

**Quarterly Census of
Employment and Wages
Business Employment Dynamics
January to March 2023**

Figure 1

Net change in jobs,
seasonally adjusted
U.S. and Washington state,
First quarter 2006 through first
quarter 2023

Figure 2

Gross job gains and losses,
seasonally adjusted, Washington
state,
First quarter 2006 through first
quarter 2023

Figure 3

Net change in job gains and
losses by industry sector, seasonally
adjusted,
United States, first quarter 2023

Figure 4

Net change in job gains and losses
by industry sector, seasonally
adjusted,
Washington state, first quarter 2023

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state, first quarter 2022
and 2023

**Data Architecture, Transformation
and Analytics Division**

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**Employment
Security
Department**
WASHINGTON STATE

Washington State Business Employment Dynamics *First Quarter 2023*



In the first quarter of 2023, January to March, seasonally adjusted job gains in Washington's private sector totaled 192,039 while job losses from businesses closing or contracting totaled 164,600. The result of these changes was a net gain of 27,439 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 2023.

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Net job gains grew at higher pace for the state and nation relative to the fourth quarter 2022

Nationally, job gains exceeded job losses in 49 states for a net private sector employment gain of 976,000. There were an estimated 8.0 million gross job gains in the first quarter of 2023, down from 8.1 million the previous quarter. The estimated number of job losses nationally was nearly 7.1 million; down from 7.6 million the previous quarter. Washington state gained 27,439 net jobs in the first quarter of 2023. This was an increase over 18,879 net gains in the final quarter of 2022.

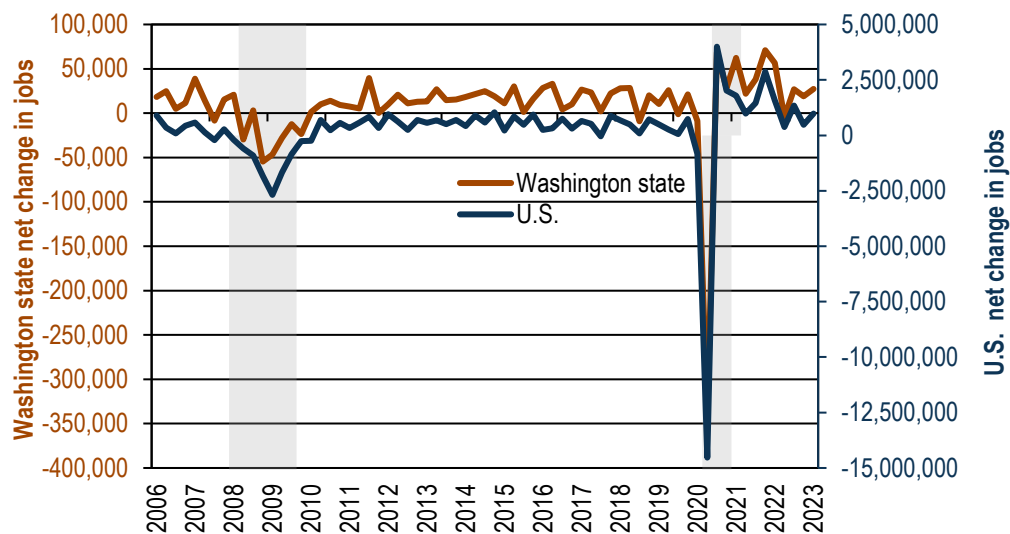
Figure 1 depicts the changing business employment dynamic and compares Washington state to national trends. On a national and state basis, net job gains and losses are sensitive to the business cycle. During the 2007 recession, net job losses increased before bottoming out in first quarter 2009. Net job growth resumed in second quarter 2010 and carried through until the next recession, resulting from efforts to reduce the effects of the pandemic. Job growth had begun to pick up in third quarter 2020 for the state and nation, helping to confirm the end of the Covid-19 recession in April that year.

Figure 1. Net change in jobs, seasonally adjusted

United States and Washington state, first quarter 2006 through first quarter 2023

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

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



Job growth in the U.S. and Washington increased in the first quarter 2023.

At the national level, gross job gains were 8.0 million at opening and expanding establishments. Closing and contracting establishments lost 7.1 million jobs. Gross job losses were 5.4 percent of private sector employment. Opening establishments provided 1.5 million jobs. Washington state gained 192,039 jobs from new and expanding private businesses and lost 164,600 jobs from businesses closing or contracting for a net gain of 27,439 jobs in the first quarter 2023. This compares to a net gain of 18,879 jobs in the fourth quarter 2022.

