

**Quarterly Census of
Employment and Wages
Business Employment Dynamics
January to March 2021**

Figure 1

Net change in jobs,
seasonally adjusted,
U.S. and Washington state,
first quarter 2004 through
first quarter 2021.

Figure 2

Gross job gains and losses,
seasonally adjusted,
Washington state,
first quarter 2004 through
first quarter 2021.

Figure 3

Net change in job gains and
losses by industry sector,
seasonally adjusted,
United States,
first quarter 2021.

Figure 4

Net change in job gains and
losses by industry sector,
seasonally adjusted,
Washington state,
first quarter 2021.

Figure 5

Net change in jobs by industry
sector, seasonally adjusted,
Washington state,
first quarter 2020 and 2021.

**Data Architecture, Transformation
and Analytics Division**

November 2021



Washington State Business Employment Dynamics *First Quarter 2021*



In first quarter 2021, January to March, seasonally adjusted job gains in Washington's private sector totaled 215,904 while job losses from businesses closing or contracting totaled 149,132. The result of these changes was a net gain of 66,772 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 2021.

Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to people with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711.

Net job gains continue for the state and nation in first quarter 2021

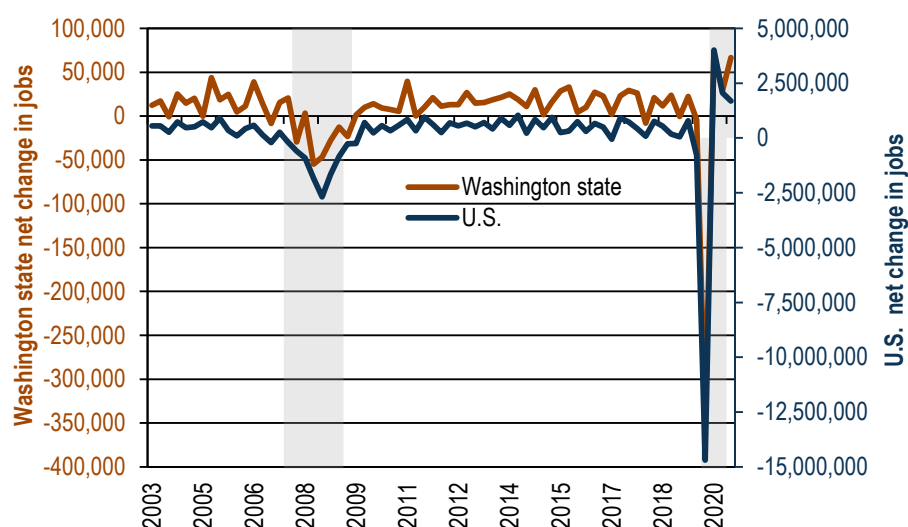
Nationally, job gains exceeded job losses in 49 states for a net private sector employment gain of 1,685,000. The number of jobs gained during the first quarter were less than the 2,064,000 jobs gained during the previous quarter, and less than the 4,010,000 jobs gained over third quarter 2020. Added together, the number of jobs gained in third quarter 2020 through first quarter 2021 have recovered roughly 53 percent of the jobs lost during second quarter 2020. Washington state gained 66,772 jobs in first quarter 2021. The increase for Washington continues to help offset the sharp downturn from second quarter 2020 when the state lost 346,712 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. 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 recession in April.

Figure 1. Net change in jobs, seasonally adjusted

United States and Washington state, first quarter 2004 through first quarter 2021

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



Job growth in the U.S. and Washington continued into first quarter 2021.

