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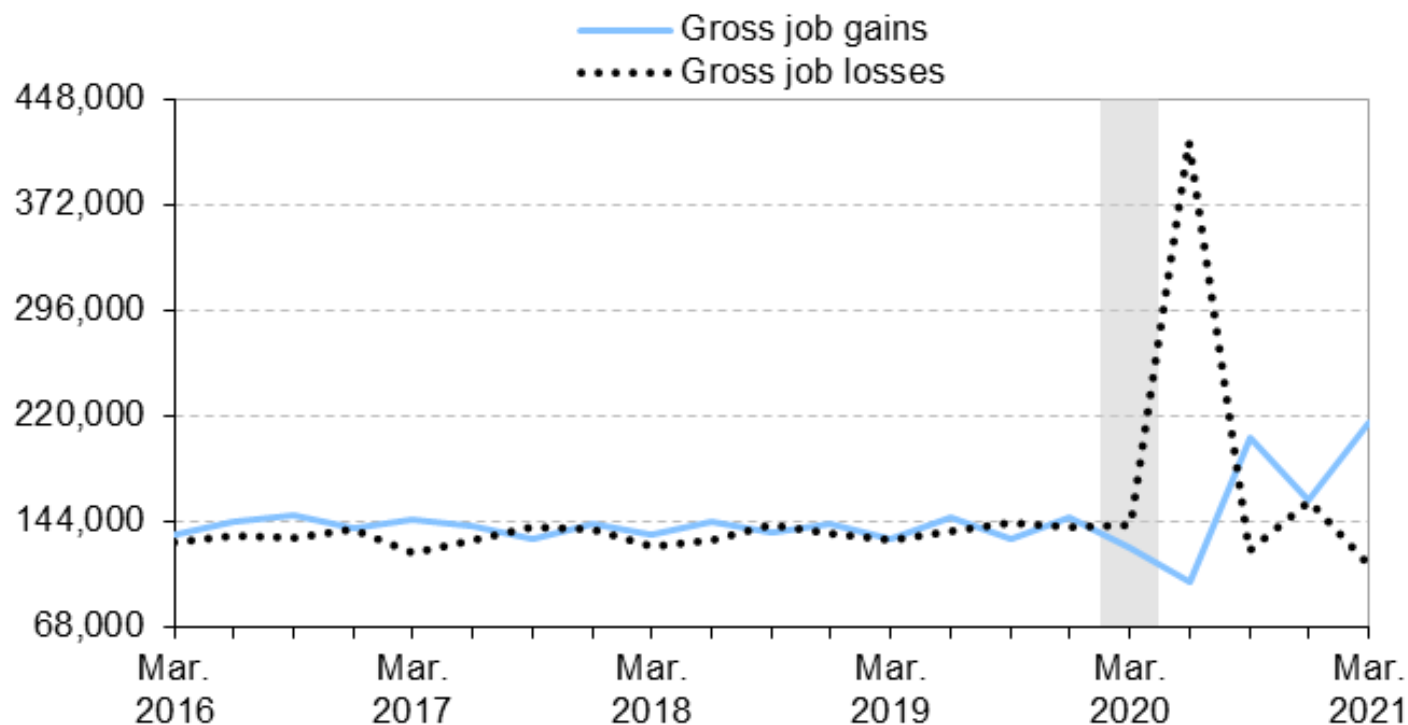
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Business Employment Dynamics in Minnesota — First Quarter 2021

From December 2020 to March 2021, **gross job gains** from opening and expanding private-sector establishments in Minnesota were 215,284, while **gross job losses** from closing and contracting private-sector establishments were 113,923, 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 gain** of 101,361 jobs in the private sector during the first quarter of 2021. During the previous quarter, gross job gains exceeded gross job losses by 1,930. (See [chart 1.](#))

Chart 1. Private-sector gross job gains and losses in Minnesota, March 2016–March 2021, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

