

Washington State Business Employment Dynamics Third-Quarter 2013



Quarterly Census of Employment and Wages
Business Employment Dynamics
July through September 2013

Figure 1

Net change in jobs, seasonally adjusted, U.S. and Washington state, third-quarter 1995 through third-quarter 2013

Figure 2

Quarterly gross job gains and losses, seasonally adjusted, Washington state, third-quarter 1995 through third-quarter 2013

Figure 3

Net change in job gains and losses by industry, seasonally adjusted, United States, third-quarter 2013

Figure 4

Net change in job gains and losses by industry, seasonally adjusted, Washington state, third-quarter 2013

Figure 5

Net change in jobs by industry sector, seasonally adjusted, Washington state, third-quarter 2012 and third-quarter 2013

In third-quarter 2013, seasonally adjusted job gains in Washington's private sector totaled 171,550, while job losses from businesses closing or contracting totaled 157,575. The result of these changes was a net gain of 13,975 jobs during the third quarter. These numbers show the key changes in private-sector employment also called Business Employment Dynamics (BED).

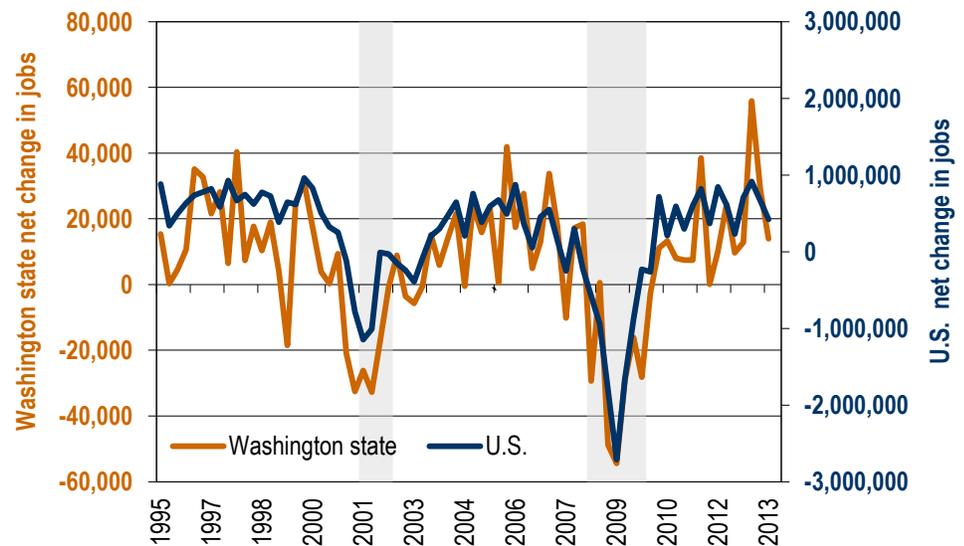
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings versus adding or shedding jobs at existing firms. The most recent BED data cover events through third-quarter 2013.

Both state and nation showed decreased growth

Nationally, job gains exceeded job losses in 38 states for a net private-sector employment gain of 421,000. This marks the 14th consecutive quarter of employment growth both nationally and in Washington state since the recovery began in first-quarter 2010. Washington state showed a net employment growth of 13,975 in third-quarter 2013.

Figure 1 depicts the changing business employment dynamic and compares Washington state to national trends. On both 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 recent recession beginning in fourth-quarter 2007.

Figure 1. Net change in jobs, seasonally adjusted United States and Washington state, third-quarter 1995 through third-quarter 2013
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: U.S. recessions are shaded in gray.

Both Washington and U.S. job growth decreased in second-quarter 2013.

