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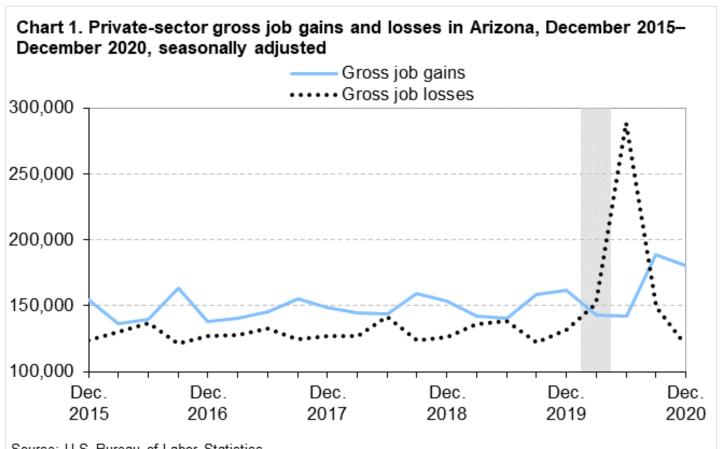
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Business Employment Dynamics in Arizona – Fourth Quarter 2020

From September 2020 to December 2020, **gross job gains** from opening and expanding private-sector establishments in Arizona were 180,613, while **gross job losses** from closing and contracting private-sector establishments were 120,463, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Chris Rosenlund noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 60,150 jobs in the private sector during the fourth quarter of 2020. During the previous quarter, gross job gains exceeded gross job losses by 40,058. (See chart 1.)



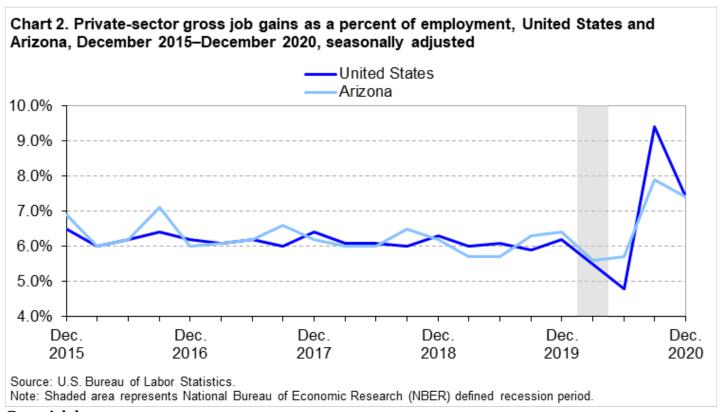
Source: U.S. Bureau of Labor Statistics.

Note: Shaded area represents National Bureau of Economic Research (NBER) defined recession period.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all private businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private-sector establishments from the third month of one quarter to the third month of the next. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See Technical Note.)

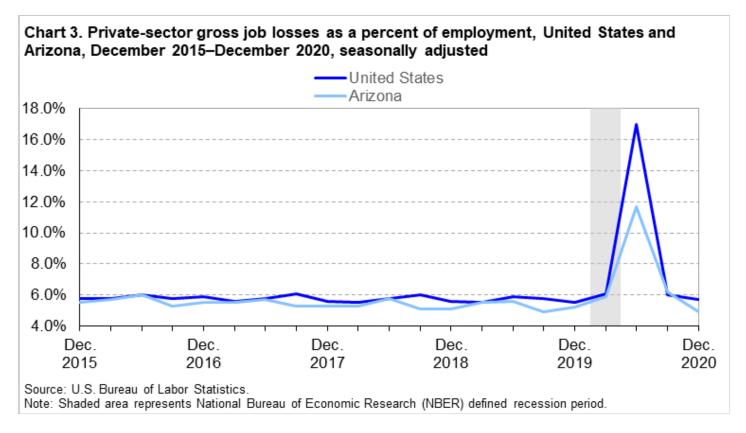
Gross job gains

In the fourth quarter of 2020, gross job gains represented 7.4 percent of private-sector employment in Arizona; nationally, gross job gains also accounted for 7.4 percent of private-sector employment. (See chart 2.) Gross job gains are the sum of increases in employment due to expansions at existing establishments and the addition of new jobs at opening establishments. In Arizona, gross job gains at **expanding** establishments totaled 151,140 in the fourth quarter of 2020, a decrease of 1,806 jobs compared to the previous quarter. (See table 1.) **Opening** establishments accounted for 29,473 jobs gained in the fourth quarter of 2020, a decrease of 6,546 jobs from the previous quarter.



