

Quarterly Census of
Employment and Wages
Business Employment Dynamics
July to September 2017

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
third quarter 1999 through
third quarter 2017.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
third quarter 1999 through
third quarter 2017.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
third quarter 2017.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
third quarter 2017.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
third quarter 2016 and 2017.

**Workforce Information
and Technology Services**

May 2018



**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics Third Quarter 2017



In third quarter 2017, seasonally adjusted job gains in Washington's private sector totaled 172,479 while job losses from businesses closing or contracting totaled 170,855. The result of these changes was a net gain of 1,624 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 2017.

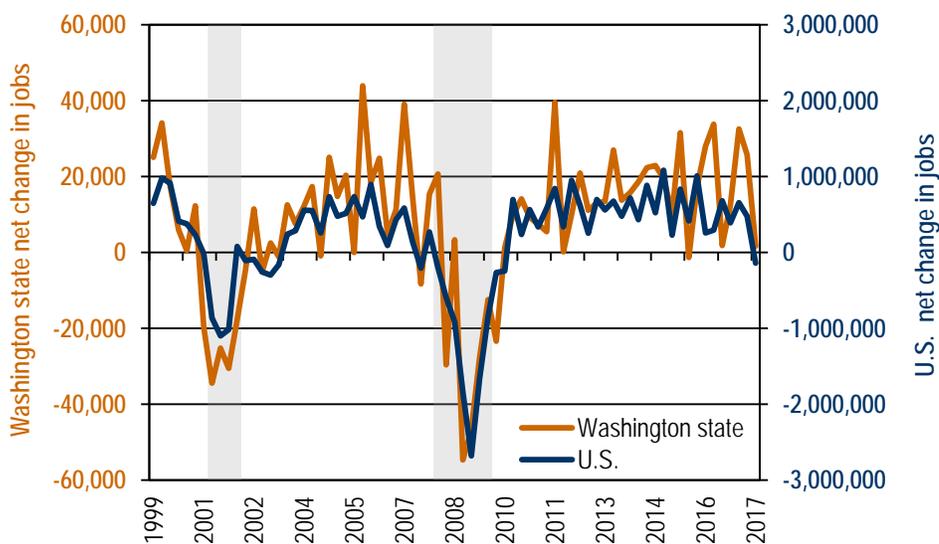
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State job growth slows, nation shows job loss

Nationally, job losses exceeded job gains in 27 states for a net private sector employment loss of 140,000. This marks the first quarter of negative 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 1,372.

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 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 and the U.S. showed jobs lost in third quarter 2017.

Figure 1. Net change in jobs, seasonally adjusted
United States and Washington state, third quarter 1999 through third quarter 2017
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in Washington decreased but turned negative in the U.S. in third quarter 2017.

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

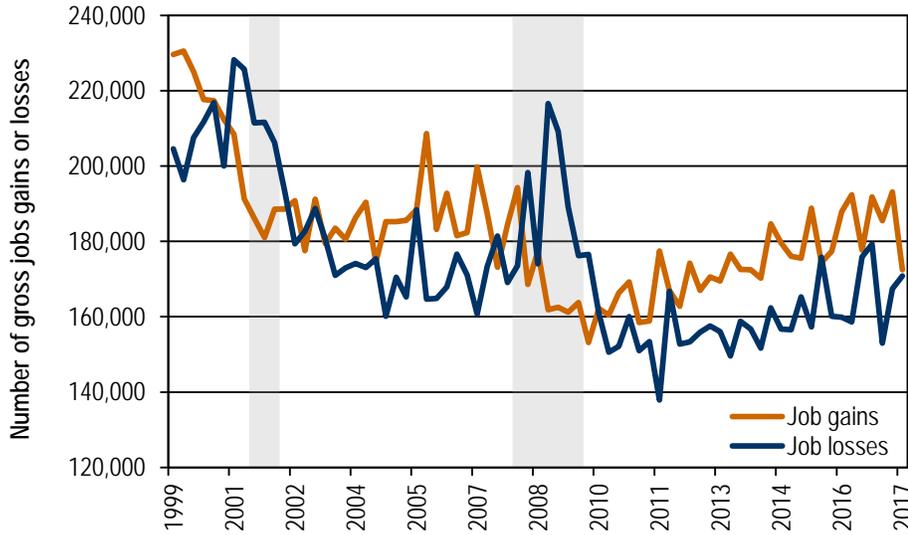
At the national level, gross job gains were 7.3 million at opening and expanding establishments. Closing and contracting establishments lost 7.4 million jobs. Gross job losses were 6.1 percent of private sector employment. Opening establishments provided 1.3 million jobs. Washington state gained 172,479 jobs from new and expanding private businesses and lost 170,855 jobs from businesses closing or contracting for a net gain of 1,624 jobs in third quarter 2017. This compares to a net gain of 25,536 jobs in second quarter 2017 and a net gain of 1,836 jobs in third quarter 2016.

