

Washington State Business Employment Dynamics First-Quarter 2014



Quarterly Census of Employment and Wages
Business Employment Dynamics
January to March 2014

Figure 1

Net change in jobs, seasonally adjusted, U.S. and Washington state, first-quarter 1996 through first-quarter 2014

Figure 2

Gross job gains and losses, seasonally adjusted, Washington state, first-quarter 1996 through first-quarter 2014

Figure 3

Net change in job gains and losses by industry, seasonally adjusted, United States, first-quarter 2014

Figure 4

Net change in job gains and losses by industry, seasonally adjusted, Washington state, first-quarter 2014

Figure 5

Net change in jobs by industry sector, seasonally adjusted, Washington state, first-quarter 2013 and first-quarter 2014

In first-quarter 2014, seasonally adjusted job gains in Washington's private sector totaled 165,916 while job losses from businesses closing or contracting totaled 147,848. The result of these changes was a net gain of 18,068 jobs during the first quarter. These numbers show the key changes in private-sector employment also called Business Employment Dynamics (BED).

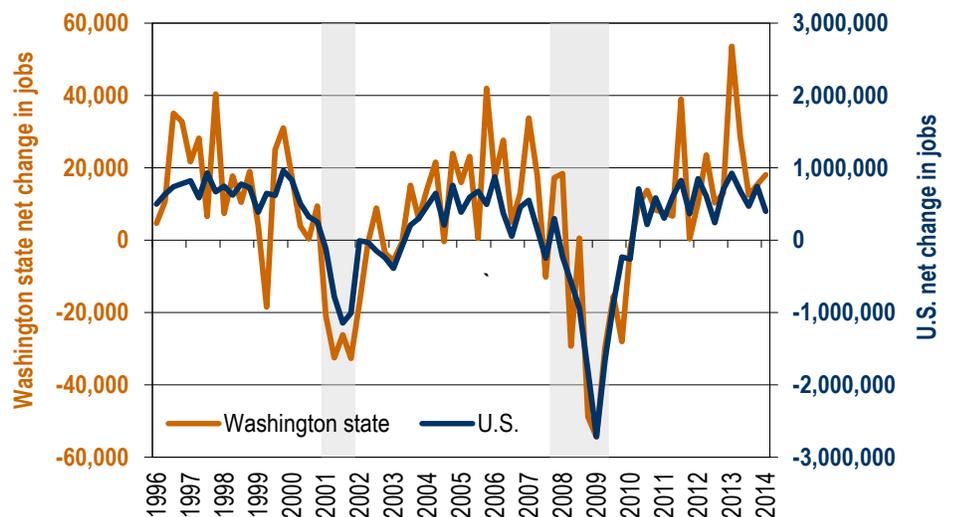
The U.S. Bureau of Labor Statistics' Business Employment Dynamics data series highlights the forces driving labor market dynamics at the state and national levels. Job gains and losses at private business establishments are tracked showing employment changes due to establishment openings or closings versus adding or shedding jobs at existing firms. The most recent BED data cover events through first-quarter 2014.

Both state and nation showed increased growth

Nationally, job gains exceeded job losses in 35 states for a net private-sector employment gain of 397,000. This marks the 16th 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 18,068 in first-quarter 2014.

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 recent recession beginning in fourth-quarter 2007.

Figure 1. Net change in jobs, seasonally adjusted United States and Washington state, first-quarter 1996 through first-quarter 2014
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



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

Job growth in Washington increased while U.S. job growth declined in first-quarter 2014.