Gross job losses

In the fourth quarter of 2020, gross job losses represented 4.9 percent of private-sector employment in Arizona; nationally, gross job losses accounted for 5.7 percent of private-sector employment. (See chart 2.) Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. In Arizona, contracting establishments lost 94,072 jobs in the fourth quarter of 2020, a decrease of 26,676 jobs from the prior quarter. Closing establishments lost 26,391 jobs, a decrease of 1,768 jobs from the previous quarter.



Industries

Gross job gains exceeded gross job losses in 10 of the 11 industry sectors in Arizona in the fourth quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job increase, with a gain of 13,309 jobs. This was the result of 28,985 gross job gains and 15,676 gross job losses. The professional and business service industry had a net gain of 12,340 jobs. Transportation and warehousing had a net job increase of 9,705, and education and health services showed a net gain of 9,311 jobs.

For more information

The BED data series include gross job gains and gross job losses by industry subsector, for the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, as well as gross job gains and gross job losses at the firm level by employer size class. BED data for the states have been included in table 2 of this release. Additional information is available online at www.bls.gov/bdm/.

The Business Employment Dynamics for First Quarter 2021 are scheduled to be released on Wednesday, October 27, 2021.

Coronavirus (COVID-19) Effect on Fourth Quarter 2020 Business Employment Dynamics

Data collection and processing methods have been impacted because of the COVID-19 pandemic. More detail can be found at www.bls.gov/covid19/effects-of-covid-19-pandemic-on-business-employment-dynamics.htm.

Technical Note

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW). The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing QCEW records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by unemployment insurance (UI) laws, and to pay quarterly UI taxes. The QCEW is based largely on quarterly UI reports which are sent by businesses to the State Workforce Agencies (SWAs). These UI reports are supplemented by two additional BLS data collections to render administrative data into economic statistics. Together these data comprise the QCEW and form the basis of the Bureau's establishment universe sampling frame.

In the BED program, the QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding units and jobs lost at closing and contracting units.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

Openings. These are either units with positive third month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third month employment in the current quarter following zero employment in the previous quarter.

Expansions. These are units with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

Closings. These are either units with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

Contractions. These are units with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

The full Technical Note for the Business Employment Dynamics program, which includes information on coverage, concepts, and methodology, can be found in the current quarterly news release online at www.bls.gov/news.release/cewbd.htm.

Information in this release will be made available to individuals with sensory impairments upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private sector gross job gains and losses by industry, Arizona, seasonally adjusted

