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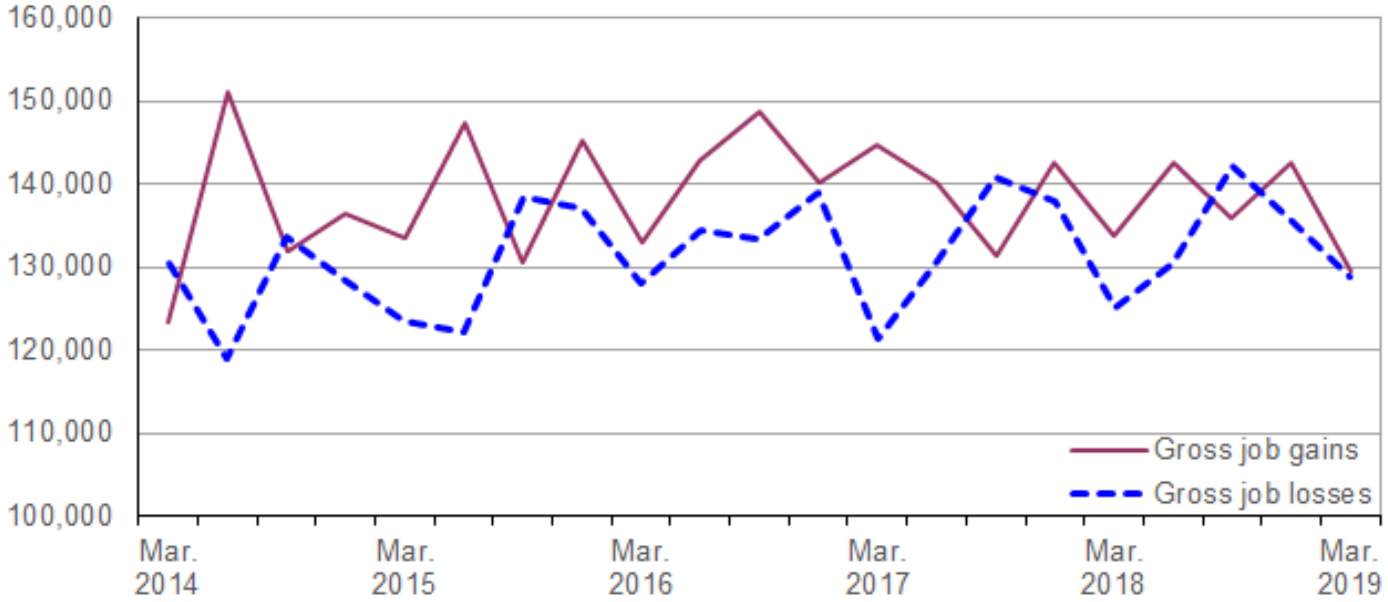
MIDWEST INFORMATION OFFICE: Chicago, Ill.
Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest
Media contact: (312) 353-1138

Business Employment Dynamics in Minnesota — First Quarter 2019

From December 2018 to March 2019, gross job gains in opening and expanding private-sector establishments in Minnesota totaled 129,422, while gross job losses in closing and contracting private-sector establishment numbered 128,720, 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 702. During the previous quarter, gross job gains exceeded gross job losses by 7,235. (See chart 1 and table 1.)

Chart 1. Private sector gross job gains and losses in Minnesota, March 2014–March 2019, seasonally adjusted