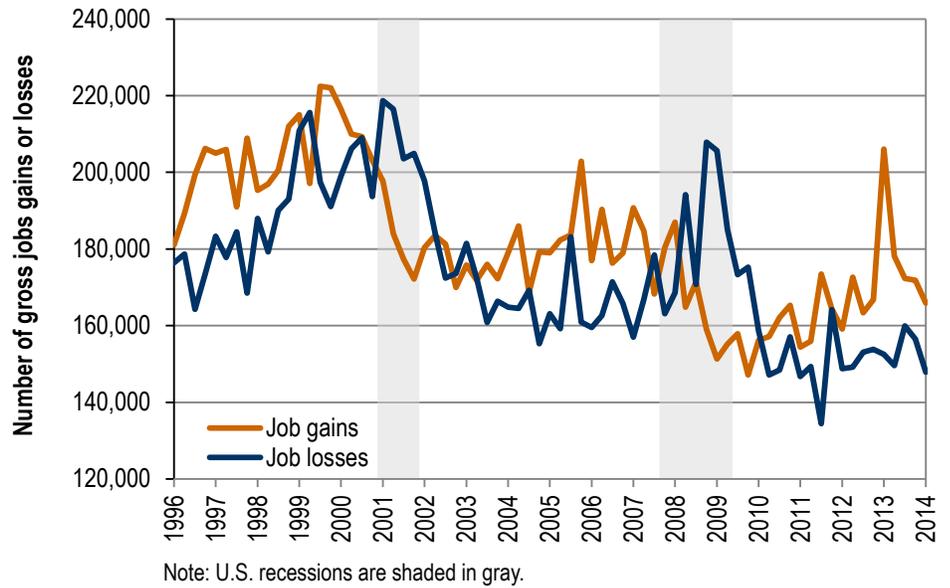
At the national level, gross job gains were 6.9 million at opening and expanding establishments. Closing and contracting establishments lost 6.5 million jobs. Gross job losses represented 5.7 percent of private-sector employment. Opening establishments gained 1.1 million jobs. Washington state gained 165,916 jobs from new and expanding private businesses and lost 147,848 jobs from businesses closing or contracting for a net gain of 18,068 jobs in first-quarter 2014. This compares to a net gain of 15,313 jobs in fourth-quarter 2013 and a net gain of 53,594 jobs in first-quarter 2013.

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

Nationally fewer industries show job losses

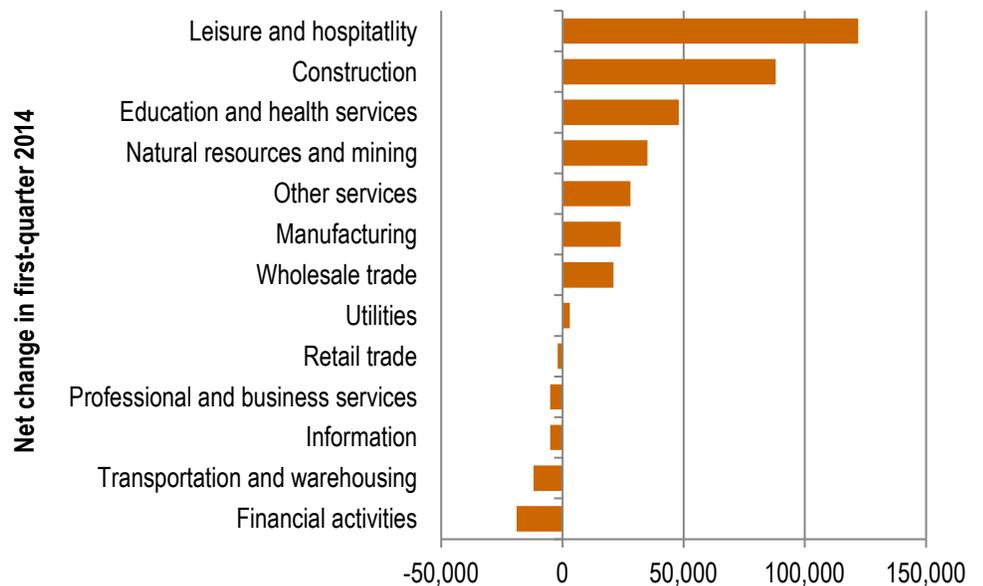
The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private-sector employment grew by 397,000 in first-quarter 2014. Service-providing industries had a seasonally adjusted net gain of 250,000 jobs. The goods-producing industries posted a net gain of 147,000 jobs. In first-quarter 2014, eight industry sectors reported job gains compared to 10 in fourth-quarter 2013.

Figure 2. Gross job gains and losses, seasonally adjusted
Washington state, first-quarter 1996 through first-quarter 2014
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Gross job gains continue to outpace job losses during first-quarter 2014.

Figure 3. Net change in job gains and losses by industry, seasonally adjusted
United States, first-quarter 2014
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Leisure and hospitality reported the most gains while financial activities reported the most losses in first-quarter 2014.

