

**Quarterly Census of
Employment and Wages
Business Employment Dynamics
April to June 2020**

Figure 1

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

Figure 2

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

Figure 3

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

Figure 4

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

Figure 5

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

**Labor Market and
Economic Analysis**

February 2021



**Washington State
Business Employment Dynamics
Second Quarter 2020**



In second quarter 2020, April to June, seasonally adjusted job gains in Washington's private sector totaled 137,589 while job losses from businesses closing or contracting totaled 466,763. The result of these changes was a net loss of 329,174 jobs during the second 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 second quarter 2020.

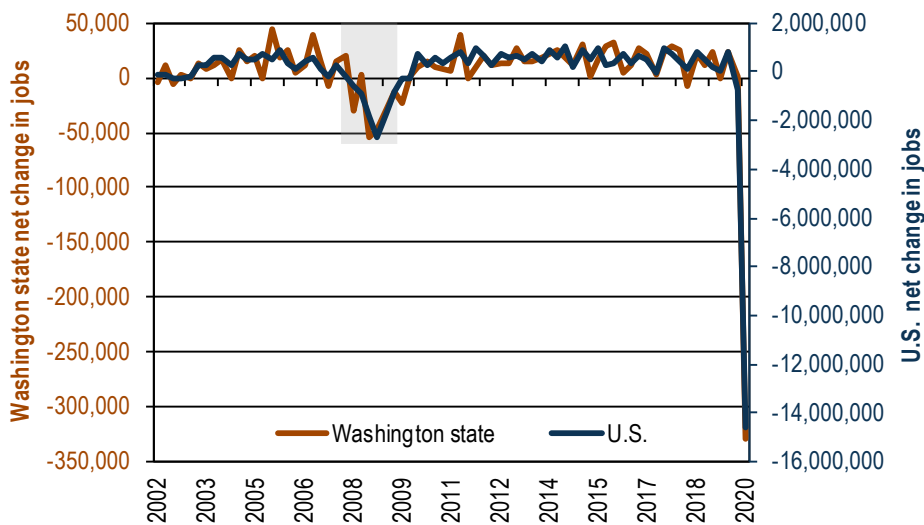
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Language assistance services for limited English proficient individuals are available free of charge.
Washington Relay Service: 711.

Net job losses escalate for the state and nation during the second quarter

Nationally, job losses exceeded job gains in all 50 states for a net private sector employment loss of 14,617,000. The large number of jobs lost during the second quarter was tied to efforts undertaken to address the COVID-19 pandemic. Washington state lost 329,174 jobs.

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. The jobs lost for Washington state and the nation during second quarter 2020 were impacted by the COVID-19 pandemic. Many business establishments operated under limited capacity or completely shut down, and many workers voluntarily chose to stay home and be classified as unemployed. Consequently, job losses occurred on an unprecedented scale.

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



Job growth ceased and turned sharply negative in the U.S. and Washington state in second quarter 2020.

Note: Shaded area is a U.S. recession period.

