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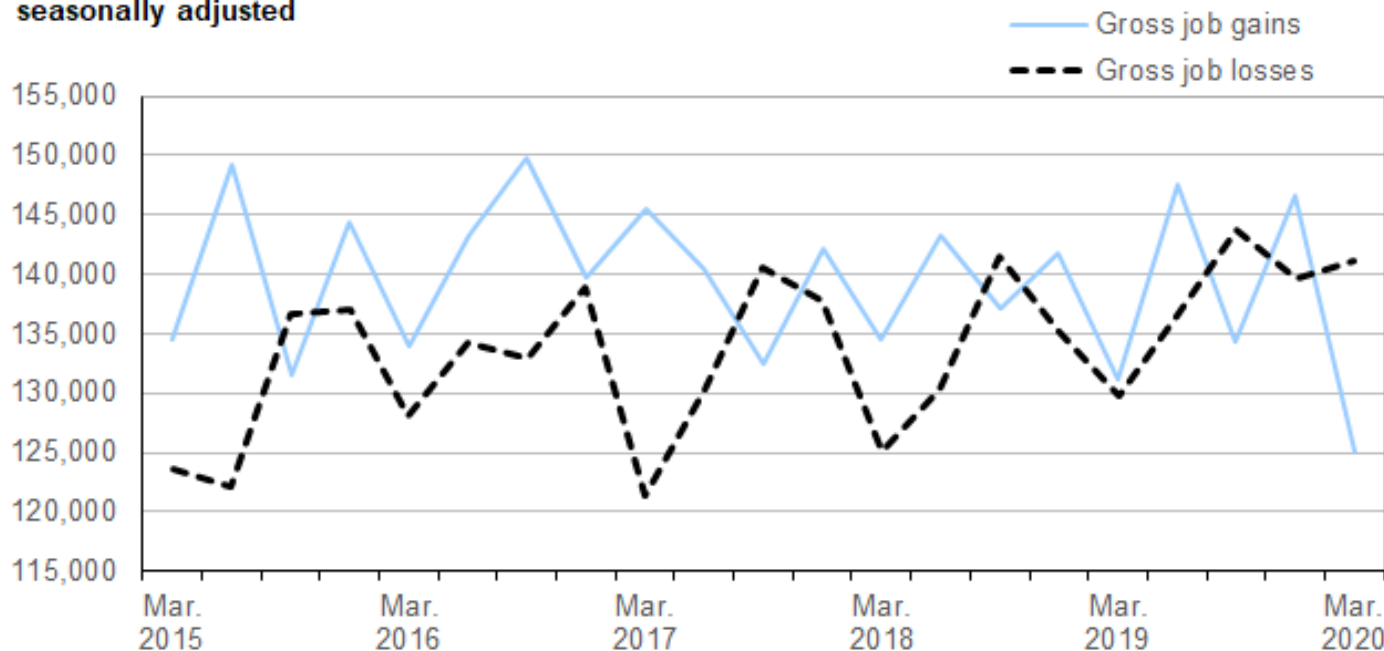
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Business Employment Dynamics in Minnesota — First Quarter 2020

From December 2019 to March 2020, **gross job gains** from opening and expanding private-sector establishments in Minnesota were 125,105, while **gross job losses** from closing and contracting private-sector establishments were 141,062, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Jason Palmer noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment loss** of 15,957 jobs in the private sector during the first quarter of 2020. During the previous quarter, gross job gains exceeded gross job losses by 6,862. (See [chart 1.](#))

Chart 1. Private sector gross job gains and losses in Minnesota, March 2015–March 2020, 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 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.](#))

