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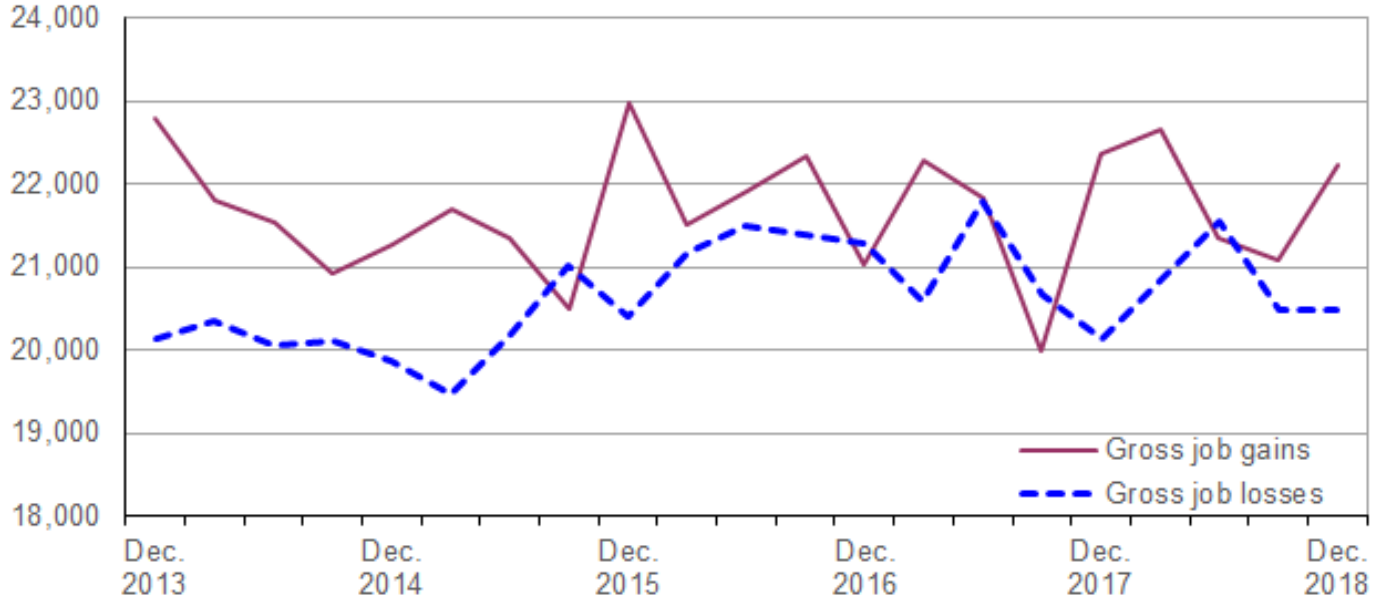
Business Employment Dynamics in South Dakota — Fourth Quarter 2018

From September 2018 to December 2018, gross job gains from opening and expanding private-sector establishments in South Dakota totaled 22,230, while gross job losses from closing and contracting private-sector establishments numbered 20,496, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the difference between the number of gross job gains and the number of gross job losses yielded a net employment gain of 1,734. During the previous quarter, gross job gains exceeded gross losses by 610.

Chart 1. Private sector gross job gains and losses in South Dakota, December 2013–December 2018, seasonally adjusted