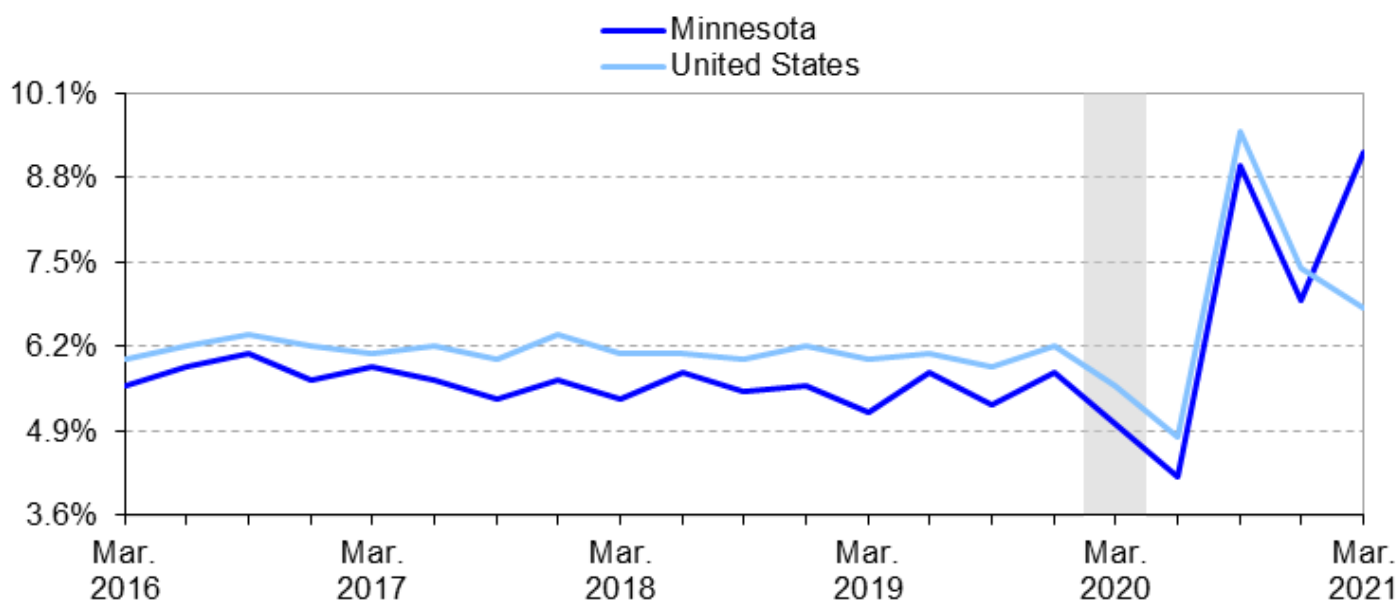
Note: Shaded area represents National Bureau of Economic Research (NBER) defined recession period.

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 first quarter of 2021, gross job gains represented 9.2 percent of private-sector employment in Minnesota; nationally, gross job gains accounted for 6.8 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 Minnesota, gross job gains at **expanding** establishments totaled 181,799 in the first quarter of 2021, an increase of 51,055 jobs compared to the previous quarter. (See [table 1](#).) **Opening** establishments accounted for 33,485 jobs gained in the first quarter of 2021, an increase of 4,697 jobs from the previous quarter.

Chart 2. Private-sector gross job gains as a percent of employment, United States and Minnesota, March 2016–March 2021, seasonally adjusted



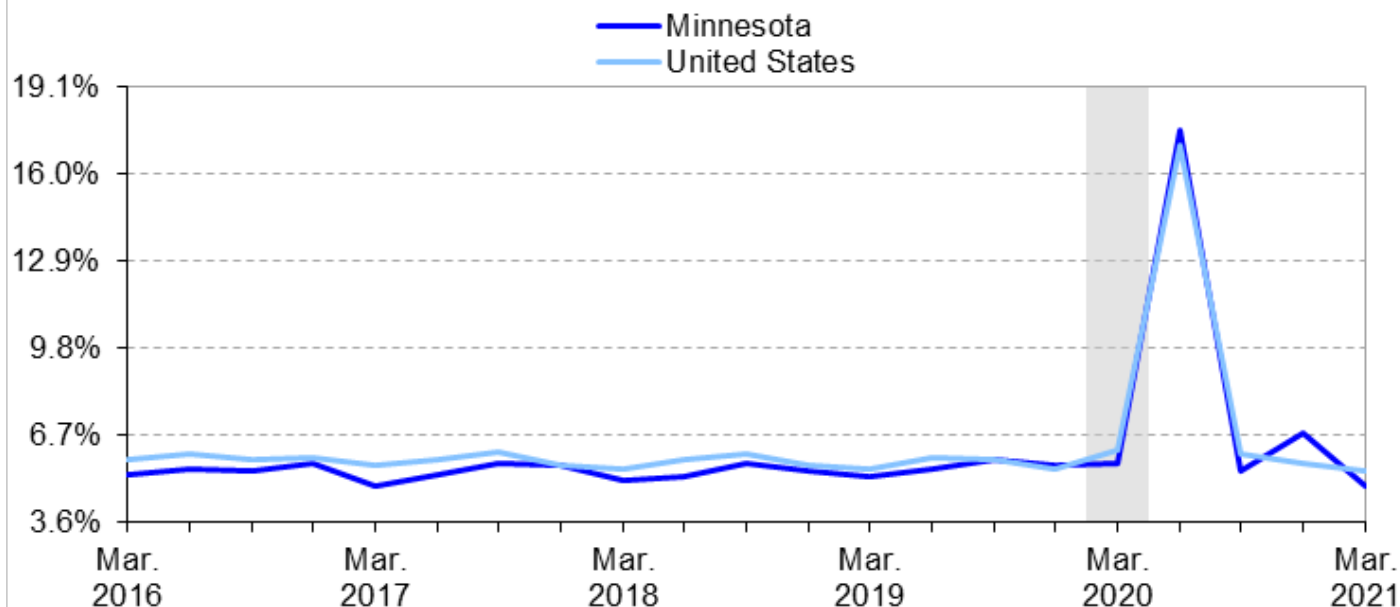
Source: U.S. Bureau of Labor Statistics.