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 1999 through third quarter 2017
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



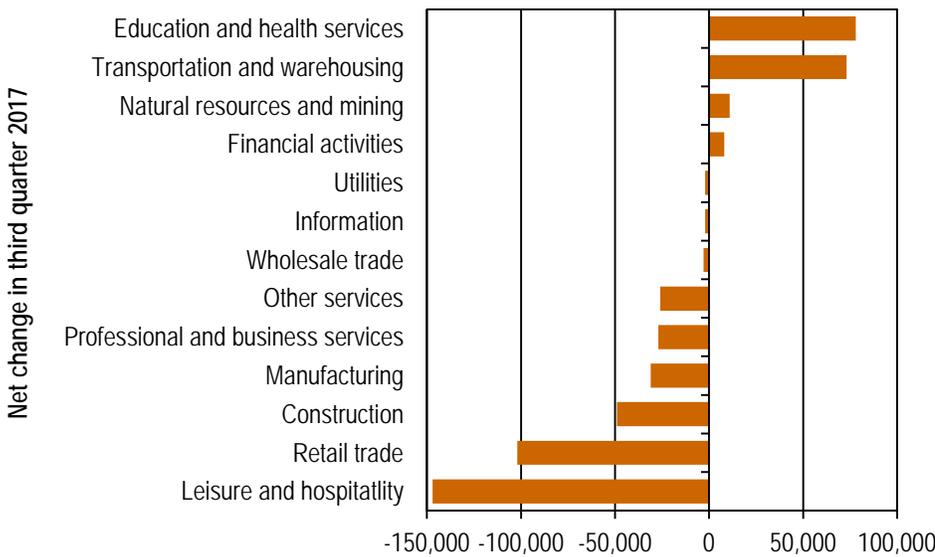
Gross job gains fell while gross job losses rose in third quarter 2017.

Note: Shaded areas are U.S. recession periods

Nationally, more industries lost jobs while fewer gained

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment fell by 140,000 in third quarter 2017. Service-providing industries had a seasonally adjusted net loss of 71,000 jobs. The goods-producing industries posted a net loss of 69,000 jobs. In third quarter 2017, four industry sectors reported job gains compared to ten in second quarter 2017.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
 United States, third quarter 2017
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Education and health services reported the most net gains while leisure and hospitality reported the most net losses in third quarter 2017.