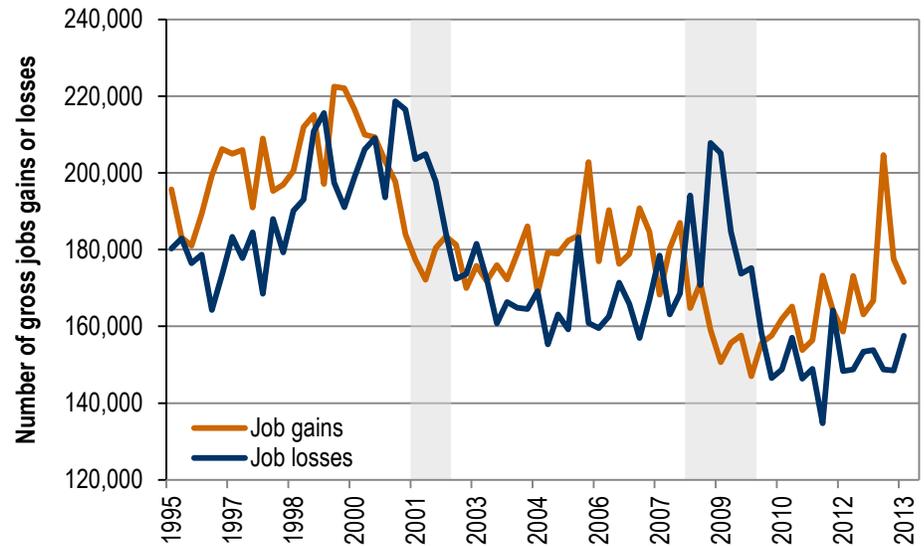
At the national level, gross job gains were 7.0 million at opening and expanding establishments. Closing and contracting establishments lost 6.6 million jobs. Gross job losses represented 5.8 percent of private-sector employment. Opening establishments gained 1.3 million jobs. Washington state gained 171,550 jobs from new and expanding private businesses, and lost 157,575 jobs from businesses closing or contracting for a net gain of 13,975 jobs in third-quarter 2013. This compares to a net gain of 29,015 jobs in second-quarter 2013 and a net gain of 9,672 jobs in third-quarter 2012.

Figure 2 shows the quarterly pattern of gross job gains and losses in Washington state.

Nationally fewer industries show job gains

The data in Figure 3 illustrate the net change in industry employment for the U.S. total private-sector employment which grew by 421,000 in third-quarter 2013. Service-providing industries had a seasonally adjusted net gain of 360,000 jobs in third-quarter 2013. The goods-producing industries posted a net gain of 61,000 jobs in third-quarter 2013. In the third quarter eight industry sectors reported job gains compared to eleven in the second quarter.

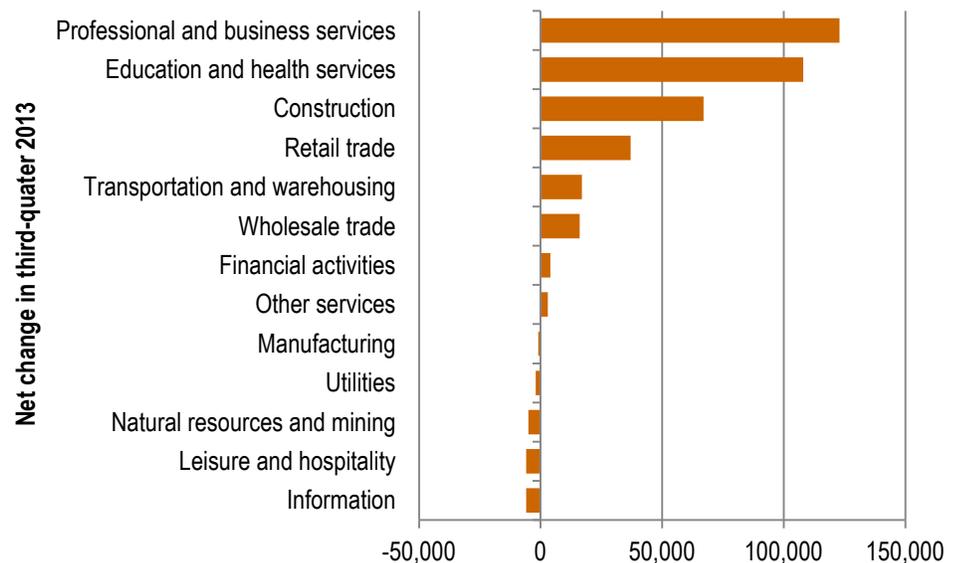
Figure 2. Quarterly gross job gains and losses, seasonally adjusted Washington state, third-quarter 1995 through third-quarter 2013
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Note: U.S. recessions are shaded in gray.

Gross job gains declined during third-quarter 2013.

Figure 3. Net change in job gains and losses by industry, seasonally adjusted United States, third-quarter 2013
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Professional and business services reported the most gains while the information sector reported the most losses in the third-quarter 2013.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private-sector employment had a net increase in employment of 13,975. Eleven Washington state sectors reported net job gains in third-quarter 2013. The top three industry sectors in job gains were education and health services, with a gain of 4,408, followed by construction (3,484) and professional and business services (3,224).

