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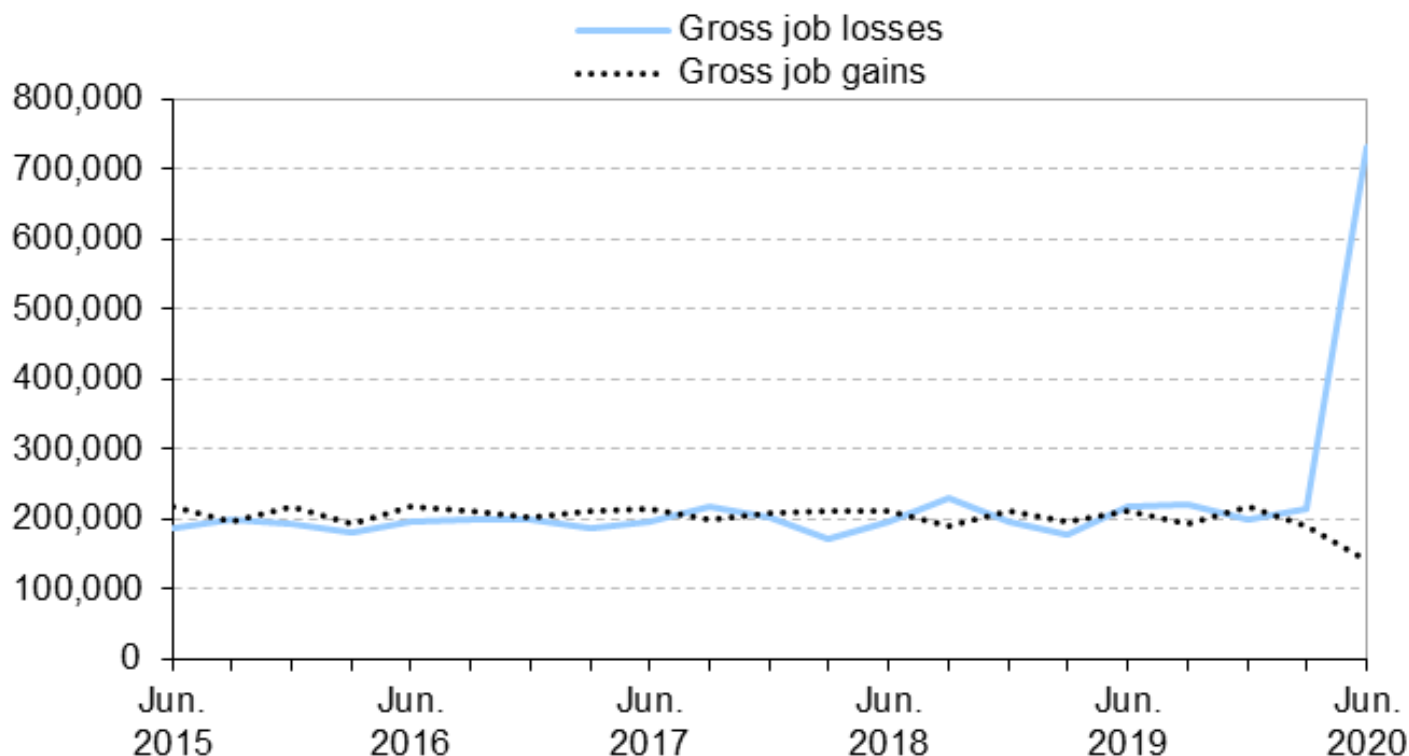
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Business Employment Dynamics in Michigan — Second Quarter 2020

From March 2020 to June 2020, **gross job gains** from opening and expanding private-sector establishments in Michigan were 141,099, while **gross job losses** from closing and contracting private-sector establishments were 731,502, 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 590,403 jobs in the private sector during the second quarter of 2020. During the previous quarter, gross job losses exceeded gross job gains by 25,676. (See [chart 1.](#))

Chart 1. Private sector gross job gains and losses in Michigan, June 2015–June 2020, seasonally adjusted



