

**Quarterly Census of
Employment and Wages
Business Employment Dynamics
July to September 2020**

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
third quarter 2002 through
third quarter 2020.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
third quarter 2002 through
third quarter 2020.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
third quarter 2020.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
third quarter 2020.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
third quarter 2019 and 2020.

**Labor Market and
Economic Analysis**

May 2021



**Employment
Security
Department**
WASHINGTON STATE

**Washington State
Business Employment Dynamics
Third Quarter 2020**



In third quarter 2020, July to September, seasonally adjusted job gains in Washington's private sector totaled 234,423 while job losses from businesses closing or contracting totaled 164,790. The result of these changes was a net gain of 69,633 jobs during the third 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 third quarter 2020.

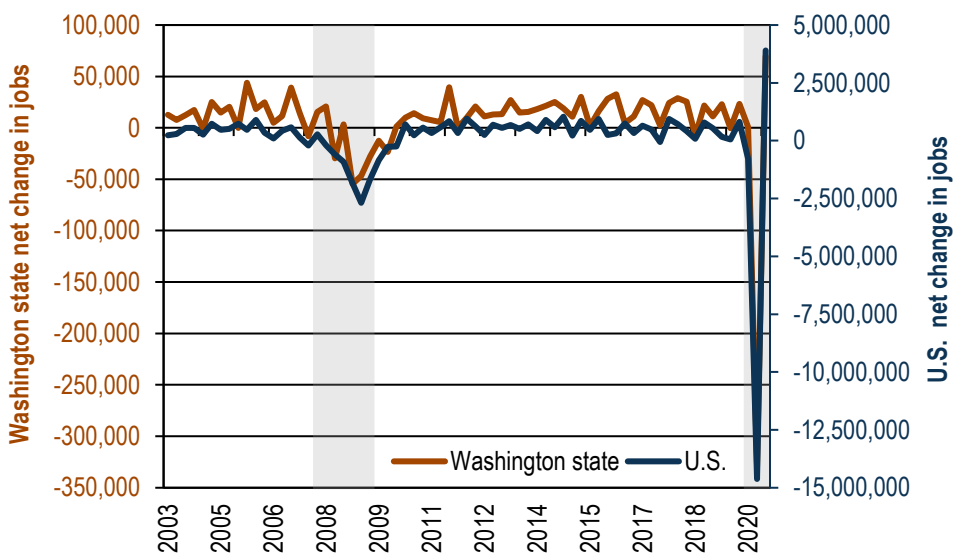
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Washington Relay Service: 711.

Net job gains for the state and nation bounce back from previous quarter

Nationally, job gains exceeded job losses in 49 states for a net private sector employment gain of 3,903,000. The jobs gained during the third quarter recovered roughly 27 percent of the jobs lost during the previous quarter. Washington state gained 69,633 jobs. The increase for Washington helped to offset the sharp downturn from the previous quarter when the state lost 329,174 jobs.

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 2007 recession, net job losses increased before bottoming out in first quarter 2009. Net job growth resumed in second quarter 2010 and carried through until the next recession, resulting from efforts to reduce the effects of the pandemic. Job growth has begun to pick up in third quarter 2020 for the state and nation although the current recession has not been officially declared over.

Figure 1. Net change in jobs, seasonally adjusted
United States and Washington state, third quarter 2003 through third quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in the U.S. and Washington bounced back in third quarter 2020.

