

Quarterly Census of
Employment and Wages
Business Employment Dynamics
July to September 2018

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
third quarter 2000 through
third quarter 2018.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
third quarter 2000 through
third quarter 2018.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
third quarter 2018.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
third quarter 2018.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
third quarter 2017 and 2018.

**Labor Market and
Economic Analysis**

May 2019



**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics Third Quarter 2018



In third quarter 2018, July to September, seasonally adjusted job gains in Washington's private sector totaled 171,856 while job losses from businesses closing or contracting totaled 177,466. The result of these changes was a net loss of 5,610 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 2018.

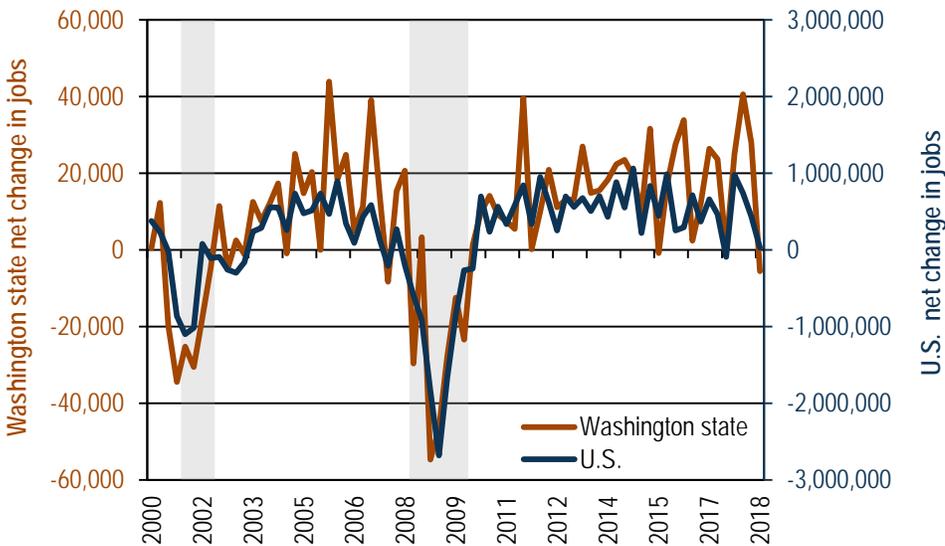
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Washington Relay Service: 711.

Job losses accrue for the state; nation posts small gain in jobs

Nationally, job gains exceeded job losses in 18 states for a net private sector employment gain of 27,000. The jobs gained during the third quarter were less than the 437,000 jobs gained during the previous quarter. Washington state lost 5,610 jobs. The decline in net employment in Washington ended a string of eleven consecutive quarters of job gains.

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 net job gains in third quarter 2015 and 2018, and the U.S. showed net jobs lost in third quarter 2017.

Figure 1. Net change in jobs, seasonally adjusted
United States and Washington state, third quarter 2000 through third quarter 2018
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in the U.S. and Washington declined during third quarter 2018.

