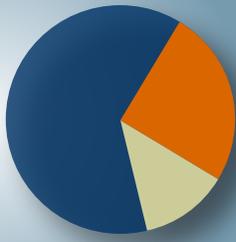


Washington State Business Employment Dynamics First Quarter 2016



Quarterly Census of Employment and Wages
Business Employment Dynamics
January to March 2016

Figure 1

Net change in jobs, seasonally adjusted, U.S. and Washington state, first quarter 1998 through first quarter 2016

Figure 2

Gross job gains and losses, seasonally adjusted, Washington state, first quarter 1998 through first quarter 2016

Figure 3

Net change in job gains and losses by industry, seasonally adjusted, United States, first quarter 2016

Figure 4

Net change in job gains and losses by industry, seasonally adjusted, Washington state, first quarter 2016

Figure 5

Net change in jobs by industry, seasonally adjusted, Washington state, first quarter 2015 and first quarter 2016

In first quarter 2016, seasonally adjusted job gains in Washington's private sector totaled 187,946 while job losses from businesses closing or contracting totaled 148,670. The result of these changes was a net gain of 39,276 jobs during the first quarter. These numbers show the key changes in private sector employment also called Business Employment Dynamics (BED).

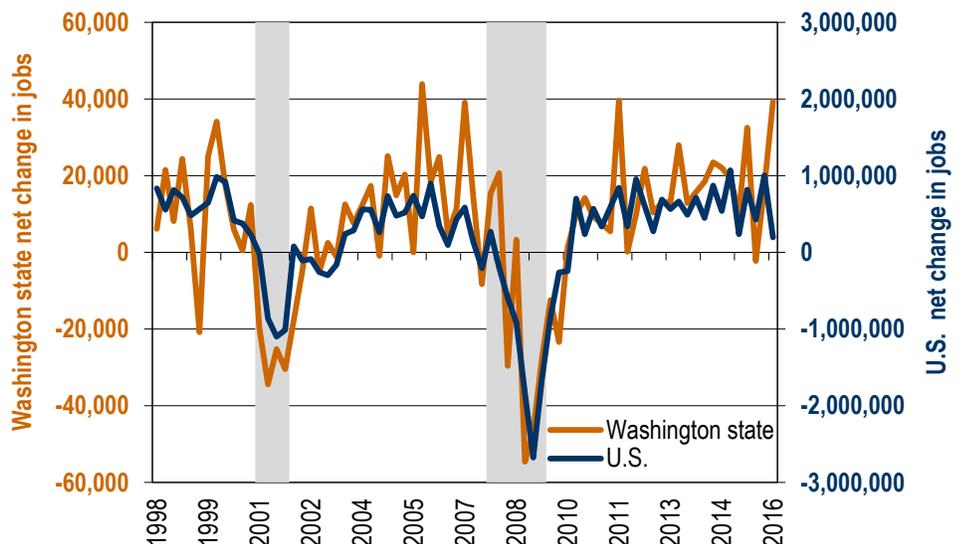
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings versus adding or shedding jobs at existing firms. The most recent BED data cover events through first quarter 2016.

Both the state and nation showed job growth

Nationally, job gains exceeded job losses in 34 states for a net private sector employment gain of 194,000. This marks the 24th 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 2,242.

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 1998 through first quarter 2016
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: U.S. recessions are shaded in gray.

Job growth picked up in Washington and continued in U.S. in first quarter 2016.

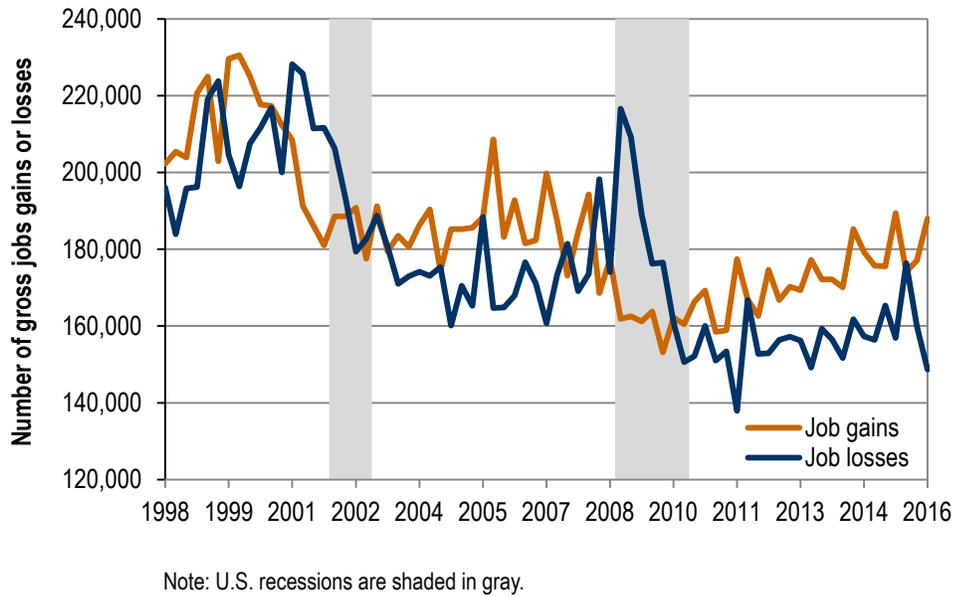
job growth resumed in 2002 and carried through until the most recent recession beginning in fourth quarter 2007. Job growth began to pick up in 2010 for the state and nation, although Washington experienced negative job growth in third quarter 2015.