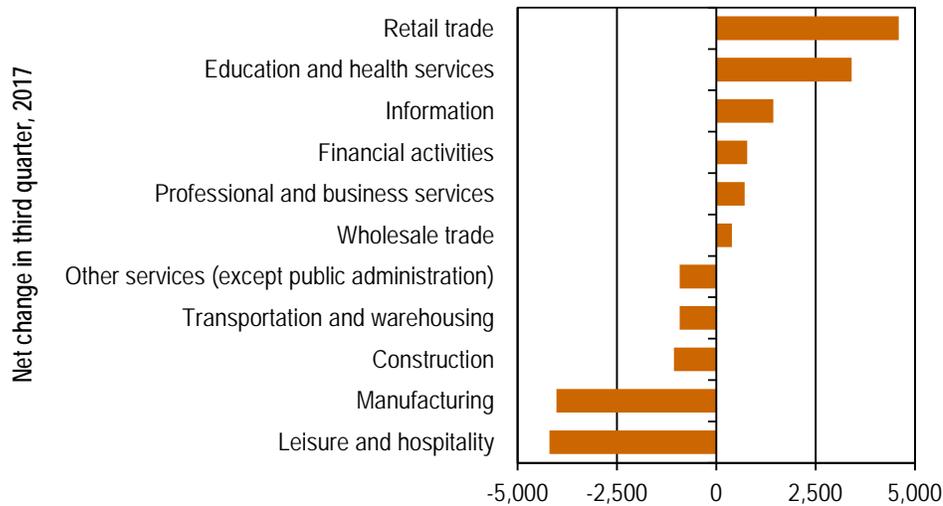
Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase in employment of 1,624. Six industry sectors reported net job gains in third quarter 2017. The top three industry sectors showing job gains were retail trade with a gain of 4,595, followed by education and health services (3,407) and information (1,441).

The three industries experiencing the most job losses were leisure and hospitality (4,200), manufacturing (4,021) and construction (1,065).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, third quarter 2017

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



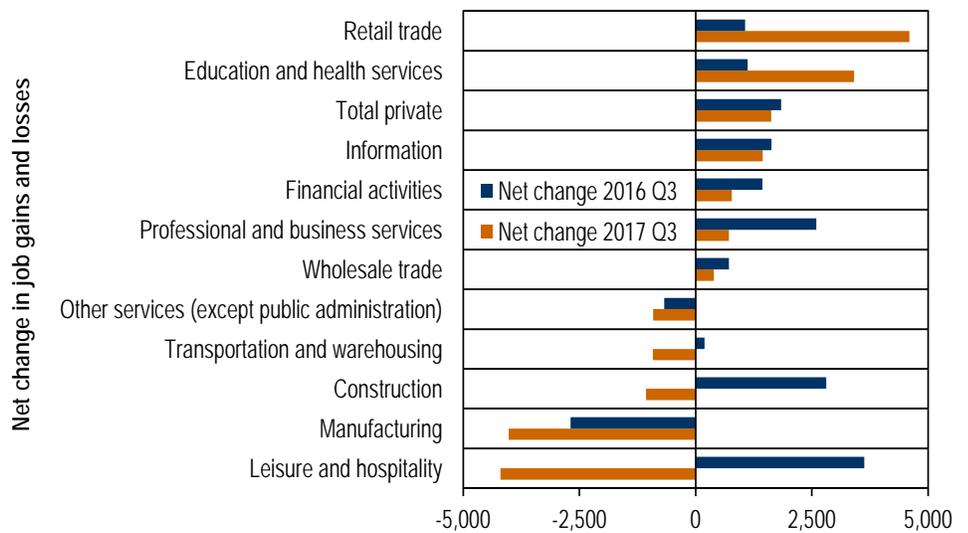
In Washington state, retail trade, education and health services and information had the most job gains in third quarter 2017.

Comparing third quarter 2017 to third quarter 2016 in Washington state (Figure 5):

- Nine of 11 private industry sectors had lower net gains in third quarter 2017 compared to third quarter 2016.
- Retail trade had the largest net gain from year to year with a gain of 4,595 jobs in third quarter 2017 compared with a gain of 1,066 in third quarter 2016.
- Leisure and hospitality had the largest net loss from year to year with a loss of 4,200 jobs in third quarter 2017 compared with a gain of 3,628 in third quarter 2016.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, third quarter 2016 and 2017

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



Washington had more jobs gained in two industries and fewer jobs gained in nine industries in third quarter 2017 than a year ago.

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

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Washington State Regional Labor Economist Reporting Areas



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