

Washington State Business Employment Dynamics Fourth Quarter 2015



Quarterly Census of Employment and Wages
Business Employment Dynamics
October to December 2015

Figure 1

Net change in jobs, seasonally adjusted, U.S. and Washington state, third quarter 1997 through fourth quarter 2015

Figure 2

Gross job gains and losses, seasonally adjusted, Washington state, fourth quarter 1997 through fourth quarter 2015

Figure 3

Net change in job gains and losses by industry, seasonally adjusted, United States, fourth quarter 2015

Figure 4

Net change in job gains and losses by industry, seasonally adjusted, Washington state, fourth quarter 2015

Figure 5

Net change in jobs by industry, seasonally adjusted, Washington state, fourth quarter 2014 and fourth quarter 2015

In fourth quarter 2015, seasonally adjusted job gains in Washington's private sector totaled 176,144 while job losses from businesses closing or contracting totaled 157,999. The result of these changes was a net gain of 18,145 jobs during the fourth quarter. These numbers show the key changes in private-sector employment also called Business Employment Dynamics (BED).

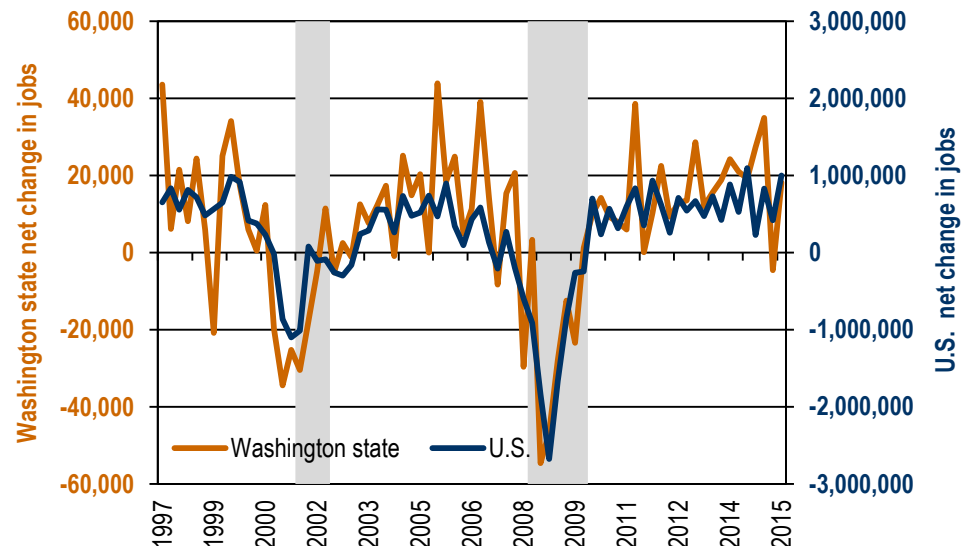
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings versus adding or shedding jobs at existing firms. The most recent BED data cover events through fourth quarter 2015.

Both the state and nation showed job growth

Nationally, job gains exceeded job losses in 45 states for a net private sector employment gain of 1,000,000. This marks the 23rd 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 4,575.

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

Figure 1. Net change in jobs, seasonally adjusted United States and Washington state, fourth quarter 1997 through fourth quarter 2015
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



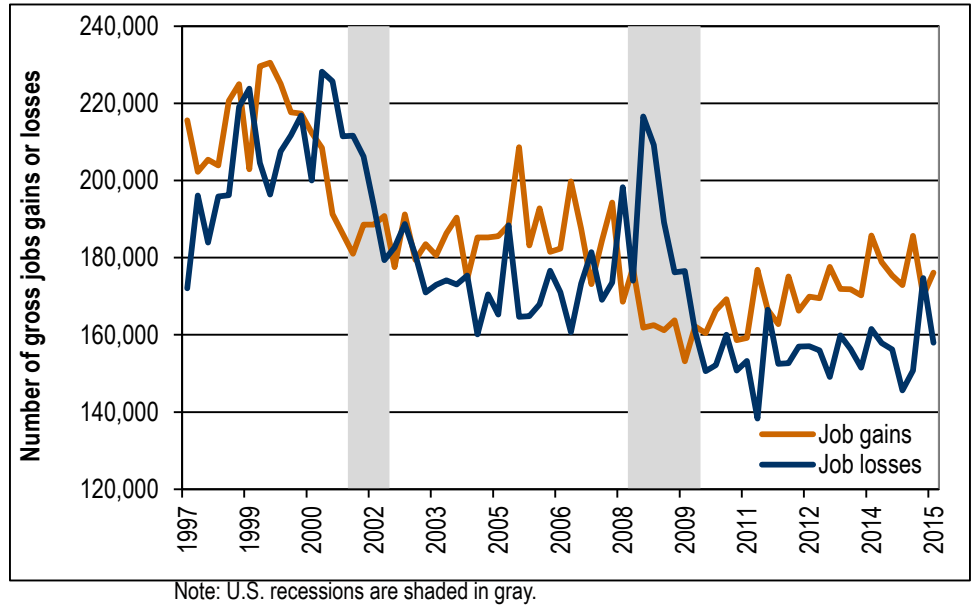
Note: U.S. recessions are shaded in gray.