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

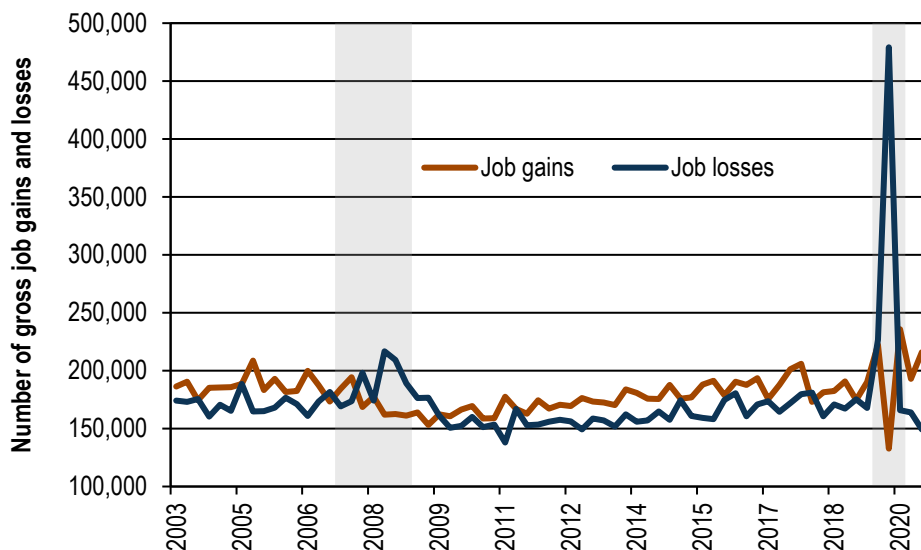
At the national level, gross job gains were 8.2 million at opening and expanding establishments. Closing and contracting establishments lost 6.5 million jobs. Gross job losses were 5.4 percent of private sector employment. Opening establishments provided 1.5 million jobs. Washington state gained 215,904 jobs from new and expanding private businesses and lost 149,132 jobs from businesses closing or contracting for a net gain of 66,772 jobs in first quarter 2021. This compares to a net gain of 28,911 jobs in fourth quarter 2020 and a net loss of 4,413 jobs in first quarter 2020.

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, first quarter 2004 through first quarter 2021
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



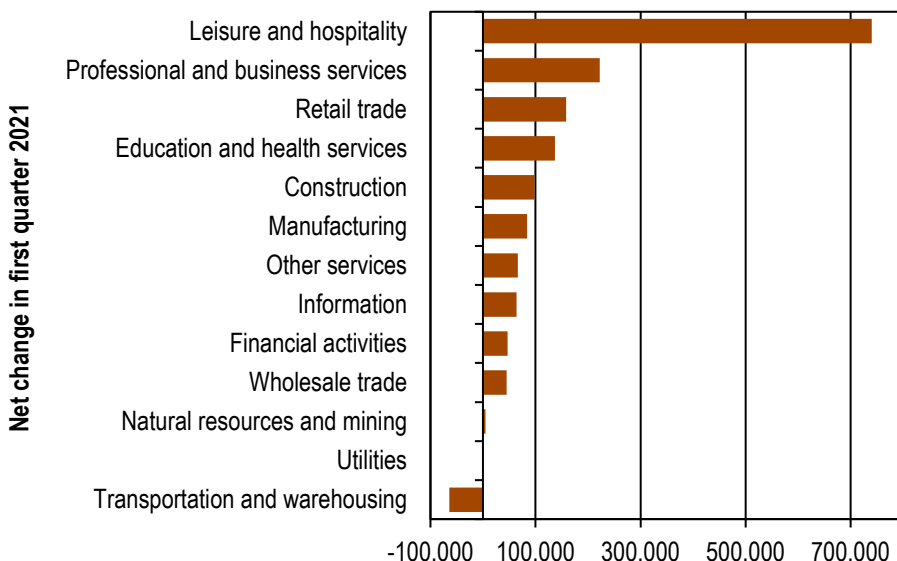
Gross job gains rose while gross job losses fell in first quarter 2021.

Note: Shaded areas are U.S. recession periods

Nationally, net job gains rose in most major industries

The data in Figure 3 illustrate the net change in industry employment for the U.S. Total private sector employment rose by 1,685,000 in first quarter 2021. Service-providing industries had a seasonally adjusted net gain of 1,498,000 jobs, and goods-producing industries posted a net gain of 187,000 jobs. In first quarter 2021, 11 industry sectors reported job gains compared with four reporting gains during first quarter 2020.