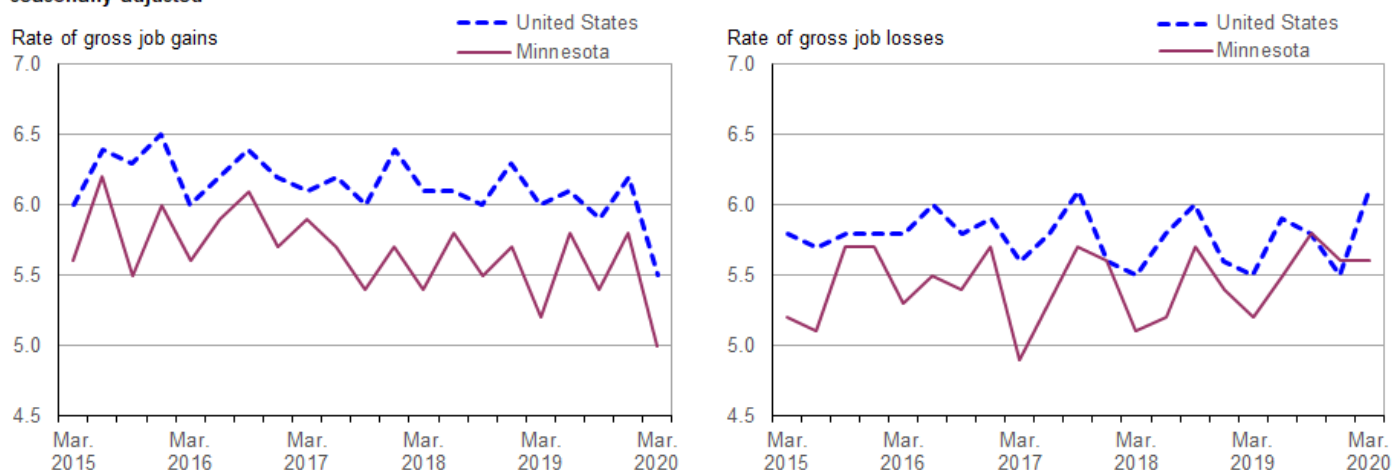
Gross job gains

In the first quarter of 2020, gross job gains represented 5.0 percent of private-sector employment in Minnesota; nationally, gross job gains accounted for 5.5 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 Minnesota, gross job gains at **expanding** establishments totaled 105,203 in the first quarter of 2020, a decrease of 18,445 jobs compared to the previous quarter. (See [table 1](#).) **Opening** establishments accounted for 19,902 jobs gained in the first quarter of 2020, a decrease of 3,033 jobs from the previous quarter.

Gross job losses

In the first quarter of 2020, gross job losses represented 5.6 percent of private-sector employment in Minnesota; nationally, gross job losses accounted for 6.1 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 Minnesota, **contracting** establishments lost 118,557 jobs in the first quarter of 2020, an increase of 3,744 jobs from the prior quarter. **Closing** establishments lost 22,505 jobs, a decrease of 2,403 jobs from the previous quarter.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Minnesota, March 2015–March 2020, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Industries

Gross job losses exceeded gross job gains in 9 of the 11 industry sectors in Minnesota in the first quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job decrease with a loss of 9,667 jobs. This was the result of 22,175 gross job gains and 31,842 gross job losses. Minnesota's professional and business services and transportation and warehousing industry sectors had net losses of 2,841 jobs and 2,805 jobs, respectively. Construction had a net gain of 1,535 jobs, and education and health services gained 842 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 Second Quarter 2020 are scheduled to be released on Wednesday, January 27, 2021.