Job growth resumed in Washington and continued in U.S. in fourth quarter 2015.

losses appeared very quickly. Net job growth resumed in 2002 and carried through until the 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 7.8 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 1.4 million jobs. Washington state gained 176,144 jobs from new and expanding private businesses and lost 157,999 jobs from businesses closing or contracting for a net gain of 18,145 jobs in fourth quarter 2015. This compares to a net loss of 4,575 jobs in third quarter 2015 and net gain of 19,140 jobs in fourth quarter 2014.

Figure 2. Gross job gains and losses, seasonally adjusted Washington state, fourth quarter 1997 through fourth quarter 2015
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



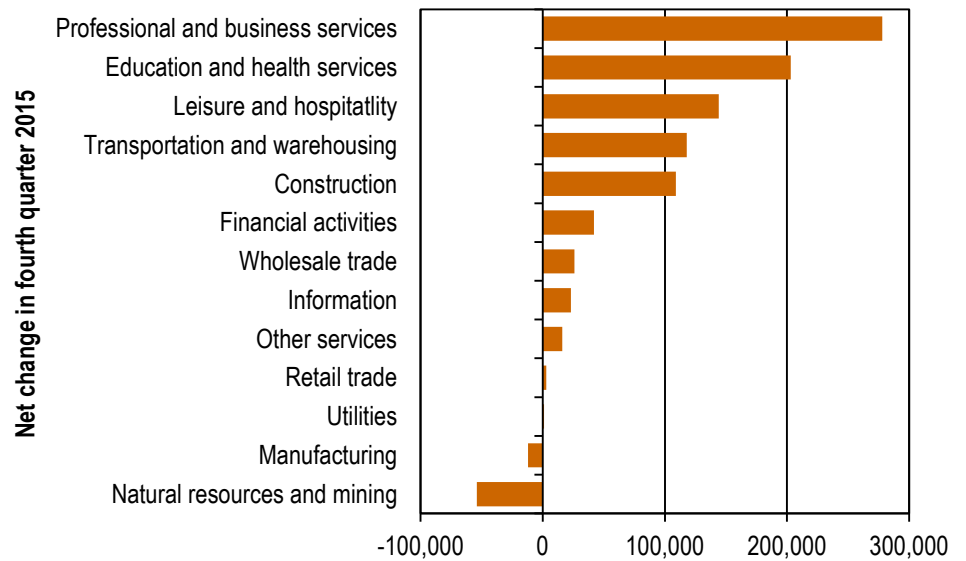
Job growth resumed in Washington and continued in U.S. in fourth quarter 2015.

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

Nationally, industry gains were mostly positive

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment grew by 1,000,000 in fourth quarter 2015. Service-providing industries had a seasonally adjusted net gain of 957,000 jobs. The goods-producing industries posted a net gain of 43,000 jobs. In fourth quarter 2015, eleven industry sectors reported job gains compared to eight in third quarter 2015.