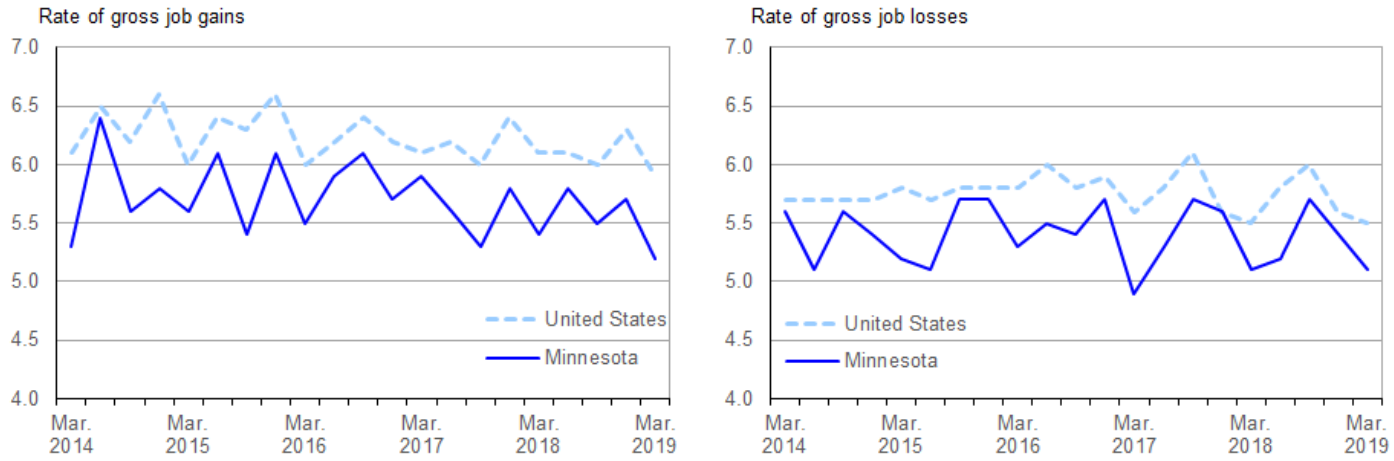
Source: U.S. Bureau of Labor Statistics.

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.)

The 129,422 gross job gains in the first quarter of 2019 were below the 142,627 gross job gains in the fourth quarter of 2018. The 128,720 gross job losses in the first quarter of 2019 were lower than the 135,392 gross job losses in the fourth quarter of 2018. (See chart 1.)

Gross job gains represented 5.2 percent of private-sector employment in Minnesota in the first quarter of 2019, while nationally gross job gains accounted for 5.9 percent of private-sector employment. (See chart 2.) Minnesota's rate of gross job losses represented 5.1 percent of private-sector employment in the first quarter of 2019 and was below the U.S. rate of 5.5 percent.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Minnesota, March 2014–March 2019, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

During the first quarter of 2019, gross job gains exceeded gross job losses in 5 of the 11 industry sectors in Minnesota. For example, professional and business services created 23,285 jobs in opening and expanding establishments, but lost 21,021 jobs in closing and contracting establishments. The resulting net gain of 2,264 jobs was the largest of any sector that had net employment gains in the first quarter of 2019. In construction, 14,991 jobs were created in opening and expanding establishments and 13,072 jobs were lost in closing and contracting establishments, resulting in a net gain of 1,919 jobs. (See table 1.)

In the six industry sectors with net employment losses, retail trade had the largest decline with the loss of 2,487 jobs.

Four of the seven states in the West North Central Census division, including Minnesota, had gross job gains that exceeded gross job losses. (See table A.) North Dakota had a rate of gross job gains that was higher than the 5.9-percent national rate. Minnesota and the remaining states in the division had rates of gross job gains that were lower than the national rate. Iowa, Minnesota, and Missouri had rates of gross job losses that were below the 5.5-percent national rate. The four remaining states had rates of gross job losses that were higher 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, March 2019, 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	7,375,000	5.9	6,850,000	5.5	525,000	0.4
West North Central [1]	480,588	—	482,125	—	-1,537	—

Note: See footnotes at end of table.

Table A. Private sector gross job gains and losses for the United States, West North Central Division, and West North Central states, March 2019, seasonally adjusted - Continued

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		
Iowa	67,346	5.1	71,892	5.4	-4,546	-0.3
Kansas	62,736	5.4	64,959	5.7	-2,223	-0.3
Minnesota	129,422	5.2	128,720	5.1	702	0.1
Missouri	129,371	5.4	126,018	5.3	3,353	0.1
Nebraska	46,491	5.7	45,655	5.6	836	0.1
North Dakota	24,826	7.1	22,437	6.4	2,389	0.7
South Dakota	20,396	5.7	22,444	6.4	-2,048	-0.7

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 second quarter 2019 is scheduled to be released on Wednesday, January 29, 2020.

Changes to Business Employment Dynamics (BED) Data

Data in this release incorporate annual revisions to the BED series. Annual revisions are published each year with the release of first quarter data. These revisions cover the last four quarters of not seasonally adjusted data and five years of seasonally adjusted data.