Coronavirus (COVID-19) Effect on First 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 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, Minnesota, 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)				
	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Mar. 2020	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Mar. 2020
Total private ⁽¹⁾										
Gross job gains	131,255	147,507	134,330	146,583	125,105	5.2	5.8	5.4	5.8	5.0
At expanding establishments	112,814	121,222	109,413	123,648	105,203	4.5	4.8	4.4	4.9	4.2
At opening establishments	18,441	26,285	24,917	22,935	19,902	0.7	1.0	1.0	0.9	0.8
Gross job losses	129,687	136,492	143,662	139,721	141,062	5.2	5.5	5.8	5.6	5.6
At contracting establishments	109,028	114,960	122,274	114,813	118,557	4.4	4.6	4.9	4.6	4.7
At closing establishments	20,659	21,532	21,388	24,908	22,505	0.8	0.9	0.9	1.0	0.9
Net employment change ⁽²⁾	1,568	11,015	-9,332	6,862	-15,957	0.0	0.3	-0.4	0.2	-0.6
Construction										
Gross job gains	14,768	16,466	13,911	14,050	14,409	11.8	12.9	10.9	11.1	11.1
At expanding establishments	12,184	13,296	11,533	11,639	11,517	9.7	10.4	9.0	9.2	8.9
At opening establishments	2,584	3,170	2,378	2,411	2,892	2.1	2.5	1.9	1.9	2.2
Gross job losses	13,335	11,789	14,187	17,094	12,874	10.6	9.2	11.1	13.5	10.0
At contracting establishments	10,855	9,223	11,861	13,431	10,713	8.6	7.2	9.3	10.6	8.3
At closing establishments	2,480	2,566	2,326	3,663	2,161	2.0	2.0	1.8	2.9	1.7
Net employment change ⁽²⁾	1,433	4,677	-276	-3,044	1,535	1.2	3.7	-0.2	-2.4	1.1
Manufacturing										
Gross job gains	9,248	9,563	9,365	10,021	8,310	2.8	2.9	2.9	3.1	2.5
At expanding establishments	8,777	9,131	8,636	9,493	7,887	2.7	2.8	2.7	2.9	2.4
At opening establishments	471	432	729	528	423	0.1	0.1	0.2	0.2	0.1
Gross job losses	8,894	10,163	10,619	10,093	8,958	2.8	3.1	3.3	3.2	2.8
At contracting establishments	8,038	9,436	9,861	8,933	8,139	2.5	2.9	3.1	2.8	2.5
At closing establishments	856	727	758	1,160	819	0.3	0.2	0.2	0.4	0.3
Net employment change ⁽²⁾	354	-600	-1,254	-72	-648	0.0	-0.2	-0.4	-0.1	-0.3
Wholesale trade										
Gross job gains	5,608	5,473	4,531	5,732	5,012	4.4	4.2	3.6	4.5	3.9
At expanding establishments	4,766	4,647	3,662	4,663	4,273	3.7	3.6	2.9	3.7	3.3
At opening establishments	842	826	869	1,069	739	0.7	0.6	0.7	0.8	0.6
Gross job losses	4,944	5,607	5,647	4,988	5,295	3.8	4.4	4.4	3.9	4.1
At contracting establishments	4,014	4,254	4,728	3,541	4,364	3.1	3.3	3.7	2.8	3.4
At closing establishments	930	1,353	919	1,447	931	0.7	1.1	0.7	1.1	0.7
Net employment change ⁽²⁾	664	-134	-1,116	744	-283	0.6	-0.2	-0.8	0.6	-0.2
Retail trade										
Gross job gains	14,485	17,371	15,344	18,813	16,707	4.9	5.9	5.2	6.5	5.7
At expanding establishments	13,412	15,215	13,768	16,851	15,262	4.5	5.2	4.7	5.8	5.2
At opening establishments	1,073	2,156	1,576	1,962	1,445	0.4	0.7	0.5	0.7	0.5
Gross job losses	17,068	17,746	19,306	18,042	16,827	5.8	6.1	6.6	6.2	5.7
At contracting establishments	15,089	15,487	17,035	16,174	14,955	5.1	5.3	5.8	5.6	5.1
At closing establishments	1,979	2,259	2,271	1,868	1,872	0.7	0.8	0.8	0.6	0.6
Net employment change ⁽²⁾	-2,583	-375	-3,962	771	-120	-0.9	-0.2	-1.4	0.3	0.0
Transportation and warehousing										
Gross job gains	5,222	5,287	6,166	7,666	4,541	5.7	5.8	6.7	8.1	4.9
At expanding establishments	4,678	4,542	5,437	6,851	3,977	5.1	5.0	5.9	7.2	4.3
At opening establishments	544	745	729	815	564	0.6	0.8	0.8	0.9	0.6
Gross job losses	5,555	5,452	4,575	5,146	7,346	6.0	5.9	5.0	5.4	7.9
At contracting establishments	5,077	4,878	3,738	4,560	6,605	5.5	5.3	4.1	4.8	7.1
At closing establishments	478	574	837	586	741	0.5	0.6	0.9	0.6	0.8
Net employment change ⁽²⁾	-333	-165	1,591	2,520	-2,805	-0.3	-0.1	1.7	2.7	-3.0
Information										
Gross job gains	1,808	2,312	2,089	2,048	1,824	3.9	4.9	4.5	4.4	3.9
At expanding establishments	1,384	1,695	1,677	1,612	1,553	3.0	3.6	3.6	3.5	3.3
At opening establishments	424	617	412	436	271	0.9	1.3	0.9	0.9	0.6
Gross job losses	1,988	2,181	1,965	2,395	2,236	4.2	4.7	4.2	5.2	4.8

