

Quarterly Census of
Employment and Wages
Business Employment Dynamics
July to September 2019

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
third quarter 2001 through
third quarter 2019.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
third quarter 2001 through
third quarter 2019.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
third quarter 2019.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
third quarter 2019.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
third quarter 2018 and 2019.

**Labor Market and
Economic Analysis**

May 2020



**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics Third Quarter 2019



In third quarter 2019, July to September, seasonally adjusted job gains in Washington's private sector totaled 173,654 while job losses from businesses closing or contracting totaled 171,392. The result of these changes was a net gain of 2,262 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 2019.

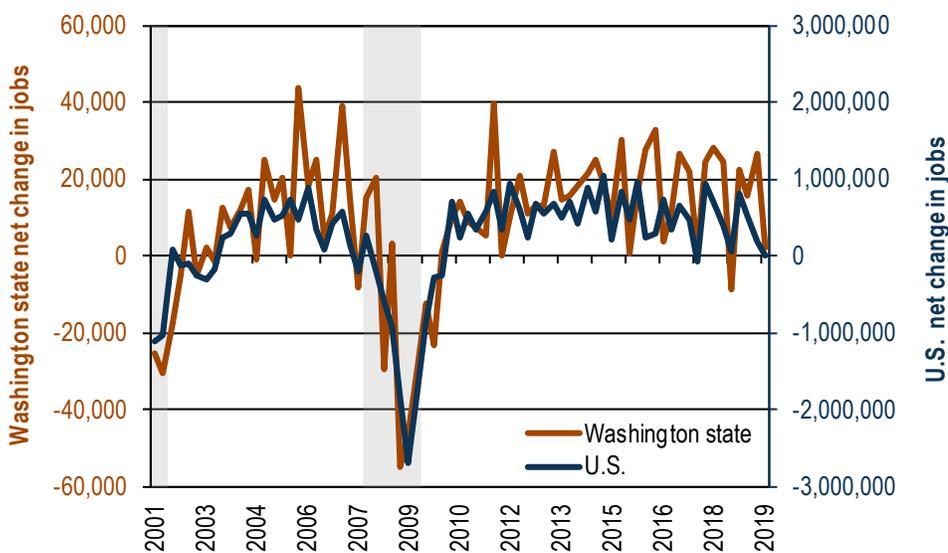
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Language assistance services for limited English proficient individuals are available free of charge.
Washington Relay Service: 711.

Net job gains decrease for the state and nation from the previous quarter

Nationally, job gains exceeded job losses in 21 states for a net private sector employment gain of 11,000. The jobs gained during the third quarter was less than the 182,000 jobs gained during the previous quarter. Washington state gained 2,262 jobs. With the increase, Washington has now added jobs in every quarter since 2009 but one.

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, and continued for both every quarter until Washington experienced negative net job gains in third quarter 2018.

Figure 1. Net change in jobs, seasonally adjusted
United States and Washington state, third quarter 2001 through third quarter 2019
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in the U.S. and Washington state slowed in third quarter 2019.

