

Washington State Business Employment Dynamics First Quarter 2017



Quarterly Census of Employment and Wages
Business Employment Dynamics
January to March 2017

Figure 1

Net change in jobs, seasonally adjusted, U.S. and Washington state, first quarter 1999 through first quarter 2017

Figure 2

Gross job gains and losses, seasonally adjusted, Washington state, first quarter 1999 through first quarter 2017

Figure 3

Net change in job gains and losses by industry sector, seasonally adjusted, United States, first quarter 2017

Figure 4

Net change in job gains and losses by industry sector, seasonally adjusted, Washington state, first quarter 2017

Figure 5

Net change in jobs by industry sector, seasonally adjusted, Washington state, first quarter 2016 and first quarter 2017

In first quarter 2017, seasonally adjusted job gains in Washington's private sector totaled 185,519 while job losses from businesses closing or contracting totaled 152,983. The result of these changes was a net gain of 32,536 jobs during the first quarter. These numbers show the key changes in private sector employment also called Business Employment Dynamics (BED).

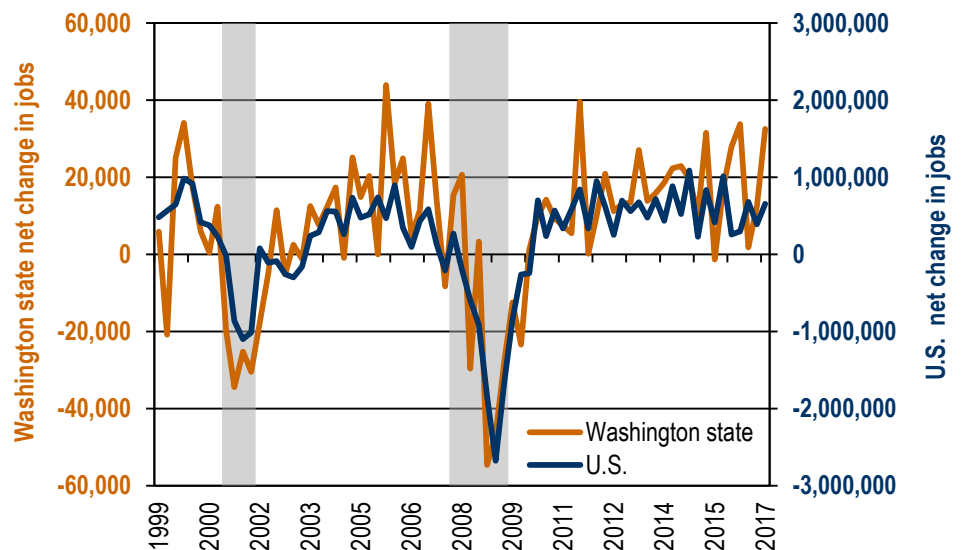
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings versus adding or shedding jobs at existing firms. The most recent BED data cover events through first quarter 2017.

Both the state and nation showed job growth

Nationally, job gains exceeded job losses in 44 states for a net private sector employment gain of 654,000. This marks the 28th consecutive quarter of employment growth nationally since the recovery in employment began in the aftermath of the nation's last recession. Washington state's streak of 22 straight quarters of employment growth ended in third quarter 2015, when the state showed negative employment growth of 1,372.

Figure 1 depicts the changing business employment dynamic and compares Washington state to national trends. On a national and state basis, net job gains and losses are sensitive to the business cycle. During the 2001 recession, net job losses appeared very quickly. Net

Figure 1. Net change in jobs, seasonally adjusted United States and Washington state, first quarter 1999 through first quarter 2017
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: Shaded areas are U.S. recession periods.

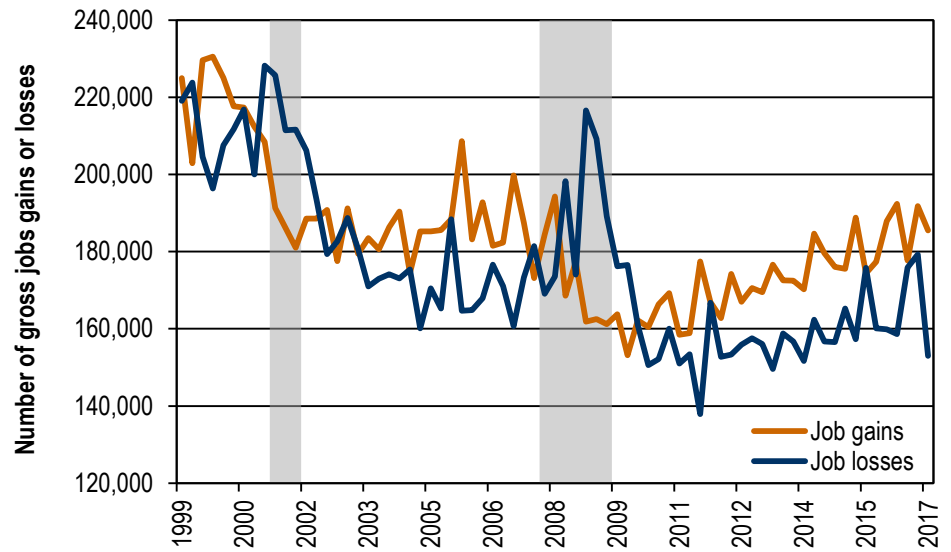
Job growth in Washington and in the U.S. increased in first quarter 2017.