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Minnesota, 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)				
	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Mar. 2020	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Mar. 2020
At contracting establishments	1,611	1,589	1,611	1,807	1,805	3.4	3.4	3.4	3.9	3.9
At closing establishments	377	592	354	588	431	0.8	1.3	0.8	1.3	0.9
Net employment change ⁽²⁾	-180	131	124	-347	-412	-0.3	0.2	0.3	-0.8	-0.9
Financial activities										
Gross job gains	5,776	7,259	5,920	6,799	5,276	3.1	3.9	3.3	3.7	2.9
At expanding establishments	4,980	6,073	4,880	5,505	4,689	2.7	3.3	2.7	3.0	2.6
At opening establishments	796	1,186	1,040	1,294	587	0.4	0.6	0.6	0.7	0.3
Gross job losses	5,833	5,746	6,445	6,977	5,829	3.2	3.1	3.5	3.8	3.2
At contracting establishments	4,407	4,441	5,291	5,877	4,509	2.4	2.4	2.9	3.2	2.5
At closing establishments	1,426	1,305	1,154	1,100	1,320	0.8	0.7	0.6	0.6	0.7
Net employment change ⁽²⁾	-57	1,513	-525	-178	-553	-0.1	0.8	-0.2	-0.1	-0.3
Professional and business services										
Gross job gains	23,858	25,357	23,669	22,255	18,811	6.3	6.7	6.2	5.8	5.0
At expanding establishments	19,412	19,793	16,514	18,079	15,391	5.1	5.2	4.3	4.7	4.1
At opening establishments	4,446	5,564	7,155	4,176	3,420	1.2	1.5	1.9	1.1	0.9
Gross job losses	21,408	23,355	23,803	22,975	21,652	5.7	6.1	6.2	6.0	5.7
At contracting establishments	17,333	19,623	19,404	18,359	17,111	4.6	5.1	5.1	4.8	4.5
At closing establishments	4,075	3,732	4,399	4,616	4,541	1.1	1.0	1.1	1.2	1.2
Net employment change ⁽²⁾	2,450	2,002	-134	-720	-2,841	0.6	0.6	0.0	-0.2	-0.7
Education and health services										
Gross job gains	17,332	20,362	20,204	21,860	19,041	3.3	3.9	3.8	4.1	3.5
At expanding establishments	15,232	16,823	17,005	17,961	15,705	2.9	3.2	3.2	3.4	2.9
At opening establishments	2,100	3,539	3,199	3,899	3,336	0.4	0.7	0.6	0.7	0.6
Gross job losses	17,253	18,433	18,630	18,672	18,199	3.2	3.5	3.5	3.5	3.4
At contracting establishments	14,504	15,846	15,962	15,673	15,118	2.7	3.0	3.0	2.9	2.8
At closing establishments	2,749	2,587	2,668	2,999	3,081	0.5	0.5	0.5	0.6	0.6
Net employment change ⁽²⁾	79	1,929	1,574	3,188	842	0.1	0.4	0.3	0.6	0.1
Leisure and hospitality										
Gross job gains	24,097	27,515	24,141	27,060	22,175	8.7	9.9	8.9	9.8	8.2
At expanding establishments	20,253	21,370	19,352	22,554	17,628	7.3	7.7	7.1	8.2	6.5
At opening establishments	3,844	6,145	4,789	4,506	4,547	1.4	2.2	1.8	1.6	1.7
Gross job losses	23,946	27,380	28,509	24,386	31,842	8.6	10.0	10.4	8.9	11.7
At contracting establishments	20,278	23,598	24,420	19,183	26,939	7.3	8.6	8.9	7.0	9.9
At closing establishments	3,668	3,782	4,089	5,203	4,903	1.3	1.4	1.5	1.9	1.8
Net employment change ⁽²⁾	151	135	-4,368	2,674	-9,667	0.1	-0.1	-1.5	0.9	-3.5
Other services ⁽³⁾										
Gross job gains	5,883	7,228	5,823	6,334	5,877	6.9	8.4	6.7	7.4	6.9
At expanding establishments	4,942	5,864	4,590	5,146	4,701	5.8	6.8	5.3	6.0	5.5
At opening establishments	941	1,364	1,233	1,188	1,176	1.1	1.6	1.4	1.4	1.4
Gross job losses	5,786	5,481	6,927	5,665	6,418	6.9	6.4	8.0	6.7	7.5
At contracting establishments	4,709	4,002	5,782	4,505	5,203	5.6	4.7	6.7	5.3	6.1
At closing establishments	1,077	1,479	1,145	1,160	1,215	1.3	1.7	1.3	1.4	1.4
Net employment change ⁽²⁾	97	1,747	-1,104	669	-541	0.0	2.0	-1.3	0.7	-0.6

