

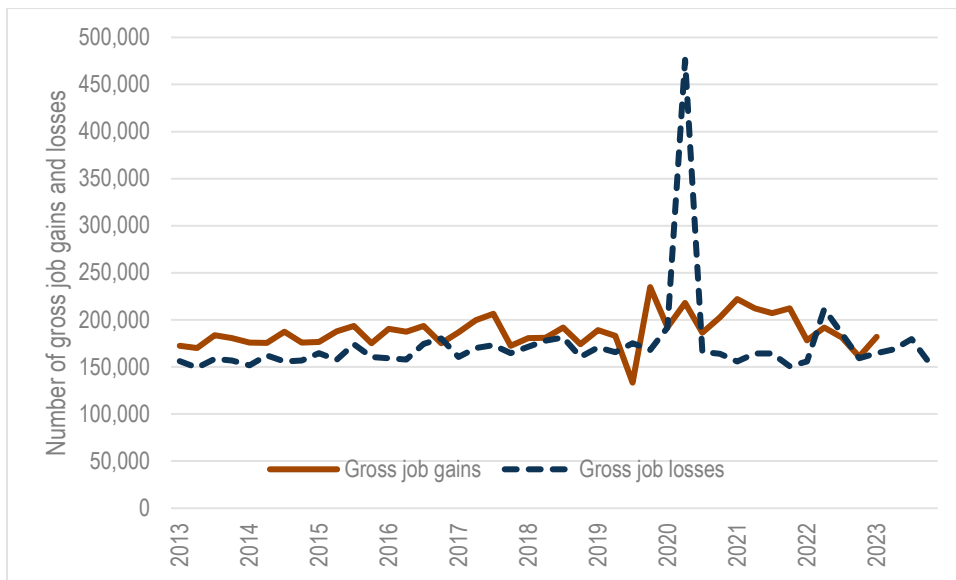
Washington State Business Employment Dynamics

Fourth Quarter 2023, Published August 2024

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From September 2023 to December 2023, **gross job gains** from opening and expanding private-sector establishments in Washington amounted to 182,034, an increase of 20,952 jobs from the previous quarter, according to the U.S. Bureau of Labor Statistics. Over this period, **gross job losses** from closing and contracting private-sector establishments were 154,930, a decrease of 24,624 jobs from the previous quarter. The difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 27,104 jobs in the private sector during the fourth quarter of 2023. (see figures 1 and 2). These numbers show the key changes in private sector employment, also called Business Employment Dynamics (BED).

Figure 1. Quarterly gross job gains and losses, seasonally adjusted, Washington state, 2013 Q4 through 2023 Q4

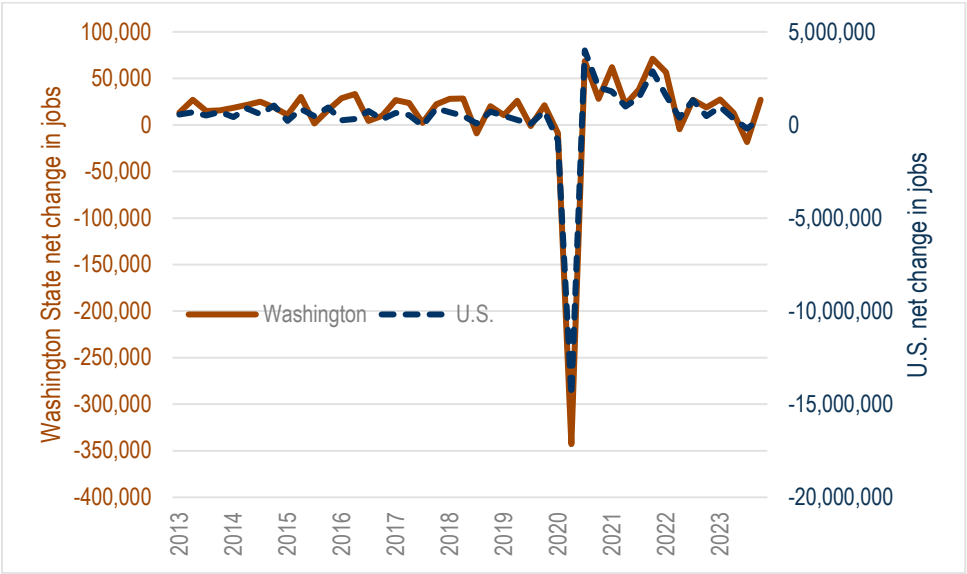


Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all private businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private-sector establishments from the third month of one quarter to the third month of the next. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. The BED data series include gross job gains and gross job losses by industry subsector for the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, as well as gross job gains and gross job losses at the firm level by employer size class. The most recent BED data covers events through the fourth quarter of 2023.