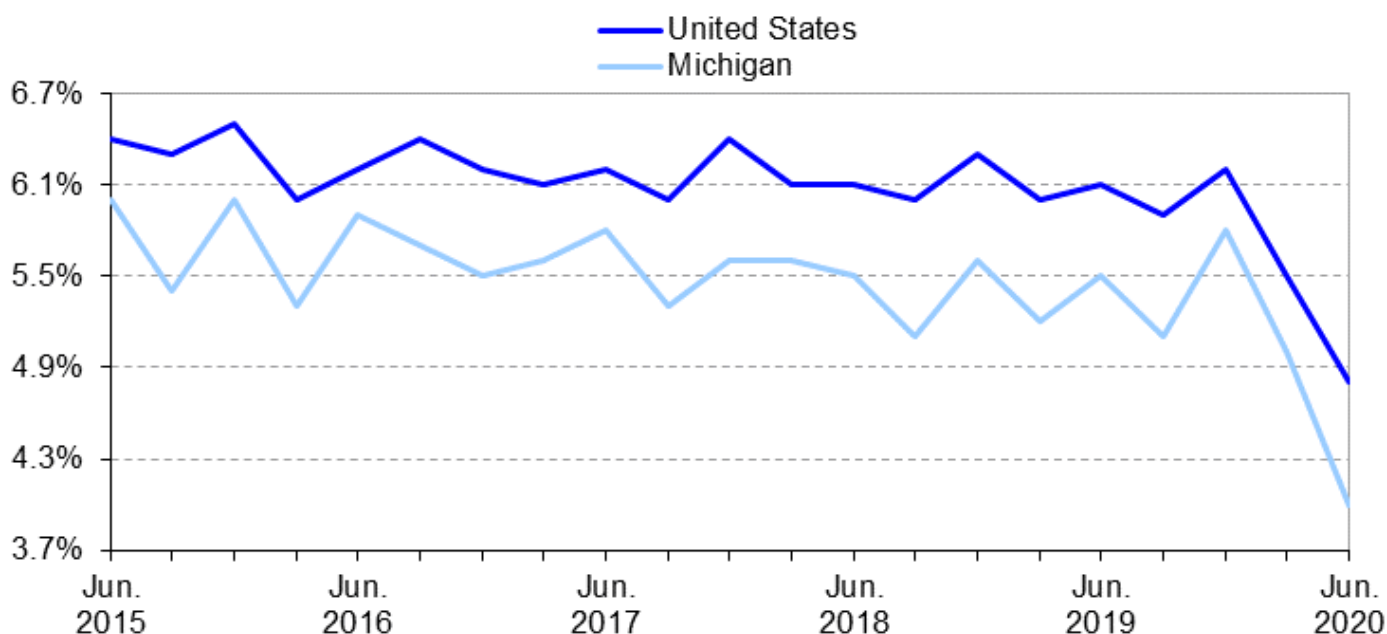
Source: U.S. Bureau of Labor Statistics.

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 second quarter of 2020, gross job gains represented 4.0 percent of private-sector employment in Michigan; nationally, gross job gains accounted for 4.8 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 Michigan, gross job gains at **expanding** establishments totaled 108,867 in the second quarter of 2020, a decrease of 48,994 jobs compared to the previous quarter. (See [table 1](#).) **Opening** establishments accounted for 32,232 jobs gained in the second quarter of 2020, an increase of 329 jobs from the previous quarter.

