

Washington State Business Employment Dynamics Fourth Quarter 2013



Quarterly Census of Employment and Wages
Business Employment Dynamics
October through December 2013

Figure 1

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

Figure 2

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

Figure 3

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

Figure 4

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

Figure 5

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

In fourth-quarter 2013, seasonally adjusted job gains in Washington's private sector totaled 171,909 while job losses from businesses closing or contracting totaled 155,301. The result of these changes was a net gain of 16,608 jobs during the fourth quarter. These numbers show the key changes in private-sector employment also called Business Employment Dynamics (BED).

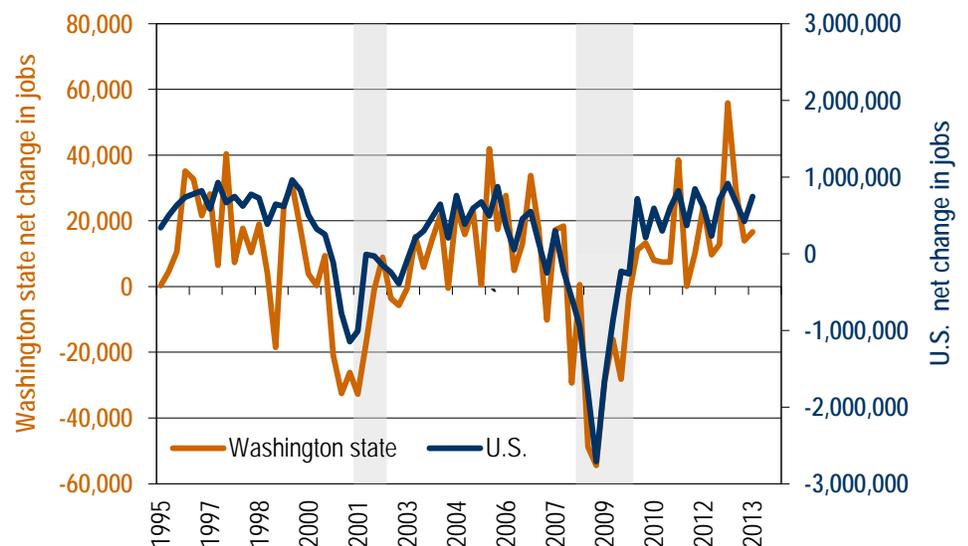
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings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

Both state and nation showed increased growth

Nationally, job gains exceeded job losses in 47 states for a net private-sector employment gain of 745,000. This marks the 15th 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 16,608 in fourth-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, fourth-quarter 1995 through fourth-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 increased in fourth-quarter 2013.

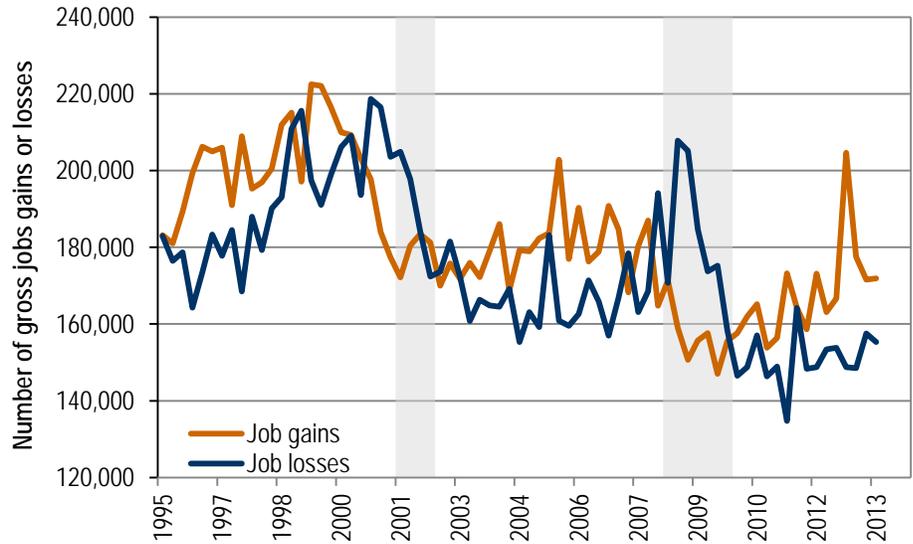
At the national level, gross job gains were 7.3 million at opening and expanding establishments. Closing and contracting establishments lost 6.5 million jobs. Gross job losses represented 5.8 percent of private-sector employment. Opening establishments gained 1.3 million jobs. Washington state gained 171,909 jobs from new and expanding private businesses, and lost 155,301 jobs from businesses closing or contracting for a net gain of 16,608 jobs in fourth-quarter 2013. This compares to a net gain of 13,975 jobs in third-quarter 2013 and a net gain of 12,851 jobs in fourth-quarter 2012.