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

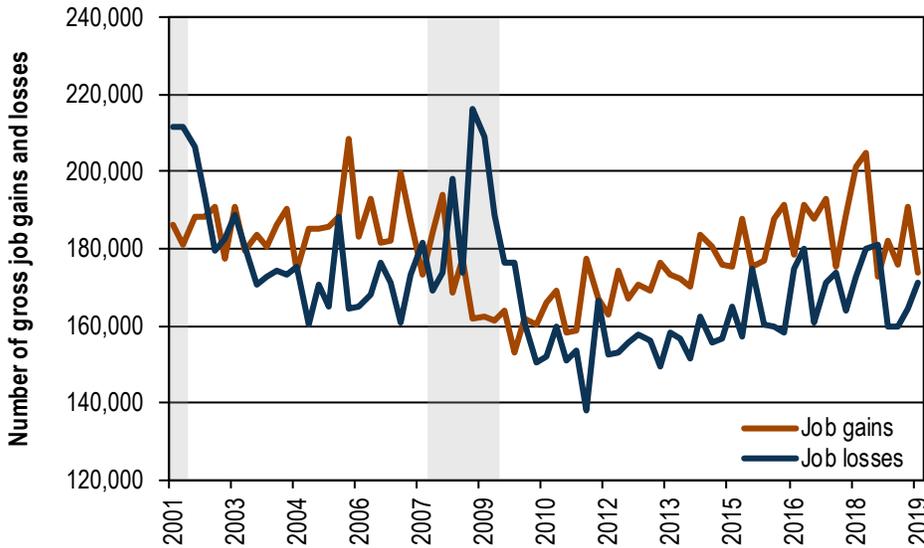
At the national level, gross job gains were 7.3 million at opening and expanding establishments. Closing and contracting establishments lost 7.3 million jobs. Gross job losses were 5.8 percent of private sector employment. Opening establishments provided 1.4 million jobs. Washington state gained 173,654 jobs from new and expanding private businesses and lost 171,392 jobs from businesses closing or contracting for a net gain of 2,262 jobs in third quarter 2019. This compares to a net gain of 26,416 jobs in second quarter 2019 and a net loss of 8,543 jobs in third quarter 2018.

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 2001 through third quarter 2019
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



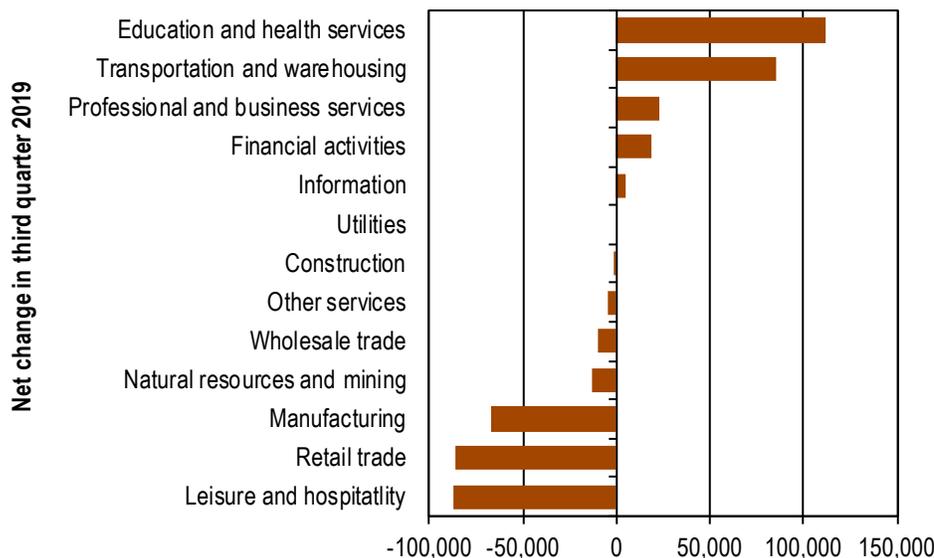
Gross job gains fell while gross job losses rose in third quarter 2019.

Note: Shaded areas are U.S. recession periods

Nationally, more industries lost jobs than added jobs

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment rose by 11,000 in third quarter 2019. Service-providing industries had a seasonally adjusted net gain of 92,000 jobs and goods-producing industries posted a net loss of 81,000 jobs. In third quarter 2019, five industry sectors reported job gains compared with five reporting gains during third quarter 2018.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
United States, third quarter 2019
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 2019.

