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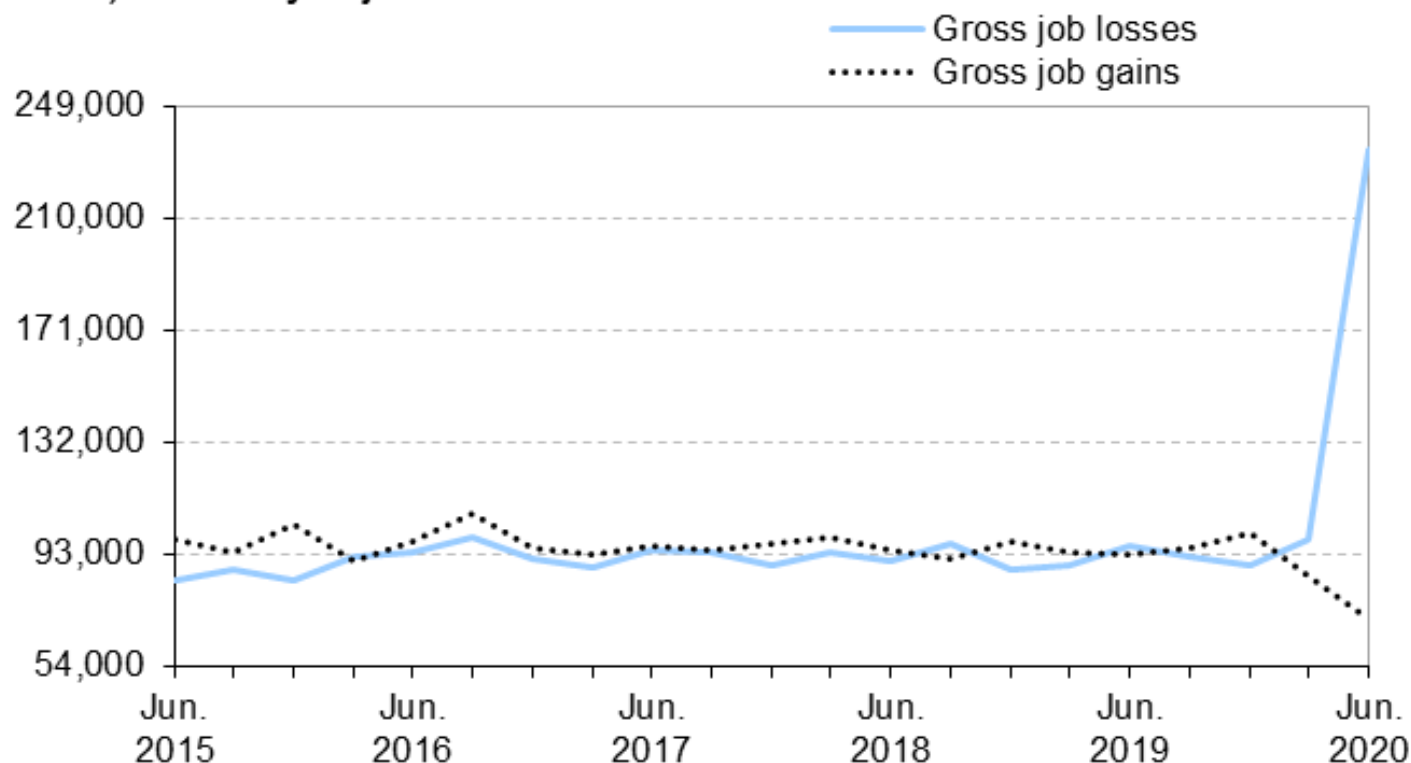
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Business Employment Dynamics in Kentucky – Second Quarter 2020

From March 2020 to June 2020, **gross job gains** from opening and expanding private-sector establishments in Kentucky were 70,624, while **gross job losses** from closing and contracting private-sector establishments were 234,102, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment loss** of 163,478 jobs in the private sector during the second quarter of 2020. During the previous quarter, gross job losses exceeded gross job gains by 12,517. (See [chart 1.](#))