Net employment changes in Washington trend similarly to the nation. In the fourth quarter of 2023, Washington’s net employment gain was 27,104 or 0.8% of total employment. Nationally, the percentage change was slightly lower at 0.3%.

Figure 2. Net change in jobs, seasonally adjusted, United States and Washington state, 2013 Q4 through 2023 Q4



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

Nationally and statewide, the third quarter business employment dynamics signaled weakness in the labor market, with gross job losses outpacing gross job gains. In the fourth quarter, employment gains outpaced losses, continuing the established trend of quarterly net job growth since 2020.

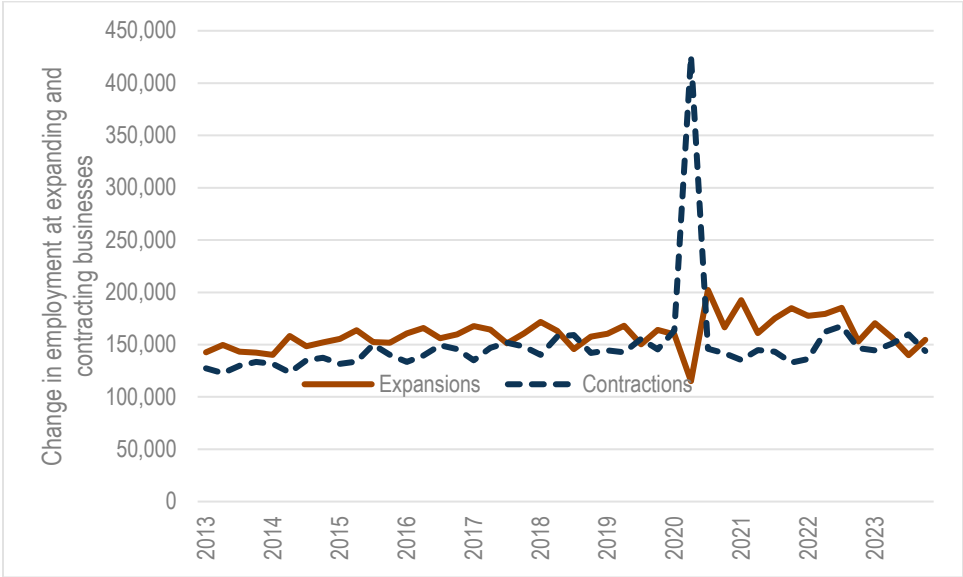
Gross Job Gains

In the fourth quarter of 2023, gross job gains represented 6.0% of private-sector employment in Washington. Gross job gains are the sum of increases in employment due to expansions at existing establishments and the addition of new jobs at opening establishments. Gross job gains at expanding establishments totaled 154,535 in the fourth quarter of 2023, an increase of 14,687 jobs compared to the previous quarter. Opening establishments accounted for 27,499 million of the jobs gained in the fourth quarter of 2023, an increase of 6,265 jobs from the previous quarter. (See figures 3 and 4)

