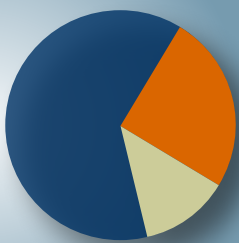


# Washington State Business Employment Dynamics Fourth Quarter 2016



Quarterly Census of Employment and Wages  
Business Employment Dynamics  
October to December 2016

**Figure 1**

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

**Figure 2**

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

**Figure 3**

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

**Figure 4**

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

**Figure 5**

**Net change in jobs by industry sector, seasonally adjusted, Washington state, fourth quarter 2015 and fourth quarter 2016**

In fourth quarter 2016, seasonally adjusted job gains in Washington's private sector totaled 192,603 while job losses from businesses closing or contracting totaled 179,378. The result of these changes was a net gain of 13,225 jobs during the fourth quarter. These numbers show the key changes in private sector employment also called Business Employment Dynamics (BED).

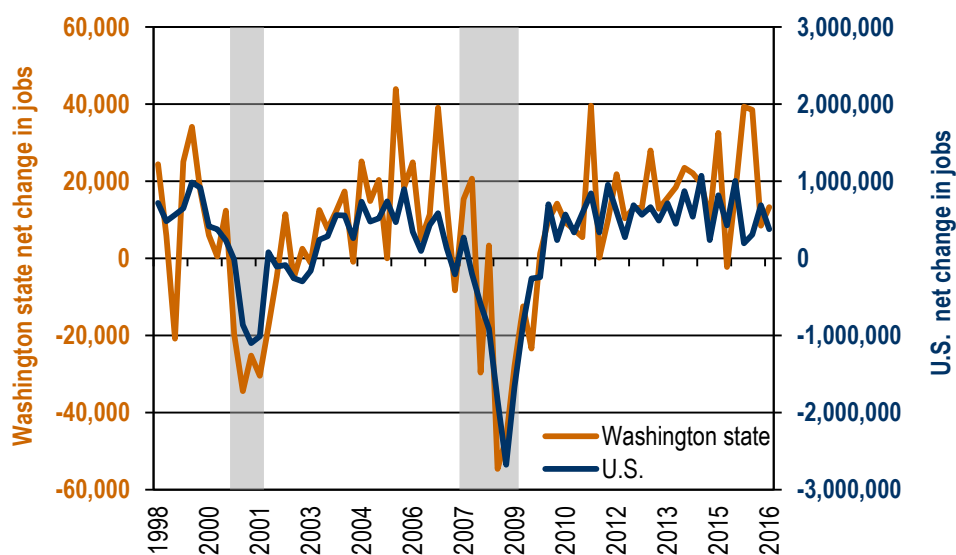
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings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

## Both the state and nation showed job growth

Nationally, job gains exceeded job losses in 41 states for a net private sector employment gain of 376,000. This marks the 27th 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, fourth quarter 1998 through fourth quarter 2016  
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



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

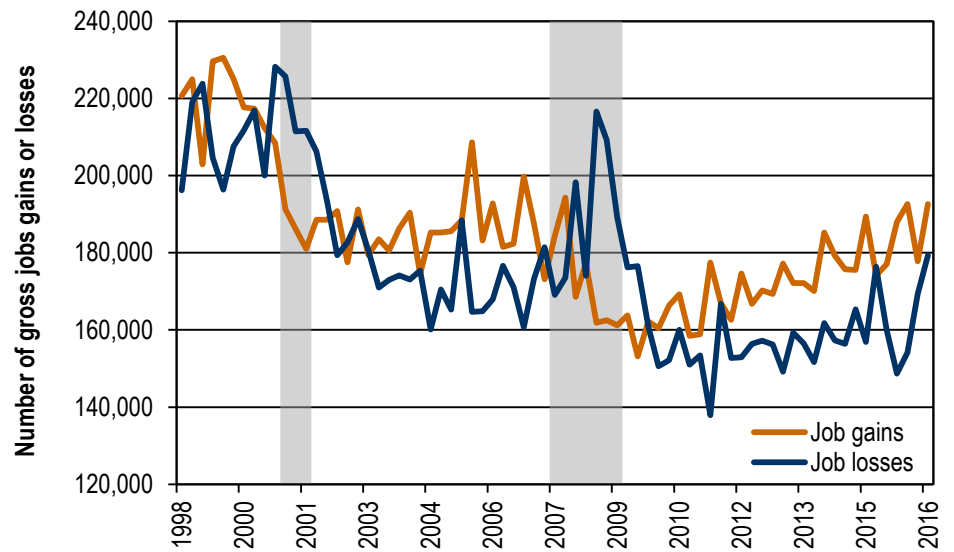
*Job growth in Washington increased but slowed in the U.S. in fourth quarter 2016.*

