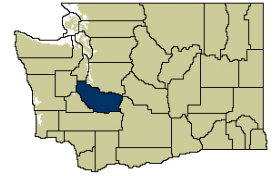




# Tacoma MD (Pierce County)

## Labor Area Summary

### Volume 2008, Number 2



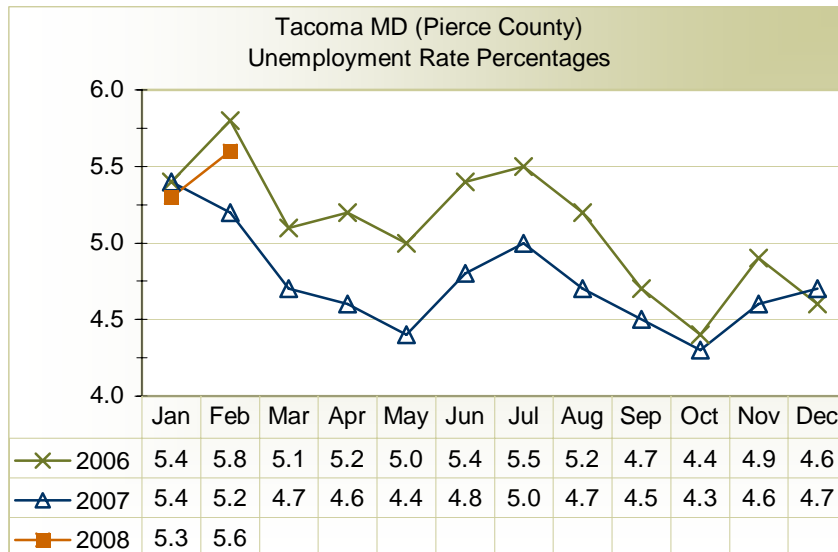
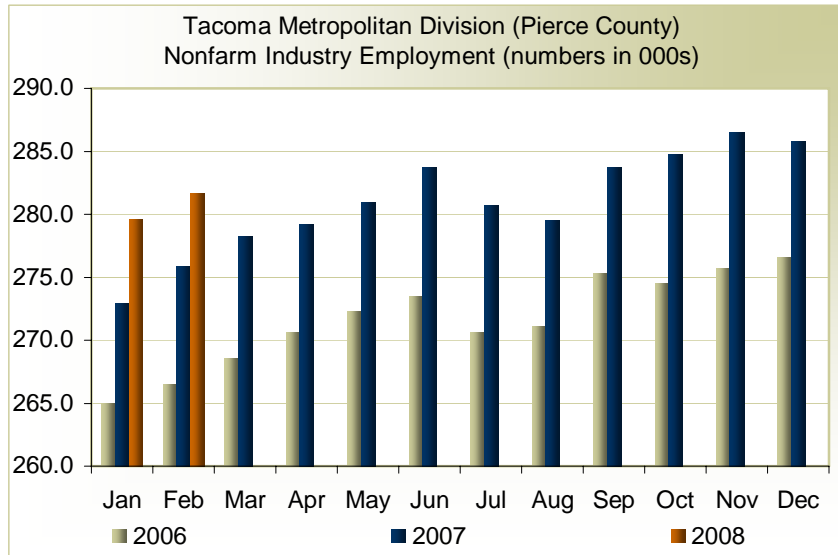
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## Summary

The Tacoma Metropolitan Division (MD) labor market economy did its usual bounce-back in February, gaining back 2,100 of the 6,200 jobs shed in January. The annual cycle of job growth begins anew this month and normally runs up until July in the area, when schools let out and take a bevy of educational service jobs with them. This pattern of monthly job growth is expected to continue, but at a reduced pace. The job gains this month were below the pace set last year at this time when 3,000 jobs were added. Accounting for seasonality makes the comparison starker. Seasonally adjusted, the Tacoma MD added 500 more jobs in February, compared with 1,700 jobs the year before.

The private sector accounted for the bulk of the jobs gained by adding 1,500 jobs. The remaining public sector job gains were contributed jointly by the federal, state and local branches of government, which added 100, 200, and 300 jobs respectively. About half of the public sector jobs were added in educational services. Education was also a factor in the private sector, where educational and health services added 700 jobs for the month. Employment in professional and business services and leisure and hospitality industries was stronger this month compared to last, with each sector adding 300 new jobs. Jobs gained in these categories, however, were less than what was added the year before. Another 200 private sector jobs were added in the goods producing sector. Construction activity remained positive enough to add 300 new workers. Manufacturing employment overall continued to be weak, with this industry reducing payrolls by 100.

