

**Quarterly Census of
Employment and Wages
Business Employment Dynamics
January to March 2020**

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
first quarter 2002 through
first quarter 2020.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
first quarter 2002 through
first quarter 2020.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
first quarter 2020.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
first quarter 2020.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
first quarter 2019 and 2020.

**Labor Market and
Economic Analysis**

November 2020



Washington State Business Employment Dynamics *First Quarter 2020*



In first quarter 2020, January to March, seasonally adjusted job gains in Washington's private sector totaled 216,627 while job losses from businesses closing or contracting totaled 215,647. The result of these changes was a net gain of 980 jobs during the first 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 first quarter 2020.

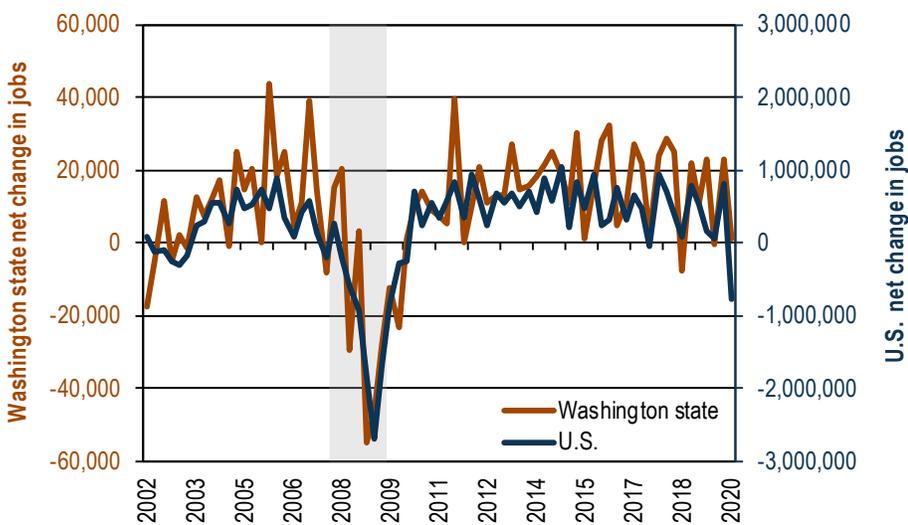
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Language assistance services for limited English proficient individuals are available free of charge.
Washington Relay Service: 711.

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

Nationally, job losses exceeded job gains in 46 states for a net private sector employment loss of 773,000. The jobs lost during the first quarter was almost as many as the 813,000 jobs gained during the previous quarter. Washington state gained 980 jobs. The increase for Washington was a sharp downturn compared with the 23,187 jobs gained in the previous quarter.

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 next 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 the U.S. experienced negative net job gains in third quarter 2017, and Washington showed net losses in third quarter 2018.

Figure 1. Net change in jobs, seasonally adjusted
United States and Washington state, first quarter 2002 through first quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Job growth in the U.S. and Washington decreased in first quarter 2020.