Figure 3. Net change in job gains and losses by industry sector, seasonally adjusted
United States, first quarter 2021
Source: U.S. Bureau of Labor Statistics, Business Employment Dynamics data series



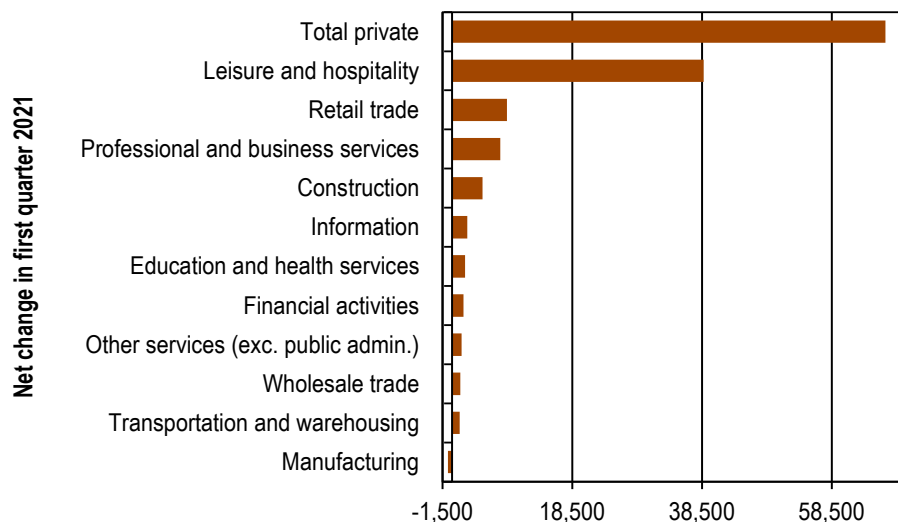
Leisure and hospitality reported the most net gains while transportation and warehousing was the only industry to report net losses in first quarter 2021.

Washington state industry employment

Figure 4 shows net employment changes in Washington state industry sectors. Total private sector employment had a net increase of 66,772. Ten industry sectors reported net job gains in first quarter 2021 and one industry sector showed job losses. The top three industry sectors showing job gains were leisure and hospitality with a gain of 38,771, followed by retail trade (8,465) and professional and business services (7,431). The industry that experienced job losses was manufacturing (668). The industries that experienced the most job losses were leisure and hospitality (-10,414), and manufacturing (-2,279).

Figure 4. Net change in job gains and losses by industry sector, seasonally adjusted
Washington state, first quarter 2021

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



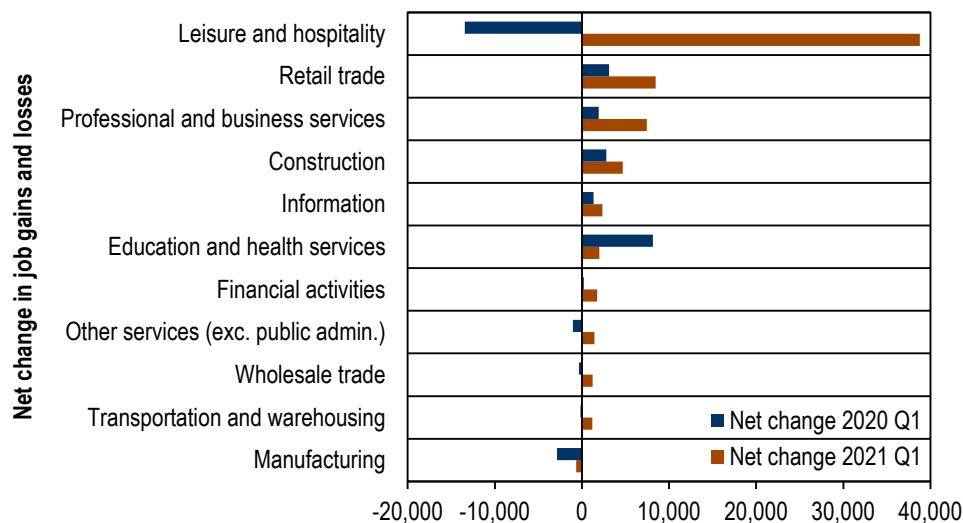
In Washington state, leisure and hospitality, retail trade and professional and business services had the most job gains in first quarter 2021.