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)				
	Mar. 2019	June 2019	Sept. 2019	Dec. 2019	Mar. 2020	Mar. 2019	June 2019	Sept. 2019	Dec. 2019	Mar. 2020
United States ⁽¹⁾	6.0	6.1	5.9	6.2	5.5	5.5	5.9	5.8	5.5	6.1
Alabama	6.1	5.9	5.8	6.2	5.5	5.6	5.9	5.9	5.5	5.9
Alaska	10.1	10.7	9.6	10.3	9.2	9.0	10.1	10.1	10.2	9.5
Arizona	5.7	5.7	6.3	6.4	5.6	5.5	5.6	4.9	5.2	5.9
Arkansas	5.3	5.0	5.6	6.5	5.1	5.1	5.7	5.8	4.9	5.5
California	6.4	6.6	6.3	6.8	6.1	6.1	6.4	6.0	6.0	6.7
Colorado	6.6	7.0	6.6	6.7	6.3	6.3	6.2	6.4	6.2	7.0
Connecticut	5.3	5.8	5.5	5.5	5.2	5.7	5.8	5.8	5.6	5.9
Delaware	6.5	6.0	6.2	6.7	6.2	5.6	6.6	6.3	6.2	6.6
District of Columbia	5.5	5.4	5.5	5.4	5.2	5.0	5.5	5.3	4.7	5.3
Florida	6.2	6.5	6.6	6.6	5.4	5.6	6.3	5.8	5.9	6.2
Georgia	6.7	6.1	6.2	6.5	5.6	5.7	6.5	6.0	5.5	5.9
Hawaii	5.5	4.8	5.6	5.7	5.2	5.9	5.8	5.2	5.2	5.8
Idaho	7.5	7.1	7.0	7.7	7.6	6.1	6.7	6.8	6.3	6.1
Illinois	5.2	5.6	5.0	5.6	5.0	5.2	5.3	5.6	5.2	6.0
Indiana	5.8	5.1	5.4	6.0	4.9	4.8	5.9	5.6	5.1	6.0
Iowa	5.1	5.8	5.3	5.8	5.2	5.6	5.8	5.7	5.5	5.9
Kansas	5.6	5.7	5.6	6.3	5.4	5.7	5.8	5.7	5.7	6.0
Kentucky	5.8	5.8	5.9	6.2	5.3	5.5	6.0	5.7	5.6	6.1
Louisiana	6.1	6.2	5.9	5.9	5.3	6.1	6.5	6.1	5.7	6.3
Maine	7.5	7.4	6.5	7.3	6.4	6.7	7.4	7.3	6.9	7.0
Maryland	6.4	6.4	6.2	6.4	5.7	5.7	6.5	6.3	5.9	6.7
Massachusetts	6.1	6.0	5.3	5.8	5.2	5.2	5.6	5.9	5.6	6.0
Michigan	5.2	5.5	5.1	5.8	5.0	4.6	5.7	5.9	5.3	5.7
Minnesota	5.2	5.8	5.4	5.8	5.0	5.2	5.5	5.8	5.6	5.6
Mississippi	5.7	5.8	5.7	6.2	5.6	6.2	6.1	5.7	5.6	6.2
