

Quarterly Census of
Employment and Wages
Business Employment Dynamics
October to December 2019

Figure 1

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

Figure 2

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

Figure 3

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

Figure 4

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

Figure 5

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

**Labor Market and
Economic Analysis**

August 2020



**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics *Fourth Quarter 2019*



In fourth quarter 2019, October to December, seasonally adjusted job gains in Washington's private sector totaled 188,423 while job losses from businesses closing or contracting totaled 162,672. The result of these changes was a net gain of 25,751 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 fourth quarter 2019.

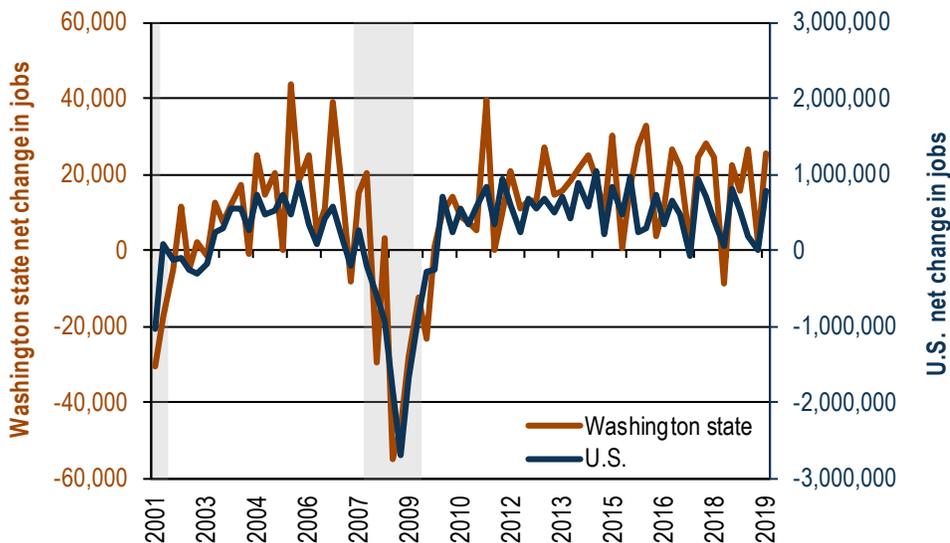
Employment Security Department is an equal opportunity employer/programs.
Auxiliary aids and services are available upon request to individuals with disabilities.
Language assistance services for limited English proficient individuals are available free of charge.
Washington Relay Service: 711.

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

Nationally, job gains exceeded job losses in 48 states for a net private sector employment gain of 792,000. The jobs gained during the fourth quarter was more than the 11,000 jobs gained during the previous quarter. Washington state gained 25,751 jobs. With the increase, Washington has now added jobs in every quarter since 2010 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, fourth quarter 2001 through fourth quarter 2019
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in the U.S. and Washington state increased in fourth quarter 2019.

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

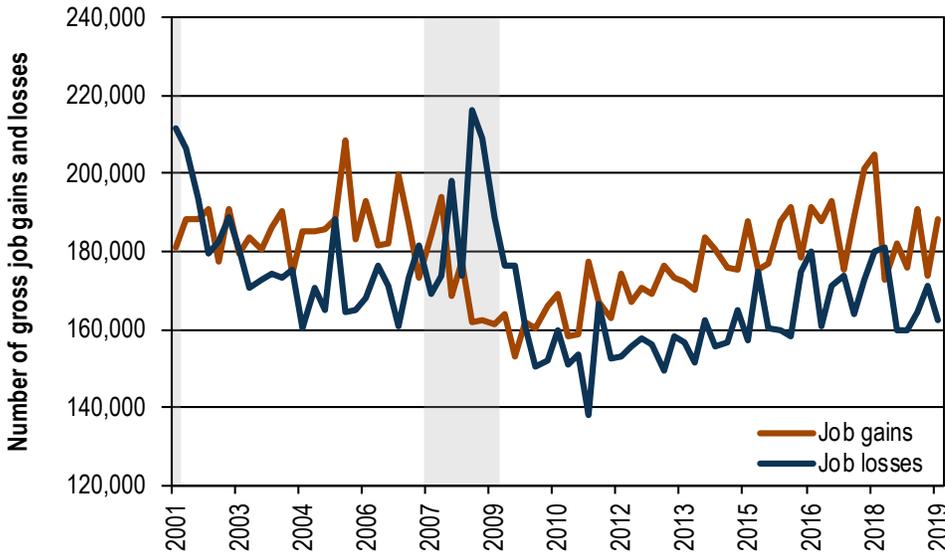
At the national level, gross job gains were 7.8 million at opening and expanding establishments. Closing and contracting establishments lost 7.0 million jobs. Gross job losses were 5.6 percent of private sector employment. Opening establishments provided 1.5 million jobs. Washington state gained 188,423 jobs from new and expanding private businesses and lost 162,672 jobs from businesses closing or contracting for a net gain of 25,751 jobs in fourth quarter 2019. This compares to a net gain of 2,262 jobs in third quarter 2019 and a net gain of 22,274 jobs in fourth 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, fourth quarter 2001 through fourth quarter 2019
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