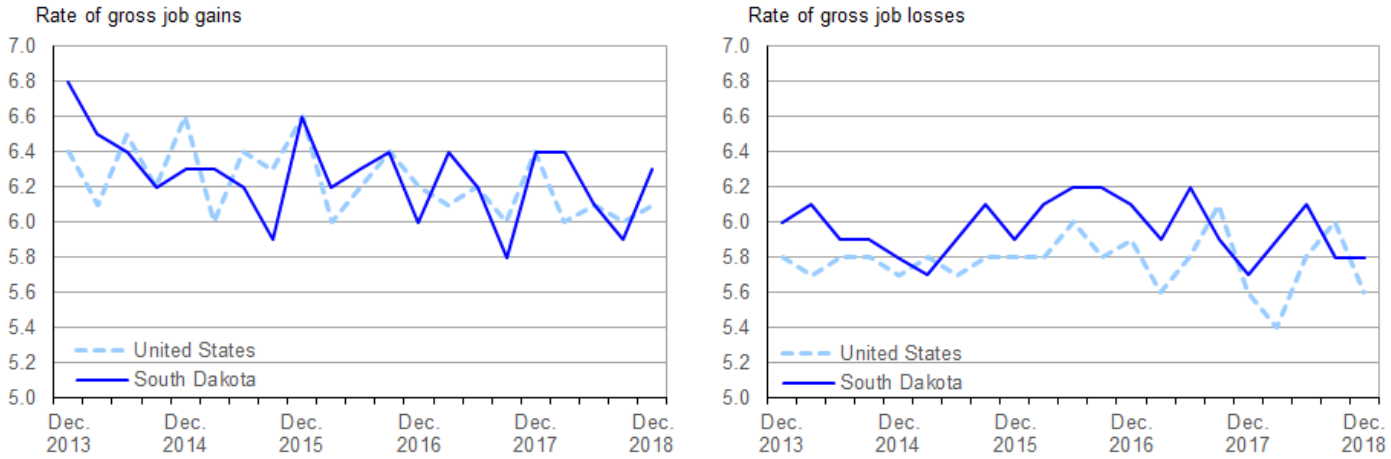
Source: U.S. Bureau of Labor Statistics.

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. Business Employment Dynamics (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. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.)

South Dakota's 22,230 gross job gains in the fourth quarter of 2018 were greater than the 21,085 gross job gains in the previous quarter. Over the past five years, gross job gains reached a high of 22,968 in the fourth quarter of 2015 and a low of 19,999 in the third quarter of 2017. (See chart 1.) South Dakota's 20,496 gross job losses in the fourth quarter of 2018 were similar to the 20,475 gross job losses in the previous quarter. Over the past five years, gross job losses reached a high of 21,781 in the second quarter of 2017 and a low of 19,464 in the first quarter of 2015.

Gross job gains represented 6.3 percent of private sector employment in South Dakota in the fourth quarter of 2018, higher than the 6.1-percent national rate. (See chart 2.) In the fourth quarter of 2018, South Dakota's rate of gross job losses as a percent of private sector employment was 5.8 percent compared to the national rate of 5.6 percent.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and South Dakota, December 2013–December 2018, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

During the fourth quarter of 2018, gross job gains exceeded gross job losses in 4 of the 7 industry sectors in South Dakota. Within the leisure and hospitality sector, gross job gains exceeded gross job losses by 539. More than 5,300 jobs were created in opening and expanding establishments, while more than 4,700 jobs were lost within closing and contracting establishments. Net employment gains in each of the three other industry sectors were less than 400 in the fourth quarter of 2018. (See table 1.)

In each of the three industry sectors with net employment losses, gross job losses exceeded gross job gains by less than 300 in the fourth quarter of 2018.

South Dakota was among the seven states in the West North Central Division. All seven states in the division had gross job gains that exceeded gross job losses. (See table A.) Four states in the division had rates of gross job gains below the 6.1-percent national rate. South Dakota and North Dakota had rates of gross job gains that exceeded the national rate, while Kansas had a rate of gross job gains that matched the national rate. Four states in the division had rates of gross job losses that were lower than the national rate of 5.6 percent. Three states, including South Dakota, had rates of gross job losses that were greater than the national rate.

Table A. Private sector gross job gains and losses for the United States, West North Central Division, and West North Central states, December 2018, seasonally adjusted

Area	Gross job gains		Gross job losses		Net change	Net change as a percent of total employment
	Total	As a percent of total employment	Total	As a percent of total employment		
United States	7,729,000	6.1	6,915,000	5.6	814,000	0.5
West North Central (1)	519,469	—	482,163	—	37,306	—
Iowa	75,387	5.8	68,764	5.3	6,623	0.5
Kansas	69,167	6.1	61,579	5.4	7,588	0.7
Minnesota	143,079	5.7	135,193	5.4	7,886	0.3
Missouri	138,175	5.8	127,453	5.4	10,722	0.4
Nebraska	47,904	5.9	46,929	5.8	975	0.1
North Dakota	23,527	6.8	21,749	6.2	1,778	0.6
South Dakota	22,230	6.3	20,496	5.8	1,734	0.5

Footnotes:
(1) Data were calculated for this release using published gross job gains and gross job losses for states located in the West North Central Census Division.
Note: Dash indicates data not available.

Additional statistics and other information

BED data for the states have been included in table 2 of this release. For more information on the Business Employment Dynamics data, visit the BED web site at www.bls.gov/bdm/.