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

Nationally fewer industries show job losses

The data in Figure 3 illustrate the net change in industry employment for the U.S. total private-sector employment which grew by 745,000 in fourth-quarter 2013. Service-providing industries had a seasonally adjusted net gain of 707,000 jobs in fourth-quarter 2013. The goods-producing industries posted a net gain of 38,000 jobs in fourth-quarter 2013. In the fourth quarter eleven industry sectors reported job gains compared to eight in the third quarter.

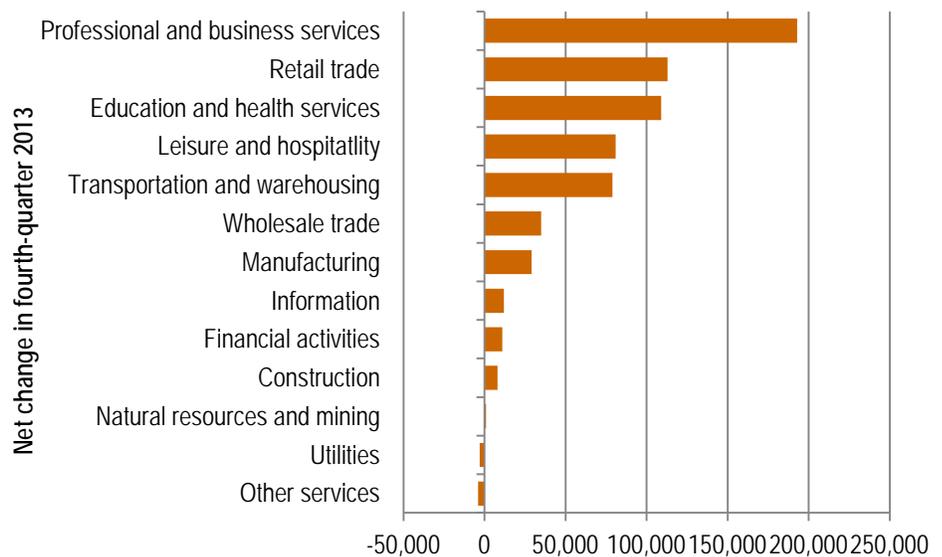
Figure 2. Quarterly gross job gains and losses, seasonally adjusted Washington state, fourth-quarter 1995 through fourth-quarter 2013
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



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

Gross job gains continue to out pace job losses during fourth-quarter 2013.