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

Gross job losses

In the first quarter of 2021, gross job losses represented 4.9 percent of private-sector employment in Minnesota; nationally, gross job losses accounted for 5.4 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 Minnesota, **contracting** establishments lost 93,869 jobs in the first quarter of 2021, a decrease of 35,957 jobs from the prior quarter. **Closing** establishments lost 20,054 jobs, a decrease of 7,722 jobs from the previous quarter.

Chart 3. Private-sector gross job losses as a percent of employment, United States and Minnesota, March 2016–March 2021, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

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

Industries

Gross job gains exceeded gross job losses in 9 of the 11 industry sectors in Minnesota in the first quarter of 2021. Leisure and hospitality had the largest over-the-quarter net job increase, with a gain of 76,602 jobs. This was the result of 88,809 gross job gains and 12,207 gross job losses. The professional and business services industry had a net gain of 6,286 jobs. Transportation and warehousing showed a net loss of 657 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 2021 are scheduled to be released on Wednesday, January 26, 2022.

Coronavirus (COVID-19) Effect on First Quarter 2021 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, 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. 2020	June 2020	Sept 2020	Dec. 2020	Mar. 2021	Mar. 2020	June 2020	Sept 2020	Dec. 2020	Mar. 2021
Total private ⁽¹⁾										
Gross job gains	125,431	99,807	204,782	159,532	215,284	5.0	4.2	9.0	6.9	9.2
At expanding establishments	104,921	79,272	175,823	130,744	181,799	4.2	3.3	7.7	5.7	7.8
At opening establishments	20,510	20,535	28,959	28,788	33,485	0.8	0.9	1.3	1.2	1.4
Gross job losses	142,000	417,638	122,620	157,602	113,923	5.7	17.6	5.4	6.8	4.9
At contracting establishments	119,476	367,905	100,289	129,826	93,869	4.8	15.5	4.4	5.6	4.0
At closing establishments	22,524	49,733	22,331	27,776	20,054	0.9	2.1	1.0	1.2	0.9
Net employment change ⁽²⁾	-16,569	-317,831	82,162	1,930	101,361	-0.7	-13.4	3.6	0.1	4.3
Construction										
Gross job gains	14,264	14,085	12,789	18,139	18,380	11.1	11.1	10.6	14.8	14.2
At expanding establishments	11,445	11,229	10,176	15,117	15,287	8.9	8.8	8.4	12.3	11.8
At opening establishments	2,819	2,856	2,613	3,022	3,093	2.2	2.3	2.2	2.5	2.4
Gross job losses	12,980	23,055	15,207	13,326	14,424	10.0	18.2	12.5	10.8	11.2
At contracting establishments	10,724	20,276	12,900	10,650	11,983	8.3	16.0	10.6	8.6	9.3
At closing establishments	2,256	2,779	2,307	2,676	2,441	1.7	2.2	1.9	2.2	1.9
Net employment change ⁽²⁾	1,284	-8,970	-2,418	4,813	3,956	1.1	-7.1	-1.9	4.0	3.0
Manufacturing										
Gross job gains	8,325	6,159	12,744	12,512	11,294	2.5	2.0	4.2	4.1	3.6