Missouri	5.4	5.7	5.8	6.2	5.2	5.3	5.8	5.8	5.3	5.7
Montana	7.6	8.1	7.4	8.6	7.7	8.1	7.7	7.7	7.2	7.7
Nebraska	5.7	5.7	5.7	6.2	5.8	5.7	5.7	5.5	5.8	6.1
Nevada	6.1	6.0	6.1	6.8	5.4	5.4	6.2	5.5	5.0	6.3
New Hampshire	6.4	6.4	5.8	6.6	6.0	5.7	6.3	6.6	6.0	6.4
New Jersey	5.7	6.2	6.0	6.5	5.7	5.7	5.9	6.2	5.8	6.3
New Mexico	6.7	6.3	6.8	7.0	6.1	5.8	6.5	6.1	6.3	6.5
New York	6.0	6.1	5.8	6.0	5.5	5.4	5.9	5.9	5.7	6.4
North Carolina	6.4	6.0	5.8	6.3	5.8	5.1	5.9	6.0	5.4	5.7
North Dakota	7.1	6.7	6.5	6.7	6.8	6.4	6.7	7.1	6.6	7.0
Ohio	5.6	5.7	5.3	5.7	5.1	5.2	5.7	5.9	5.3	5.6
Oklahoma	5.9	6.0	6.4	6.5	5.4	5.9	6.3	6.2	6.2	6.7
Oregon	6.4	6.3	6.2	6.7	6.2	5.8	6.1	6.2	5.8	6.5
Pennsylvania	5.2	5.3	5.2	5.4	4.9	4.8	5.4	5.1	4.9	5.6
Rhode Island	5.9	6.3	6.0	6.5	6.1	5.7	6.5	6.2	5.9	6.5
South Carolina	6.6	6.4	6.0	6.5	5.5	6.5	6.2	5.9	5.9	6.6
South Dakota	5.7	6.2	5.9	6.4	6.0	6.2	5.9	6.0	5.8	6.6
Tennessee	5.4	5.5	5.5	5.7	4.9	4.9	5.2	5.1	5.0	5.3
Texas	5.6	5.8	5.9	6.0	5.0	5.3	5.3	5.3	5.1	5.5
Utah	7.3	7.0	6.8	6.8	6.6	6.2	6.6	6.3	6.3	6.4
Vermont	6.9	7.1	6.3	6.9	5.8	6.3	7.1	7.6	6.4	7.6
Virginia	6.4	6.1	5.5	6.5	5.6	5.5	5.8	6.3	5.5	6.1
Washington	6.4	6.6	6.1	6.6	7.4	6.1	5.8	6.1	5.8	7.4
West Virginia	6.1	6.2	5.9	6.2	6.0	6.7	6.6	6.7	7.1	6.8
Wisconsin	5.2	5.5	4.8	5.4	5.0	4.9	5.3	5.9	5.0	5.3
Wyoming	9.0	8.5	8.6	9.4	8.6	7.8	9.5	8.9	8.7	9.3
Puerto Rico	7.2	6.4	5.9	5.4	5.0	5.2	5.8	5.5	4.9	5.2
Virgin Islands	12.9	8.9	12.0	10.3	7.2	7.6	6.9	6.4	7.3	8.3

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.