

# Washington State Business Employment Dynamics

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From March 2024 to June 2024, **gross job gains** from opening and expanding private-sector establishments in Washington amounted to 172,461, a decrease of 74 job gains compared to 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 160,867, an increase of 615 job losses compared to 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 11,594 jobs in the private sector during the second quarter of 2024 (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, 2014 Q2 through 2024 Q2

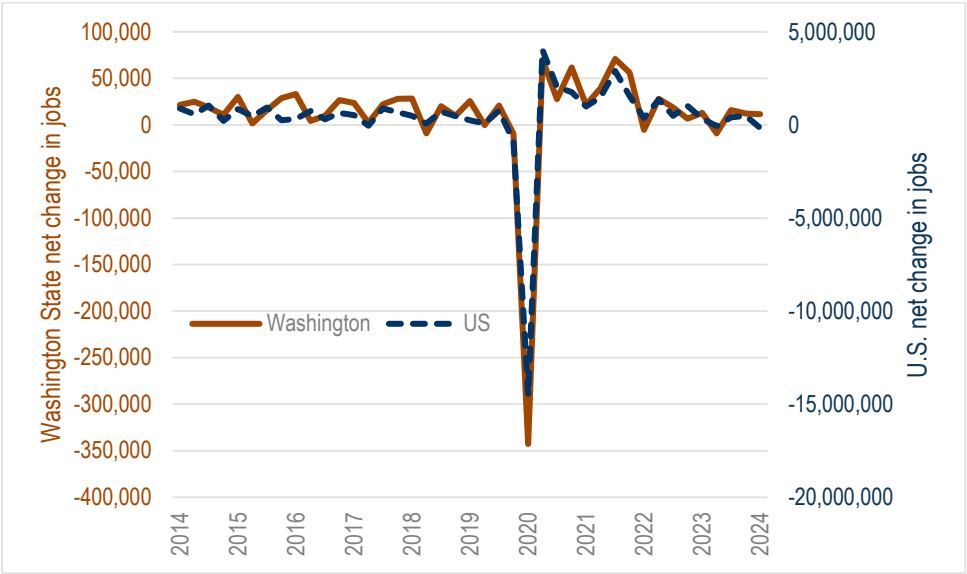


Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

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. 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 includes 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 second quarter of 2024.

Net employment changes in Washington trend similarly to the nation. In the first quarter of 2024, Washington’s net employment gain was 11,594 or 0.4% of total employment. Nationally, the percentage change was lower, reflecting a net loss of 0.1%.

Figure 2. Net change in jobs, seasonally adjusted, United States and Washington state, 2014 Q2 through 2024 Q2



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

Nationally and statewide, the third quarter 2023 business employment dynamics signaled weakness in the labor market, with gross job losses outpacing gross job gains. In the subsequent two quarters, employment gains outpaced losses, continuing the established trend of quarterly net job growth since 2020. In the second quarter of 2024, Washington’s dynamics remained slightly positive, however the national change reflected a loss of jobs.

### Gross job gains

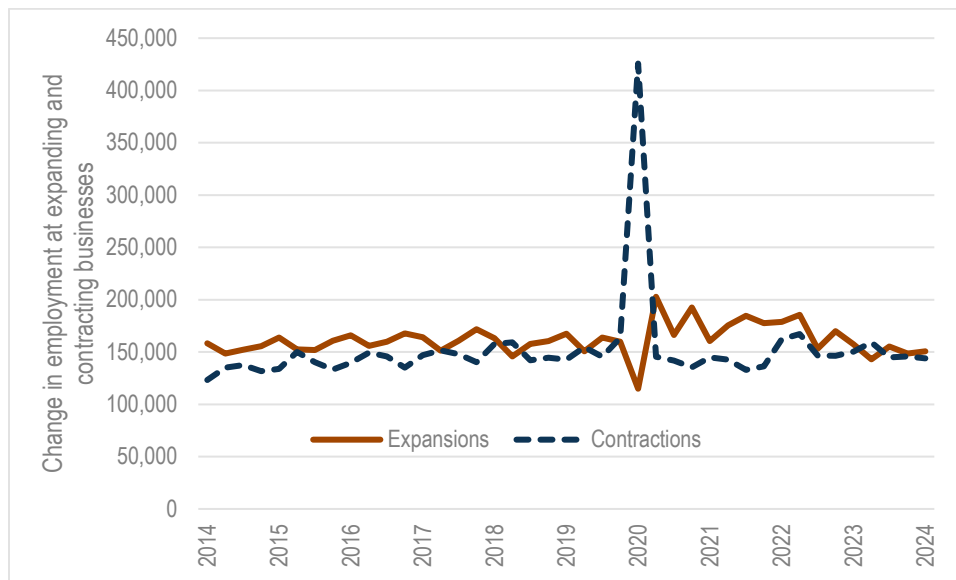
In the first quarter of 2024, gross job gains represented 5.7% of private-sector employment in Washington. Gross job gains are the sum of increases in employment due to expansions at