At the national level, gross job gains were 7.0 million at opening and expanding establishments. Closing and contracting establishments lost 6.8 million jobs. Gross job losses were 5.8 percent of private sector employment. Opening establishments provided 1.2 million jobs. Washington state gained 187,946 jobs from new and expanding private businesses and lost 148,670 jobs from businesses closing or contracting for a net gain of 39,276 jobs in first quarter 2016. This compares to a net gain of 17,074 jobs in fourth quarter 2015 and net gain of 10,159 jobs in first quarter 2015.

Nationally, industry gains and losses were mixed

The data in *Figure 3* illustrate the net change in industry employment for the U.S. Total private sector employment grew by 194,000 in first quarter 2016. Service-providing industries had a seasonally adjusted net gain of 184,000 jobs. The goods-producing industries posted a net gain of 10,000 jobs. In first quarter 2016, six industry sectors reported job gains compared to eleven in fourth quarter 2015.

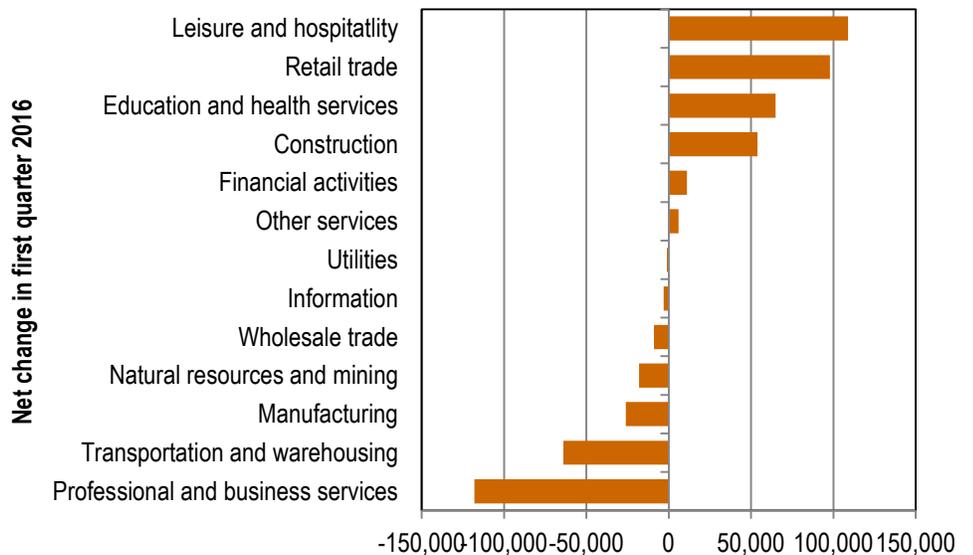
Figure 2. Gross job gains and losses, seasonally adjusted Washington state, first quarter 1998 through first quarter 2016
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Gross job gains exceeded job losses by a large margin in first quarter 2016.

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

Figure 3. Net change in job gains and losses by industry, seasonally adjusted United States, first quarter 2016
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