Figure 3. Net change in job gains and losses by industry, seasonally adjusted United States, fourth quarter 2015
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

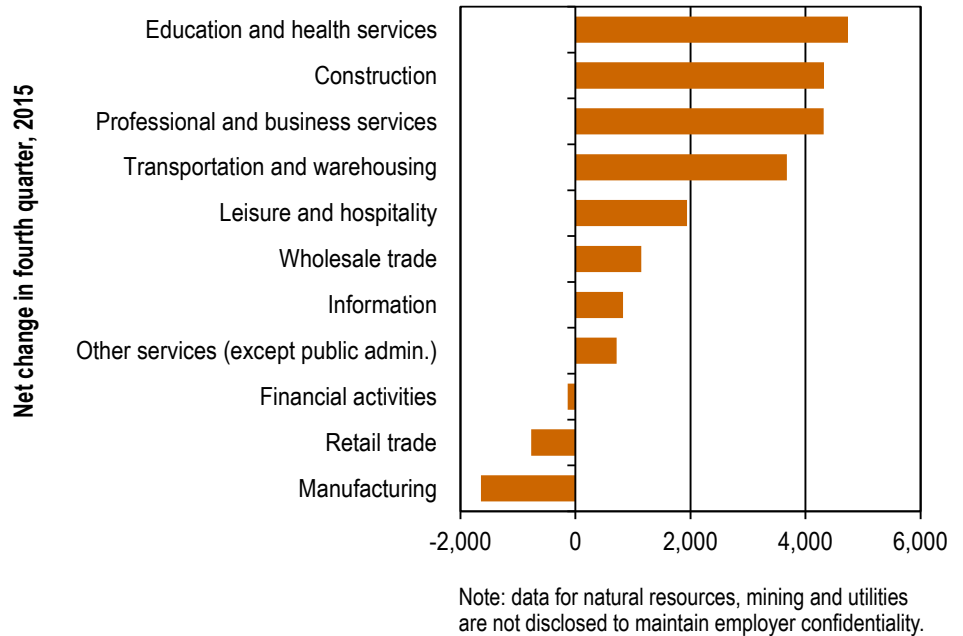


Professional and business services reported the most net gains while natural resources and mining reported the most net losses in fourth quarter 2015.

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 18,145. Eight industry sectors reported net job gains in fourth quarter 2015. Net job losses occurred in manufacturing (1,645), retail trade (770) and financial activities (136). The top three industry sectors in job gains were education and health services, with a gain of 4,741, followed by construction (4,323) and professional and business services (4,314).

Figure 4. Net change in job gains and losses by industry, seasonally adjusted Washington state, fourth quarter 2015
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

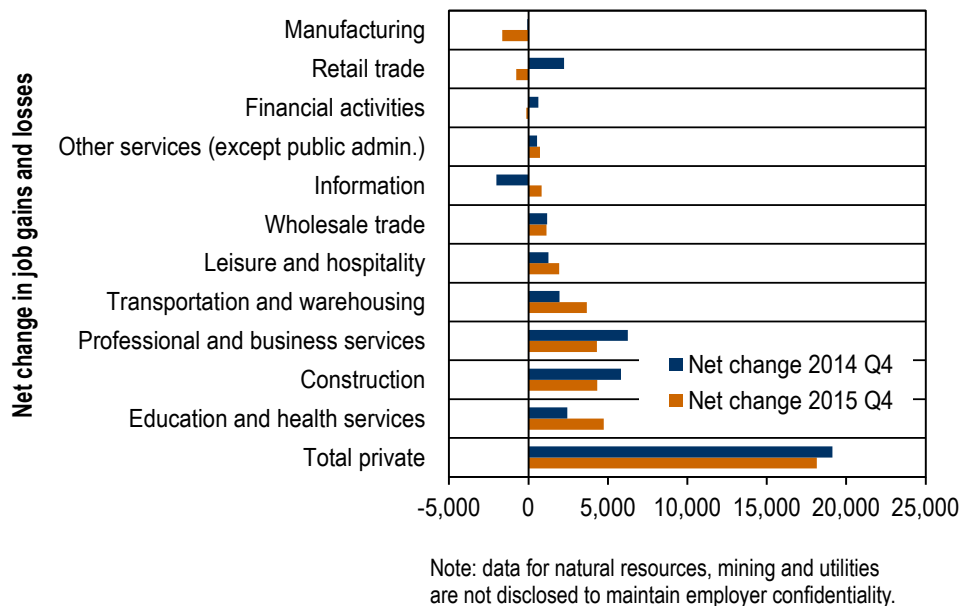


In Washington state education and health services, construction, and professional and business services had the most job gains in fourth quarter 2015.