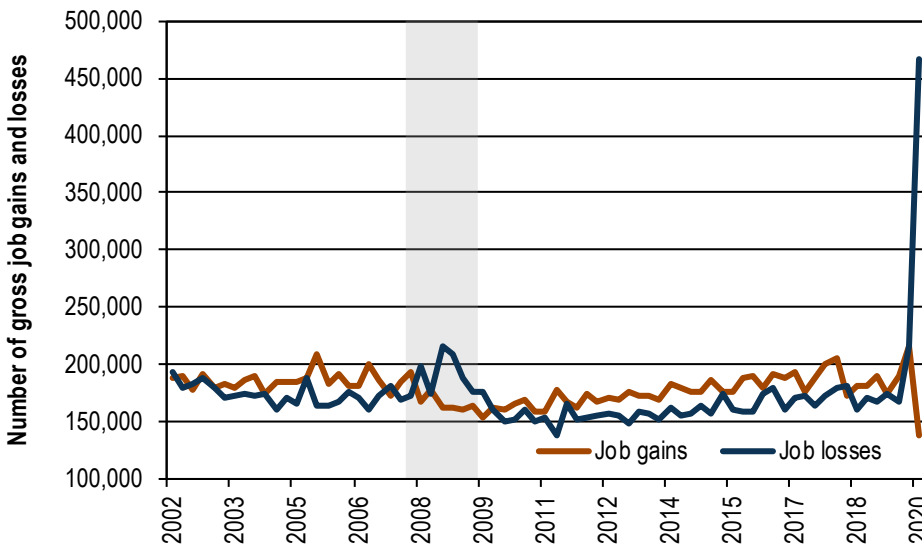
At the national level, gross job gains were 5.7 million at opening and expanding establishments. Closing and contracting establishments lost 20.4 million jobs. Gross job losses were 17.0 percent of private sector employment. Opening establishments provided 1.3 million jobs. Washington state gained 137,589 jobs from new and expanding private businesses and lost 466,763 jobs from businesses closing or contracting for a net loss of 329,174 jobs in second quarter 2020. This compares to a net gain of 980 jobs in first quarter 2020 and a net gain of 22,917 jobs in second 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, second quarter 2002 through second quarter 2020
 Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



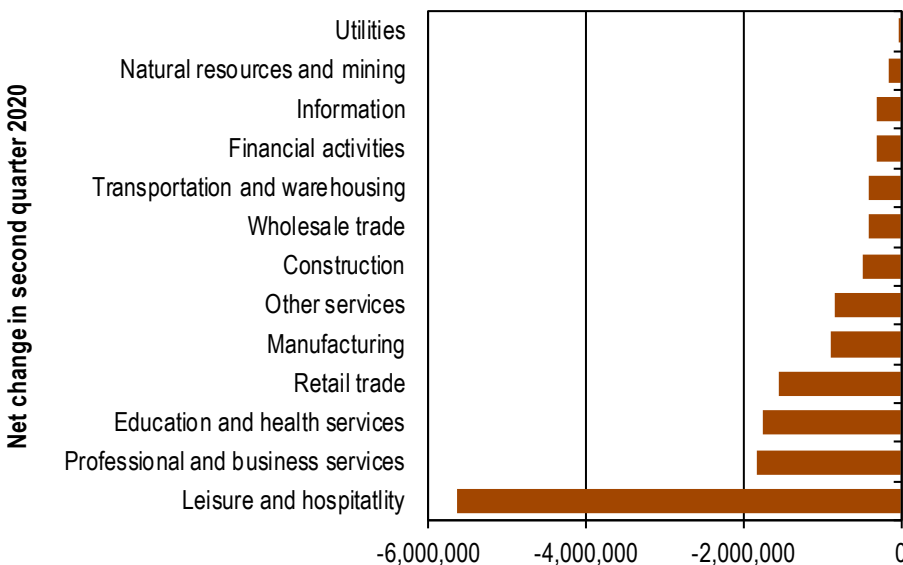
Gross job gains fell while gross job losses rose emphatically in second quarter 2020.

Note: Shaded area is a U.S. recession period.

Nationally, every industry sector lost jobs

The data in *Figure 3* illustrate the net change in industry employment for the U.S. Total private sector employment fell by 14,617,000 in second quarter 2020. Service-providing industries had a seasonally adjusted net loss of 13,077,000 jobs and goods-producing industries posted a net loss of 1,540,000 jobs. In second quarter 2020, all fifteen industry sectors reported job losses compared with three reporting losses during second quarter 2019.