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



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

Washington state industry employment

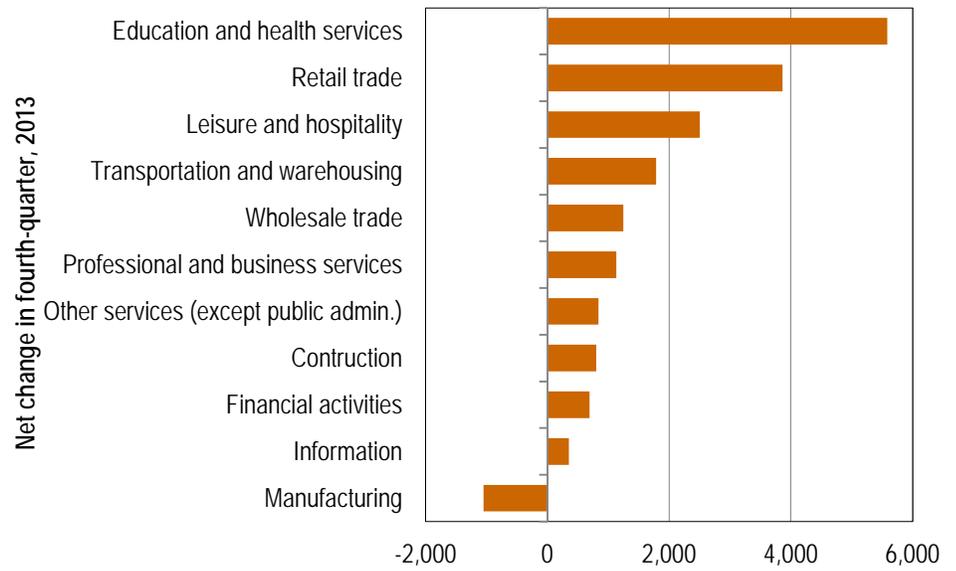
Figure 4 shows net employment changes in Washington state industry sectors. Total private-sector employment had a net increase in employment of 16,608. Ten Washington state sectors reported net job gains in fourth-quarter 2013. Manufacturing was the only sector to show a net decline with a loss of 1,051 jobs. The top three industry sectors in job gains were education and health services, with a gain of 5,583, followed by retail (3,865) and leisure and hospitality (2,501).

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

- Six industry sectors had higher net gains in fourth-quarter 2013 compared to fourth-quarter 2012. They were education and health services, retail trade, leisure and hospitality, transportation and warehousing, wholesale trade, and other services (except public admin.).
- Four industries had lower net gains in fourth-quarter 2013 compared to the same quarter a year earlier. These were professional and business services, construction, financial activities, and information.
- Education and health services had the largest net gain from year to year with a gain of 2,615 jobs in fourth-quarter 2012 compared to 5,583 in the fourth-quarter 2013.
- Manufacturing had losses for both years with a net loss of 31 in the fourth-quarter 2012 compared to a loss of 1,051 the same quarter in 2013.

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

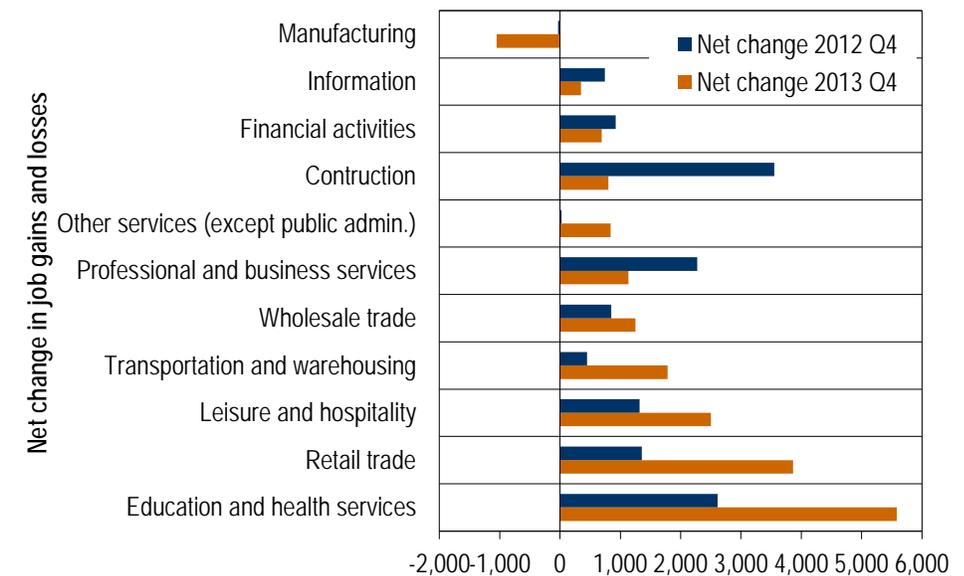
Figure 4. Net change in job gains and losses by industry, seasonally adjusted Washington state, fourth-quarter 2013
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



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

In Washington state education and health services, retail trade and leisure and hospitality had the most job gains in fourth-quarter 2013.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, fourth-quarter 2012 and fourth-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 a greater net loss in manufacturing in fourth-quarter 2013 than a year ago.

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