Category		,	gains and nonths end			Gross job gains and job losses as a percent of employment (3 months ended)				
	Dec. 2019	Mar. 2020	June 2020	Sept 2020	Dec. 2020	Dec. 2019	Mar. 2020	June 2020	Sept 2020	Dec. 2020
Total private (1)										
Gross job gains	161,684	142,660	142,021	188,965	180,613	6.4	5.6	5.7	7.9	7.4
At expanding establishments	134,423	113,824	112,088	152,946	151,140	5.3	4.5	4.5	6.4	6.2
At opening establishments	27,261	28,836	29,933	36,019	29,473	1.1	1.1	1.2	1.5	1.2
Gross job losses	131,921	151,494	288,876	148,907	120,463	5.2	5.9	11.7	6.2	4.9
At contracting establishments	106,336	122,590	252,222	120,748	94,072	4.2	4.8	10.2	5.0	3.8
At closing establishments	25,585	28,904	36,654	28,159	26,391	1.0	1.1	1.5	1.2	1.1
Net employment change (2)	29,763	-8,834	-146,855	40,058	60,150	1.2	-0.3	-6.0	1.7	2.5
Construction										
Gross job gains	14,431	13,563	12,444	13,032	14,908	8.3	7.7	7.1	7.6	8.5
At expanding establishments	12,313	11,281	9,753	10,125	12,583	7.1	6.4	5.6	5.9	7.2
At opening establishments	2,118	2,282	2,691	2,907	2,325	1.2	1.3	1.5	1.7	1.3
Gross job losses	10,572	12,691	16,191	14,289	11,061	6.1	7.2	9.3	8.3	6.4
At contracting establishments	8,548	10,371	14,079	12,054	8,886	4.9	5.9	8.1	7.0	5.1
At closing establishments	2,024	2,320	2,112	2,235	2,175	1.2	1.3	1.2	1.3	1.3
Net employment change (2)	3,859	872	-3,747	-1,257	3,847	2.2	0.5	-2.2	-0.7	2.1
Manufacturing	5,555		2,1 11	1,201	-,					
Gross job gains	6,173	5,753	5,505	6,814	9,340	3.5	3.2	3.1	3.9	5.2
At expanding establishments	5,661	4,904	4,579	5,847	8,727	3.2	2.7	2.6	3.3	4.9
At opening establishments	512	849	926	967	613	0.3	0.5	0.5	0.6	0.3
Gross job losses	5,579	5,857	11,409	7,156	5,654	3.1	3.3	6.4	4.1	3.2
At contracting establishments	4,601	4,647	10,237	6,477	4,753	2.6	2.6	5.7	3.7	2.7
At closing establishments	978	1,210	1,172	679	901	0.5	0.7	0.7	0.4	0.5
	594	-104	-5,904	-342	3,686	0.3	-0.1	-3.3	-0.2	2.0
Net employment change (2)	594	-104	-5,904	-342	3,000	0.4	-0.1	-3.3	-0.2	2.0
Wholesale trade	4 640	4.004	4.040	6 265	6.051	4.6	4.0		6.5	6.1
Gross job gains	4,612	4,921	4,948	6,265	6,051	4.6	4.9	5.1	6.5	6.1
At expanding establishments	3,380	3,919	3,522	4,837	4,844	3.4	3.9	3.6	5.0	4.9
At opening establishments	1,232	1,002	1,426	1,428	1,207	1.2	1.0	1.5	1.5	1.2
Gross job losses	4,230	4,594	7,878	5,033	4,103	4.2	4.6	8.1	5.2	4.2
At contracting establishments	3,030	3,292	6,434	3,553	2,667	3.0	3.3	6.6	3.7	2.7
At closing establishments	1,200	1,302	1,444	1,480	1,436	1.2	1.3	1.5	1.5	1.5
Net employment change ⁽²⁾	382	327	-2,930	1,232	1,948	0.4	0.3	-3.0	1.3	1.9
Retail trade										
Gross job gains	18,759	18,700	25,599	26,490	19,049	5.7	5.7	7.9	8.2	5.8
At expanding establishments	17,082	16,847	23,712	23,782	17,020	5.2	5.1	7.3	7.4	5.2
At opening establishments	1,677	1,853	1,887	2,708	2,029	0.5	0.6	0.6	0.8	0.6
Gross job losses	16,231	17,384	37,979	15,274	17,696	5.0	5.3	11.7	4.7	5.4
At contracting establishments	13,675	15,576	34,114	13,323	15,132	4.2	4.7	10.5	4.1	4.6
At closing establishments	2,556	1,808	3,865	1,951	2,564	0.8	0.6	1.2	0.6	8.0
Net employment change (2)	2,528	1,316	-12,380	11,216	1,353	0.7	0.4	-3.8	3.5	0.4
Transportation and warehousing										
Gross job gains	10,361	4,507	12,425	14,697	13,554	9.6	4.1	11.1	12.7	10.8
At expanding establishments	9,163	3,748	11,610	13,535	12,078	8.5	3.4	10.4	11.7	9.6
At opening establishments	1,198	759	815	1,162	1,476	1.1	0.7	0.7	1.0	1.2
Gross job losses	3,822	6,840	10,078	6,395	3,849	3.5	6.2	9.1	5.5	3.1
At contracting establishments	3,389	6,095	9,119	5,704	2,971	3.1	5.5	8.2	4.9	2.4
At closing establishments	433	745	959	691	878	0.4	0.7	0.9	0.6	0.7
Net employment change (2)	6,539	-2,333	2,347	8,302	9,705	6.1	-2.1	2.0	7.2	7.7
Information		,			•					
Gross job gains	2,631	2,502	1,884	5,011	2,926	5.4	5.1	4.1	11.4	6.5
At expanding establishments	2,062	1,873	1,184	4,389	2,256	4.2	3.8	2.6	10.0	5.0
At opening establishments	569	629	700	622	670	1.2	1.3	1.5	1.4	1.5
Gross job losses	2,348	3,496	8,242	2,088	2,961	4.7	7.1	18.0	4.8	6.6