The Business Employment Dynamics release for first quarter 2019 is scheduled to be released on Wednesday, October 30, 2019.

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 establishments and jobs lost at closing and contracting establishments.

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 establishments 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 establishments 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 establishments with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

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

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

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

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. 2017	Mar. 2018	June 2018	Sept 2018	Dec. 2018	Dec. 2017	Mar. 2018	June 2018	Sept 2018	Dec. 2018
Total private [1]										
Gross job gains	22,366	22,660	21,354	21,085	22,230	6.4	6.4	6.1	5.9	6.3
At expanding establishments	18,134	18,334	17,884	17,440	18,400	5.2	5.2	5.1	4.9	5.2
At opening establishments	4,232	4,326	3,470	3,645	3,830	1.2	1.2	1.0	1.0	1.1
Gross job losses	20,135	20,837	21,540	20,475	20,496	5.7	5.9	6.1	5.8	5.8
At contracting establishments	16,838	17,414	18,237	17,383	16,982	4.8	4.9	5.2	4.9	4.8
At closing establishments	3,297	3,423	3,303	3,092	3,514	0.9	1.0	0.9	0.9	1.0
Net employment change [2]	2,231	1,823	-186	610	1,734	0.7	0.5	0.0	0.1	0.5
Construction										
Gross job gains	3,118	3,047	2,691	2,745	2,951	13.9	13.0	11.6	12.2	12.7
At expanding establishments	2,293	2,419	2,218	2,120	2,295	10.2	10.3	9.6	9.4	9.9
At opening establishments	825	628	473	625	656	3.7	2.7	2.0	2.8	2.8
Gross job losses	2,406	2,790	2,720	2,700	2,572	10.7	11.9	11.8	11.9	11.1
At contracting establishments	1,912	2,203	2,264	2,129	2,064	8.5	9.4	9.8	9.4	8.9
At closing establishments	494	587	456	571	508	2.2	2.5	2.0	2.5	2.2
Net employment change [2]	712	257	-29	45	379	3.2	1.1	-0.2	0.3	1.6
Wholesale trade										
Gross job gains	1,106	923	1,093	1,073	1,263	5.3	4.5	5.3	5.1	6.0
At expanding establishments	891	737	971	877	1,127	4.3	3.6	4.7	4.2	5.4
At opening establishments	215	186	122	196	136	1.0	0.9	0.6	0.9	0.6
Gross job losses	973	1,170	760	991	1,104	4.6	5.7	3.6	4.7	5.2
At contracting establishments	805	1,012	672	899	806	3.8	4.9	3.2	4.3	3.8
At closing establishments	168	158	88	92	298	0.8	0.8	0.4	0.4	1.4
Net employment change [2]	133	-247	333	82	159	0.7	-1.2	1.7	0.4	0.8
Retail trade										
Gross job gains	3,098	3,021	2,658	2,879	2,757	5.9	5.7	5.0	5.6	5.3
At expanding establishments	2,579	2,539	2,381	2,536	2,517	4.9	4.8	4.5	4.9	4.8
At opening establishments	519	482	277	343	240	1.0	0.9	0.5	0.7	0.5
Gross job losses	3,006	2,863	3,310	2,934	3,040	5.7	5.5	6.3	5.6	5.9
At contracting establishments	2,683	2,564	3,050	2,670	2,579	5.1	4.9	5.8	5.1	5.0
At closing establishments	323	299	260	264	461	0.6	0.6	0.5	0.5	0.9
Net employment change [2]	92	158	-652	-55	-283	0.2	0.2	-1.3	0.0	-0.6
Financial activities										
Gross job gains	1,082	819	1,011	1,020	1,198	3.7	2.9	3.5	3.6	4.2
At expanding establishments	877	679	808	800	937	3.0	2.4	2.8	2.8	3.3
At opening establishments	205	140	203	220	261	0.7	0.5	0.7	0.8	0.9
Gross job losses	1,161	902	984	1,061	1,283	4.0	3.1	3.4	3.7	4.5
At contracting establishments	947	729	856	914	1,062	3.3	2.5	3.0	3.2	3.7
At closing establishments	214	173	128	147	221	0.7	0.6	0.4	0.5	0.8
Net employment change [2]	-79	-83	27	-41	-85	-0.3	-0.2	0.1	-0.1	-0.3
Professional and business services										
Gross job gains	2,513	2,726	2,430	2,798	2,423	8.0	8.5	7.5	8.6	7.3
At expanding establishments	1,834	2,183	1,935	2,081	1,752	5.8	6.8	6.0	6.4	5.3
At opening establishments	679	543	495	717	671	2.2	1.7	1.5	2.2	2.0
Gross job losses	2,437	2,294	2,278	2,234	2,556	7.7	7.2	7.1	6.9	7.8
At contracting establishments	1,888	1,713	1,769	1,782	2,096	6.0	5.4	5.5	5.5	6.4
At closing establishments	549	581	509	452	460	1.7	1.8	1.6	1.4	1.4
Net employment change [2]	76	432	152	564	-133	0.3	1.3	0.4	1.7	-0.5
Leisure and hospitality										
Gross job gains	5,188	6,171	5,160	4,435	5,312	11.1	13.0	10.8	9.4	11.2
At expanding establishments	4,148	4,560	3,951	3,787	4,188	8.9	9.6	8.3	8.0	8.8
At opening establishments	1,040	1,611	1,209	648	1,124	2.2	3.4	2.5	1.4	2.4
Gross job losses	4,715	5,080	5,804	4,900	4,773	10.1	10.7	12.2	10.4	10.1