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

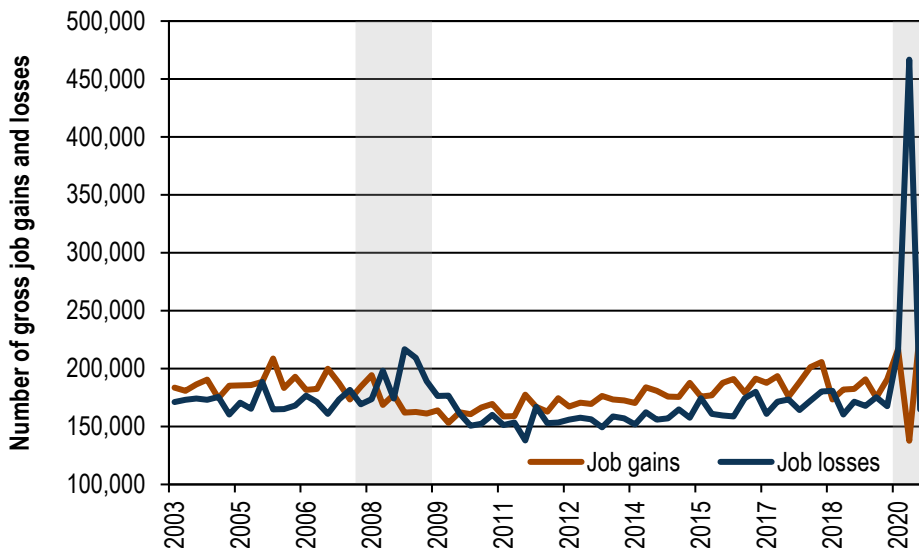
At the national level, gross job gains were 10.8 million at opening and expanding establishments. Closing and contracting establishments lost 6.9 million jobs. Gross job losses were 6.0 percent of private sector employment. Opening establishments provided 2.0 million jobs. Washington state gained 234,423 jobs from new and expanding private businesses and lost 164,790 jobs from businesses closing or contracting for a net gain of 69,633 jobs in third quarter 2020. This compares to a net loss of 329,174 jobs in second quarter 2020 and a net loss of 249 jobs in third quarter 2019.

More labor market information is available at: www.esd.wa.gov/labormarketinfo

For more on the Business Employment Dynamics data series, visit: www.bls.gov/bdm

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, third quarter 2003 through third quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



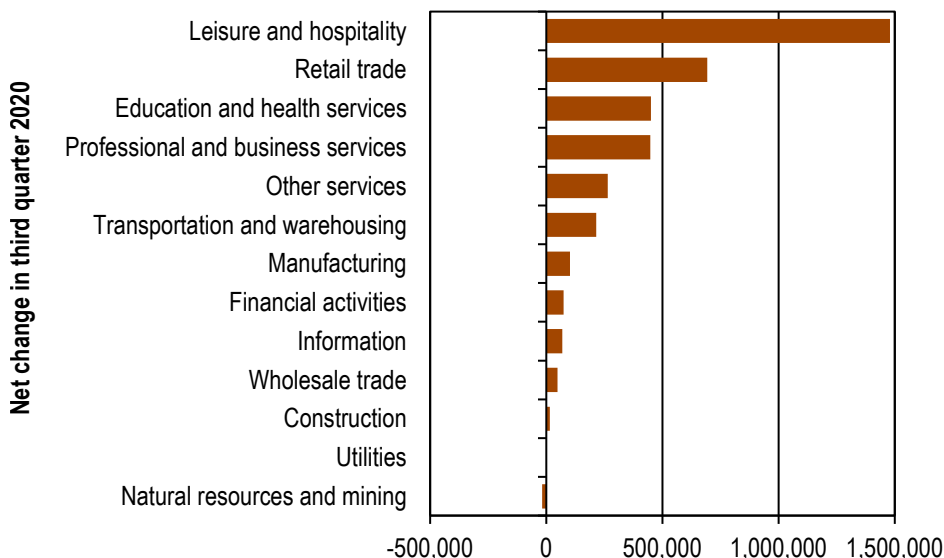
Gross job gains and gross job losses rose in third quarter 2020

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

Nationally, more industries added jobs than lost jobs

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment rose by 3,903,000 in third quarter 2020. Service-providing industries had a seasonally adjusted net gain of 3,803,000 jobs and goods-producing industries posted a net gain of 100,000 jobs. In third quarter 2020, twelve industry sectors reported job gains compared with six reporting gains during third quarter 2019.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
United States, third quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