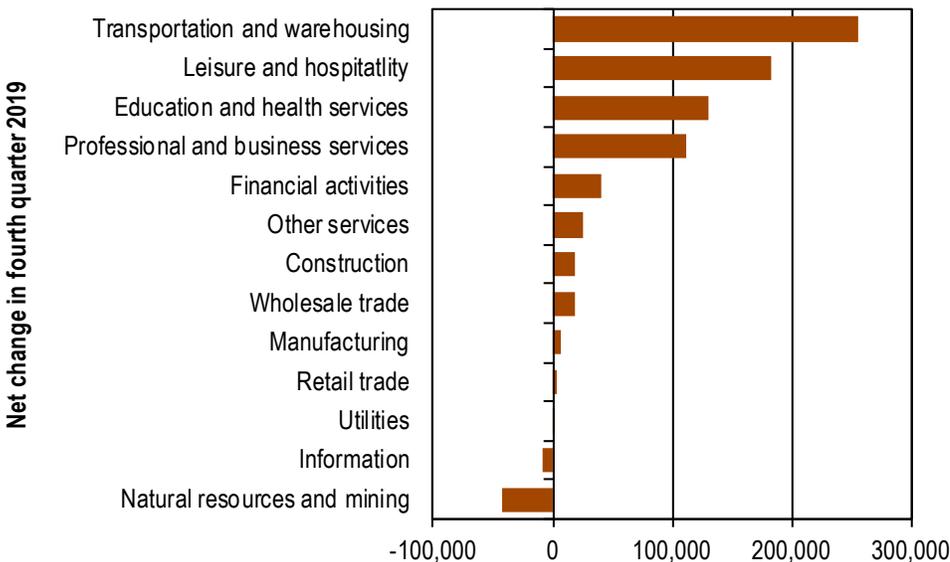
Gross job gains rose while gross job losses fell in fourth quarter 2019.

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 792,000 in fourth quarter 2019. Service-providing industries had a seasonally adjusted net gain of 809,000 jobs and goods-producing industries posted a net loss of 17,000 jobs. In fourth quarter 2019, eleven industry sectors reported job gains compared with nine reporting gains during fourth quarter 2018.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
United States, fourth quarter 2019
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Transportation and warehousing reported the most net gains while natural resources and mining reported the most net losses in fourth quarter 2019.

