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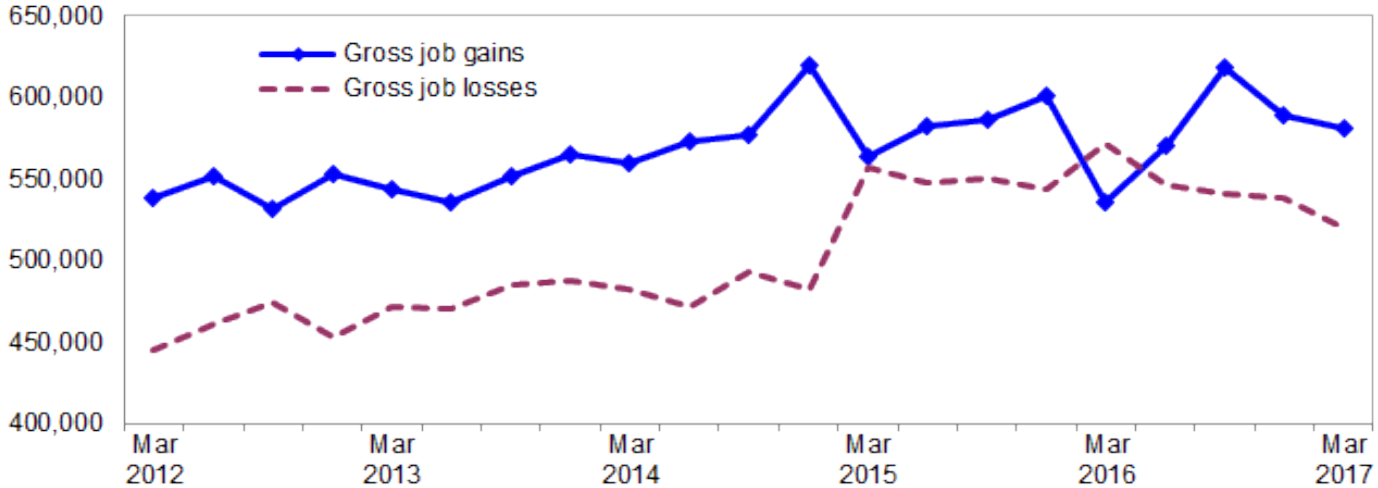
Business Employment Dynamics in Texas – First Quarter 2017

From December 2016 to March 2017 **gross job gains** in private sector establishments in Texas totaled 580,416, while **gross job losses** numbered 519,376, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 61,040 from December 2016 to March 2017. During the previous quarter, gross job gains exceeded gross job losses by 50,076. (See chart 1 and table 1.)

Chart 1. Private sector gross job gains and losses in Texas, March 2012–March 2017, seasonally adjusted



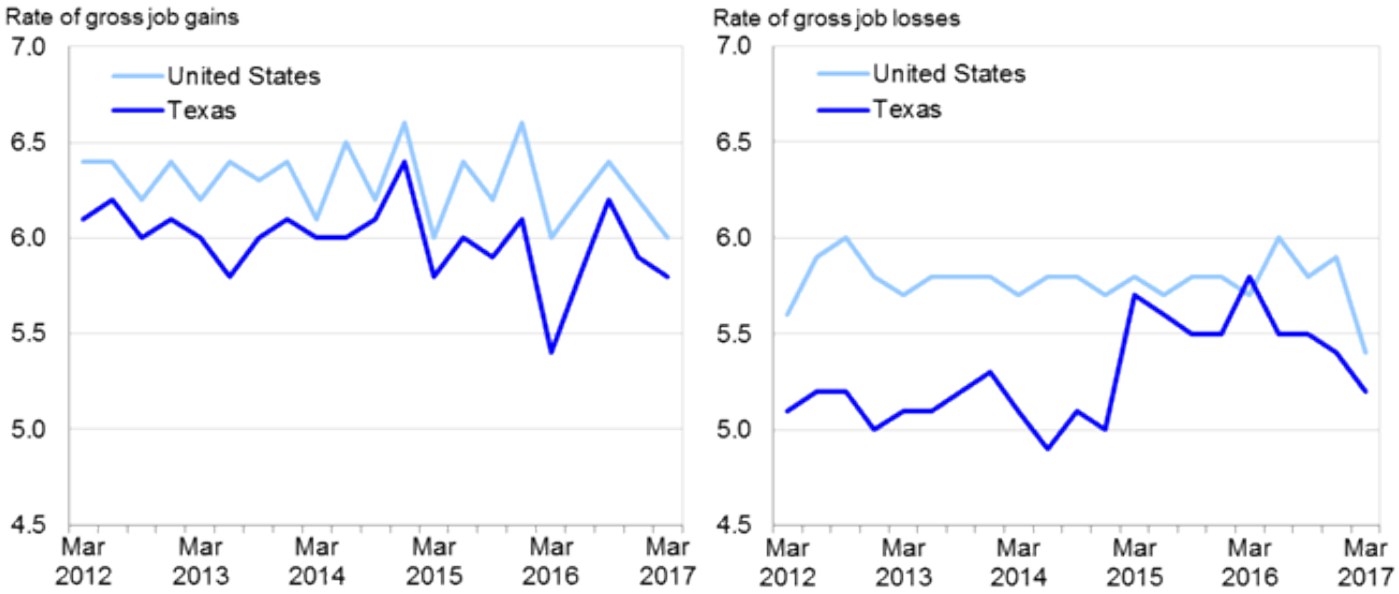
Source: U.S. Bureau of Labor Statistics.

