

Quarterly Census of
Employment and Wages
Business Employment Dynamics
October to December 2018

Figure 1

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

Figure 2

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

Figure 3

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

Figure 4

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

Figure 5

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

**Labor Market and
Economic Analysis**

August 2019



**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics *Fourth Quarter 2018*



In fourth quarter 2018, October to December, seasonally adjusted job gains in Washington's private sector totaled 181,728 while job losses from businesses closing or contracting totaled 159,139. The result of these changes was a net gain of 22,589 jobs during the fourth 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 fourth quarter 2018.

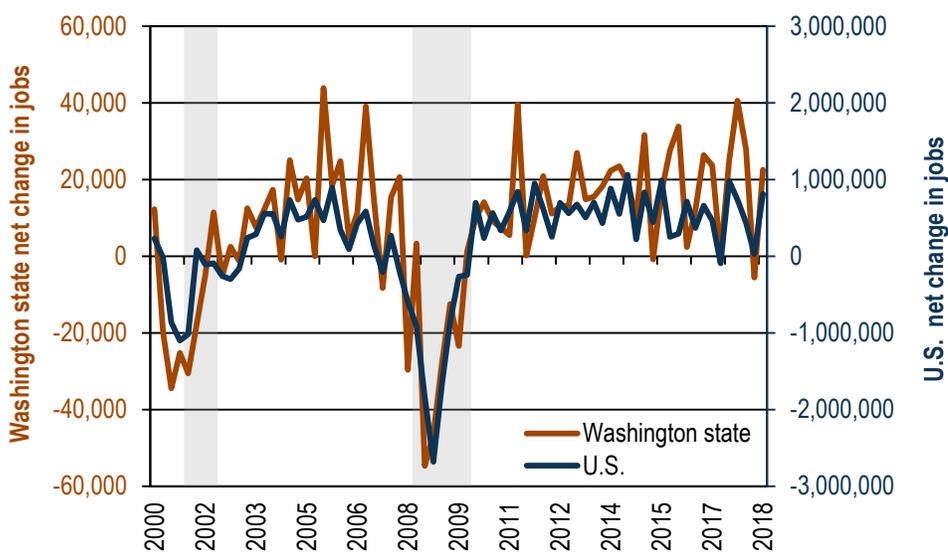
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Washington Relay Service: 711.

Job gains bounce back for the state and nation

Nationally, job gains exceeded job losses in 48 states for a net private sector employment gain of 814,000. The jobs gained during the fourth quarter exceeded the 27,000 jobs gained during the previous quarter. Washington state gained 22,589 jobs. With the increase, Washington has now added jobs in twelve of the previous thirteen quarters.

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



Job growth in the U.S. and Washington picked up during fourth quarter 2018.

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

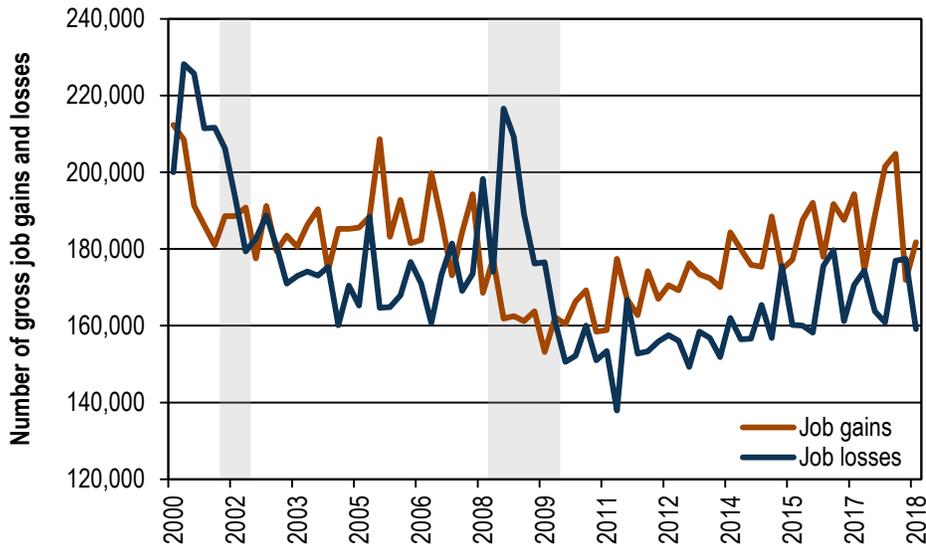
At the national level, gross job gains were 7.7 million at opening and expanding establishments. Closing and contracting establishments lost 6.9 million jobs. Gross job losses were 5.6 percent of private sector employment. Opening establishments provided 1.4 million jobs. Washington state gained 181,728 jobs from new and expanding private businesses and lost 159,139 jobs from businesses closing or contracting for a net gain of 22,589 jobs in fourth quarter 2018. This compares to a net loss of 5,610 jobs in third quarter 2018 and a net gain of 24,974 jobs in fourth 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, fourth quarter 2000 through fourth quarter 2018
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