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, 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. 2018	June 2018	Sept 2018	Dec. 2018	Mar. 2019	Mar. 2018	June 2018	Sept 2018	Dec. 2018	Mar. 2019
Total private [1]										
Gross job gains	133,777	142,600	135,956	142,627	129,422	5.4	5.8	5.5	5.7	5.2
At expanding establishments	112,139	118,585	115,852	119,098	112,086	4.5	4.8	4.7	4.8	4.5
At opening establishments	21,638	24,015	20,104	23,529	17,336	0.9	1.0	0.8	0.9	0.7
Gross job losses	125,177	130,507	142,031	135,392	128,720	5.1	5.2	5.7	5.4	5.1
At contracting establishments	103,964	111,964	119,252	112,833	108,335	4.2	4.5	4.8	4.5	4.3
At closing establishments	21,213	18,543	22,779	22,559	20,385	0.9	0.7	0.9	0.9	0.8
Net employment change [2]	8,600	12,093	-6,075	7,235	702	0.3	0.6	-0.2	0.3	0.1
Construction										
Gross job gains	13,892	15,855	12,631	14,171	14,991	11.5	13.0	10.3	11.6	11.9
At expanding establishments	10,992	12,695	10,629	11,923	12,413	9.1	10.4	8.7	9.8	9.9
At opening establishments	2,900	3,160	2,002	2,248	2,578	2.4	2.6	1.6	1.8	2.0
Gross job losses	13,884	12,268	14,135	14,634	13,072	11.4	10.0	11.6	12.0	10.4
At contracting establishments	11,473	9,913	11,605	11,766	10,684	9.4	8.1	9.5	9.6	8.5
At closing establishments	2,411	2,355	2,530	2,868	2,388	2.0	1.9	2.1	2.4	1.9
Net employment change [2]	8	3,587	-1,504	-463	1,919	0.1	3.0	-1.3	-0.4	1.5
Manufacturing										
Gross job gains	10,498	10,844	9,450	11,587	9,110	3.3	3.3	2.9	3.6	2.8
At expanding establishments	9,950	10,114	8,820	10,845	8,654	3.1	3.1	2.7	3.4	2.7
At opening establishments	548	730	630	742	456	0.2	0.2	0.2	0.2	0.1
Gross job losses	8,433	9,319	9,629	8,687	8,809	2.7	2.9	3.0	2.6	2.7
At contracting establishments	7,239	8,608	8,603	7,928	8,074	2.3	2.7	2.7	2.4	2.5
At closing establishments	1,194	711	1,026	759	735	0.4	0.2	0.3	0.2	0.2
Net employment change [2]	2,065	1,525	-179	2,900	301	0.6	0.4	-0.1	1.0	0.1
Wholesale trade										
Gross job gains	4,738	5,483	4,997	5,358	5,316	3.6	4.2	3.9	4.1	4.1
At expanding establishments	4,058	4,701	4,255	4,498	4,569	3.1	3.6	3.3	3.4	3.5
At opening establishments	680	782	742	860	747	0.5	0.6	0.6	0.7	0.6
Gross job losses	4,623	4,627	5,481	4,651	4,970	3.5	3.5	4.2	3.5	3.9
At contracting establishments	3,807	3,828	4,702	3,570	3,991	2.9	2.9	3.6	2.7	3.1
At closing establishments	816	799	779	1,081	979	0.6	0.6	0.6	0.8	0.8
Net employment change [2]	115	856	-484	707	346	0.1	0.7	-0.3	0.6	0.2
Retail trade										
Gross job gains	17,287	17,798	18,970	16,108	14,398	5.8	5.9	6.4	5.4	4.9
At expanding establishments	15,379	15,695	17,229	14,490	13,291	5.2	5.2	5.8	4.9	4.5
At opening establishments	1,908	2,103	1,741	1,618	1,107	0.6	0.7	0.6	0.5	0.4
Gross job losses	15,865	16,388	21,556	16,539	16,885	5.3	5.4	7.2	5.6	5.8
At contracting establishments	13,721	15,087	17,953	14,536	14,962	4.6	5.0	6.0	4.9	5.1
At closing establishments	2,144	1,301	3,603	2,003	1,923	0.7	0.4	1.2	0.7	0.7
Net employment change [2]	1,422	1,410	-2,586	-431	-2,487	0.5	0.5	-0.8	-0.2	-0.9
Transportation and warehousing										
Gross job gains	5,148	4,900	6,378	6,093	5,202	5.7	5.4	7.1	6.7	5.7
At expanding establishments	4,636	4,138	5,726	5,173	4,670	5.1	4.6	6.4	5.7	5.1
At opening establishments	512	762	652	920	532	0.6	0.8	0.7	1.0	0.6
Gross job losses	5,736	6,910	4,738	4,428	5,584	6.3	7.7	5.3	4.9	6.1
At contracting establishments	5,090	6,384	4,277	3,884	5,112	5.6	7.1	4.8	4.3	5.6
At closing establishments	646	526	461	544	472	0.7	0.6	0.5	0.6	0.5
Net employment change [2]	-588	-2,010	1,640	1,665	-382	-0.6	-2.3	1.8	1.8	-0.4
Information										
Gross job gains	1,714	1,797	2,024	1,819	1,671	3.5	3.7	4.2	3.7	3.5
At expanding establishments	1,436	1,462	1,690	1,418	1,377	2.9	3.0	3.5	2.9	2.9
At opening establishments	278	335	334	401	294	0.6	0.7	0.7	0.8	0.6
Gross job losses	2,047	2,220	2,427	2,291	1,916	4.1	4.5	5.0	4.8	4.1