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

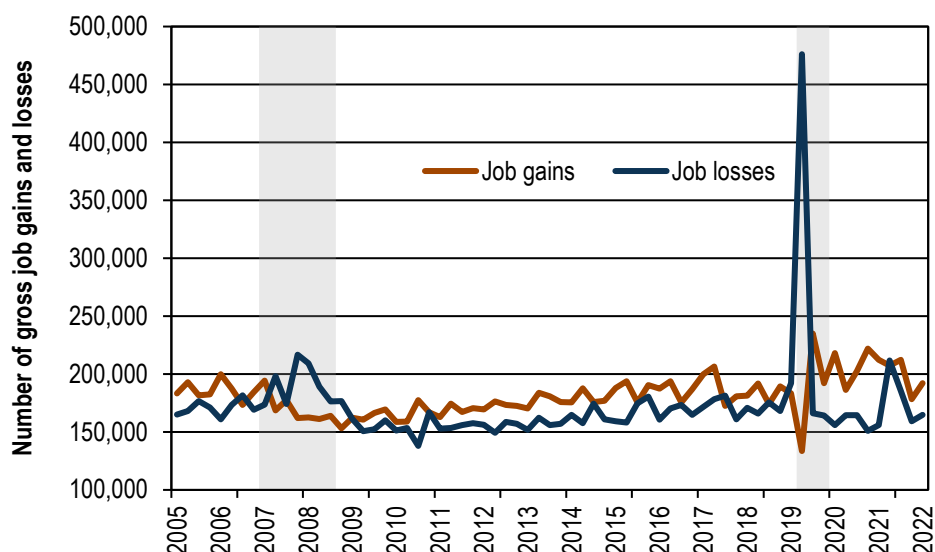
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For more on the Business Employment Dynamics data series, visit: www.bls.gov/bdm

Figure 2. Gross job gains and losses, seasonally adjusted
Washington state, first quarter 2006 through first quarter 2023

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

Note: Shaded areas are U.S. recession periods



Both gross job gains and gross job losses increased in the first quarter of 2023.

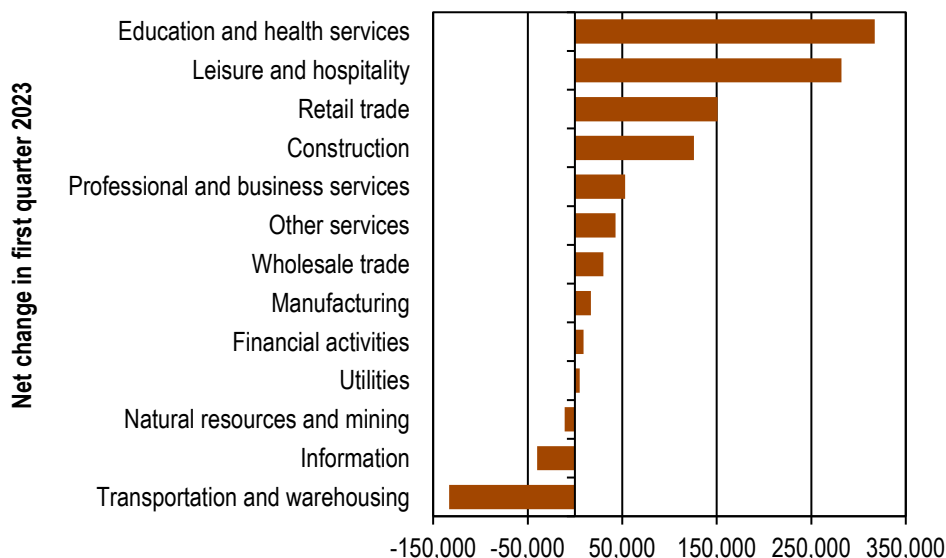
Nationally, ten major industries reported net job gains

The data in *Figure 3* illustrate the net change in industry employment for the U.S. Total private sector employment rose by 1.1 million in the first quarter 2023. Service-providing industries had a seasonally adjusted net gain of 844,000 jobs and goods-producing industries posted a net gain of 132,000 jobs. In the first quarter 2023, ten industry sectors reported job gains. By comparison, thirteen reported gains in the first quarter 2022.

Figure 3. Net change in job gains and losses by industry, seasonally adjusted

United States, first quarter 2023

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



Education and health services reported the most net gains in the first quarter of 2023.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 27,439. Ten industry sectors reported net job gains in the first quarter of 2023. Two industry sectors reported net losses. The top three industry sectors showing job gains were leisure and hospitality with a gain of 8,757, followed by retail trade (5,207) and education and health services (4,050). Information and transportation and warehousing each experienced a net loss of jobs (-1,668 and -2,314 respectively).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted Washington state, first quarter 2023
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series