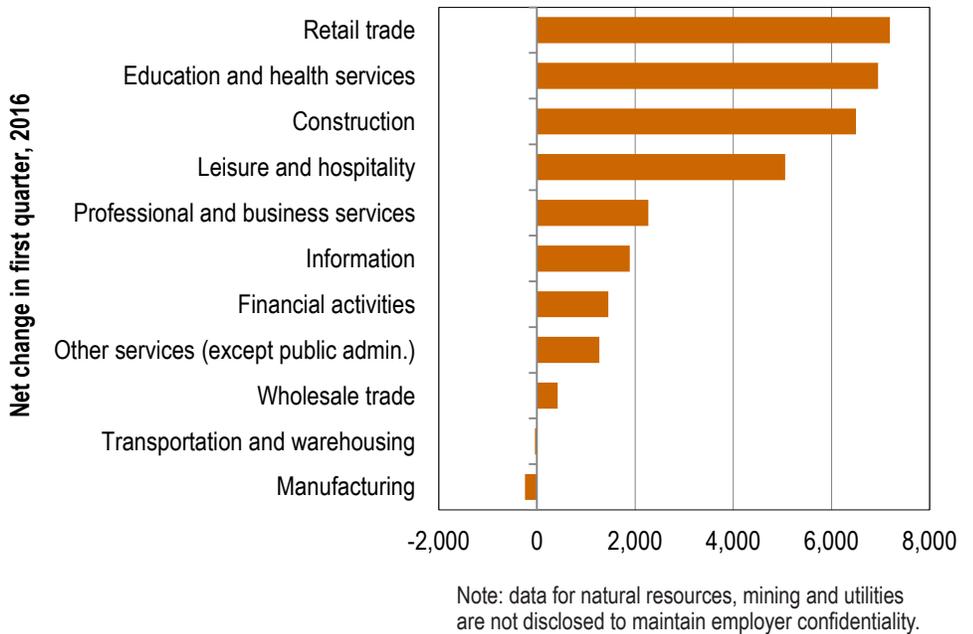


Leisure and hospitality reported the most net gains while professional and business services reported the most net losses in first quarter 2016.

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 39,276. Nine industry sectors reported net job gains in first quarter 2016. Net job losses occurred in manufacturing (247) and transportation and warehousing (45). The top three industry sectors in job gains were retail trade, with a gain of 7,191, followed by education and health services (6,947) and construction (6,496).

Figure 4. Net change in job gains and losses by industry, seasonally adjusted Washington state, first quarter 2016
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

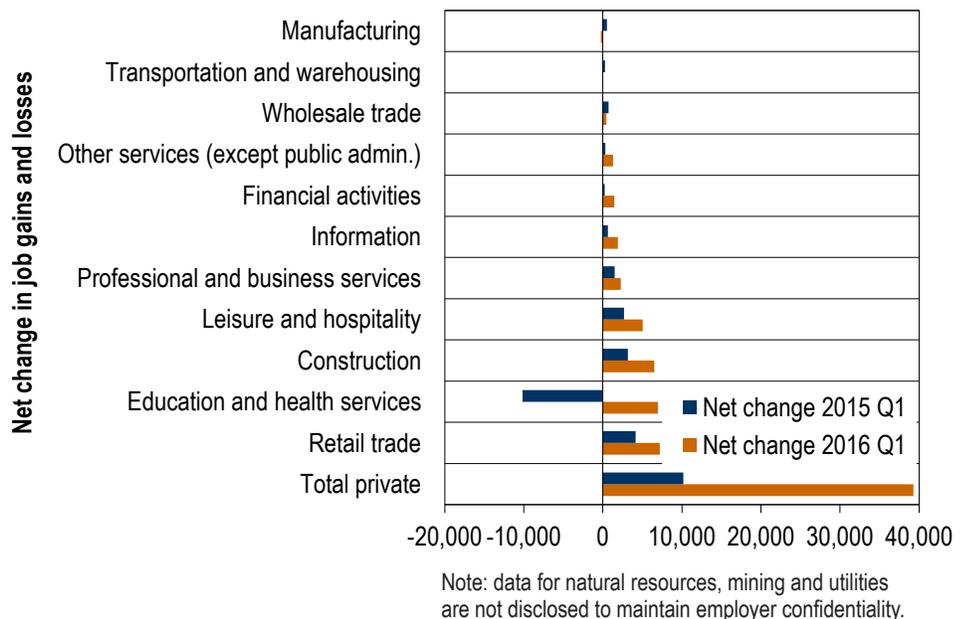


In Washington state retail trade, education and health services, and construction had the most job gains in first quarter 2016.

Comparing first quarter 2016 to first quarter 2015 in Washington state (Figure 5):

- Eight of 11 private industry sectors had higher net gains in first quarter 2016 compared to first quarter 2015.
- Education and health services had the largest net gain from year to year with a gain of 6,947 jobs in first quarter 2016 compared with a loss of 10,148 in first quarter 2015.
- Manufacturing had the largest net loss from year to year with a loss of 247 jobs in first quarter 2016 compared with a gain of 517 in the first quarter 2015

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, first quarter 2015 and first quarter 2016
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Washington had more jobs gained in eight industries and fewer jobs gained in three industries in first quarter 2016 than a year ago.