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

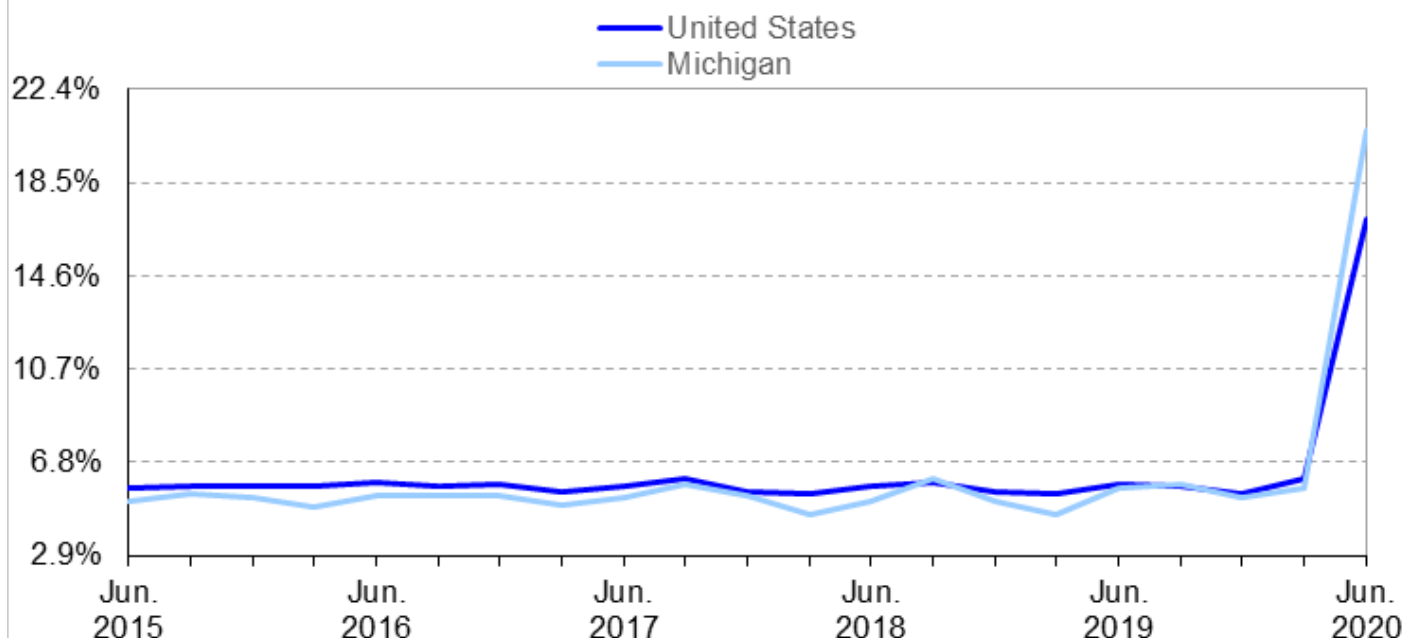


Source: U.S. Bureau of Labor Statistics.

Gross job losses

In the second quarter of 2020, gross job losses represented 20.7 percent of private-sector employment in Michigan; nationally, gross job losses accounted for 17.0 percent of private-sector employment. (See [chart 3](#).) Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. In Michigan, **contracting** establishments lost 630,383 jobs in the second quarter of 2020, an increase of 455,903 jobs from the prior quarter. **Closing** establishments lost 101,119 jobs, an increase of 60,159 jobs from the previous quarter.

Chart 3. Private sector gross job losses as a percent of employment, United States and Michigan, June 2015–June 2020, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Industries

Gross job losses exceeded gross job gains in all 11 industry sectors in Michigan in the second quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job decrease, with a loss of 168,828 jobs. This was the result of 18,410 gross job gains and 187,238 gross job losses. Professional and business services showed the second-largest net loss (-98,454 jobs), followed by education and health services (-72,732), retail trade (-71,723) and manufacturing (-71,487). Job losses among the remaining sectors ranged from 29,944 in other services to 7,377 in information.

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 third quarter 2020 are scheduled to be released on Wednesday, April 28, 2021.