job growth resumed in 2002 and carried through until the most recent recession beginning in fourth quarter 2007. Job growth began to pick up in 2010 for the state and nation, although Washington experienced negative job growth in third quarter 2015.

At the national level, gross job gains were 7.3 million at opening and expanding establishments. Closing and contracting establishments lost 6.7 million jobs. Gross job losses were 5.4 percent of private sector employment. Opening establishments provided 1.3 million jobs. Washington state gained 185,519 jobs from new and expanding private businesses and lost 152,983 jobs from businesses closing or contracting for a net gain of 32,536 jobs in first quarter 2017. This compares to a net gain of 12,523 jobs in fourth quarter 2016 and a net gain of 27,958 jobs in first quarter 2016.

Figure 2 shows the quarterly pattern of gross job gains and losses in Washington state.

Figure 2. Gross job gains and losses, seasonally adjusted Washington state, first quarter 1999 through first quarter 2017
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



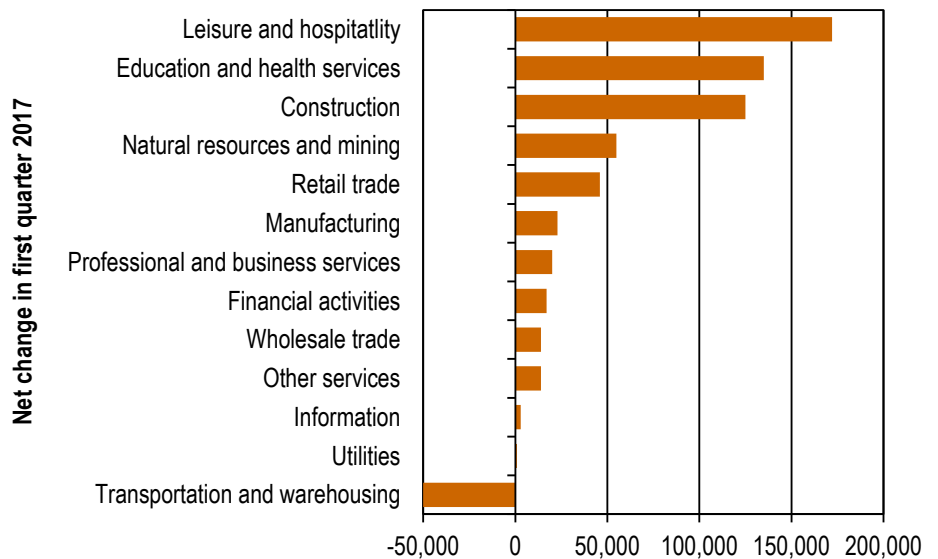
Note: Shaded areas are U.S. recession periods.

Gross job losses fell more sharply than did gross job gains in first quarter 2017.

Nationally, only one industry failed to add jobs

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment grew by 654,000 in first quarter 2017. Service-providing industries had a seasonally adjusted net gain of 451,000 jobs. The goods-producing industries posted a net gain of 203,000 jobs. In first quarter 2017, twelve industry sectors reported job gains compared to nine in fourth quarter 2016.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted United States, first quarter 2017
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Leisure and hospitality reported the most net gains while transportation and warehousing reported the most net losses in first quarter 2017.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase in employment of 32,536. Nine industry sectors reported net job gains in first quarter 2017. Net job losses occurred in transportation and warehousing (213) and manufacturing (569). The top three industry sectors in job gains were retail trade, with a gain of 8,185, followed by construction (5,032) and professional and business services (3,961).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, first quarter 2017

Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: data for natural resources, mining and utilities are not disclosed in order to maintain employer confidentiality.