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



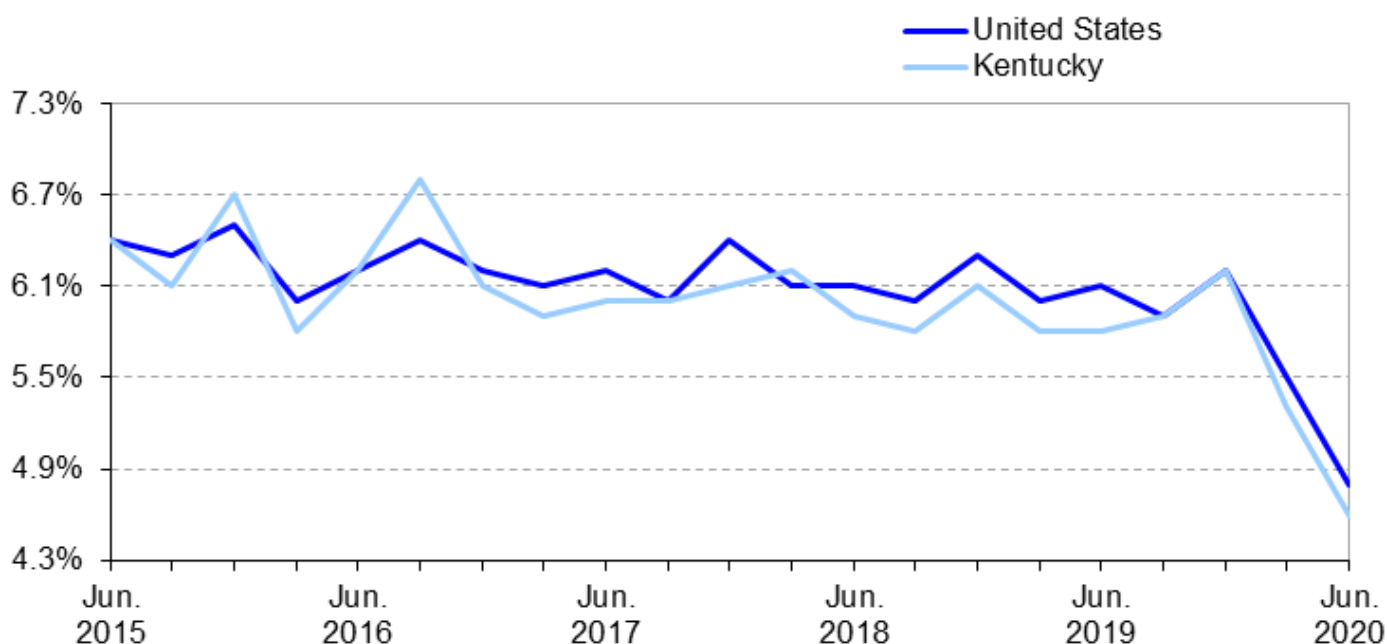
Source: U.S. Bureau of Labor Statistics.

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 4.6 percent of private-sector employment in Kentucky; 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 Kentucky, gross job gains at **expanding** establishments totaled 55,040 in the second quarter of 2020, a decrease of 14,891 jobs compared to the previous quarter. (See [table 1](#).) **Opening** establishments accounted for 15,584 jobs gained in the second quarter of 2020, an increase of 138 jobs from the previous quarter.