Coronavirus (COVID-19) Effect on Second 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, Michigan, 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)				
	June 2019	Sept 2019	Dec. 2019	Mar. 2020	June 2020	June 2019	Sept 2019	Dec. 2019	Mar. 2020	June 2020
Total private ⁽¹⁾										
Gross job gains	210,494	192,884	218,726	189,764	141,099	5.5	5.1	5.8	5.0	4.0
At expanding establishments	182,341	158,463	178,834	157,861	108,867	4.8	4.2	4.7	4.2	3.1
At opening establishments	28,153	34,421	39,892	31,903	32,232	0.7	0.9	1.1	0.8	0.9
Gross job losses	217,822	221,284	199,952	215,440	731,502	5.7	5.9	5.3	5.7	20.7
At contracting establishments	171,799	184,595	163,574	174,480	630,383	4.5	4.9	4.3	4.6	17.8
At closing establishments	46,023	36,689	36,378	40,960	101,119	1.2	1.0	1.0	1.1	2.9
Net employment change ⁽²⁾	-7,328	-28,400	18,774	-25,676	-590,403	-0.2	-0.8	0.5	-0.7	-16.7
Construction										
Gross job gains	18,358	16,352	17,312	20,408	14,503	10.6	9.5	10.0	11.4	8.4
At expanding establishments	16,143	13,361	13,548	17,268	11,240	9.3	7.8	7.8	9.6	6.5
At opening establishments	2,215	2,991	3,764	3,140	3,263	1.3	1.7	2.2	1.8	1.9
Gross job losses	17,615	15,598	17,387	15,856	33,585	10.2	9.1	10.0	8.8	19.4
At contracting establishments	12,813	12,372	14,081	12,393	26,647	7.4	7.2	8.1	6.9	15.4
At closing establishments	4,802	3,226	3,306	3,463	6,938	2.8	1.9	1.9	1.9	4.0
Net employment change ⁽²⁾	743	754	-75	4,552	-19,082	0.4	0.4	0.0	2.6	-11.0
Manufacturing										
Gross job gains	19,789	16,666	17,087	15,193	8,047	3.2	2.7	2.8	2.4	1.4
At expanding establishments	18,183	14,868	14,755	13,842	6,854	2.9	2.4	2.4	2.2	1.2
At opening establishments	1,606	1,798	2,332	1,351	1,193	0.3	0.3	0.4	0.2	0.2
Gross job losses	22,410	22,190	20,784	19,842	79,534	3.5	3.5	3.3	3.2	13.6
At contracting establishments	19,713	20,179	18,965	17,886	76,066	3.1	3.2	3.0	2.9	13.0
At closing establishments	2,697	2,011	1,819	1,956	3,468	0.4	0.3	0.3	0.3	0.6
Net employment change ⁽²⁾	-2,621	-5,524	-3,697	-4,649	-71,487	-0.3	-0.8	-0.5	-0.8	-12.2
Wholesale trade										
Gross job gains	6,861	5,982	6,289	6,018	4,220	4.0	3.5	3.7	3.5	2.6
At expanding establishments	6,068	5,180	5,556	5,424	3,275	3.5	3.0	3.3	3.2	2.0
At opening establishments	793	802	733	594	945	0.5	0.5	0.4	0.3	0.6
Gross job losses	7,090	6,714	6,187	6,352	22,131	4.1	4.0	3.7	3.7	13.5
At contracting establishments	5,540	5,601	5,075	5,109	20,136	3.2	3.3	3.0	3.0	12.3
At closing establishments	1,550	1,113	1,112	1,243	1,995	0.9	0.7	0.7	0.7	1.2
Net employment change ⁽²⁾	-229	-732	102	-334	-17,911	-0.1	-0.5	0.0	-0.2	-10.9
Retail trade										
Gross job gains	27,164	24,940	25,933	27,889	22,116	5.8	5.4	5.6	6.1	5.1
At expanding establishments	24,003	21,159	22,153	24,766	19,200	5.1	4.6	4.8	5.4	4.4
At opening establishments	3,161	3,781	3,780	3,123	2,916	0.7	0.8	0.8	0.7	0.7
Gross job losses	29,993	29,967	27,136	25,718	93,839	6.4	6.4	5.9	5.5	21.4
At contracting establishments	24,299	26,117	23,051	21,435	80,430	5.2	5.6	5.0	4.6	18.3
At closing establishments	5,694	3,850	4,085	4,283	13,409	1.2	0.8	0.9	0.9	3.1
Net employment change ⁽²⁾	-2,829	-5,027	-1,203	2,171	-71,723	-0.6	-1.0	-0.3	0.6	-16.3
Transportation and warehousing										
Gross job gains	7,776	8,752	11,854	6,579	11,442	5.7	6.4	8.4	4.6	8.4
At expanding establishments	6,368	7,536	10,560	5,043	10,652	4.7	5.5	7.5	3.5	7.8
At opening establishments	1,408	1,216	1,294	1,536	790	1.0	0.9	0.9	1.1	0.6
Gross job losses	6,336	6,415	5,631	9,498	27,114	4.7	4.8	4.0	6.6	19.8
At contracting establishments	5,050	5,521	4,369	8,334	24,832	3.7	4.1	3.1	5.8	18.1
At closing establishments	1,286	894	1,262	1,164	2,282	1.0	0.7	0.9	0.8	1.7
Net employment change ⁽²⁾	1,440	2,337	6,223	-2,919	-15,672	1.0	1.6	4.4	-2.0	-11.4
Information										
Gross job gains	2,922	3,271	3,536	3,144	1,994	5.3	5.9	6.4	5.7	3.9
At expanding establishments	2,200	1,833	2,077	2,248	1,321	4.0	3.3	3.8	4.1	2.6
At opening establishments	722	1,438	1,459	896	673	1.3	2.6	2.6	1.6	1.3
Gross job losses	3,137	3,021	3,357	3,356	9,371	5.7	5.5	6.1	6.1	18.1