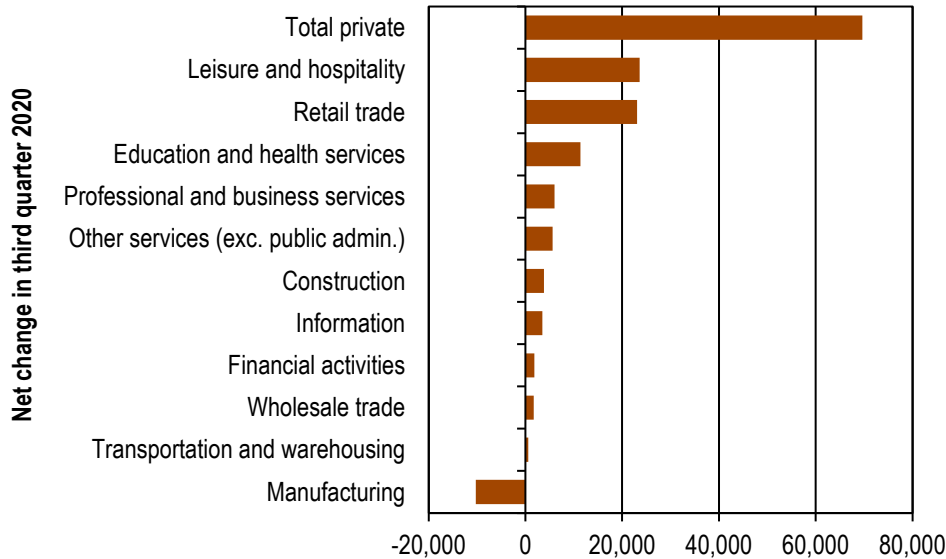
Leisure and hospitality reported the most net gains while natural resources and mining reported the most net losses in third quarter 2020.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 69,633. Ten industry sectors reported net job gains in third quarter 2020 and one industry sector showed job losses. The top three industry sectors showing job gains were leisure and hospitality with a gain of 23,595, followed by retail trade (23,061) and education and health services (11,349).

The only industry that experienced job losses was manufacturing (-10,248).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, third quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

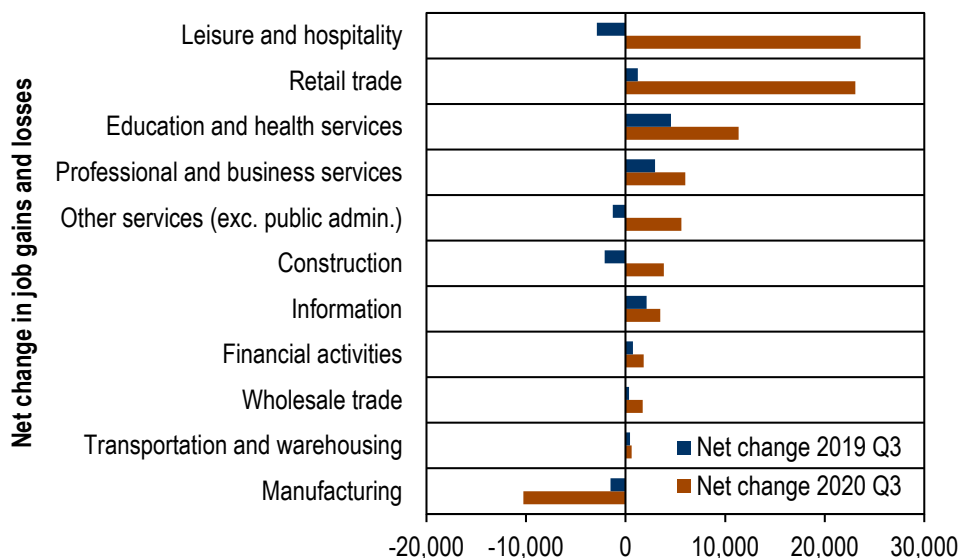


In Washington state, leisure and hospitality, retail trade, and education and health services had the most job gains in third quarter 2020..