Table 1. Private sector gross job gains and losses by industry, Arizona, seasonally adjusted - Continued

Category	Gross job gains and job losses (3 months ended)					Gross job gains and job losses as a percent of employment (3 months ended)				
	Dec. 2019	Mar. 2020	June 2020	Sept 2020	Dec. 2020	Dec. 2019	Mar. 2020	June 2020	Sept 2020	Dec. 2020
At contracting establishments	1,792	2,925	7,696	1,448	2,235	3.6	5.9	16.8	3.3	5.0
At closing establishments	556	571	546	640	726	1.1	1.2	1.2	1.5	1.6
Net employment change (2)	283	-994	-6,358	2,923	-35	0.7	-2.0	-13.9	6.6	-0.1
Financial activities										
Gross job gains	12,368	10,227	10,927	12,226	12,176	5.5	4.5	4.8	5.4	5.4
At expanding establishments	9,233	8,171	8,124	9,301	9,338	4.1	3.6	3.6	4.1	4.1
At opening establishments	3,135	2,056	2,803	2,925	2,838	1.4	0.9	1.2	1.3	1.3
Gross job losses	9,275	8,318	14,122	10,678	9,588	4.1	3.6	6.3	4.7	4.2
At contracting establishments	7,201	5,776	11,222	8,103	6,888	3.2	2.5	5.0	3.6	3.0
At closing establishments	2,074	2,542	2,900	2,575	2,700	0.9	1.1	1.3	1.1	1.2
Net employment change (2)	3,093	1,909	-3,195	1,548	2,588	1.4	0.9	-1.5	0.7	1.2
Professional and business services										
Gross job gains	35,517	28,790	26,868	37,429	36,591	7.9	6.4	6.1	8.8	8.5
At expanding establishments	29,351	22,852	20,537	28,844	30,059	6.5	5.1	4.7	6.8	7.0
At opening establishments	6,166	5,938	6,331	8,585	6,532	1.4	1.3	1.4	2.0	1.5
Gross job losses	29,019	31,377	54,526	33,104	24,251	6.4	6.9	12.5	7.8	5.6
At contracting establishments	23,110	25,778	47,643	27,337	17,839	5.1	5.7	10.9	6.4	4.1
At closing establishments	5,909	5,599	6,883	5,767	6,412	1.3	1.2	1.6	1.4	1.5
Net employment change (2)	6,498	-2,587	-27,658	4,325	12,340	1.5	-0.5	-6.4	1.0	2.9
Education and health services										
Gross job gains	20,873	17,861	16,038	23,408	24,974	4.5	3.8	3.5	5.2	5.4
At expanding establishments	17,016	14,623	12,037	18,917	21,159	3.7	3.1	2.6	4.2	4.6
At opening establishments	3,857	3,238	4,001	4,491	3,815	0.8	0.7	0.9	1.0	0.8
Gross job losses	15,749	18,913	37,455	17,980	15,663	3.4	4.1	8.2	4.0	3.4
At contracting establishments	12,561	15,323	33,439	14,074	12,306	2.7	3.3	7.3	3.1	2.7
At closing establishments	3,188	3,590	4,016	3,906	3,357	0.7	0.8	0.9	0.9	0.7
Net employment change (2)	5,124	-1,052	-21,417	5,428	9,311	1.1	-0.3	-4.7	1.2	2.0
Leisure and hospitality										
Gross job gains	23,331	22,755	16,955	27,774	28,985	7.0	6.8	5.7	10.6	10.6
At expanding establishments	18,650	16,009	11,497	21,569	24,011	5.6	4.8	3.9	8.2	8.8
At opening establishments	4,681	6,746	5,458	6,205	4,974	1.4	2.0	1.8	2.4	1.8
Gross job losses	22,973	30,231	68,080	27,304	15,676	6.9	9.1	23.1	10.4	5.8
At contracting establishments	18,516	23,559	58,176	21,893	12,485	5.6	7.1	19.7	8.3	4.6
At closing establishments	4,457	6,672	9,904	5,411	3,191	1.3	2.0	3.4	2.1	1.2
Net employment change (2)	358	-7,476	-51,125	470	13,309	0.1	-2.3	-17.4	0.2	4.8
Other services (3)										
Gross job gains	5,497	5,043	4,117	9,098	5,694	7.4	6.8	6.0	13.9	8.3
At expanding establishments	4,250	3,787	2,606	6,748	4,271	5.7	5.1	3.8	10.3	6.2
At opening establishments	1,247	1,256	1,511	2,350	1,423	1.7	1.7	2.2	3.6	2.1
Gross job losses	4,480	5,581	13,269	4,819	4,761	6.0	7.6	19.3	7.3	6.9
At contracting establishments	3,200	3,960	11,606	3,369	3,563	4.3	5.4	16.9	5.1	5.2
At closing establishments	1,280	1,621	1,663	1,450	1,198	1.7	2.2	2.4	2.2	1.7
Net employment change (2)	1,017	-538	-9,152	4,279	933	1.4	-0.8	-13.3	6.6	1.4