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, South Dakota, 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. 2017	Mar. 2018	June 2018	Sept 2018	Dec. 2018	Dec. 2017	Mar. 2018	June 2018	Sept 2018	Dec. 2018
At contracting establishments	3,785	4,149	4,801	4,126	3,839	8.1	8.7	10.1	8.8	8.1
At closing establishments	930	931	1,003	774	934	2.0	2.0	2.1	1.6	2.0
Net employment change (2)	473	1,091	-644	-465	539	1.0	2.3	-1.4	-1.0	1.1
Other services (3)										
Gross job gains	759	785	929	703	749	7.0	7.3	8.4	6.3	6.9
At expanding establishments	592	645	763	557	654	5.5	6.0	6.9	5.0	6.0
At opening establishments	167	140	166	146	95	1.5	1.3	1.5	1.3	0.9
Gross job losses	772	777	618	947	665	7.1	7.1	5.6	8.6	6.1
At contracting establishments	663	611	516	768	510	6.1	5.6	4.7	7.0	4.7
At closing establishments	109	166	102	179	155	1.0	1.5	0.9	1.6	1.4
Net employment change (2)	-13	8	311	-244	84	-0.1	0.2	2.8	-2.3	0.8

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 job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Dec. 2017	Mar. 2018	June 2018	Sept. 2018	Dec. 2018	Dec. 2017	Mar. 2018	June 2018	Sept. 2018	Dec. 2018
United States(1)	6.4	6.0	6.1	6.0	6.1	5.6	5.4	5.8	6.0	5.6
Alabama	6.0	6.0	5.8	5.9	6.3	5.4	5.3	5.7	5.9	5.3
Alaska	9.7	9.8	10.9	8.9	10.9	10.2	8.8	10.7	10.6	9.7
Arizona	6.3	6.0	6.0	6.6	6.2	5.3	5.3	5.9	5.0	5.1
Arkansas	6.1	5.4	5.0	6.0	5.8	5.1	5.0	5.6	5.5	4.9
California	6.9	6.4	6.7	6.5	6.7	6.0	5.9	6.3	6.2	5.9
Colorado	6.8	6.8	6.8	6.6	6.8	6.1	6.0	6.1	6.8	6.0
Connecticut	5.3	5.1	5.8	5.2	5.3	5.2	5.2	5.0	5.6	4.9
Delaware	7.0	7.1	6.5	5.6	6.6	6.4	5.9	6.0	6.6	5.7
District of Columbia	5.8	6.0	5.6	5.3	5.6	5.0	4.7	5.5	5.5	5.1
Florida	8.2	6.1	6.5	6.7	6.3	5.3	5.5	6.1	5.7	5.9
Georgia	6.9	6.5	6.2	6.7	6.3	5.6	5.6	6.4	6.2	5.7
Hawaii	5.1	5.0	5.2	5.1	5.7	4.7	4.8	5.5	5.5	5.1
Idaho	7.4	7.9	7.3	6.8	7.4	6.6	5.9	6.7	6.9	6.3
Illinois	6.0	5.7	5.6	5.6	5.6	5.3	5.1	5.5	5.7	5.6
Indiana	5.7	5.6	5.4	5.2	5.6	5.0	5.1	5.5	5.4	4.9