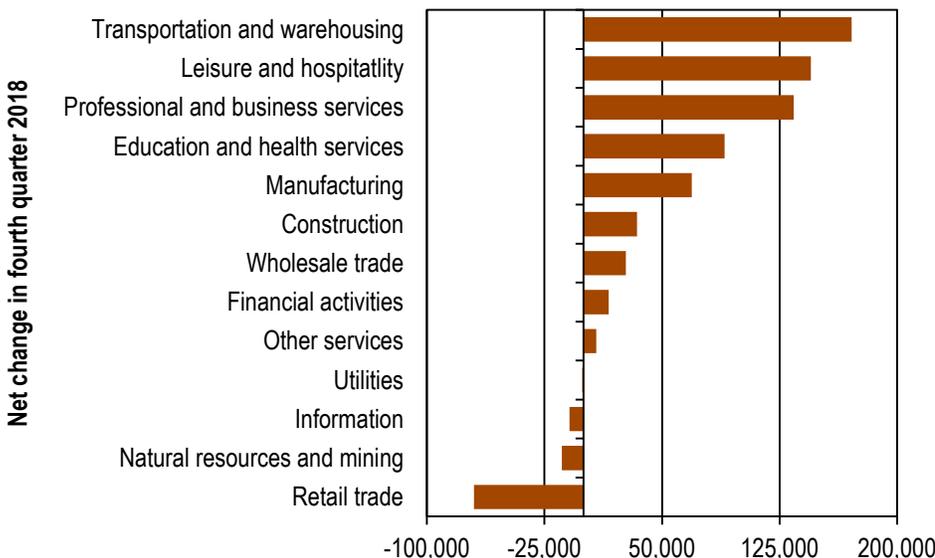
Gross job gains increased while gross job losses fell in fourth quarter 2018.

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 814,000 in fourth quarter 2018. Service-providing industries had a seasonally adjusted net gain of 669,000 jobs and goods-producing industries posted a net gain of 145,000 jobs. In fourth quarter 2018, nine industry sectors reported job gains, the same number as those reporting gains during fourth quarter 2017.

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



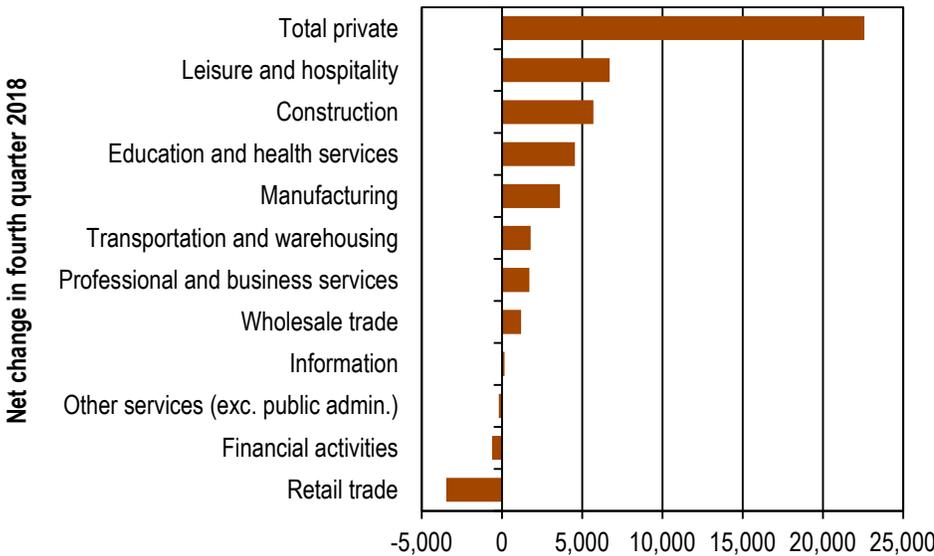
Transportation and warehousing reported the most net gains while retail trade reported the most net losses in fourth quarter 2018.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 22,589. Eight industry sectors reported net job gains in fourth quarter 2018 and three industry sectors showed job losses. The top three industry sectors showing job gains were leisure and hospitality with a gain of 6,710, followed by construction (5,709) and education and health services (4,551).