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

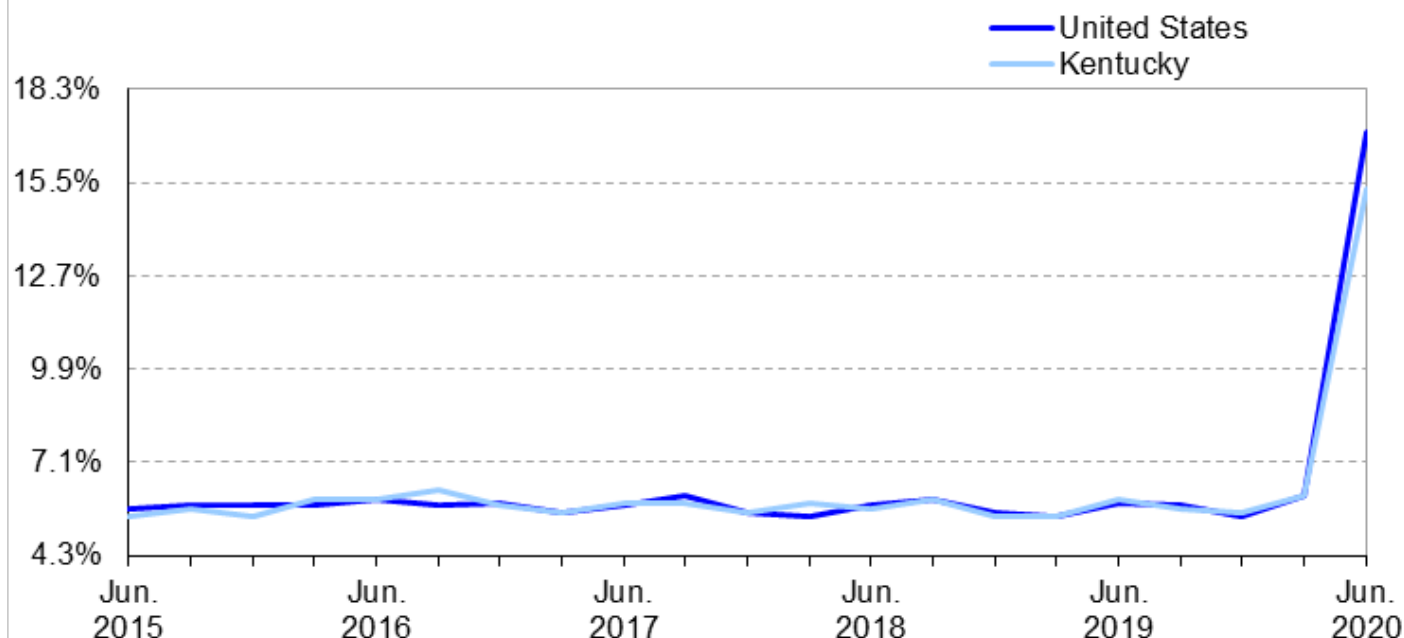


Source: U.S. Bureau of Labor Statistics.

Gross job losses

In the second quarter of 2020, gross job losses represented 15.3 percent of private-sector employment in Kentucky; 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 Kentucky, **contracting** establishments lost 203,837 jobs in the second quarter of 2020, an increase of 122,894 jobs from the prior quarter. **Closing** establishments lost 30,265 jobs, an increase of 13,314 jobs from the previous quarter.

Chart 3. Private sector gross job losses as a percent of employment, United States and Kentucky, 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 Kentucky in the second quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job decrease, with a loss of 58,090 jobs. This was the result of 8,304 gross job gains and 66,394 gross job losses. Education and health services had a net loss of 24,064 jobs. Job losses among the remaining nine sectors ranged from 22,492 in professional and business services to 1,852 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 at 10:00 a.m. (ET).