On an annual basis with respect to February 2007, jobs grew at a rate of 2.1 percent. This marks the slowest over-the-year rate of growth since 2004, when the state and local area was fully emerging from the 2001 recession. The slower pace of job growth in the area manifested during the second half of 2007, and coincides with conditions around the state in general. The weaker job market conditions are more strenuously confirmed through the labor force data, which were generally pessimistic. The survey showed local unemployment rising and the size of the local labor force receding over the month. In fact, labor force size has been declining since last November, despite the holiday season. This could be interpreted as a sign that more job seekers are starting to find the job market less accommodating, and are dropping out to pursue other endeavors. These conditions have been driving up the Tacoma MD's unemployment rate since October 2007, when the rate measured 4.3 percent. The unemployment rate for the area has now reached 5.6 percent for February 2008, and is up three-tenths of one percent from last month. The unemployment rate should mitigate somewhat over the near future, when seasonal hiring conditions pick up through June. The rate of job growth is not likely to be strong enough to lower the rate substantially, meaning that the unemployment rate will likely be higher this year than last. Still, the expectations for the local economy are positive overall, despite even weaker conditions beyond the region. This outlook will be sustained as long as the contagion from the sinking housing market can be contained, and confidence in lending markets sufficiently restored so that monetary policy stimulus is made more effective.



## Summary Table

Labor Market Information for  
the Tacoma Metropolitan Division (Pierce County)  
Not Seasonally Adjusted/\*Updated with \*\*\*QCEW Data: September 2007

(Employment statistics in whole numbers)	Prelim Feb-08	Revised Jan-08	Revised Feb-07	Change		
				Jan-08 Feb-08	Feb-07 Feb-08	Feb-07 Feb-08%
Employment by Place of Residence						
Civilian Labor Force	395,910	397,240	385,440	-1,330	10,470	2.7%
Resident Employment	373,620	376,070	365,390	-2,450	8,230	2.3%
Unemployment	22,290	21,180	20,040	1,110	2,250	11.2%
Unemployment Rate	5.6	5.3	5.2	0.3	0.4	
Employment by Place of Work (**NAICS Industry Titles, numbers in thousands)						
Total Nonfarm 1/	281.7	279.6	275.9	2.1	5.8	2.1%
Total Private	224.9	223.4	220.8	1.5	4.1	1.9%
Goods Producing	44.5	44.3	44.7	0.2	-0.2	-0.4%
Natural Resources and Mining	0.4	0.4	0.4	0.0	0.0	0.0%
Construction	24.0	23.7	24.2	0.3	-0.2	-0.8%
Specialty Trade Contractors	15.4	15.1	15.0	0.3	0.4	2.7%
Manufacturing	20.1	20.2	20.1	-0.1	0.0	0.0%
Services Providing	237.2	235.3	231.2	1.9	6.0	2.6%
Trade, Transportation, and Utilities	56.5	56.6	55.1	-0.1	1.4	2.5%
Wholesale Trade	11.5	11.4	11.1	0.1	0.4	3.6%
Retail Trade	33.1	33.4	32.6	-0.3	0.5	1.5%
Food and Beverage Stores	5.5	5.5	5.3	0.0	0.2	3.8%
General Merchandise Stores	7.3	7.5	7.4	-0.2	-0.1	-1.4%
Transportation, Warehousing, and Utilities	11.9	11.8	11.4	0.1	0.5	4.4%
Information	3.8	3.8	3.7	0.0	0.1	2.7%
Financial Activities	13.7	13.6	13.6	0.1	0.1	0.7%
Professional and Business Services	25.7	25.4	24.9	0.3	0.8	3.2%
Admin, Support, Waste Mgmt., & Remediation	15.0	14.9	14.4	0.1	0.6	4.2%
Administrative and Support Services	13.6	13.5	13.1	0.1	0.5	3.8%
Educational and Health Services	41.5	40.8	40.2	0.7	1.3	3.2%
Ambulatory Health Care Services	13.5	13.5	13.1	0.0	0.4	3.1%
Hospitals	9.3	9.2	8.9	0.1	0.4	4.5%
Leisure and Hospitality	26.1	25.8	26.2	0.3	-0.1	-0.4%
Food Services and Drinking Places	21.8	21.8	21.2	0.0	0.6	2.8%
Other Services	13.1	13.1	12.4	0.0	0.7	5.6%
Government	56.8	56.2	55.1	0.6	1.7	3.1%
Federal Government	10.3	10.2	10.2	0.1	0.1	1.0%
State Government	12.0	11.8	11.5	0.2	0.5	4.3%
State Government Educational Services	3.9	3.7	3.8	0.2	0.1	2.6%
Local Government	34.5	34.2	33.4	0.3	1.1	3.3%
Local Government Educational Services	18.5	18.4	18.5	0.1	0.0	0.0%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. \*Prepared by the Labor Market and Economic Analysis branch using a Quarterly Benchmark process. This process uses the most recent quarter from the Unemployment Insurance Tax Reports (currently 3rd quarter 2007) and estimates employment from that point to present.

\*\*\*North American Industry Classification System. \*\*\*QCEW = Quarterly Census of Employment and Wages