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

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



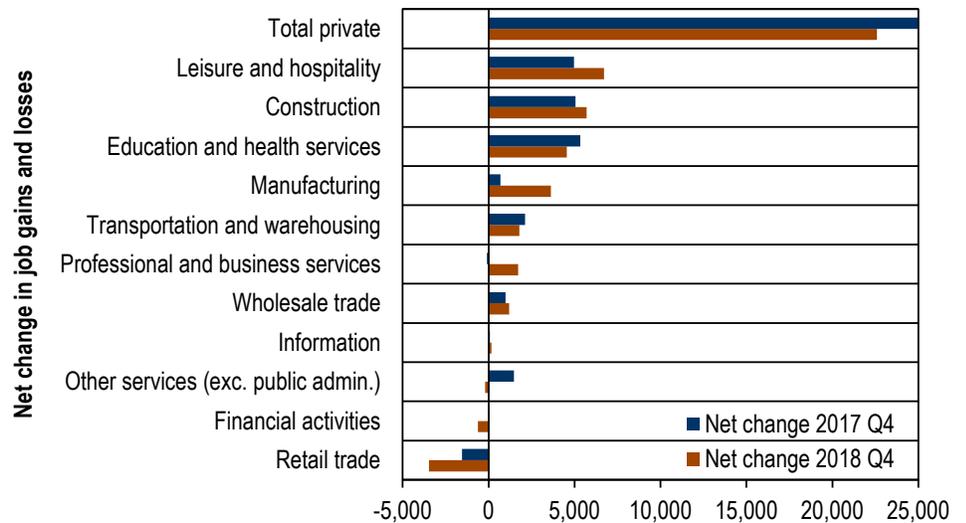
In Washington state, leisure and hospitality, construction, and education and health services had the most job gains in fourth quarter 2018.

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

- Six of 11 private industry sectors had higher net gains in fourth quarter 2018 compared to fourth quarter 2017.
- Manufacturing had the largest net gain from year to year with a gain of 3,827 jobs in fourth quarter 2018 compared with a gain of 690 in fourth quarter 2017.
- Retail trade had the largest net loss from year to year with a loss of 3,465 jobs in fourth quarter 2018 compared with a loss of 1,545 in fourth quarter 2017.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, fourth 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 fourth quarter 2018 than a year ago..

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

BED report contacts

Paul Turek, *Economist*
BED Author
 pturek@esd.wa.gov
 360-507-9599

Molly Webster,
QCEW Supervisor
 mwebster@esd.wa.gov
 360-507-9581

Danell McMillian,
QCEW Research Analyst
 Dmcmillian@esd.wa.gov
 360-507-9582

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Statewide labor economist:

Paul Turek, Ph.D.
 pturek@esd.wa.gov
 360-507-9599

Regional labor economists:

Scott Bailey
 scott.bailey@esd.wa.gov
 360-810-0048

Don Meseck
 dmeseck@esd.wa.gov
 509-574-0176

Ajsa Suljic
 asuljic@esd.wa.gov
 509-734-5928

Doug Tweedy
 dtweedy@esd.wa.gov
 509-532-3188

Anneliese Vance-Sherman, Ph.D.
 avancesherman@esd.wa.gov
 425-258-6315

Jim Vleming
 jvleming@esd.wa.gov
 360-507-9601

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