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

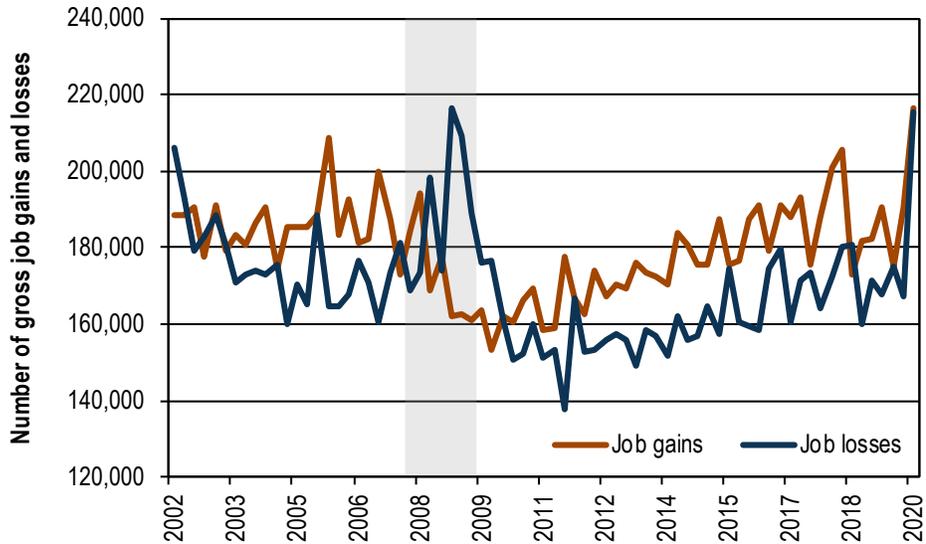
At the national level, gross job gains were 7.0 million at opening and expanding establishments. Closing and contracting establishments lost 7.7 million jobs. Gross job losses were 6.1 percent of private sector employment. Opening establishments provided 1.3 million jobs. Washington state gained 216,627 jobs from new and expanding private businesses and lost 215,647 jobs from businesses closing or contracting for a net gain of 980 jobs in first quarter 2020. This compares to a net gain of 23,187 jobs in fourth quarter 2019 and a net gain of 11,094 jobs in first quarter 2019.

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, first quarter 2002 through first quarter 2020
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



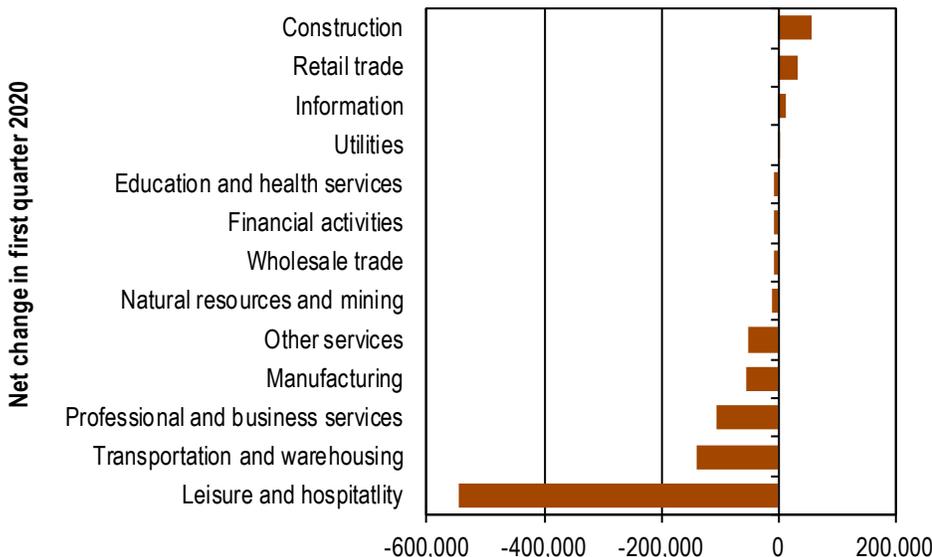
Gross job gains and gross job losses rose in first quarter 2020.

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 fell by 733,000 in first quarter 2020. Service-providing industries had a seasonally adjusted net loss of 764,000 jobs and goods-producing industries posted a net loss of 9,000 jobs. In first quarter 2020, four industry sectors reported job gains compared with eleven reporting gains during first quarter 2019.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
 United States, first quarter 2020
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