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. 2018	June 2018	Sept 2018	Dec. 2018	Mar. 2019	Mar. 2018	June 2018	Sept 2018	Dec. 2018	Mar. 2019
At contracting establishments	1,663	1,929	1,801	1,920	1,631	3.3	3.9	3.7	4.0	3.5
At closing establishments	384	291	626	371	285	0.8	0.6	1.3	0.8	0.6
Net employment change [2]	-333	-423	-403	-472	-245	-0.6	-0.8	-0.8	-1.1	-0.6
Financial activities										
Gross job gains	5,369	7,146	6,722	6,625	5,670	3.1	4.0	3.7	3.7	3.1
At expanding establishments	4,182	6,043	5,585	5,230	4,916	2.4	3.4	3.1	2.9	2.7
At opening establishments	1,187	1,103	1,137	1,395	754	0.7	0.6	0.6	0.8	0.4
Gross job losses	5,404	5,648	6,554	6,210	5,900	3.0	3.2	3.7	3.4	3.2
At contracting establishments	4,146	4,554	5,289	4,873	4,392	2.3	2.6	3.0	2.7	2.4
At closing establishments	1,258	1,094	1,265	1,337	1,508	0.7	0.6	0.7	0.7	0.8
Net employment change [2]	-35	1,498	168	415	-230	0.1	0.8	0.0	0.3	-0.1
Professional and business services										
Gross job gains	19,336	23,406	21,103	25,379	23,285	5.1	6.2	5.6	6.7	6.1
At expanding establishments	15,856	18,756	17,458	19,583	19,340	4.2	5.0	4.6	5.2	5.1
At opening establishments	3,480	4,650	3,645	5,796	3,945	0.9	1.2	1.0	1.5	1.0
Gross job losses	19,818	21,393	21,908	26,842	21,021	5.3	5.7	5.8	7.2	5.5
At contracting establishments	15,773	17,917	18,340	22,489	17,089	4.2	4.8	4.9	6.0	4.5
At closing establishments	4,045	3,476	3,568	4,353	3,932	1.1	0.9	0.9	1.2	1.0
Net employment change [2]	-482	2,013	-805	-1,463	2,264	-0.2	0.5	-0.2	-0.5	0.6
Education and health services										
Gross job gains	19,899	18,529	17,896	19,955	16,797	3.8	3.5	3.4	3.8	3.1
At expanding establishments	16,537	16,510	15,586	16,971	14,955	3.2	3.1	3.0	3.2	2.8
At opening establishments	3,362	2,019	2,310	2,984	1,842	0.6	0.4	0.4	0.6	0.3
Gross job losses	15,922	16,366	17,870	16,383	17,233	3.1	3.2	3.4	3.1	3.2
At contracting establishments	13,999	14,495	15,476	13,916	14,444	2.7	2.8	2.9	2.6	2.7
At closing establishments	1,923	1,871	2,394	2,467	2,789	0.4	0.4	0.5	0.5	0.5
Net employment change [2]	3,977	2,163	26	3,572	-436	0.7	0.3	0.0	0.7	-0.1
Leisure and hospitality										
Gross job gains	26,503	26,805	26,188	25,429	23,963	9.7	9.8	9.6	9.3	8.7
At expanding establishments	21,595	20,481	21,081	20,820	20,146	7.9	7.5	7.7	7.6	7.3
At opening establishments	4,908	6,324	5,107	4,609	3,817	1.8	2.3	1.9	1.7	1.4
Gross job losses	23,342	26,390	27,269	24,732	23,876	8.6	9.6	10.0	9.0	8.6
At contracting establishments	18,814	22,167	22,847	20,007	20,224	6.9	8.1	8.4	7.3	7.3
At closing establishments	4,528	4,223	4,422	4,725	3,652	1.7	1.5	1.6	1.7	1.3
Net employment change [2]	3,161	415	-1,081	697	87	1.1	0.2	-0.4	0.3	0.1
Other services [3]										
Gross job gains	6,245	6,858	6,473	6,720	5,845	7.4	8.1	7.6	7.9	7.0
At expanding establishments	4,921	5,398	5,109	5,245	4,952	5.8	6.4	6.0	6.2	5.9
At opening establishments	1,324	1,460	1,364	1,475	893	1.6	1.7	1.6	1.7	1.1
Gross job losses	6,231	5,413	7,496	6,328	5,884	7.4	6.4	8.8	7.5	6.9
At contracting establishments	4,998	4,141	6,016	4,980	4,686	5.9	4.9	7.1	5.9	5.5
At closing establishments	1,233	1,272	1,480	1,348	1,198	1.5	1.5	1.7	1.6	1.4
Net employment change [2]	14	1,445	-1,023	392	-39	0.0	1.7	-1.2	0.4	0.1