Comparing third quarter 2020 to third quarter 2019 in Washington state (Figure 5):

- Ten of eleven private industry sectors had higher net gains in third quarter 2020 compared with third quarter 2019.
- Leisure and hospitality had the largest net gain from year to year with a gain of 23,595 jobs in third quarter 2020 compared with a loss of 2,877 in third quarter 2019.
- Manufacturing had the largest net decline from year to year with a loss of 10,248 jobs in third quarter 2020 compared with a loss of 1,523 in third quarter 2019.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, third quarter 2019 and 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Washington had more jobs gained in ten industries and fewer jobs gained in one industry in third quarter 2020 compared with third quarter 2019.

Note: data for natural resources, mining and utilities are not disclosed in order to maintain employer confidentiality.

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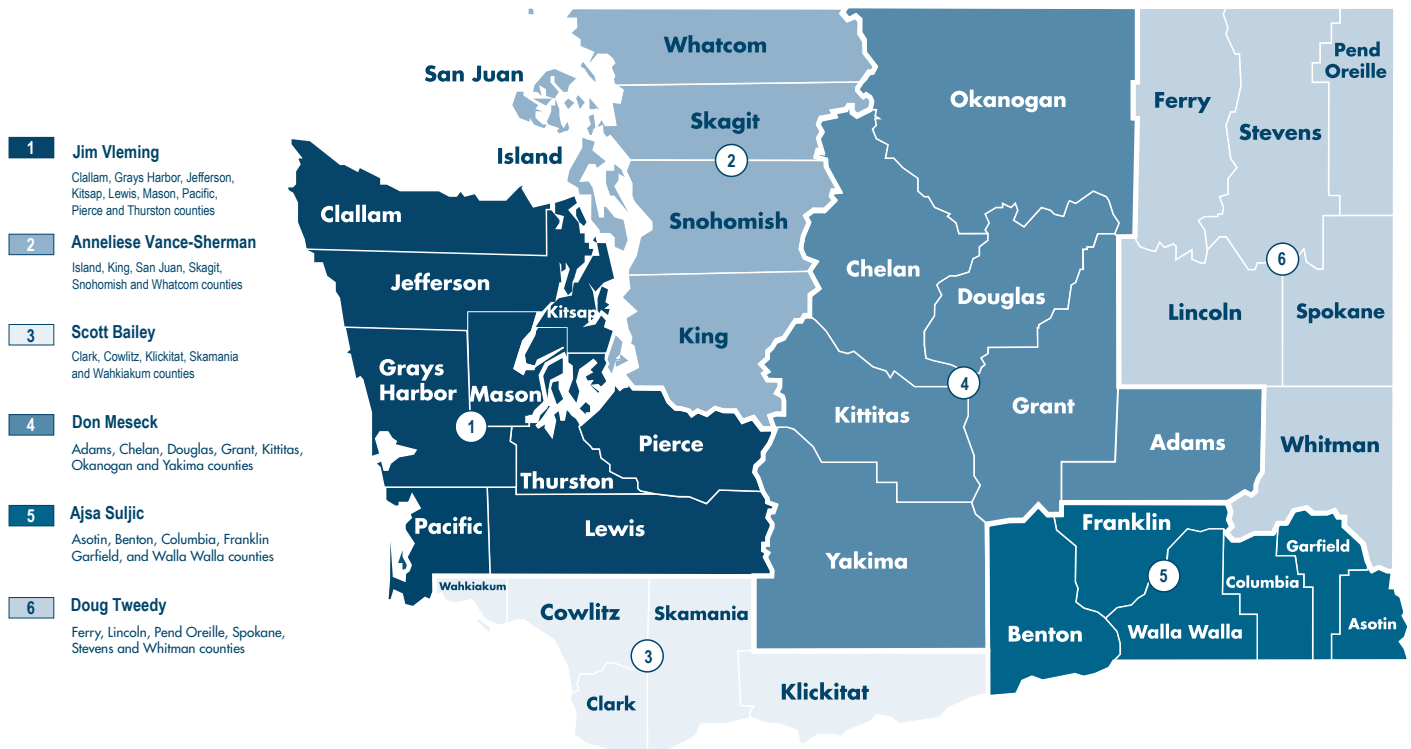
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