Footnotes

⁽¹⁾ Includes unclassified sector not shown separately.

⁽²⁾ The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

⁽³⁾ Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

Category	Gross		as a percer nonths end		yment	Gross job losses as a percent of employment (3 months ended)					
	Dec. 2019	Mar. 2020	June 2020	Sept. 2020	Dec. 2020	Dec. 2019	Mar. 2020	June 2020	Sept. 2020	Dec. 2020	
United States(1)	6.2	5.5	4.8	9.4	7.4	5.5	6.1	17.0	6.0	5.7	
Alabama	6.2	5.5	4.8	7.8	7.8	5.5	5.9	12.6	5.9	5.0	
Alaska	10.3	9.2	6.9	12.2	13.4	10.2	9.5	24.5	9.9	7.7	
Arizona	6.4	5.6	5.7	7.9	7.4	5.2	5.9	11.7	6.2	4.9	
Arkansas	6.5	5.1	4.8	7.5	7.1	4.9	5.5	12.0	5.6	5.1	
California	6.8	6.1	5.2	8.7	8.4	6.0	6.7	18.6	7.3	6.2	
Colorado	6.7	6.3	5.8	10.0	7.5	6.2	7.0	14.9	6.3	7.2	
Connecticut	5.5	5.2	4.3	11.2	6.5	5.6	5.9	19.7	5.1	5.8	
Delaware	6.7	6.2	4.9	10.3	6.7	6.2	6.6	17.7	6.3	5.7	
District of Columbia	5.4	5.2	3.3	8.3	5.2	4.7	5.3	22.4	5.8	5.5	
Florida	6.6	5.4	6.1	9.5	7.6	5.9	6.2	13.9	6.8	5.6	
Georgia	6.5	5.6	5.4	9.2	7.8	5.5	5.9	15.0	6.4	5.2	
Hawaii	5.7	5.2	3.6	7.4	14.7	5.2	5.8	29.8	12.7	4.6	
Idaho	7.7	7.6	6.4	8.4	8.7	6.3	6.1	11.2	6.5	6.1	
Illinois	5.6	5.0	4.6	9.7	6.5	5.2	6.0	18.4	5.6	6.1	
Indiana	6.0	4.9	4.7	8.3	6.9	5.1	6.0	13.7	5.4	5.0	
lowa	5.8	5.2	4.4	7.4	6.8	5.5	5.9	13.0	5.6	5.1	
Kansas	6.3	5.4	5.0	7.9	7.0	5.7	6.0	13.3	6.0	6.0	
Kentucky	6.2	5.3	4.6	8.8	6.8	5.6	6.1	15.3	5.0	5.4	
Louisiana	5.9	5.3	4.5	8.8	8.7	5.7	6.3	16.9	7.2	5.5	
Maine	7.3	6.4	5.4	12.0	8.5	6.9	7.0	21.7	6.0	6.3	
Maryland	6.4	5.7	4.7	11.0	7.1	5.9	6.7	21.9	5.9	5.9	
Massachusetts	5.8	5.2	3.7	12.5	7.0	5.6	6.0	24.2	5.6	5.6	
Michigan	5.8	5.0	4.0	10.9	6.8	5.3	5.7	20.7	4.8	7.0	