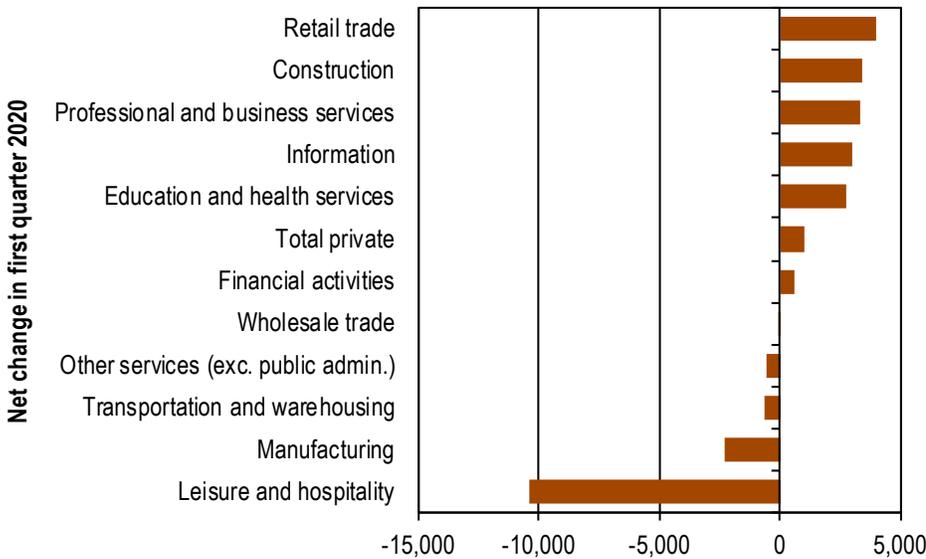
Construction reported the most net gains while leisure and hospitality reported the most net losses in first quarter 2020.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 980. Six industry sectors reported net job gains in first quarter 2020 and five industry sectors showed job losses. The top three industry sectors showing job gains were retail trade with a gain of 3,982, followed by construction (3,407) and professional and business services (3,350).

The industries that experienced the most job losses were leisure and hospitality (-10,414), and manufacturing (-2,279).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, first quarter 2020
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

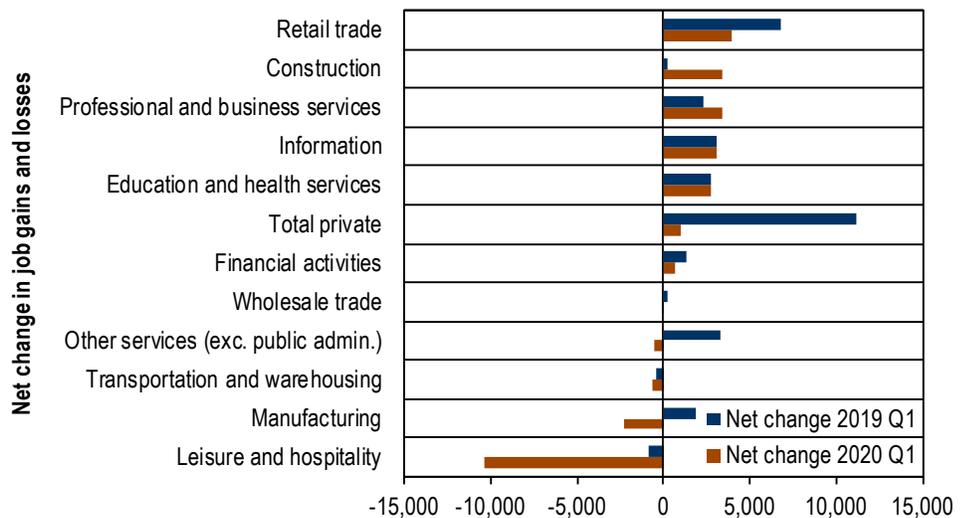


In Washington state, retail trade, construction, and professional and business services had the most job gains in first quarter 2020.

Comparing first quarter 2020 to first quarter 2019 in Washington state (Figure 5):

- Only two of 11 private industry sectors had higher net gains in first quarter 2020 compared with first quarter 2019.
- Construction had the largest net gain from year to year with a gain of 3,407 jobs in first quarter 2020 compared with a gain of 264 in first quarter 2019.
- Leisure and hospitality had the largest net decline from year to year with a loss of 10,414 jobs in first quarter 2020 compared with a loss of 865 in first quarter 2019.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, first quarter 2019 and 2020
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 first quarter 2020 compared with first quarter 2019.

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

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