Comparing fourth quarter 2015 to fourth quarter 2014 in Washington state (Figure 5):

- Six of 11 private industry sectors had lower net gains in fourth quarter 2015 compared to fourth quarter 2014.
- Information had the largest net gain from year to year with a gain of 828 jobs in fourth quarter 2015 compared with a loss of 2,021 in fourth quarter 2014.
- Retail trade had the largest net loss from year to year with a loss of 770 jobs in fourth quarter 2015 compared with a gain of 2,234 in the fourth quarter 2014.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, fourth quarter 2014 and fourth quarter 2015
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Washington had fewer jobs gained in six industries and more jobs gained in five industries in fourth quarter 2015 than a year ago.

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

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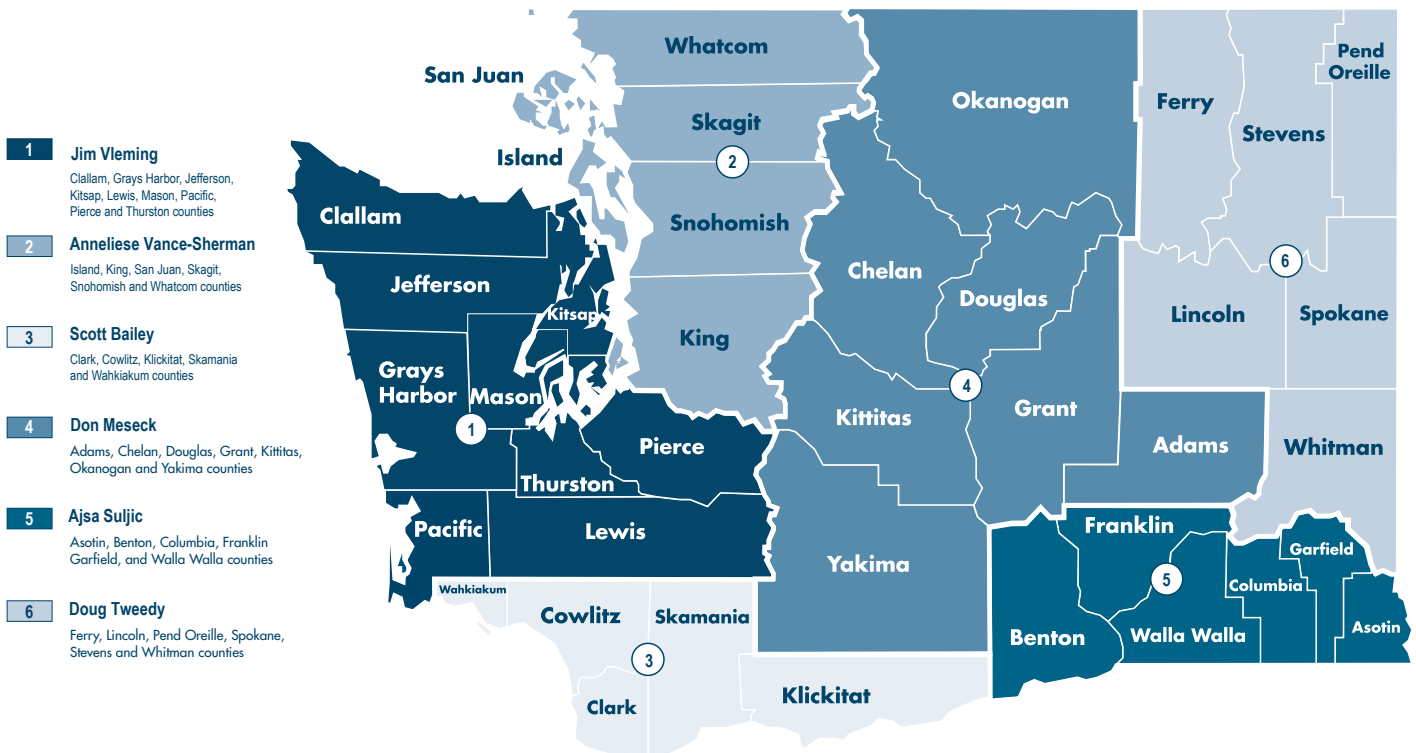
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