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, Kentucky, 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	92,471	94,832	100,449	85,377	70,624	5.8	5.9	6.2	5.3	4.6
At expanding establishments	75,375	78,052	83,822	69,931	55,040	4.7	4.9	5.2	4.3	3.6
At opening establishments	17,096	16,780	16,627	15,446	15,584	1.1	1.0	1.0	1.0	1.0
Gross job losses	95,700	91,725	89,006	97,894	234,102	6.0	5.7	5.6	6.1	15.3
At contracting establishments	81,049	77,132	71,836	80,943	203,837	5.1	4.8	4.5	5.0	13.3
At closing establishments	14,651	14,593	17,170	16,951	30,265	0.9	0.9	1.1	1.1	2.0
Net employment change ⁽²⁾	-3,229	3,107	11,443	-12,517	-163,478	-0.2	0.2	0.6	-0.8	-10.7
Construction										
Gross job gains	7,598	7,957	7,401	8,019	5,950	9.4	9.9	9.1	9.8	7.5
At expanding establishments	6,262	6,121	6,090	6,450	4,683	7.7	7.6	7.5	7.9	5.9
At opening establishments	1,336	1,836	1,311	1,569	1,267	1.7	2.3	1.6	1.9	1.6
Gross job losses	7,728	7,315	7,584	7,409	11,782	9.5	9.2	9.4	9.1	14.9
At contracting establishments	5,942	5,984	6,166	6,028	9,617	7.3	7.5	7.6	7.4	12.2
At closing establishments	1,786	1,331	1,418	1,381	2,165	2.2	1.7	1.8	1.7	2.7
Net employment change ⁽²⁾	-130	642	-183	610	-5,832	-0.1	0.7	-0.3	0.7	-7.4
Manufacturing										
Gross job gains	6,696	7,518	7,188	6,374	3,813	2.6	3.0	2.8	2.5	1.5
At expanding establishments	6,140	6,788	6,649	5,746	3,249	2.4	2.7	2.6	2.3	1.3
At opening establishments	556	730	539	628	564	0.2	0.3	0.2	0.2	0.2
Gross job losses	7,770	7,278	7,381	7,513	22,023	3.1	2.9	3.0	2.9	9.1
At contracting establishments	7,462	6,780	6,700	6,892	21,536	3.0	2.7	2.7	2.7	8.9
At closing establishments	308	498	681	621	487	0.1	0.2	0.3	0.2	0.2
Net employment change ⁽²⁾	-1,074	240	-193	-1,139	-18,210	-0.5	0.1	-0.2	-0.4	-7.6
Wholesale trade										
Gross job gains	3,855	3,541	3,028	3,179	2,247	5.1	4.6	4.0	4.2	3.1
At expanding establishments	2,966	2,837	2,557	2,736	1,819	3.9	3.7	3.4	3.6	2.5
At opening establishments	889	704	471	443	428	1.2	0.9	0.6	0.6	0.6
Gross job losses	3,581	3,948	3,269	2,978	7,106	4.7	5.2	4.3	3.9	9.7
At contracting establishments	2,819	2,961	2,524	2,417	6,070	3.7	3.9	3.3	3.2	8.3
At closing establishments	762	987	745	561	1,036	1.0	1.3	1.0	0.7	1.4
Net employment change ⁽²⁾	274	-407	-241	201	-4,859	0.4	-0.6	-0.3	0.3	-6.6
Retail trade										
Gross job gains	11,190	11,480	12,028	12,765	14,546	5.3	5.5	5.8	6.1	7.1
At expanding establishments	9,254	9,793	10,605	10,938	12,730	4.4	4.7	5.1	5.2	6.2
At opening establishments	1,936	1,687	1,423	1,827	1,816	0.9	0.8	0.7	0.9	0.9
Gross job losses	13,637	12,336	11,499	11,940	28,072	6.4	5.9	5.5	5.7	13.7
At contracting establishments	11,689	10,843	9,607	10,342	25,142	5.5	5.2	4.6	4.9	12.3
At closing establishments	1,948	1,493	1,892	1,598	2,930	0.9	0.7	0.9	0.8	1.4
Net employment change ⁽²⁾	-2,447	-856	529	825	-13,526	-1.1	-0.4	0.3	0.4	-6.6
Transportation and warehousing										
Gross job gains	4,891	5,344	9,001	4,171	7,064	4.6	4.9	8.0	3.7	6.4
At expanding establishments	4,267	4,749	8,098	3,724	6,551	4.0	4.4	7.2	3.3	5.9
At opening establishments	624	595	903	447	513	0.6	0.5	0.8	0.4	0.5
Gross job losses	4,813	4,174	3,781	7,047	9,932	4.5	3.9	3.4	6.1	8.9
At contracting establishments	4,270	3,770	3,243	6,538	9,185	4.0	3.5	2.9	5.7	8.2
At closing establishments	543	404	538	509	747	0.5	0.4	0.5	0.4	0.7
Net employment change ⁽²⁾	78	1,170	5,220	-2,876	-2,868	0.1	1.0	4.6	-2.4	-2.5
Information										
Gross job gains	1,345	998	1,065	865	778	6.1	4.5	4.9	4.0	3.8
At expanding establishments	1,093	731	890	683	439	5.0	3.3	4.1	3.2	2.1
At opening establishments	252	267	175	182	339	1.1	1.2	0.8	0.8	1.7
Gross job losses	1,240	1,448	1,147	1,249	2,630	5.7	6.6	5.3	5.9	12.9