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Michigan, 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)				
	June 2019	Sept 2019	Dec. 2019	Mar. 2020	June 2020	June 2019	Sept 2019	Dec. 2019	Mar. 2020	June 2020
At contracting establishments	1,949	2,191	2,208	2,642	7,675	3.5	4.0	4.0	4.8	14.8
At closing establishments	1,188	830	1,149	714	1,696	2.2	1.5	2.1	1.3	3.3
Net employment change ⁽²⁾	-215	250	179	-212	-7,377	-0.4	0.4	0.3	-0.4	-14.2
Financial activities										
Gross job gains	9,230	8,824	9,624	8,971	6,148	4.4	4.3	4.5	4.2	3.0
At expanding establishments	7,715	7,456	7,667	7,694	4,678	3.7	3.6	3.6	3.6	2.3
At opening establishments	1,515	1,368	1,957	1,277	1,470	0.7	0.7	0.9	0.6	0.7
Gross job losses	7,601	7,777	7,160	7,897	17,449	3.7	3.7	3.4	3.7	8.4
At contracting establishments	4,934	6,077	5,443	6,111	14,309	2.4	2.9	2.6	2.9	6.9
At closing establishments	2,667	1,700	1,717	1,786	3,140	1.3	0.8	0.8	0.8	1.5
Net employment change ⁽²⁾	1,629	1,047	2,464	1,074	-11,301	0.7	0.6	1.1	0.5	-5.4
Professional and business services										
Gross job gains	37,939	35,549	44,258	34,542	27,913	5.8	5.4	6.7	5.3	4.5
At expanding establishments	32,919	28,175	36,821	29,575	20,985	5.0	4.3	5.6	4.5	3.4
At opening establishments	5,020	7,374	7,437	4,967	6,928	0.8	1.1	1.1	0.8	1.1
Gross job losses	40,902	47,090	38,589	35,755	126,367	6.2	7.2	5.9	5.5	20.6
At contracting establishments	32,315	39,981	31,783	28,683	113,200	4.9	6.1	4.9	4.4	18.5
At closing establishments	8,587	7,109	6,806	7,072	13,167	1.3	1.1	1.0	1.1	2.1
Net employment change ⁽²⁾	-2,963	-11,541	5,669	-1,213	-98,454	-0.4	-1.8	0.8	-0.2	-16.1
Education and health services										
Gross job gains	23,405	23,783	23,338	19,998	12,807	3.6	3.6	3.5	3.0	2.0
At expanding establishments	20,420	20,604	18,862	16,214	8,784	3.1	3.1	2.8	2.4	1.4
At opening establishments	2,985	3,179	4,476	3,784	4,023	0.5	0.5	0.7	0.6	0.6
Gross job losses	23,592	21,796	21,871	25,768	85,539	3.6	3.3	3.3	3.8	13.6
At contracting establishments	18,877	17,770	17,520	20,813	76,295	2.9	2.7	2.6	3.1	12.1
At closing establishments	4,715	4,026	4,351	4,955	9,244	0.7	0.6	0.7	0.7	1.5
Net employment change ⁽²⁾	-187	1,987	1,467	-5,770	-72,732	0.0	0.3	0.2	-0.8	-11.6
Leisure and hospitality										
Gross job gains	38,552	32,645	39,099	29,973	18,410	8.8	7.6	9.1	6.9	5.2
At expanding establishments	33,415	26,259	31,383	22,911	12,293	7.6	6.1	7.3	5.3	3.5
At opening establishments	5,137	6,386	7,716	7,062	6,117	1.2	1.5	1.8	1.6	1.7
Gross job losses	40,067	42,717	36,371	45,426	187,238	9.1	9.9	8.4	10.6	52.7
At contracting establishments	32,155	34,618	29,049	36,216	152,520	7.3	8.0	6.7	8.5	42.9
At closing establishments	7,912	8,099	7,322	9,210	34,718	1.8	1.9	1.7	2.1	9.8
Net employment change ⁽²⁾	-1,515	-10,072	2,728	-15,453	-168,828	-0.3	-2.3	0.7	-3.7	-47.5
Other services ⁽³⁾										
Gross job gains	9,826	7,618	9,569	7,677	5,716	7.8	6.0	7.5	6.1	5.1
At expanding establishments	8,094	5,869	7,225	5,837	3,837	6.4	4.6	5.7	4.6	3.4
At opening establishments	1,732	1,749	2,344	1,840	1,879	1.4	1.4	1.8	1.5	1.7
Gross job losses	7,935	9,532	8,142	10,502	35,660	6.3	7.5	6.4	8.3	31.9
At contracting establishments	5,695	7,327	6,189	7,839	27,700	4.5	5.8	4.9	6.2	24.8
At closing establishments	2,240	2,205	1,953	2,663	7,960	1.8	1.7	1.5	2.1	7.1
Net employment change ⁽²⁾	1,891	-1,914	1,427	-2,825	-29,944	1.5	-1.5	1.1	-2.2	-26.8