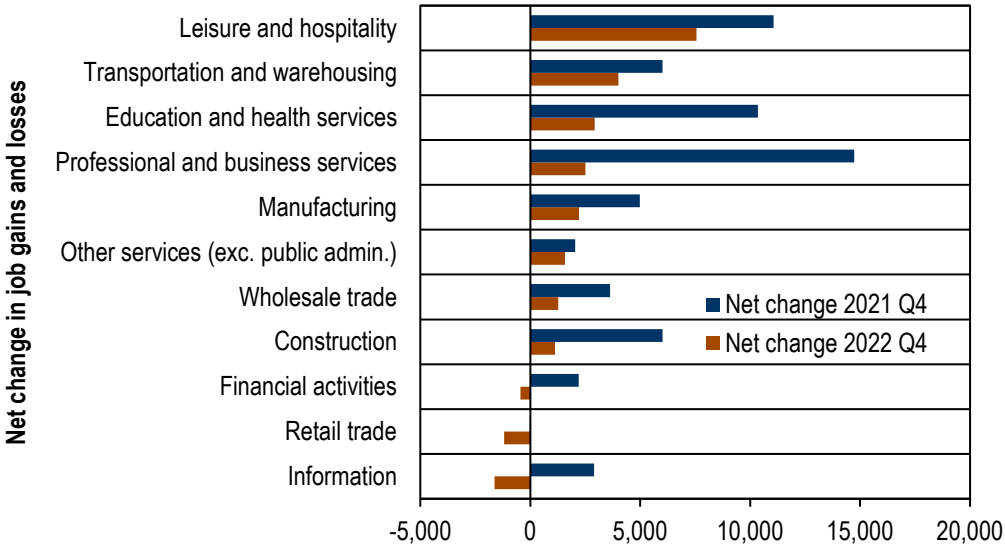


In Washington state, leisure and hospitality, retail trade, education and health services and construction had the most observed job gains in the first quarter of 2023.

Comparing the first quarter of 2023 to the first quarter of 2022 in Washington state (Figure 5):

- All eleven reported private industry sectors had lower net gains in the first quarter of 2023 compared with corresponding quarter in 2022.
- Professional and business services expanded to the greatest extent in the first quarter of 2022, followed by leisure and hospitality. Leisure and hospitality added the largest number of jobs in the first quarter of 2023, followed by retail trade.
- Quarterly net increases in professional and business services and information in early 2022 were followed by much smaller net gains (professional and business services) and net losses (information) in the first quarter of 2023. These shifts correspond with recent weakness in information technology related employment.

Figure 5. Net change in jobs by industry sector, seasonally adjusted Washington state, fourth quarter 2021 and 2022
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



Washington had lower net gains in jobs in all major industries in first quarter 2023 compared with first quarter 2022.

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

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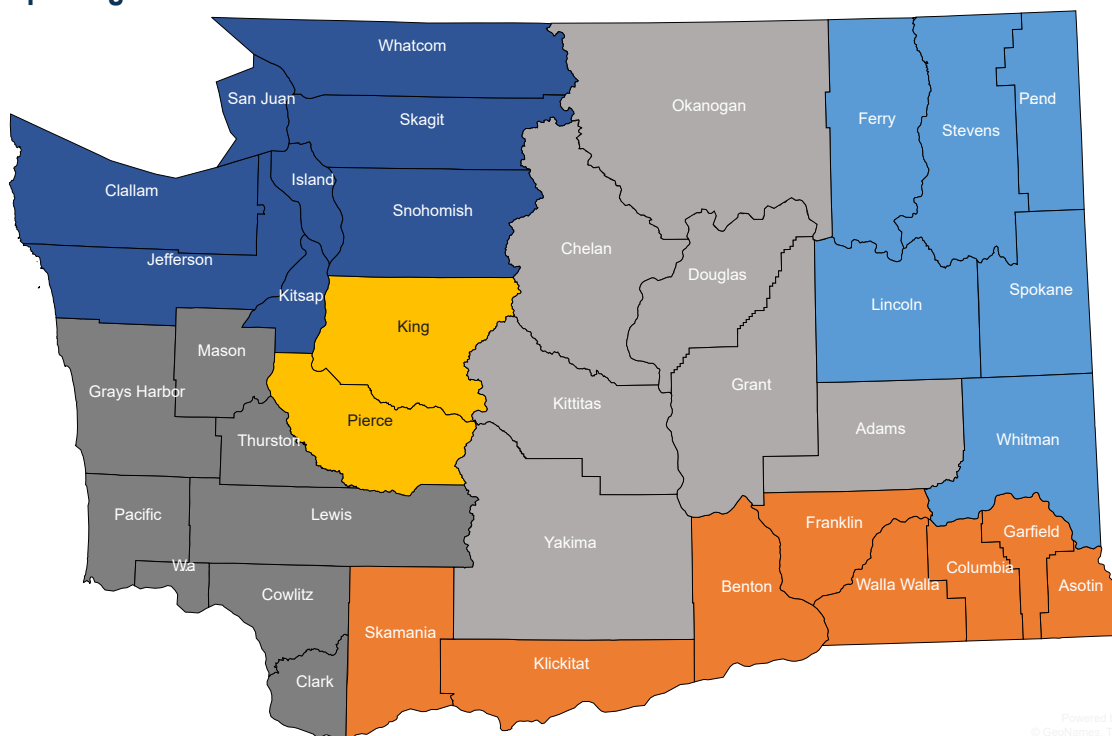
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