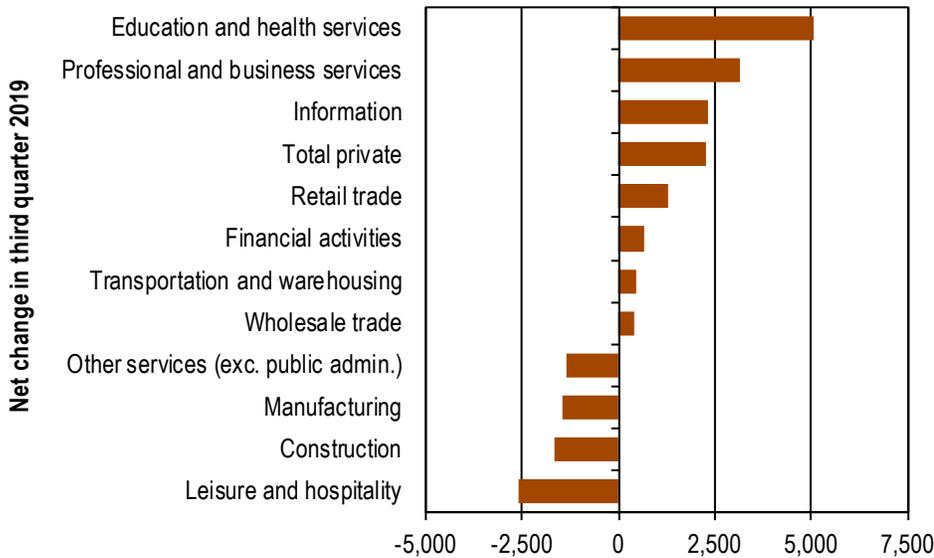
Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 2,262. Seven industry sectors reported net job gains in third quarter 2019 and four industry sectors showed job losses. The top three industry sectors showing job gains were education and health services with a gain of 5,068, followed by professional and business services (3,143) and information (2,337).

The industry that experienced the most job losses was leisure and hospitality (-2,588).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, third quarter 2019

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



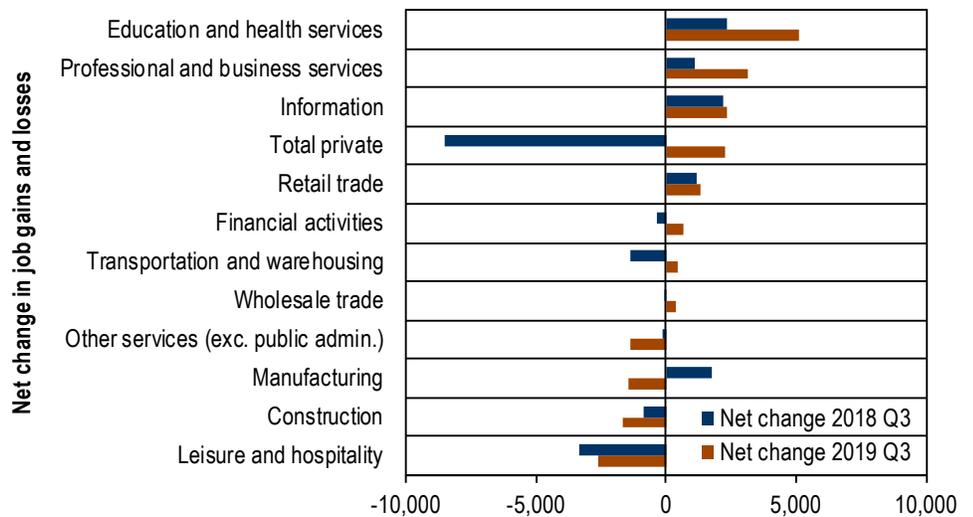
In Washington state, education and health services, professional and business services and information, had the most job gains in third quarter 2019.

Comparing third quarter 2019 to third quarter 2018 in Washington state (Figure 5):

- Eight of 11 private industry sectors had higher net gains from third quarter 2018 relative to third quarter 2019.
- Education and health services had the largest net gain from year to year with a gain of 5,068 jobs in third quarter 2019 compared with a gain of 2,370 in third quarter 2018.
- Manufacturing had the largest net decline from year to year with a loss of 1,470 jobs in third quarter 2019 compared with a gain of 1,719 in third quarter 2018.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, third quarter 2018 and 2019

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



Washington had more jobs gained in eight industries and fewer jobs gained in three industries from third quarter 2018 relative to third quarter 2019.

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

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