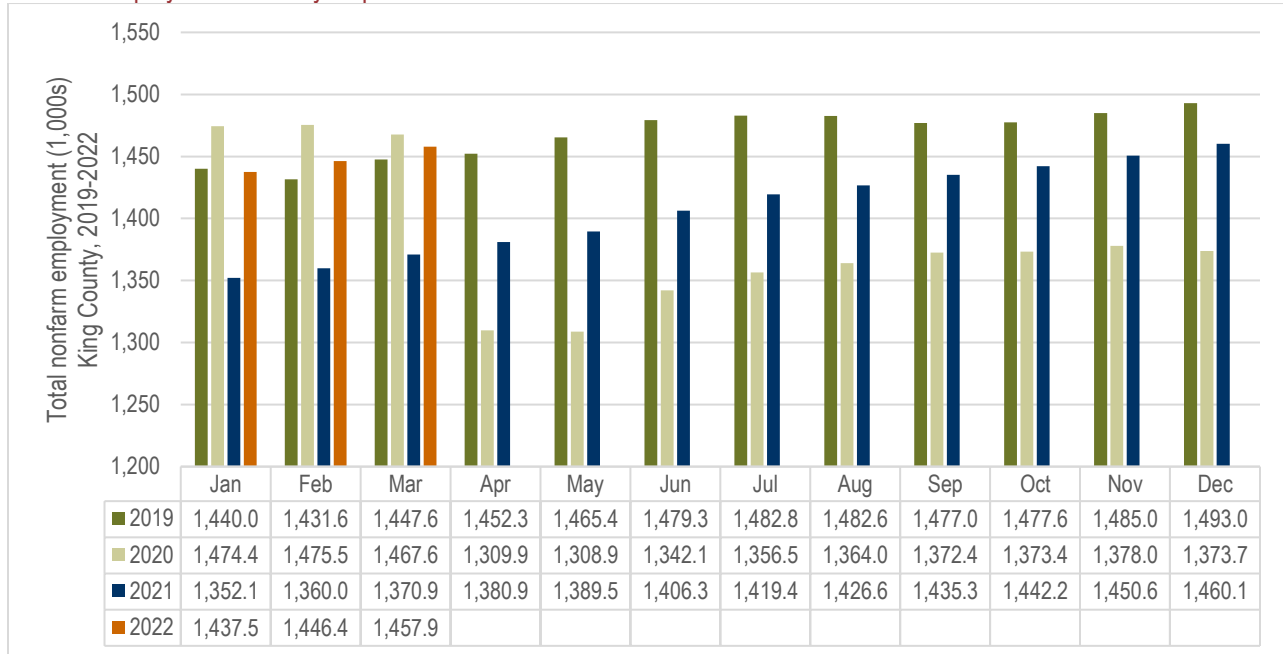
Unemployment Insurance (UI) Claims

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 alone. In March 2022, 3,405 new claims were filed by King County residents and a total of 11,482 King County residents collected benefits from the state UI system. Unemployment insurance claims are back to normal levels.

Total nonfarm employment

Total nonfarm employment (not seasonally adjusted) expanded by 11,500 from February (revised) to March 2022 (preliminary). Over the year, employers in King County collectively recovered 87,000 jobs—up 6.3 percent relative to March 2021, but still down 9,700 (0.7 percent) compared to March 2020. The tally of nonfarm jobs in King County was estimated at nearly 1.46 million in March 2022.

Figure 4. Total nonfarm employment
King County, January 2019 through March 2022
Source: Employment Security Department/DATA



King County employment in March 2022 was 87,000 above the level observed in March 2021.

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 March 6-12, 2022.

Figure 5. Nonfarm industry employment, not seasonally adjusted
King County, March 2021 and February and March 2022
 Source: Employment Security Department/DATA