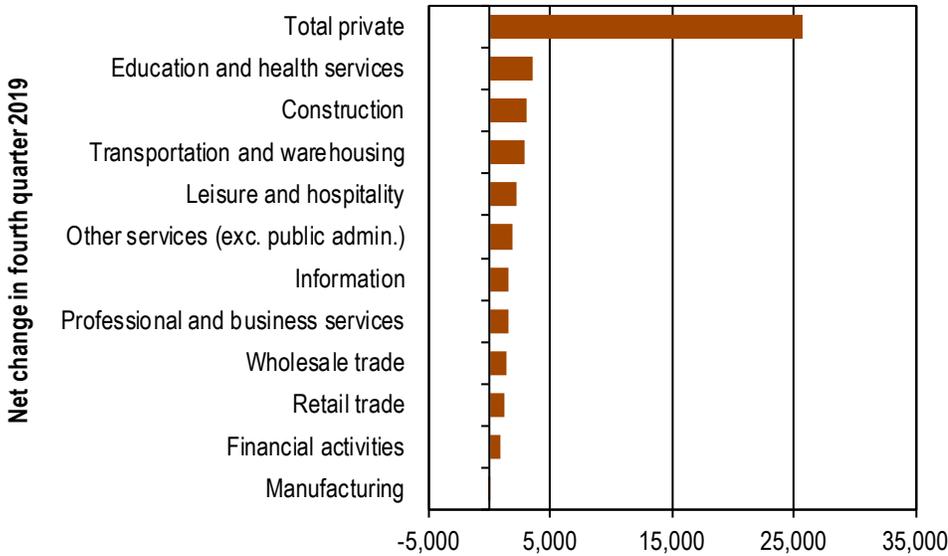
Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 25,751. Ten industry sectors reported net job gains in fourth quarter 2019 and one industry sector showed job losses. The top three industry sectors showing job gains were education and health services with a gain of 3,512, followed by construction (3,078) and transportation and warehousing (2,906).

The one industry that experienced job losses was leisure and manufacturing (-164).

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

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



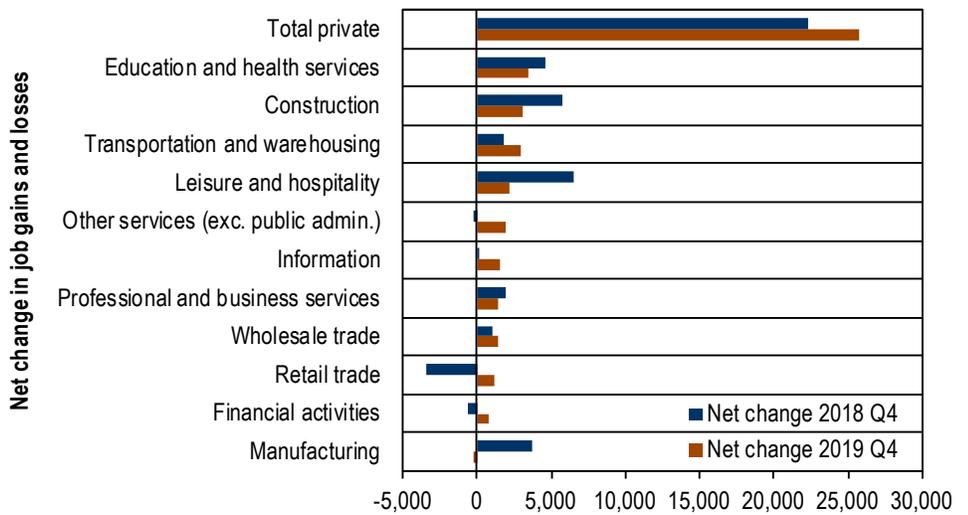
In Washington state, education and health services, construction, and transportation and warehousing, had the most job gains in fourth quarter 2019.

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

- Six of 11 private industry sectors had higher net gains in fourth quarter 2019 compared with fourth quarter 2018.
- Retail trade had the largest net gain from year to year with a gain of 1,187 jobs in fourth quarter 2019 compared with a loss of 3,348 in fourth quarter 2018.
- Leisure and hospitality had the largest net decline from year to year with a gain of 2,256 jobs in fourth quarter 2019 compared with a gain of 6,476 in fourth quarter 2018.

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

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 2019 compared to fourth quarter 2018.

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
 360-706-3044

Molly Webster,
QCEW Supervisor
 mwebster@esd.wa.gov
 360-890-3739

Danell McMillian,
QCEW Research Analyst
 Dmcmillian@esd.wa.gov
 360-890-3740

Contact an economist online!

We have seven regional economists serving local labor markets in Washington. Regional economists can help you find and use labor-market data, fulfill special data requests and answer questions about the labor market in your area. They serve professionals and organizations in their areas for WorkSource offices, workforce development councils, non-profit organizations, higher education, businesses and the news media.

Statewide labor economist:

Paul Turek, Ph.D.
 pturek@esd.wa.gov
 360-706-3044

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
 509-434-5278

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

Jim Vleming
 jvleming@esd.wa.gov
 360-819-3427

Washington state regional labor economist reporting areas



This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, expressed or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.