existing establishments and the addition of new jobs at opening establishments. Gross job gains at expanding establishments totaled 172,461 in the second quarter of 2024, virtually unchanged from the previous quarter. Newly opening establishments accounted for 21,910 million of the jobs added in the second quarter of 2024, down 1,946 compared to the number of jobs added at opening establishments in the previous quarter (see *Figures 3 and 4*).

## Gross job losses

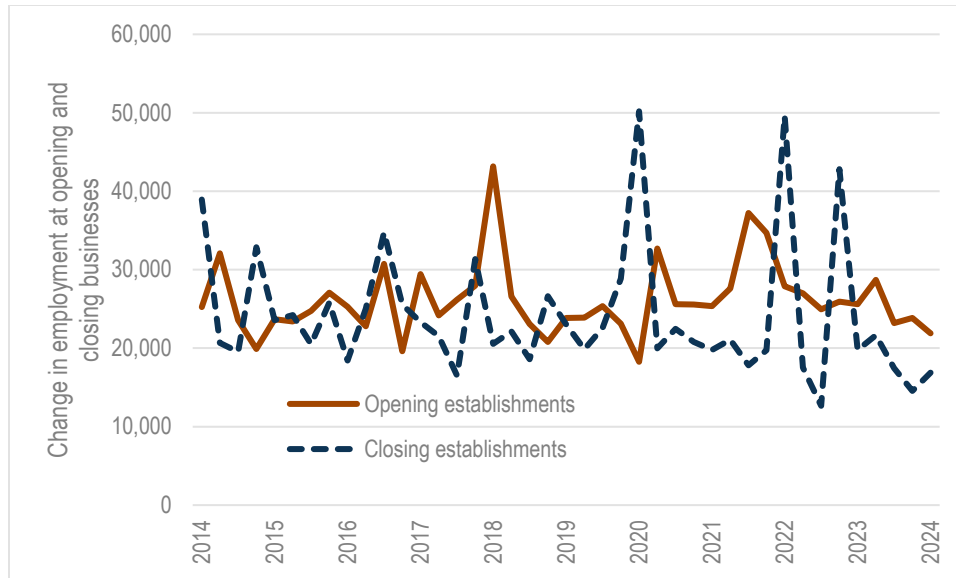
In the second quarter of 2024, gross job losses represented 5.3% of private-sector employment. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. Contracting establishments lost 143,974 jobs in the first quarter of 2024, a decrease of 1,720 jobs compared to the previous quarter. In the second quarter of 2024, closing establishments lost 16,893 jobs, an increase of 2,352 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, June 2014 – June 2024



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: June 2014 – June 2024



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

## Establishment births and deaths

In the second quarter of 2024, the number of establishment births (a subset of the openings data) decreased by 191 compared to the previous quarter. There were 6,507 establishment births during the quarter. These new establishments accounted for 17,462 jobs from the previous quarter, down 1,977 compared to the number of jobs created by new establishments in the previous quarter. Data for establishment deaths (a subset of the closings data) are available through the third quarter of 2023, when 16,342 jobs were lost at 3,643 closing establishments.