At expanding establishments	7,892	5,538	11,773	11,562	10,621	2.4	1.8	3.9	3.8	3.4
At opening establishments	433	621	971	950	673	0.1	0.2	0.3	0.3	0.2
Gross job losses	9,012	29,747	11,301	9,384	8,519	2.8	9.5	3.7	3.1	2.7
At contracting establishments	8,185	28,424	10,342	8,424	7,530	2.5	9.1	3.4	2.8	2.4
At closing establishments	827	1,323	959	960	989	0.3	0.4	0.3	0.3	0.3
Net employment change ⁽²⁾	-687	-23,588	1,443	3,128	2,775	-0.3	-7.5	0.5	1.0	0.9
Wholesale trade										
Gross job gains	5,090	3,656	6,036	5,890	5,282	3.9	2.9	4.9	4.8	4.3
At expanding establishments	4,321	3,014	5,288	4,748	4,577	3.3	2.4	4.3	3.9	3.7
At opening establishments	769	642	748	1,142	705	0.6	0.5	0.6	0.9	0.6
Gross job losses	5,269	11,347	5,404	4,197	4,480	4.1	9.0	4.4	3.4	3.6
At contracting establishments	4,258	10,317	4,172	3,458	3,701	3.3	8.2	3.4	2.8	3.0
At closing establishments	1,011	1,030	1,232	739	779	0.8	0.8	1.0	0.6	0.6
Net employment change ⁽²⁾	-179	-7,691	632	1,693	802	-0.2	-6.1	0.5	1.4	0.7
Retail trade										
Gross job gains	16,704	15,145	30,269	19,133	17,247	5.7	5.4	11.1	6.8	6.1
At expanding establishments	15,250	13,744	27,855	17,172	15,319	5.2	4.9	10.2	6.1	5.4
At opening establishments	1,454	1,401	2,414	1,961	1,928	0.5	0.5	0.9	0.7	0.7
Gross job losses	16,784	48,947	16,111	15,142	15,437	5.7	17.5	5.9	5.4	5.5
At contracting establishments	14,925	45,650	14,115	13,207	13,754	5.1	16.3	5.2	4.7	4.9
At closing establishments	1,859	3,297	1,996	1,935	1,683	0.6	1.2	0.7	0.7	0.6
Net employment change ⁽²⁾	-80	-33,802	14,158	3,991	1,810	0.0	-12.1	5.2	1.4	0.6
Transportation and warehousing										
Gross job gains	4,514	6,347	7,950	9,510	6,615	4.8	7.4	9.6	10.9	7.5
At expanding establishments	3,935	5,693	7,186	8,516	6,009	4.2	6.6	8.7	9.8	6.8
At opening establishments	579	654	764	994	606	0.6	0.8	0.9	1.1	0.7
Gross job losses	7,381	16,052	5,840	5,617	7,272	7.9	18.5	7.1	6.4	8.3
At contracting establishments	6,608	14,725	4,885	5,141	6,577	7.1	17.0	5.9	5.9	7.5
At closing establishments	773	1,327	955	476	695	0.8	1.5	1.2	0.5	0.8
Net employment change ⁽²⁾	-2,867	-9,705	2,110	3,893	-657	-3.1	-11.1	2.5	4.5	-0.8
Information										
Gross job gains	1,811	1,213	2,606	1,914	2,153	3.9	2.7	6.1	4.6	5.1
At expanding establishments	1,533	879	1,873	1,249	1,732	3.3	2.0	4.4	3.0	4.1
At opening establishments	278	334	733	665	421	0.6	0.7	1.7	1.6	1.0
Gross job losses	2,232	5,338	1,849	2,533	1,729	4.8	12.0	4.3	6.1	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. 2020	June 2020	Sept 2020	Dec. 2020	Mar. 2021	Mar. 2020	June 2020	Sept 2020	Dec. 2020	Mar. 2021
At contracting establishments	1,777	3,968	1,369	2,088	1,352	3.8	8.9	3.2	5.0	3.2
At closing establishments	455	1,370	480	445	377	1.0	3.1	1.1	1.1	0.9
Net employment change ⁽²⁾	-421	-4,125	757	-619	424	-0.9	-9.3	1.8	-1.5	1.0
Financial activities										
Gross job gains	5,398	5,487	6,755	7,101	5,489	3.0	3.1	3.8	4.0	3.1
At expanding establishments	4,701	4,446	5,648	5,482	4,488	2.6	2.5	3.2	3.1	2.5