Iowa	5.9	5.5	5.7	5.3	5.8	5.3	5.3	5.4	5.7	5.3
Kansas	5.9	5.2	5.7	5.9	6.1	5.2	5.5	5.6	5.7	5.4
Kentucky	6.1	6.2	5.9	5.7	6.1	5.6	5.9	5.6	6.0	5.5
Louisiana	6.2	6.5	6.1	6.2	6.2	6.0	5.8	6.5	6.2	5.7
Maine	7.2	7.2	8.1	6.0	7.3	6.6	7.0	7.1	7.5	6.3
Maryland	6.2	6.3	6.0	6.3	6.8	6.3	5.7	5.8	6.6	6.4
Massachusetts	5.7	5.4	6.1	5.5	5.8	5.4	5.2	5.4	6.2	5.3
Michigan	5.7	5.7	5.6	5.0	5.7	5.4	4.6	5.1	6.2	5.2
Minnesota	5.8	5.3	5.8	5.4	5.7	5.5	5.0	5.3	5.7	5.4
Mississippi	6.3	5.5	5.7	5.8	6.4	5.4	5.8	6.0	5.7	5.2
Missouri	5.7	5.4	5.7	5.9	5.8	5.5	5.2	5.7	6.0	5.4
Montana	8.5	7.8	8.0	7.2	9.0	7.4	7.1	7.8	7.9	7.2
Nebraska	6.2	5.6	5.9	5.8	5.9	5.5	5.5	5.8	6.0	5.8
Nevada	6.6	6.5	6.1	6.7	6.6	5.2	5.4	5.8	5.6	5.3
New Hampshire	6.7	6.1	6.7	5.6	6.7	5.9	5.9	6.3	6.8	5.7
New Jersey	6.4	5.6	6.5	6.0	6.3	5.8	5.8	5.7	6.3	5.6
New Mexico	6.5	6.3	6.5	6.4	6.7	6.1	5.5	6.2	6.4	6.0
New York	6.2	6.2	6.3	6.1	6.2	5.8	5.6	5.8	6.4	5.7
North Carolina	6.3	6.2	6.1	5.6	6.7	5.5	5.2	5.5	6.5	5.3
North Dakota	6.8	7.0	6.7	6.6	6.8	6.8	6.3	6.2	6.6	6.2
Ohio	5.7	5.5	5.6	5.3	5.6	5.2	5.0	5.4	5.7	5.2
Oklahoma	6.4	6.1	6.3	6.6	6.4	5.8	5.5	6.5	6.1	6.0
Oregon	6.8	7.8	6.2	6.2	6.7	6.0	5.6	6.2	6.3	5.9
Pennsylvania	5.5	5.2	5.3	5.4	5.3	5.0	4.9	5.1	5.2	4.7
Rhode Island	6.6	6.3	6.3	6.2	6.4	6.0	6.1	6.1	6.4	5.7
South Carolina	7.0	5.9	7.5	5.8	7.4	5.3	4.7	6.5	6.5	5.4
South Dakota	6.4	6.4	6.1	5.9	6.3	5.7	5.9	6.1	5.8	5.8
Tennessee	5.9	5.0	5.5	5.8	5.8	4.9	4.8	5.1	5.2	4.9
Texas	6.4	5.8	5.9	5.9	6.1	5.3	5.1	5.2	5.4	5.1
Utah	7.0	7.4	6.9	7.3	6.9	5.9	6.0	6.3	6.5	6.1
Vermont	7.4	6.4	7.2	6.9	7.4	6.5	7.0	7.3	7.4	6.8
Virginia	6.3	5.8	6.1	5.6	6.2	5.5	5.2	5.8	6.3	5.5
Washington	6.9	7.2	7.3	6.1	6.5	6.0	5.7	6.3	6.3	5.6
West Virginia	6.3	6.8	6.8	7.0	6.3	6.1	5.8	6.4	6.4	6.5
Wisconsin	5.6	5.6	5.4	5.1	5.4	5.0	4.7	5.5	5.9	4.9
Wyoming	8.7	8.4	8.2	8.2	10.0	8.4	8.0	8.3	8.3	7.8
Puerto Rico	7.1	8.4	8.0	7.2	6.0	11.8	6.8	6.2	5.8	6.7
Virgin Islands	9.2	12.0	12.5	10.9	8.3	28.2	16.8	8.6	6.3	7.8

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.