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)				
	June 2019	Sept. 2019	Dec. 2019	Mar. 2020	June 2020	June 2019	Sept. 2019	Dec. 2019	Mar. 2020	June 2020
United States ⁽¹⁾	6.1	5.9	6.2	5.5	4.8	5.9	5.8	5.5	6.1	17.0
Alabama	5.9	5.8	6.2	5.5	4.8	5.9	5.9	5.5	5.9	12.6
Alaska	10.7	9.6	10.3	9.2	6.9	10.1	10.1	10.2	9.5	24.5
Arizona	5.7	6.3	6.4	5.6	5.7	5.6	4.9	5.2	5.9	11.7
Arkansas	5.0	5.6	6.5	5.1	4.8	5.7	5.8	4.9	5.5	12.0
California	6.6	6.3	6.8	6.1	5.2	6.4	6.0	6.0	6.7	18.6
Colorado	7.0	6.6	6.7	6.3	5.8	6.2	6.4	6.2	7.0	14.9
Connecticut	5.8	5.5	5.5	5.2	4.3	5.8	5.8	5.6	5.9	19.7
Delaware	6.0	6.2	6.7	6.2	4.9	6.6	6.3	6.2	6.6	17.7
District of Columbia	5.4	5.5	5.4	5.2	3.3	5.5	5.3	4.7	5.3	22.4
Florida	6.5	6.6	6.6	5.4	6.1	6.3	5.8	5.9	6.2	13.9
Georgia	6.1	6.2	6.5	5.6	5.4	6.5	6.0	5.5	5.9	15.0
Hawaii	4.8	5.6	5.7	5.2	3.6	5.8	5.2	5.2	5.8	29.8
Idaho	7.1	7.0	7.7	7.6	6.4	6.7	6.8	6.3	6.1	11.2
Illinois	5.6	5.0	5.6	5.0	4.6	5.3	5.6	5.2	6.0	18.4
Indiana	5.1	5.4	6.0	4.9	4.7	5.9	5.6	5.1	6.0	13.7
Iowa	5.8	5.3	5.8	5.2	4.4	5.8	5.7	5.5	5.9	13.0
Kansas	5.7	5.6	6.3	5.4	5.0	5.8	5.7	5.7	6.0	13.3
Kentucky	5.8	5.9	6.2	5.3	4.6	6.0	5.7	5.6	6.1	15.3
Louisiana	6.2	5.9	5.9	5.3	4.5	6.5	6.1	5.7	6.3	16.9
Maine	7.4	6.5	7.3	6.4	5.4	7.4	7.3	6.9	7.0	21.7
Maryland	6.4	6.2	6.4	5.7	4.7	6.5	6.3	5.9	6.7	21.9
Massachusetts	6.0	5.3	5.8	5.2	3.7	5.6	5.9	5.6	6.0	24.2
Michigan	5.5	5.1	5.8	5.0	4.0	5.7	5.9	5.3	5.7	20.7
Minnesota	5.8	5.4	5.8	5.0	4.3	5.5	5.8	5.6	5.6	17.6
Mississippi	5.8	5.7	6.2	5.6	5.1	6.1	5.7	5.6	6.2	12.9