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

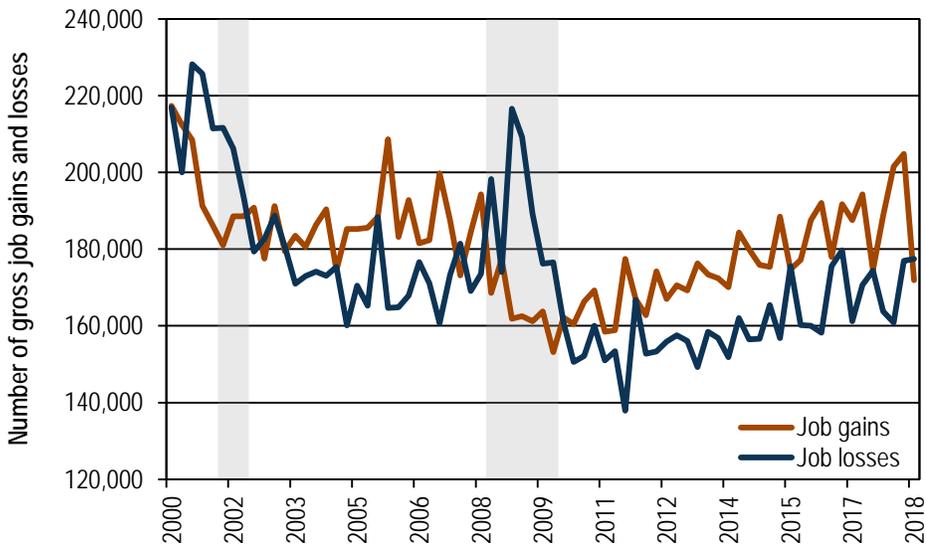
At the national level, gross job gains were 7.4 million at opening and expanding establishments. Closing and contracting establishments lost 7.4 million jobs. Gross job losses were 6.0 percent of private sector employment. Opening establishments provided 1.3 million jobs. Washington state gained 171,856 jobs from new and expanding private businesses and lost 177,466 jobs from businesses closing or contracting for a net loss of 5,610 jobs in second quarter 2018. This compares to a net gain of 27,857 jobs in second quarter 2018 and a net gain of 177 jobs in third quarter 2017.

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 2000 through third quarter 2018
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



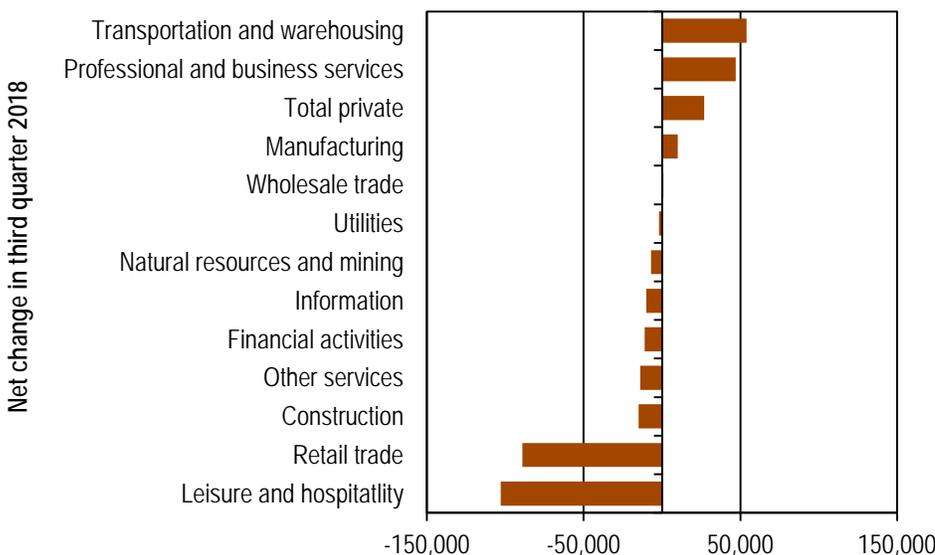
Gross job losses exceeded job gains in third quarter 2018.

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 rose by 27,000 in third quarter 2018. Service-providing industries had a seasonally adjusted net gain of 39,000 jobs. The goods-producing industries posted a net loss of 12,000 jobs. In third quarter 2018, six industry sectors reported job gains, compared with seven during third quarter 2017.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
 United States, third quarter 2018
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