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

BED report contacts

Paul Turek, *Economist*
BED Author
pturek@esd.wa.gov
360-407-2306

Molly Webster,
QCEW Supervisor
mwebster@esd.wa.gov
360-407-4569

Alexander Traczyk
QCEW Publication
atraczyk@esd.wa.gov
360-407-4688

Contact an economist online!

We have seven regional economists serving local labor markets in Washington. Regional economists can help you find and use labor-market data, fulfill special data requests and answer questions about the labor market in your area. They serve professionals and organizations in their areas for WorkSource offices, workforce development councils, non-profit organizations, higher education, businesses and the news media.

Statewide labor economist:

Paul Turek, Ph.D.
pturek@esd.wa.gov
360-407-2306

Regional labor economists:

Scott Bailey
scott.bailey@esd.wa.gov
360-735-4995

Don Meseck
dmeseck@esd.wa.gov
509-573-4564

Ajsa Suljic
asuljic@esd.wa.gov
509-734-5928

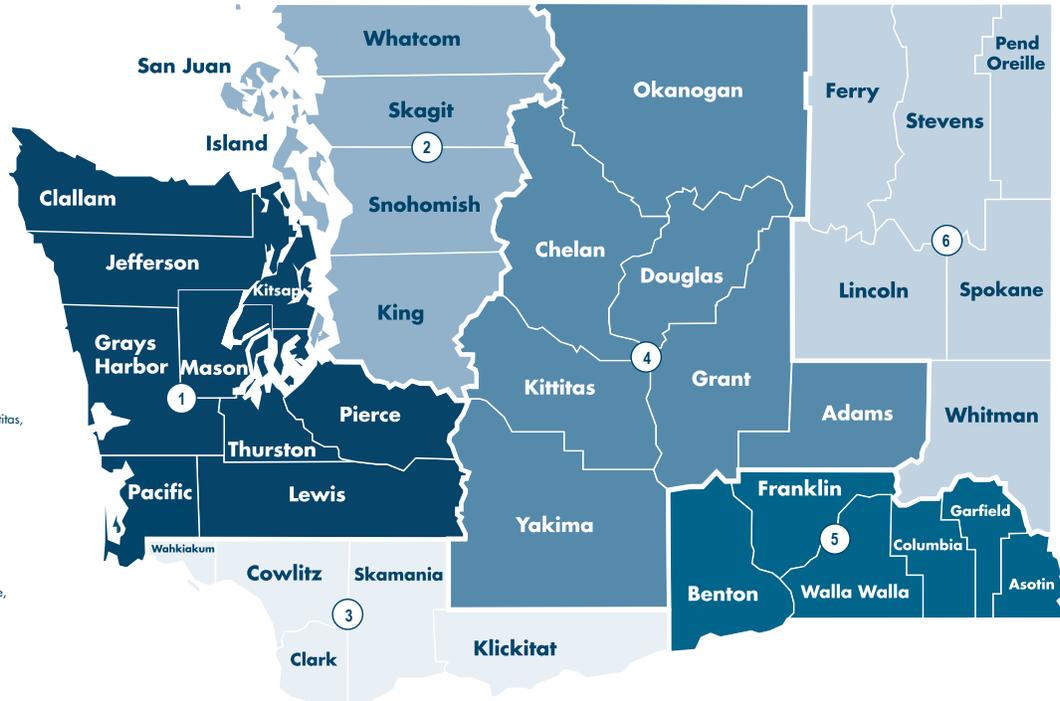
Doug Tweedy
dtweedy@esd.wa.gov
509-532-3188

Anneliese Vance-Sherman, Ph.D.
avancesherman@esd.wa.gov
425-258-6315

Jim Vleming
jvleming@esd.wa.gov
360-570-6945

Washington state regional labor economist reporting areas

- 1 Jim Vleming**
Clallam, Grays Harbor, Jefferson, Kitsap, Lewis, Mason, Pacific, Pierce and Thurston counties
- 2 Anneliese Vance-Sherman**
Island, King, San Juan, Skagit, Snohomish and Whatcom counties
- 3 Scott Bailey**
Clark, Cowlitz, Klickitat, Skamania and Wahkiakum counties
- 4 Don Meseck**
Adams, Chelan, Douglas, Grant, Kittitas, Okanogan and Yakima counties
- 5 Ajsa Suljic**
Asotin, Benton, Columbia, Franklin, Garfield, and Walla Walla counties
- 6 Doug Tweedy**
Ferry, Lincoln, Pend Oreille, Spokane, Stevens and Whitman counties



The Employment Security Department is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities. Washington Relay Service: 711.

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.