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. 2018	June 2018	Sept. 2018	Dec. 2018	Mar. 2019	Mar. 2018	June 2018	Sept. 2018	Dec. 2018	Mar. 2019
United States(1)	6.1	6.1	6.0	6.3	5.9	5.5	5.8	6.0	5.6	5.5
Alabama	6.1	5.8	6.0	6.3	6.0	5.4	5.7	5.9	5.3	5.5
Alaska	10.1	10.9	8.9	11.0	10.0	8.9	10.7	10.7	9.8	9.0
Arizona	6.0	6.0	6.6	6.2	5.6	5.3	5.9	5.1	5.1	5.5
Arkansas	5.4	5.0	6.1	5.9	5.2	5.2	5.7	5.6	5.0	5.1
California	6.4	6.7	6.5	6.9	6.3	6.0	6.4	6.2	5.9	6.2
Colorado	6.8	6.8	6.6	6.8	6.6	6.0	6.1	6.8	6.0	6.3
Connecticut	5.1	5.8	5.3	5.3	5.2	5.3	5.1	5.7	4.9	5.7
Delaware	7.1	6.4	5.7	6.6	6.4	5.9	6.0	6.5	5.6	5.5
District of Columbia	6.0	5.6	5.3	5.6	5.4	4.9	5.6	5.5	5.1	4.9
Florida	6.2	6.4	6.8	6.4	6.1	5.5	6.1	5.8	6.1	5.6
Georgia	6.5	6.3	6.7	6.3	6.8	5.7	6.4	6.1	5.8	5.7
Hawaii	5.1	5.3	5.1	5.8	5.4	4.7	5.4	5.4	5.1	5.9
Idaho	7.9	7.3	6.8	7.4	7.5	6.1	6.8	6.9	6.3	6.1
Illinois	5.7	5.6	5.5	5.5	5.2	5.2	5.6	5.8	5.6	5.1
Indiana	5.7	5.5	5.2	5.6	5.9	5.1	5.5	5.4	5.0	4.8
Iowa	5.6	5.7	5.3	5.8	5.1	5.3	5.4	5.7	5.3	5.4
Kansas	5.3	5.7	5.9	6.1	5.4	5.4	5.6	5.7	5.4	5.7
Kentucky	6.2	5.9	5.8	6.1	5.8	5.9	5.7	6.0	5.4	5.5
Louisiana	6.7	6.2	6.3	6.2	5.9	5.9	6.5	6.3	5.8	5.9
Maine	7.0	8.0	6.1	7.3	7.2	7.0	7.1	7.5	6.7	6.4
Maryland	6.3	6.1	6.3	6.8	6.4	5.8	5.8	6.6	6.4	5.7
Massachusetts	5.7	6.1	5.6	5.8	5.7	5.2	5.5	6.1	5.3	5.2
Michigan	5.6	5.5	5.0	5.6	5.1	4.6	5.2	6.2	5.2	4.6
Minnesota	5.4	5.8	5.5	5.7	5.2	5.1	5.2	5.7	5.4	5.1
Mississippi	5.5	5.7	5.9	6.5	5.7	6.0	6.0	5.9	5.3	6.2