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

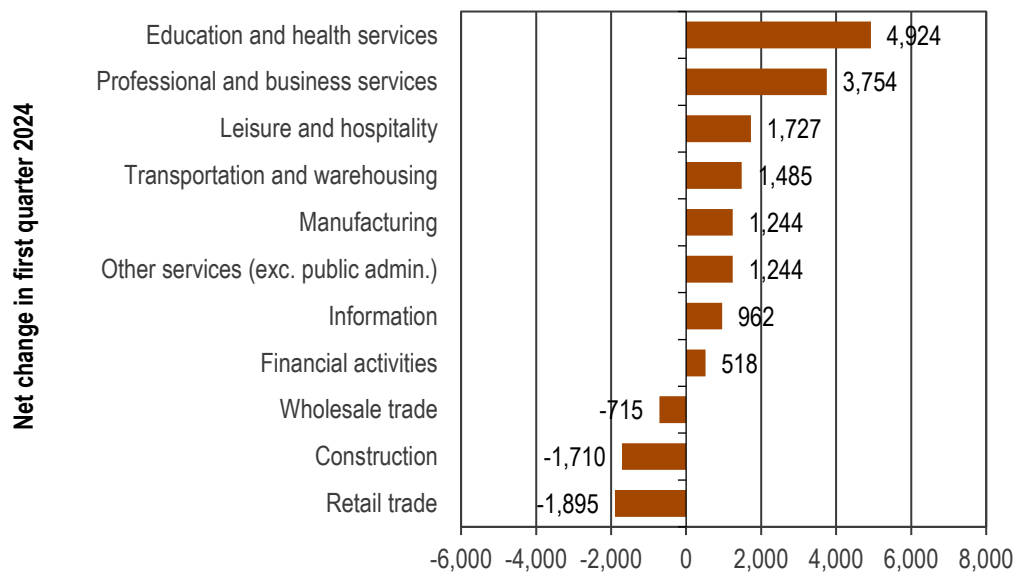
Category	3 months ended				
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
	Levels				
Gross job gains	182,877	171,735	178,596	172,535	172,461
At expanding establishments	157,252	143,036	155,395	148,679	150,551
At opening establishments	25,625	28,699	23,201	23,856	21,910
Gross job losses	170,039	180,958	162,462	160,252	160,867
At contracting establishments	150,260	159,296	144,991	145,711	143,974
At closing establishments	19,779	21,662	17,471	14,541	16,893
Net employment change	12,838	-9,223	16,134	12,283	11,594
	Rates (percent)				
Gross job gains	6.1	5.8	6.0	5.7	5.7
At expanding establishments	5.2	4.8	5.2	4.9	5.0
At opening establishments	0.9	1.0	0.8	0.8	0.7
Gross job losses	5.7	6.0	5.4	5.3	5.3
At contracting establishments	5.0	5.3	4.8	4.8	4.7
At closing establishments	0.7	0.7	0.6	0.5	0.6
Net employment change	0.4	-0.2	0.6	0.4	0.4

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

## Industries

Gross job gains exceeded gross job losses in eight out of the 11 industry sectors detailed in this report in the second quarter of 2024. The largest net increases were observed in education and health services, professional and business services, leisure and hospitality, transportation and warehousing, and manufacturing. The three sectors reporting net losses were retail trade, construction and wholesale trade (see *Figure 6*).

Figure 6. Quarterly net change in job gains and losses by industry, seasonally adjusted, Washington state, 2024 Q2



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

## States

Gross job gains in the second quarter of 2024 surpassed gross job losses in 21 states, including Puerto Rico and Washington DC. Gross job losses surpassed job gains in 32 states. Washington state had the 6th highest net job gains in the nation.

## For more information

Additional information on gross job gains and gross job losses is available online at [www.bls.gov/bdm](http://www.bls.gov/bdm).

## Contact us

For more Washington Labor Market Information, visit us at [esd.wa.gov/jobs-and-training/labor-market-information](https://esd.wa.gov/jobs-and-training/labor-market-information). Contact us at [lmir@esd.wa.gov](mailto:lmir@esd.wa.gov) with any questions.

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