At opening establishments	697	1,041	1,107	1,619	1,001	0.4	0.6	0.6	0.9	0.6
Gross job losses	5,859	9,253	6,035	7,184	5,682	3.2	5.2	3.4	4.0	3.2
At contracting establishments	4,516	8,084	4,655	5,908	4,389	2.5	4.5	2.6	3.3	2.5
At closing establishments	1,343	1,169	1,380	1,276	1,293	0.7	0.7	0.8	0.7	0.7
Net employment change ⁽²⁾	-461	-3,766	720	-83	-193	-0.2	-2.1	0.4	0.0	-0.1
Professional and business services										
Gross job gains	18,402	16,762	27,776	29,413	23,971	4.8	4.6	8.0	8.2	6.6
At expanding establishments	15,268	12,680	23,361	23,964	19,670	4.0	3.5	6.7	6.7	5.4
At opening establishments	3,134	4,082	4,415	5,449	4,301	0.8	1.1	1.3	1.5	1.2
Gross job losses	21,861	55,058	20,350	18,984	17,685	5.8	15.2	5.8	5.3	4.8
At contracting establishments	17,310	50,196	15,989	14,887	13,621	4.6	13.9	4.6	4.2	3.7
At closing establishments	4,551	4,862	4,361	4,097	4,064	1.2	1.3	1.2	1.1	1.1
Net employment change ⁽²⁾	-3,459	-38,296	7,426	10,429	6,286	-1.0	-10.6	2.2	2.9	1.8
Education and health services										
Gross job gains	19,651	12,210	33,659	30,222	22,588	3.7	2.4	6.7	5.9	4.4
At expanding establishments	15,534	9,040	30,016	23,243	20,079	2.9	1.8	6.0	4.5	3.9
At opening establishments	4,117	3,170	3,643	6,979	2,509	0.8	0.6	0.7	1.4	0.5
Gross job losses	18,229	60,955	18,227	18,335	18,023	3.4	11.8	3.6	3.5	3.4
At contracting establishments	15,349	56,741	15,152	15,066	14,690	2.9	11.0	3.0	2.9	2.8
At closing establishments	2,880	4,214	3,075	3,269	3,333	0.5	0.8	0.6	0.6	0.6
Net employment change ⁽²⁾	1,422	-48,745	15,432	11,887	4,565	0.3	-9.4	3.1	2.4	1.0
Leisure and hospitality										
Gross job gains	22,181	12,381	47,564	15,984	88,809	8.1	5.5	24.5	8.8	47.9
At expanding establishments	17,560	8,261	39,150	12,187	72,887	6.4	3.7	20.2	6.7	39.3
At opening establishments	4,621	4,120	8,414	3,797	15,922	1.7	1.8	4.3	2.1	8.6
Gross job losses	32,456	129,579	14,897	50,052	12,207	11.9	57.5	7.7	27.4	6.6
At contracting establishments	27,529	105,881	11,039	40,527	9,491	10.1	47.0	5.7	22.2	5.1
At closing establishments	4,927	23,698	3,858	9,525	2,716	1.8	10.5	2.0	5.2	1.5
Net employment change ⁽²⁾	-10,275	-117,198	32,667	-34,068	76,602	-3.8	-52.0	16.8	-18.6	41.3
Other services ⁽³⁾										
Gross job gains	5,854	3,255	11,201	5,600	10,488	6.9	4.2	15.8	7.8	14.2
At expanding establishments	4,743	2,172	8,644	4,101	8,623	5.6	2.8	12.2	5.7	11.7
At opening establishments	1,111	1,083	2,557	1,499	1,865	1.3	1.4	3.6	2.1	2.5
Gross job losses	6,350	21,357	4,410	9,557	4,898	7.4	28.0	6.2	13.2	6.7
At contracting establishments	5,206	17,298	3,140	7,661	3,719	6.1	22.7	4.4	10.6	5.1
At closing establishments	1,144	4,059	1,270	1,896	1,179	1.3	5.3	1.8	2.6	1.6
Net employment change ⁽²⁾	-496	-18,102	6,791	-3,957	5,590	-0.5	-23.8	9.6	-5.4	7.5

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. 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
Iowa	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.