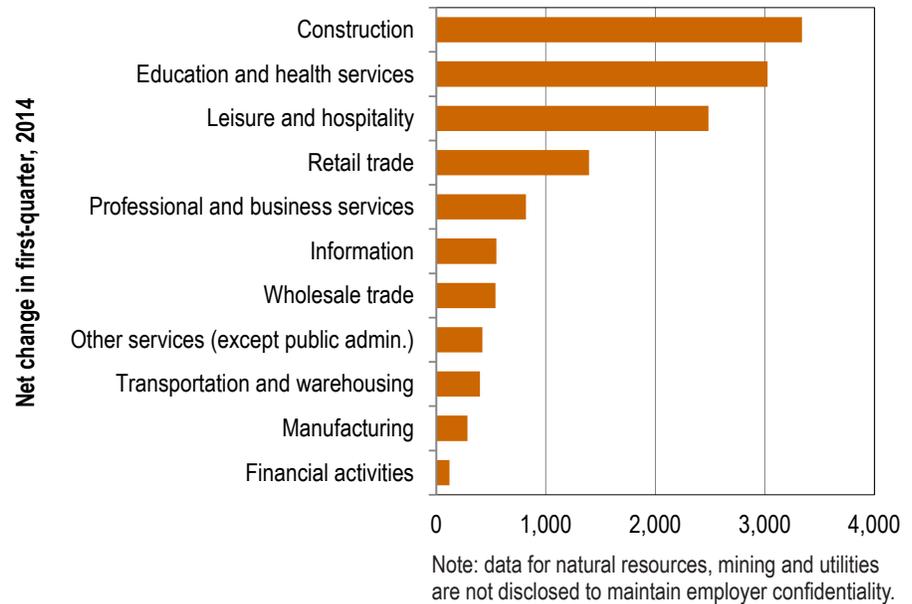
Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private-sector employment had a net increase in employment of 18,068. Eleven industry sectors reported net job gains in first-quarter 2014. The top three industry sectors in job gains were construction, with a gain of 3,340, followed by education and health services (3,025) and leisure and hospitality (2,485).

Comparing first-quarter 2013 to first-quarter 2014 in Washington state (Figure 5):

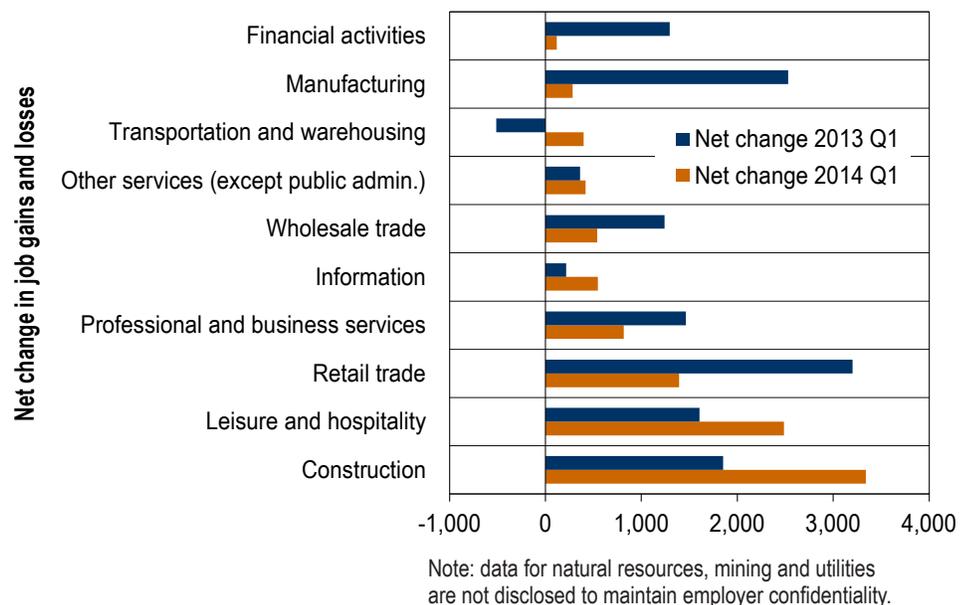
- Five industry sectors had higher net gains in first-quarter 2014 compared to first-quarter 2013. They were construction, leisure and hospitality, information, other services (except public administration) and transportation and warehousing.
- Six industries had lower net gains in first-quarter 2014 compared to the same quarter a year earlier. These were education and health services,¹ retail trade, professional and business services, wholesale trade, manufacturing and financial activities.
- Construction had the largest net gain from year to year with 3,340 jobs in first-quarter 2014 compared to 1,851 in first-quarter 2013.
- Education and health services had the largest net change from year to year with a gain of 3,025 in first-quarter 2014 compared to a gain of 42,053 in the same quarter in 2013.

Figure 4. Net change in job gains and losses by industry, seasonally adjusted Washington state, first-quarter 2014
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



In Washington state construction, education and health services and leisure and hospitality had the most job gains in first-quarter 2014.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, first-quarter 2013 and first-quarter 2014
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Washington had more job gains in transportation and warehousing, other services, information, leisure and hospitality and construction in first-quarter 2014 than a year ago.

¹The non-economic industry code change for first-quarter 2013 artificially inflated the net employment changes for total private and education and health services data series. As a result, total private and education and health services data are not comparable to data from previous quarters and has been excluded from Figure 5. More information on the Business Employment Dynamics data series is available at www.bls.gov/bdm/.

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