Gross Job Losses

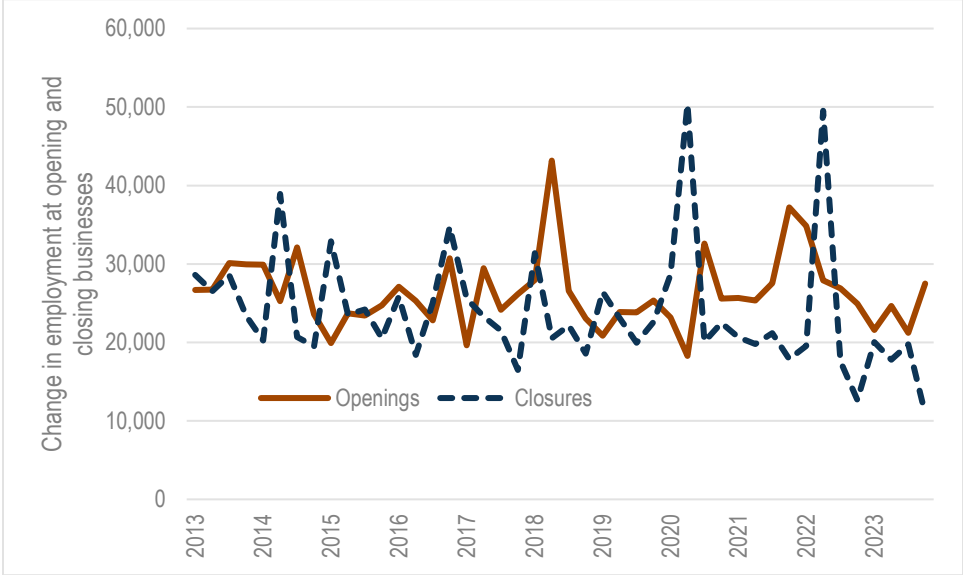
In the fourth quarter of 2023, gross job losses represented 5.2% of private-sector employment. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. Contracting establishments lost 144,012 jobs in the fourth quarter of 2023, a decrease of 15,790 jobs from the prior quarter. In the fourth quarter of 2023, closing establishments lost 10,918 jobs, a decrease of 8,834 jobs from the previous quarter. (See figures 3 and 4)

Figure 3: Private-sector gross job gains at expanding establishments and gross job losses at contracting establishments, seasonally adjusted, March 2013 - December 2023



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

Figure 4: Private-sector gross job gains at opening establishments and gross job losses at closing establishments, seasonally adjusted: March 2013 - December 2023



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

Establishment Births and Deaths

In the fourth quarter of 2023, the number of establishment births (a subset of the openings data) increased by 6,079. These new establishments accounted for an increase of 22,534 jobs from the previous quarter. Data for establishment deaths (a subset of the closings data) are available through the first quarter of 2023, when 29,329 jobs were lost at 13,175 establishments.

Figure 5 Three -month private-sector gross job gains and losses, seasonally adjusted

Category	3 months ended				
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
	Levels				
Gross job gains	178,131	192,039	181,419	161,082	182,034
At expanding establishments	153,184	170,451	156,779	139,848	154,535
At opening establishments	24,947	21,588	24,640	21,234	27,499
Gross job losses	159,252	164,600	168,647	179,554	154,930
At contracting establishments	146,584	144,543	150,844	159,802	144,012
At closing establishments	12,668	20,057	17,803	19,752	10,918
Net employment change	18,879	27,439	12,772	-18,472	27,104
	Rates (percent)				
Gross job gains	5.9	6.4	6.0	5.4	6.0
At expanding establishments	5.1	5.7	5.2	4.7	5.1
At opening establishments	0.8	0.7	0.8	0.7	0.9
Gross job losses	5.3	5.5	5.6	6.0	5.2
At contracting establishments	4.9	4.8	5.0	5.3	4.8
At closing establishments	0.4	0.7	0.6	0.7	0.4
Net employment change	0.6	0.9	0.4	-0.6	0.8

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

Industries

Gross job gains exceeded gross job losses in 8 out of the 11 industry sectors detailed in this report in the fourth quarter of 2023. The largest net increases were observed in transportation and warehousing, education and health services, professional and business services and leisure and hospitality. The three sectors reporting net losses were retail trade, information, and financial activities (See figure 6.)

Figure 6. Quarterly net change in job gains and losses by industry, seasonally adjusted, Washington state, 2023 Q4



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

States

Gross job gains surpassed gross job losses in 41 states, and Puerto Rico, in the fourth quarter of 2023. Gross job losses surpassed job gains in 9 states, and the District of Columbia and the U.S. Virgin Islands. Washington state had the third highest gross job gains in the nation, following Texas and North Carolina.

For More Information

Additional information on gross job gains and gross job losses is available online at www.bls.gov/bdm.

Contact us

For more Washington Labor Market Information, visit us at www.esd.wa.gov/labormarketinfo.
Contact us at data@esd.wa.gov with any questions.

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