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 7.5 million at opening and expanding establishments. Closing and contracting establishments lost 7.1 million jobs. Gross job losses were 5.8 percent of private sector employment. Opening establishments provided 1.5 million jobs. Washington state gained 192,603 jobs from new and expanding private businesses and lost 179,378 jobs from businesses closing or contracting for a net gain of 13,225 jobs in fourth quarter 2016. This compares to a net gain of 8,420 jobs in third quarter 2016 and a net gain of 17,074 jobs in fourth quarter 2015.

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



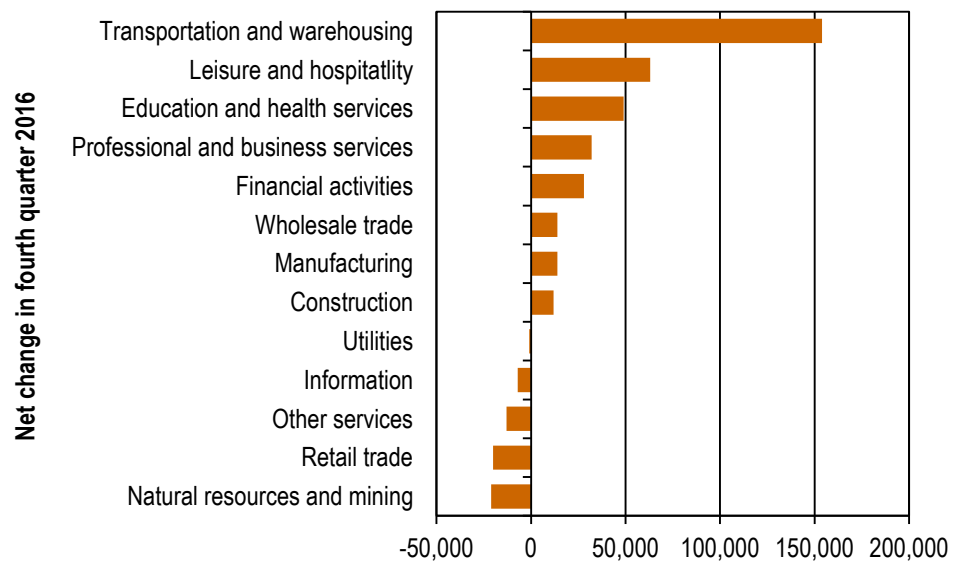
Note: Shaded areas are U.S. recession periods.

Gross job gains and gross job losses both increased in fourth quarter 2016.

### Nationally, most industries added jobs than not

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment grew by 376,000 in fourth quarter 2016. Services-providing industries had a seasonally adjusted net gain of 371,000 jobs. The goods-producing industries posted a net gain of 5,000 jobs. In fourth quarter 2016, eight industry sectors reported job gains compared to nine in third quarter 2016.