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



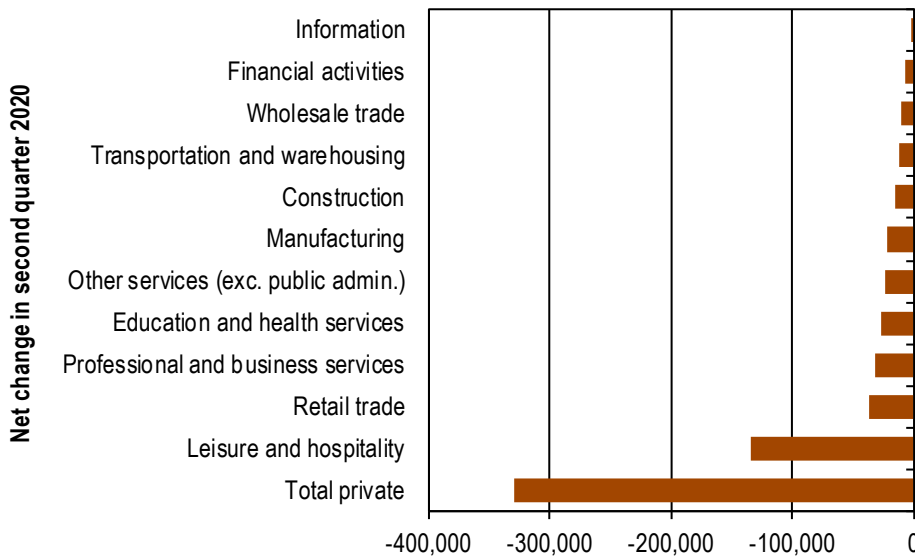
Leisure and hospitality reported the most net job losses in second quarter 2020.

Washington state industry employment change

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net decrease of 329,174. Every industry sector reported net job losses in second quarter 2020.

The industries that experienced the most job losses were leisure and hospitality (-135,105), and retail trade (-36,534).

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

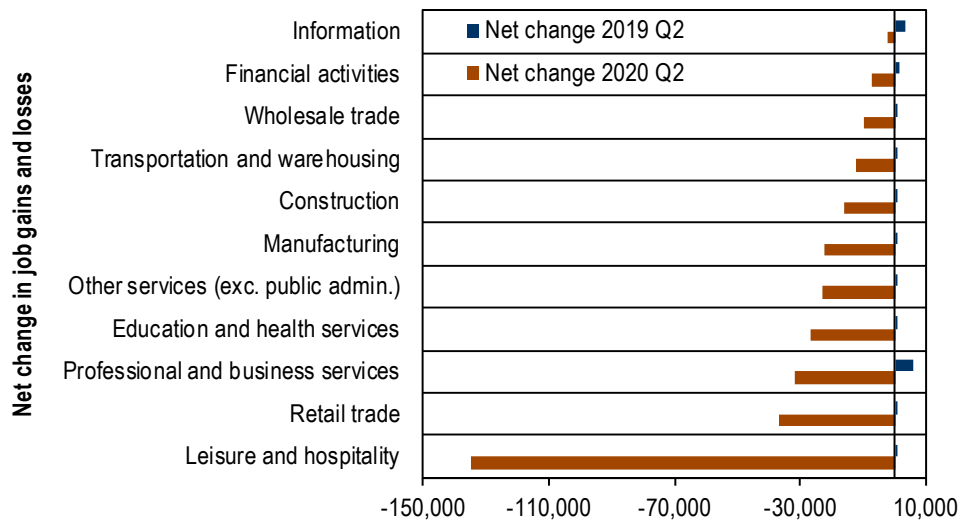


In Washington state, leisure and hospitality and retail trade had the most job losses in second quarter 2020.

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

- All 11 private industry sectors had net job losses in second quarter 2020 while all 11 industries had net job gains in second quarter 2019.
- Information had the smallest net change by quarter with a gain of 3,379 jobs in second quarter 2019 compared with a loss of 2,310 in second quarter 2020.
- Leisure and hospitality had the largest net change by quarter with a gain of 915 jobs in second quarter 2019 compared with a loss of 135,105 in second quarter 2020.

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 jobs lost in every industry in second quarter 2020 after having jobs gained in every industry in second quarter 2019.

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

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