Missouri	5.7	5.8	6.2	5.2	4.7	5.8	5.8	5.3	5.7	14.3
Montana	8.1	7.4	8.6	7.7	6.8	7.7	7.7	7.2	7.7	13.8
Nebraska	5.7	5.7	6.2	5.8	4.9	5.7	5.5	5.8	6.1	12.1
Nevada	6.0	6.1	6.8	5.4	5.3	6.2	5.5	5.0	6.3	29.2
New Hampshire	6.4	5.8	6.6	6.0	4.5	6.3	6.6	6.0	6.4	18.8
New Jersey	6.2	6.0	6.5	5.7	4.6	5.9	6.2	5.8	6.3	28.1
New Mexico	6.3	6.8	7.0	6.1	4.5	6.5	6.1	6.3	6.5	17.6
New York	6.1	5.8	6.0	5.5	3.9	5.9	5.9	5.7	6.4	26.9
North Carolina	6.0	5.8	6.3	5.8	4.8	5.9	6.0	5.4	5.7	14.5
North Dakota	6.7	6.5	6.7	6.8	5.2	6.7	7.1	6.6	7.0	17.2
Ohio	5.7	5.3	5.7	5.1	4.5	5.7	5.9	5.3	5.6	14.4
Oklahoma	6.0	6.4	6.5	5.4	5.6	6.3	6.2	6.2	6.7	12.3
Oregon	6.3	6.2	6.7	6.2	5.0	6.1	6.2	5.8	6.5	18.4
Pennsylvania	5.3	5.2	5.4	4.9	3.6	5.4	5.1	4.9	5.6	18.2
Rhode Island	6.3	6.0	6.5	6.1	4.5	6.5	6.2	5.9	6.5	25.2
South Carolina	6.4	6.0	6.5	5.5	5.1	6.2	5.9	5.9	6.6	14.9
South Dakota	6.2	5.9	6.4	6.0	5.1	5.9	6.0	5.8	6.6	11.6
Tennessee	5.5	5.5	5.7	4.9	4.4	5.2	5.1	5.0	5.3	13.7
Texas	5.8	5.9	6.0	5.0	4.7	5.3	5.3	5.1	5.5	13.6
Utah	7.0	6.8	6.8	6.6	6.5	6.6	6.3	6.3	6.4	10.9
Vermont	7.1	6.3	6.9	5.8	4.6	7.1	7.6	6.4	7.6	18.5
Virginia	6.1	5.5	6.5	5.6	4.7	5.8	6.3	5.5	6.1	18.2
Washington	6.6	6.1	6.6	7.4	4.9	5.8	6.1	5.8	7.4	16.9
West Virginia	6.2	5.9	6.2	6.0	5.1	6.6	6.7	7.1	6.8	13.8
Wisconsin	5.5	4.8	5.4	5.0	4.4	5.3	5.9	5.0	5.3	14.4
Wyoming	8.5	8.6	9.4	8.6	6.4	9.5	8.9	8.7	9.3	18.1
Puerto Rico	6.4	5.9	5.4	5.0	4.0	5.8	5.5	4.9	5.2	16.9
Virgin Islands	8.9	12.0	10.3	7.2	5.3	6.9	6.4	7.3	8.3	19.8

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.