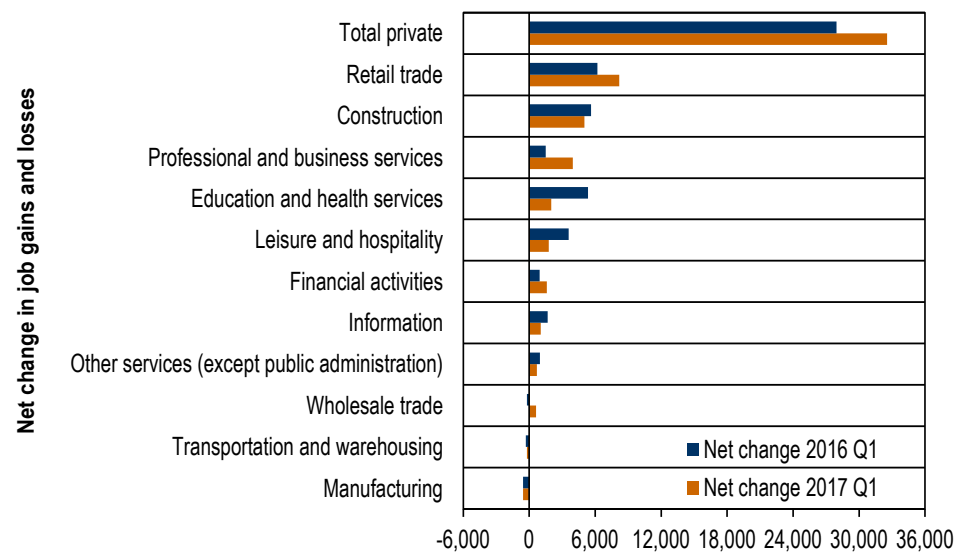
In Washington state, retail trade, construction, and professional and business services had the most job gains in first quarter 2017.

Comparing first quarter 2017 to first quarter 2016 in Washington state (Figure 5):

- Six of 11 private industry sectors had lower net gains in first quarter 2017 compared to first quarter 2016.
- Retail trade had the largest net gain from year to year with a gain of 8,185 jobs in first quarter 2017 compared with a gain of 6,194 in first quarter 2016.
- Education and health services had the largest net loss from year to year with a gain of 2,012 jobs in first quarter 2017 compared with a gain of 5,355 in first quarter 2016.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, first quarter 2016 and first quarter 2017

Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: data for natural resources, mining and utilities are not disclosed in order to maintain employer confidentiality

Washington had fewer jobs gained in six industries and more jobs gained in five industries in first quarter 2017 than a year ago.

More information on the Business Employment Dynamics data series is available at www.bls.gov/bdm/.

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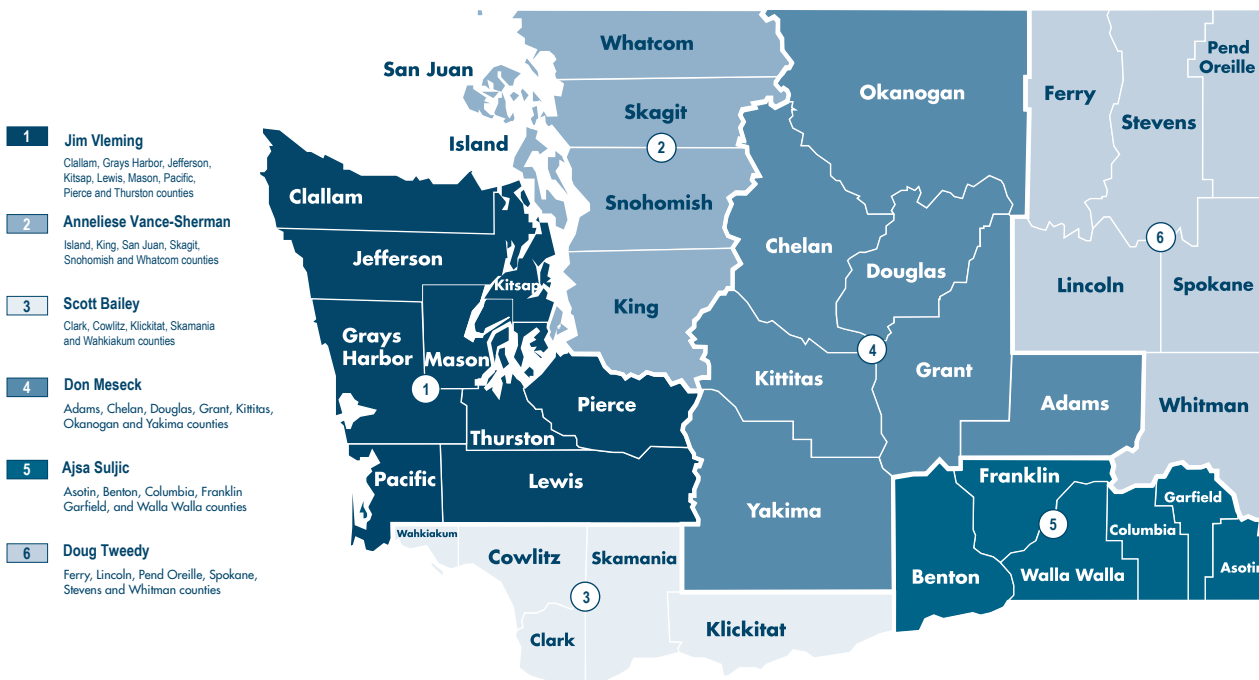
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Washington State Regional Labor Economist Reporting Areas



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