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



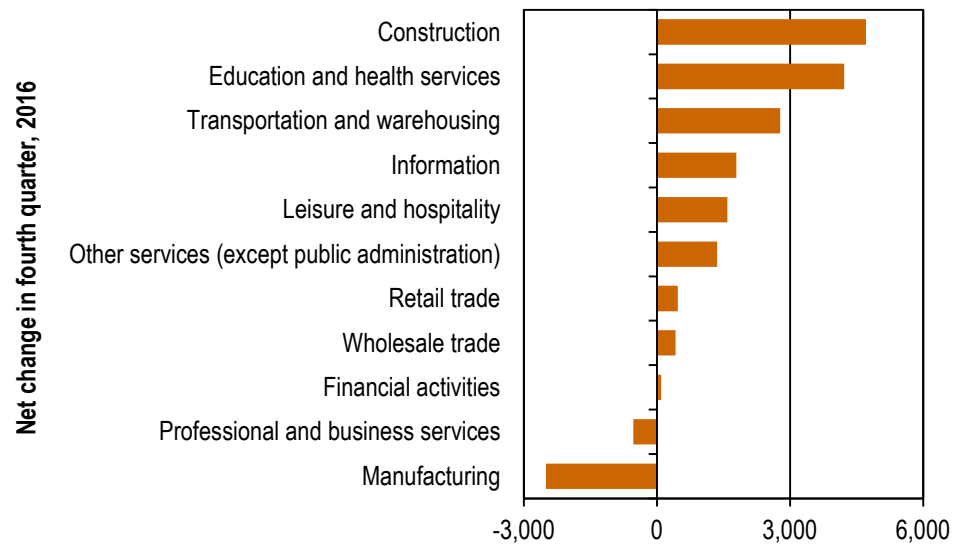
Transportation and warehousing reported the most net gains while natural resources and mining reported the most net losses in fourth quarter 2016.

## 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 13,225. Nine industry sectors reported net job gains in fourth quarter 2016. Net job losses occurred in manufacturing (2,504) and professional and business services (531). The top three industry sectors in job gains were construction, with a gain of 4,711, followed by education and health services (4,223) and transportation and warehousing (2,779).

**Figure 4.** Net change in job gains and losses by industry sector, seasonally adjusted Washington state, fourth quarter 2016

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, construction, education and health services, and transportation and warehousing had the most job gains in fourth quarter 2016.*

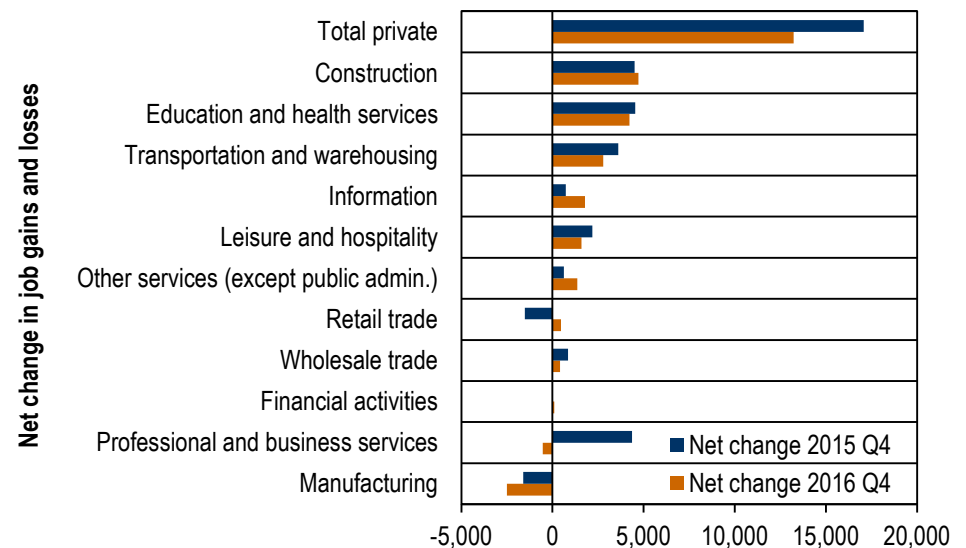
Comparing fourth quarter 2016 to fourth quarter 2015 in Washington state (Figure 5):