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Kentucky, 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	918	1,189	907	1,062	2,125	4.2	5.4	4.2	5.0	10.4
At closing establishments	322	259	240	187	505	1.5	1.2	1.1	0.9	2.5
Net employment change ⁽²⁾	105	-450	-82	-384	-1,852	0.4	-2.1	-0.4	-1.9	-9.1
Financial activities										
Gross job gains	4,162	4,683	4,404	4,043	3,264	4.4	5.1	4.7	4.3	3.5
At expanding establishments	3,025	3,606	3,482	3,099	2,296	3.2	3.9	3.7	3.3	2.5
At opening establishments	1,137	1,077	922	944	968	1.2	1.2	1.0	1.0	1.0
Gross job losses	4,038	3,953	4,247	4,060	7,469	4.3	4.2	4.5	4.3	8.1
At contracting establishments	3,022	3,160	3,265	3,075	6,021	3.2	3.4	3.5	3.3	6.5
At closing establishments	1,016	793	982	985	1,448	1.1	0.8	1.0	1.0	1.6
Net employment change ⁽²⁾	124	730	157	-17	-4,205	0.1	0.9	0.2	0.0	-4.6
Professional and business services										
Gross job gains	17,989	19,321	20,231	16,036	13,502	8.3	8.9	9.3	7.3	6.5
At expanding establishments	14,708	15,758	16,574	12,749	9,928	6.8	7.3	7.6	5.8	4.8
At opening establishments	3,281	3,563	3,657	3,287	3,574	1.5	1.6	1.7	1.5	1.7
Gross job losses	17,061	18,120	18,235	18,380	35,994	7.9	8.4	8.4	8.4	17.3
At contracting establishments	14,523	15,119	14,117	15,011	31,920	6.7	7.0	6.5	6.9	15.3
At closing establishments	2,538	3,001	4,118	3,369	4,074	1.2	1.4	1.9	1.5	2.0
Net employment change ⁽²⁾	928	1,201	1,996	-2,344	-22,492	0.4	0.5	0.9	-1.1	-10.8
Education and health services										
Gross job gains	13,367	12,884	13,453	11,265	7,521	5.0	4.8	4.9	4.1	2.8
At expanding establishments	10,773	10,539	10,863	9,330	5,150	4.0	3.9	4.0	3.4	1.9
At opening establishments	2,594	2,345	2,590	1,935	2,371	1.0	0.9	0.9	0.7	0.9
Gross job losses	10,925	11,804	11,410	11,256	31,585	4.0	4.3	4.2	4.1	11.9
At contracting establishments	9,085	9,266	9,029	9,222	25,581	3.3	3.4	3.3	3.4	9.6
At closing establishments	1,840	2,538	2,381	2,034	6,004	0.7	0.9	0.9	0.7	2.3
Net employment change ⁽²⁾	2,442	1,080	2,043	9	-24,064	1.0	0.5	0.7	0.0	-9.1
Leisure and hospitality										
Gross job gains	16,489	15,764	17,717	13,896	8,304	8.2	7.9	8.8	6.9	4.7
At expanding establishments	13,072	13,009	14,342	10,835	5,813	6.5	6.5	7.1	5.4	3.3
At opening establishments	3,417	2,755	3,375	3,061	2,491	1.7	1.4	1.7	1.5	1.4
Gross job losses	18,702	16,421	14,618	20,622	66,394	9.2	8.2	7.2	10.2	37.7
At contracting establishments	16,210	14,135	12,129	16,429	57,723	8.0	7.1	6.0	8.1	32.8
At closing establishments	2,492	2,286	2,489	4,193	8,671	1.2	1.1	1.2	2.1	4.9
Net employment change ⁽²⁾	-2,213	-657	3,099	-6,726	-58,090	-1.0	-0.3	1.6	-3.3	-33.0
Other services ⁽³⁾										
Gross job gains	3,276	3,616	3,084	3,285	2,253	7.8	8.6	7.3	7.8	5.7
At expanding establishments	2,555	2,741	2,447	2,521	1,471	6.1	6.5	5.8	6.0	3.7
At opening establishments	721	875	637	764	782	1.7	2.1	1.5	1.8	2.0
Gross job losses	3,578	3,114	3,333	3,288	7,825	8.5	7.5	7.9	7.8	19.9
At contracting establishments	2,780	2,500	2,567	2,272	6,370	6.6	6.0	6.1	5.4	16.2
At closing establishments	798	614	766	1,016	1,455	1.9	1.5	1.8	2.4	3.7
Net employment change ⁽²⁾	-302	502	-249	-3	-5,572	-0.7	1.1	-0.6	0.0	-14.2

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.