Minnesota	5.8	5.0	4.3	9.0	7.0	5.6	5.6	17.6	5.4	6.9	
Mississippi	6.2	5.6	5.1	8.7	7.9	5.6	6.2	12.9	5.5	4.9	
Missouri	6.2	5.2	4.7	8.5	7.2	5.3	5.7	14.3	5.7	5.3	
Montana	8.6	7.7	6.8	9.9	9.3	7.2	7.7	13.8	7.2	6.8	
Nebraska	6.2	5.8	4.9	8.1	6.8	5.8	6.1	12.1	5.9	5.6	
Nevada	6.8	5.4	5.3	12.8	8.9	5.0	6.3	29.2	6.4	5.7	
New Hampshire	6.6	6.0	4.5	11.9	7.4	6.0	6.4	18.8	5.1	6.5	
New Jersey	6.5	5.7	4.6	15.7	8.1	5.8	6.3	28.1	5.8	5.9	
New Mexico	7.0	6.1	4.5	8.3	7.1	6.3	6.5	17.6	6.0	7.6	
New York	6.0	5.5	3.9	13.3	7.4	5.7	6.4	26.9	5.9	6.4	
North Carolina	6.3	5.8	4.8	8.5	7.8	5.4	5.7	14.5	5.6	5.1	
North Dakota	6.7	6.8	5.2	8.8	7.2	6.6	7.0	17.2	6.9	7.1	
Ohio	5.7	5.1	4.5	7.7	6.6	5.3	5.6	14.4	5.3	5.2	
Oklahoma	6.5	5.4	5.6	6.8	7.8	6.2	6.7	12.3	6.4	5.6	
Oregon	6.7	6.2	5.0	9.0	7.4	5.8	6.5	18.4	6.2	6.5	
Pennsylvania	5.4	4.9	3.6	10.3	6.2	4.9	5.6	18.2	5.0	5.3	
Rhode Island	6.5	6.1	4.5	12.9	7.5	5.9	6.5	25.2	5.3	7.1	
South Carolina	6.5	5.5	5.1	8.8	8.1	5.9	6.6	14.9	6.1	5.3	
South Dakota	6.4	6.0	5.1	8.6	7.2	5.8	6.6	11.6	5.5	6.2	
Tennessee	5.7	4.9	4.4	8.1	7.5	5.0	5.3	13.7	5.4	4.6	
Texas	6.0	5.0	4.7	7.2	7.5	5.1	5.5	13.6	6.0	4.8	
Utah	6.8	6.6	6.5	9.1	8.1	6.3	6.4	10.9	6.2	5.5	
Vermont	6.9	5.8	4.6	12.3	7.6	6.4	7.6	18.5	5.7	7.9	
Virginia	6.5	5.6	4.7	10.2	7.0	5.5	6.1	18.2	5.3	5.3	
Washington	6.6	7.4	4.9	8.9	7.1	5.8	7.4	16.9	6.2	6.0	
West Virginia	6.2	6.0	5.1	8.8	7.4	7.1	6.8	13.8	7.0	6.2	
Wisconsin	5.4	5.0	4.4	7.6	6.3	5.0	5.3	14.4	5.2	5.1	
Wyoming	9.4	8.6	6.4	10.7	10.0	8.7	9.3	18.1	7.7	7.6	
Puerto Rico	5.4	5.0	4.0	11.0	6.6	4.9	5.2	16.9	5.1	4.9	
Virgin Islands	10.3	7.2	5.3	8.4	8.9	7.3	8.3	19.8	12.3	5.4	

Note: See footnotes at end of table.

Footnotes

(1) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.