Nonfarm Employment Estimates, Not Seasonally Adjusted

King County

Data benchmarked through September 2021

NAICS Industry Title	Prelim Mar-22	Revised Feb-22	Revised Mar-21	Change		
				Feb-22 Mar-22	Mar-21 Mar-22	Mar-21 Mar-22
Total Nonfarm	1,457,900	1,446,400	1,370,900	11,500	87,000	6.3%
Total Private	1,287,200	1,275,500	1,202,100	11,700	85,100	7.1%
Goods Producing	173,400	170,100	166,900	3,300	6,500	3.9%
Mining and Logging	400	400	400	0	0	0.0%
Construction	80,900	78,300	78,100	2,600	2,800	3.6%
Construction of Buildings	22,300	22,400	23,000	-100	-700	-3.0%
Heavy and Civil Engineering Construction	6,300	6,100	6,300	200	0	0.0%
Specialty Trade Contractors	52,300	49,800	48,700	2,500	3,600	7.4%
Manufacturing	92,100	91,400	88,400	700	3,700	4.2%
Durable Goods	67,400	66,500	64,100	900	3,300	5.1%
Fabricated Metal Product Manufacturing	6,000	5,900	5,800	100	200	3.4%
Computer and Electronic Product Mfg.	7,300	7,300	7,700	0	-400	-5.2%
Navgtnl., Measuring, Electromed., & Control	4,600	4,500	4,600	100	0	0.0%
Transportation Equipment Manufacturing	36,200	35,700	34,100	500	2,100	6.2%
Aerospace Product and Parts Mfg.	32,700	32,300	30,800	400	1,900	6.2%
Nondurable Goods	24,700	24,900	24,300	-200	400	1.6%
Food Manufacturing	12,100	12,200	11,700	-100	400	3.4%
Service Providing	1,284,500	1,276,300	1,204,000	8,200	80,500	6.7%
Trade, Transportation, and Utilities	286,400	286,400	276,400	0	10,000	3.6%
Wholesale Trade	59,300	57,800	58,400	1,500	900	1.5%
Retail Trade	174,200	175,800	168,300	-1,600	5,900	3.5%
Motor Vehicle and Parts Dealers	10,100	10,100	10,300	0	-200	-1.9%
Food and Beverage Stores	25,600	25,700	26,000	-100	-400	-1.5%
General Merchandise Stores	18,100	18,600	18,400	-500	-300	-1.6%
Transportation, Warehousing, and Utilities	52,900	52,800	49,700	100	3,200	6.4%
Transportation and Warehousing	50,700	50,500	47,800	200	2,900	6.1%
Air Transportation	14,900	14,900	13,700	0	1,200	8.8%
Truck Transportation	7,200	7,200	7,000	0	200	2.9%
Support Activities for Transportation	11,300	11,300	10,900	0	400	3.7%
Warehousing and Storage	3,400	3,400	3,200	0	200	6.3%
Information	142,000	139,800	130,700	2,200	11,300	8.6%
Software Publishers	77,600	76,500	73,700	1,100	3,900	5.3%
Financial Activities	77,900	76,900	72,600	1,000	5,300	7.3%
Finance and Insurance	46,100	45,400	43,300	700	2,800	6.5%

Credit Intermediation and Related	16,900	16,700	16,700	200	200	1.2%
Insurance Carriers and Related	18,900	18,700	18,900	200	0	0.0%
Real Estate and Rental and Leasing	31,800	31,500	29,300	300	2,500	8.5%
Professional and Business Services	257,600	254,700	239,100	2,900	18,500	7.7%
Professional, Scientific, and Technical Services	150,700	149,600	139,800	1,100	10,900	7.8%
Legal Services	12,300	12,200	11,800	100	500	4.2%
Accounting, Tax Prep., Bookkpg., and Payroll	11,400	11,300	10,600	100	800	7.5%
Architectural, Engineering, and Related	19,700	19,400	18,700	300	1,000	5.3%
Computer Systems Design and Related	51,000	50,400	49,300	600	1,700	3.4%
Management of Companies and Enterprises	30,600	30,300	29,800	300	800	2.7%
Admin., Support, Waste Mgmt., and Remediation	76,400	74,800	69,500	1,600	6,900	9.9%
Administrative and Support Services	72,700	71,500	66,300	1,200	6,400	9.7%
Employment Services	29,300	29,300	25,600	0	3,700	14.5%
Educational and Health Services	186,900	185,200	182,500	1,700	4,400	2.4%
Educational Services	33,300	31,800	29,500	1,500	3,800	12.9%
Ambulatory Health Care Services	61,900	62,700	60,900	-800	1,000	1.6%
Hospitals	28,800	28,700	29,700	100	-900	-3.0%
Nursing and Residential Care Facilities	17,500	17,300	18,000	200	-500	-2.8%
Social Assistance	45,400	44,700	44,600	700	800	1.8%
Leisure and Hospitality	118,000	116,500	90,100	1,500	27,900	31.0%
Arts, Entertainment, and Recreation	19,700	20,500	16,900	-800	2,800	16.6%
Accommodation	10,100	9,800	6,100	300	4,000	65.6%
Food Services and Drinking Places	88,300	86,200	67,100	2,100	21,200	31.6%
Other Services	45,000	45,900	43,800	-900	1,200	2.7%
Repair and Maintenance	7,900	8,100	8,200	-200	-300	-3.7%
Personal and Laundry Services	13,000	13,200	12,200	-200	800	6.6%
Religious, Grantmkg., Civic, Professional, & Similar	24,100	24,600	23,500	-500	600	2.6%
Government	170,700	170,900	168,800	-200	1,900	1.1%
Federal Government	18,700	18,900	19,300	-200	-600	-3.1%
State Government	45,900	46,000	51,000	-100	-5,100	-10.0%
State Government Educational Services	32,300	32,600	36,700	-300	-4,400	-12.0%
Local Government	106,100	106,000	98,500	100	7,600	7.7%
Local Government Educational Services	46,400	46,000	41,900	400	4,500	10.7%
Workers in Labor/Management Disputes	0	0	0	0	0	

Nonfarm industry employment

Goods-producing Industries

From February to March 2022, total employment in goods-producing industries increased by 3,300, with net gains observed in both construction and manufacturing. Year-over-year, goods-producing employment was up 6,500 or 3.9 percent, reflecting a rebound by construction early in the pandemic and recent job recovery in King County's diverse manufacturing sector.