- Six of 11 private industry sectors had lower net gains in fourth quarter 2016 compared to fourth quarter 2015.
- Retail trade had the largest net gain from year to year with a gain of 1,976 jobs in fourth quarter 2016 compared with a loss of 1,722 in fourth quarter 2015.
- Professional and business services had the largest net loss from year to year with a loss of 531 jobs in fourth quarter 2016 compared with a gain of 4,367 in fourth quarter 2015.

**Figure 5.** Net change in jobs by industry sector, seasonally adjusted

Washington state, fourth quarter 2015 and fourth quarter 2016

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 fourth quarter 2016 than a year ago.*

More information on the Business Employment Dynamics data series is available at [www.bls.gov/bdm/](http://www.bls.gov/bdm/).

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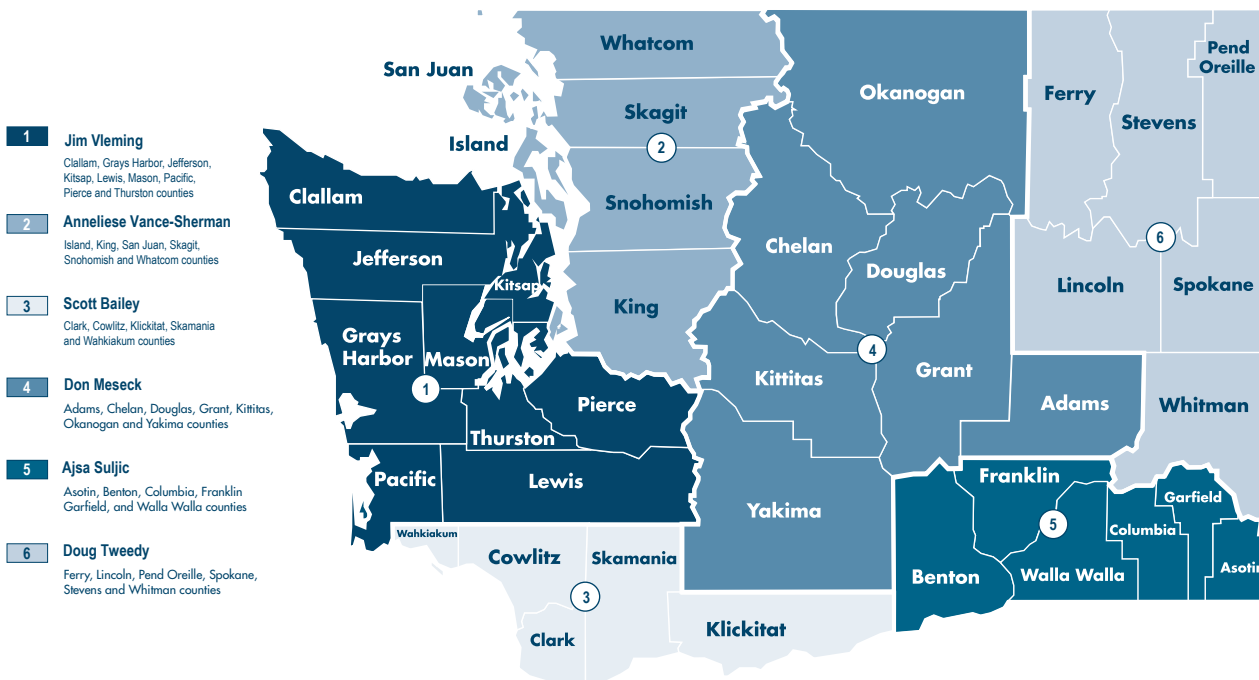
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## Washington State Regional Labor Economist Reporting Areas



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