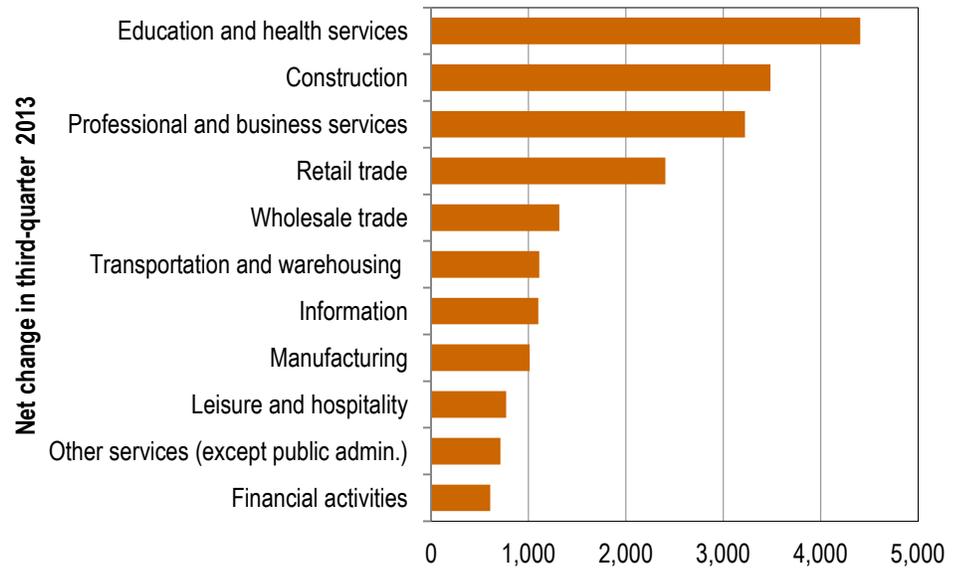
Comparing third-quarter 2012 to third-quarter 2013 in Washington state (Figure 5):

- Eight industry sectors had higher net gains in third-quarter 2013 compared to third-quarter 2012. They were education and health services, retail trade, construction, information, wholesale trade, professional and business services, transportation and warehousing and other services.
- Three industries had lower net gains in third-quarter 2013 compared to the same quarter a year earlier. These were manufacturing, leisure and hospitality, and financial activities.
- Education and health services had the largest net gain from year to year with a gain of 72 jobs in third-quarter 2012 compared to 4,408 in third-quarter 2013.
- Manufacturing and leisure and hospitality had much higher gains a year ago in third-quarter 2012 compared to the same quarter in 2013.

More information on the Business Employment Dynamics data series is available at www.bls.gov/bdm/.

Figure 4. Net change in job gains and losses by industry, seasonally adjusted Washington state, third-quarter 2013

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

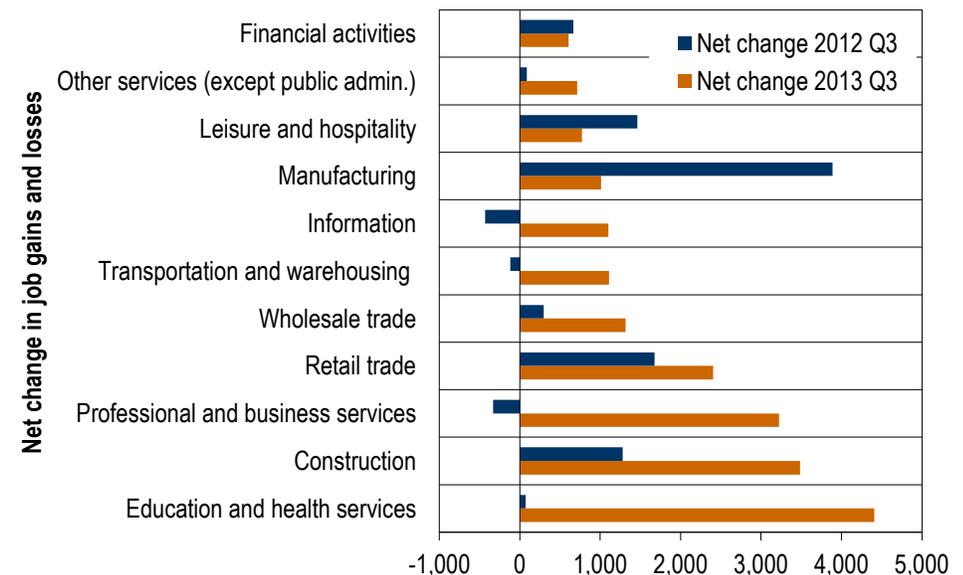


Note: data for natural resources, mining, and utilities are not disclosed to maintain employer confidentiality.

In Washington state education and health services, construction and professional and business services had the most job gains in third-quarter 2013.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, third-quarter 2012 and third-quarter 2013

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



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

Washington had more job gains in education and health services and fewer gains in manufacturing in third-quarter 2013 than a year ago.

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