Employment levels in **construction-related industries** expanded by 2,600 over the month. The tally of jobs in construction was estimated at 80,900. Year-to-year, employment in construction was up 2,800 or 3.6 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 specialty trade contractors and heavy and civil engineering.
- Construction is a highly-seasonal industry. While we can expect to see seasonal losses over the fall and winter months, 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 March, King County-located manufacturing employers collectively added 700 jobs. Over the year, total manufacturing employment was up 3,700 or 4.2 percent.

- The tally of aerospace products and parts manufacturing expanded by 400 over the month and by 1,900 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 dipped by 200 over the month but expanded 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 8,200 jobs in March. Over the year, service providers added 80,500 jobs. The largest one-month increases were observed in professional and business services and information. Employment in retail trade, other services and government fell in March. Over the year, leisure and hospitality, professional and business services and information added the largest number of jobs.

Wholesale trade employment expanded by 1,500 in March and by 900 or 1.5 percent over the year. Wholesale trade accounted for 59,300 King County-based jobs in March 2022.

Net employment in **retail trade** contracted by 1,600 over the month. Over the year, retail trade employment was up by an estimated 5,900 jobs (3.5 percent).

- Since March 2021, employment by motor vehicles and parts dealers dropped by 200 jobs, food and beverage stores shed 400 jobs, and employment at general merchandise stores dropped by 300.
 - With employment losses attributable to each of the breakouts in this report, gains were attributable to unpublished retail niches. Scaling up to the statewide level, gains were observed in "other retail trade" a category that includes online retailers (up 6,300 over the year) Statewide, year-over-year gains were observed in most retail industry breakouts.

Net employment in **transportation, warehousing and utilities** expanded by 100 over the month and by 3,200 over the year. This set of industries accounted for an estimated 52,900 King County jobs.

- Over the year, air transportation added 1,200 jobs, truck transportation employment expanded by 200 and support activities for transportation expanded by 400.
- Employment in warehousing and storage increased by 200 over the year.

Employment in the **information** sector expanded by 2,200 in March and by 11,300 jobs or 8.6 percent over the year. This sector, which includes everything from software publishers to radio stations, newspapers and movie theaters had an estimated tally of 142,000 jobs in February. 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 increased by 1,100 in March and by 3,900 (5.3 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 1,000 over the month and by 5,300 over the year.

- Over the year, employers in finance and insurance collectively expanded employment by 2,800 jobs. Real estate and rental and leasing employment expanded by 2,500 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 March, this diverse sector added an estimated 2,900 jobs. Over the year, professional and business services expanded employment by 18,500 (7.7 percent).

- From March 2021 to March 2022, professional, scientific and technical services added 10,900 jobs (7.8 percent), management of companies and enterprises expanded employment by 800 (2.7 percent), and administrative support, waste management and remediation was up 6,900 jobs (9.9 percent). Employment services was up 3,700 jobs over the year.

Employment levels in **educational and health services** expanded by 1,700 over the month. Over the year, this diverse sector recovered 4,400 jobs (2.4 percent). Educational and health services accounted for an estimated 186,900 King County-based jobs in March 2022.

- 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 3,800 jobs. Ambulatory health care services added 1,000 jobs, hospitals shed 900 jobs, and nursing and residential care facilities lost 500 jobs. Social assistance added 800 jobs over the year.

Leisure and hospitality employment expanded by 1,500 over the month, following the deepest losses of any industry at the start of the pandemic. Over the year, the industries that entertain residents and visitors recovered 27,900 jobs (31.0 percent), but still has a long way to go.

- Arts, entertainment, and recreation added 2,800 jobs (16.6 percent), accommodation added 4,000 (65.6 percent) and food services added 21,200 (31.6 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 contracted by 900 over the month but expanded by 1,200 over the year. Other services represented 45,000 King County jobs in March 2022.

- Each breakout in the monthly report appears to be on the path to recovery, with the largest 12-month increases attributable to hiring in personal and laundry services – suggesting that people are returning to their personal care routines (e.g. getting haircuts) and returning to the office.

Government employers collectively shed 200 jobs over the month but expanded total employment by 1,900 jobs (1.1 percent) over the year.

- Month-to-month gains were observed in local government and month-to-month losses were observed in federal and state government. The largest movements (gains in local government and losses in state government) were attributable to public education.
- Year over year, local government added the largest number of jobs – with most gains attributable to the return to in-person learning in public K-12 school districts. Federal and state employment dropped 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. ERFC estimates indicate that Washington state employment is on track to fully recover from the 2020 drop in employment this year. The February forecast and April update are published online at www.erfc.wa.gov.

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