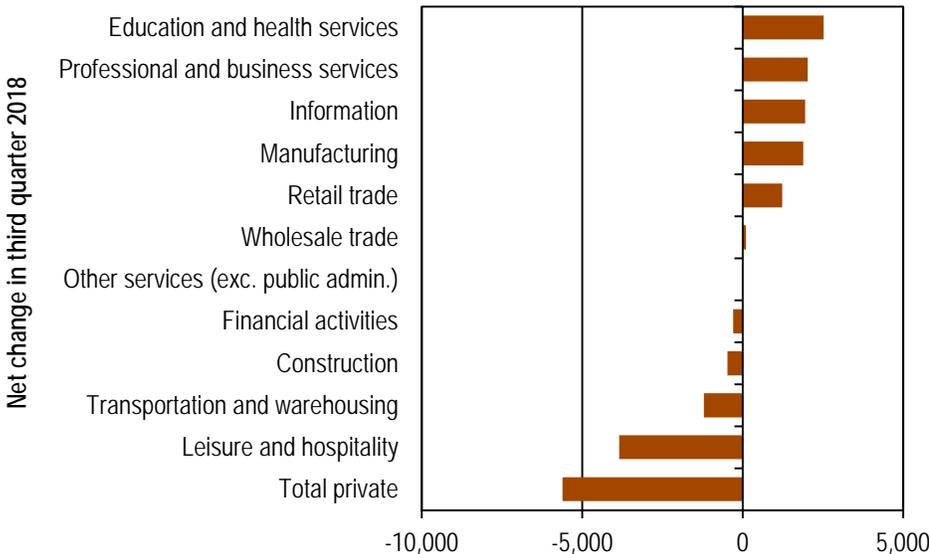
Transportation and warehousing reported the most net gains while leisure and hospitality reported the most net losses in third quarter 2018.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net decrease of 5,610. Six industry sectors reported net job gains in third quarter 2018 and five industry sectors showed job losses. The top three industry sectors showing job gains were education and health services with a gain of 2,518, followed by professional and business services (2,030) and information (1,947).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, third quarter 2018

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



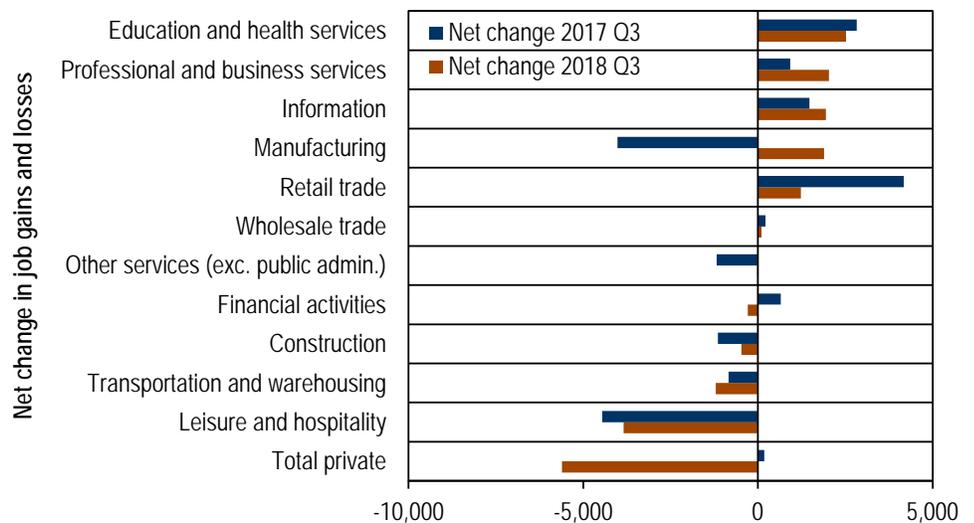
In Washington state, education and health services, professional and business services, and information had the most job gains in third quarter 2018.

Comparing third quarter 2018 to third quarter 2017 in Washington state (Figure 5):

- Six of 11 private industry sectors had higher net gains in third quarter 2018 compared to third quarter 2017.
- Manufacturing had the largest net gain from year to year with a gain of 1,889 jobs in third quarter 2018 compared with a loss of 4,021 in third quarter 2017.
- Retail trade had the largest net loss from year to year with a gain of 1,231 jobs in third quarter 2018 compared with a gain of 4,176 in third quarter 2017.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, third quarter 2017 and 2018

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



Washington had more jobs gained in six industries and fewer jobs gained in five industries in third quarter 2018 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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