Comparing first quarter 2021 to first quarter 2020 in Washington state (Figure 5):

- Ten of eleven private industry sectors had higher net gains in first quarter 2021 compared with first quarter 2020.
- Leisure and hospitality had the largest net improvement from year to year with a gain of 38,771 jobs in first quarter 2021 compared with a loss of 13,443 in first quarter 2020.
- Education and health services had the largest net decline from year to year with a gain of 2,010 jobs in first quarter 2021 compared with a gain of 8,134 in first quarter 2020.

Figure 5. Net change in jobs by industry sector, seasonally adjusted
Washington state, first quarter 2020 and 2021

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



Washington had more jobs gained in ten industries and fewer jobs gained in one industry in first quarter 2021 compared with first quarter 2020.

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

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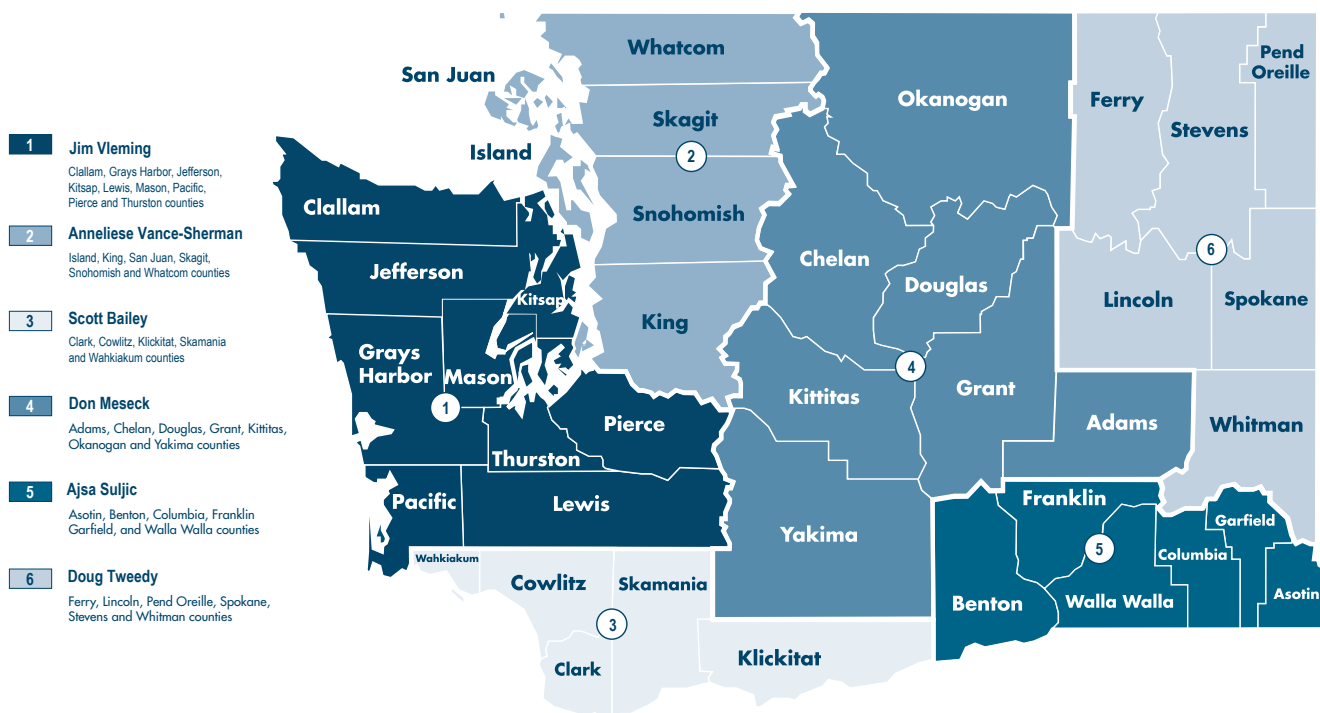
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Washington state regional labor economist reporting areas



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