Missouri	5.5	5.7	5.9	5.8	5.4	5.2	5.7	6.0	5.4	5.3
Montana	7.9	8.0	7.2	8.9	7.6	7.1	7.8	7.9	7.2	8.0
Nebraska	5.8	5.8	5.9	5.9	5.7	5.6	5.8	5.9	5.7	5.6
Nevada	6.5	6.1	6.7	6.6	6.0	5.5	5.8	5.7	5.5	5.4
New Hampshire	6.1	6.7	5.7	6.6	6.3	6.0	6.2	6.8	5.7	5.7
New Jersey	5.7	6.5	6.0	6.4	5.7	6.1	5.8	6.4	5.7	5.6
New Mexico	6.5	6.7	6.4	6.8	6.4	5.7	6.2	6.4	6.1	5.8
New York	6.3	6.3	6.1	6.3	6.0	5.6	5.8	6.4	5.7	5.3
North Carolina	6.2	6.1	5.7	6.7	6.3	5.3	5.7	6.4	5.3	5.1
North Dakota	7.1	6.7	6.6	6.8	7.1	6.3	6.2	6.6	6.2	6.4
Ohio	5.6	5.6	5.4	5.6	5.5	5.1	5.4	5.8	5.3	5.1
Oklahoma	6.2	6.4	6.7	6.5	5.8	5.7	6.3	6.1	6.1	5.8
Oregon	8.0	6.2	6.2	6.7	6.3	5.8	6.3	6.3	6.0	5.8
Pennsylvania	5.3	5.3	5.4	5.3	5.1	4.9	5.1	5.2	4.8	4.8
Rhode Island	6.4	6.3	6.2	6.4	5.8	6.1	6.1	6.4	5.7	5.6
South Carolina	6.3	7.5	5.8	7.4	6.4	5.1	6.7	6.5	5.4	6.0
South Dakota	6.4	6.1	6.0	6.3	5.7	5.9	6.1	5.7	5.8	6.4
Tennessee	5.1	5.5	5.8	5.8	5.4	4.9	5.3	5.3	4.9	4.8
Texas	5.9	5.9	6.0	6.2	5.5	5.1	5.3	5.4	5.2	5.2
Utah	7.5	6.9	7.3	6.9	7.3	6.0	6.4	6.4	6.2	6.2
Vermont	6.5	7.2	6.9	7.4	6.7	7.0	7.1	7.6	6.8	6.3
Virginia	6.0	6.2	5.7	6.3	6.4	5.4	5.8	6.3	5.6	5.5
Washington	7.2	7.3	6.2	6.4	6.2	6.2	6.5	6.5	5.6	5.6
West Virginia	6.9	6.8	7.0	6.3	6.0	6.0	6.4	6.4	6.5	6.6
Wisconsin	5.6	5.5	5.1	5.4	5.1	4.7	5.5	5.9	5.0	4.8
Wyoming	8.6	8.4	8.3	10.0	8.6	8.0	8.4	8.4	7.8	7.8
Puerto Rico	8.5	7.9	7.2	6.0	7.1	6.9	6.2	5.8	6.8	5.1
Virgin Islands	13.3	13.2	12.8	7.9	11.9	18.6	7.0	5.9	7.1	7.4

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.