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. 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 job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.)

Texas gross job gains reached 617,457 in September 2016, the second-highest level in the history of the series, before declining to 588,802 in December 2016 and 580,416 in March 2017. Gross job losses in Texas had generally trended upward since a recent low of 433,128 recorded in March 2011. However, gross job losses have fallen in each quarter since March 2016. (See chart 1.)

Gross job gains represented 5.8 percent of private sector employment in Texas in the quarter ended March 2017; nationally gross job gains accounted for 6.0 percent of private sector employment. (See chart 2.) During the past five years, the rate of gross job gains in Texas has remained below the national rate. The state's rate of gross job losses as a percent of private sector employment was 5.2 percent in the first quarter of 2017 compared to the national rate of 5.4 percent. With the exception of March 2016, gross job loss rates in Texas have remained below the U.S. rates since March 2003.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Texas, March 2012–March 2017, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

During the first quarter of 2017, gross job gains exceeded gross job losses in 10 of the 11 industry sectors in Texas. For example, within professional and business services, opening and expanding establishments added nearly 115,000 jobs, while closing and contracting establishments lost more than 99,000 jobs. The resulting net gain of 15,582 jobs was the largest of any Texas sector in the first quarter of 2017. In education and health services, about 72,600 jobs were created in opening and expanding establishments and about 62,800 were lost in closing and contracting establishments, resulting in a net employment gain of 9,787, the second largest among the state's sectors. Opening and expanding establishments in Texas's construction sector added nearly 58,300 jobs while losing more than 49,400 jobs at closing and contracting establishments, for a net gain of 8,887 jobs. (See table 1.)

The transportation and warehousing industry sector had the only net job decrease in the first quarter of 2017. With nearly 28,000 gross jobs losses in closing and contracting establishments and about 21,600 gains in opening and expanding establishments, this sector lost 6,387 jobs.

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 2017 is scheduled to be released on Wednesday, January 24, 2018 at 10:00 am (EST).

Revisions 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), or the ES-202 program. 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 quarterly 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, Texas, 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. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017
Total private [1]										
Gross job gains	535,504	569,649	617,457	588,802	580,416	5.4	5.8	6.2	5.9	5.8
At expanding establishments	436,152	461,580	505,110	486,154	483,576	4.4	4.7	5.1	4.9	4.8
At opening establishments	99,352	108,069	112,347	102,648	96,840	1.0	1.1	1.1	1.0	1.0
Gross job losses	571,800	545,548	541,252	538,726	519,376	5.8	5.5	5.5	5.4	5.2
At contracting establishments	481,551	459,312	453,606	451,103	438,476	4.9	4.6	4.6	4.5	4.4
At closing establishments	90,249	86,236	87,646	87,623	80,900	0.9	0.9	0.9	0.9	0.8
Net employment change [2]	-36,296	24,101	76,205	50,076	61,040	-0.4	0.3	0.7	0.5	0.6
Construction										
Gross job gains	54,054	55,403	62,431	52,697	58,292	7.8	8.0	9.0	7.5	8.3
At expanding establishments	46,500	46,955	49,329	45,081	50,014	6.7	6.8	7.1	6.4	7.1
At opening establishments	7,554	8,448	13,102	7,616	8,278	1.1	1.2	1.9	1.1	1.2
Gross job losses	56,831	51,444	51,400	54,356	49,405	8.2	7.4	7.4	7.7	7.0
At contracting establishments	49,205	44,419	44,725	47,708	42,329	7.1	6.4	6.4	6.8	6.0
At closing establishments	7,626	7,025	6,675	6,648	7,076	1.1	1.0	1.0	0.9	1.0
Net employment change [2]	-2,777	3,959	11,031	-1,659	8,887	-0.4	0.6	1.6	-0.2	1.3
Manufacturing										
Gross job gains	26,535	27,544	27,627	28,301	28,503	3.1	3.3	3.3	3.4	3.4
At expanding establishments	23,732	23,707	24,453	25,736	26,259	2.8	2.8	2.9	3.1	3.1
At opening establishments	2,803	3,837	3,174	2,565	2,244	0.3	0.5	0.4	0.3	0.3
Gross job losses	35,929	36,256	32,935	28,028	25,250	4.2	4.2	4.0	3.4	3.0
At contracting establishments	31,660	32,505	29,085	24,943	22,500	3.7	3.8	3.5	3.0	2.7
At closing establishments	4,269	3,751	3,850	3,085	2,750	0.5	0.4	0.5	0.4	0.3
Net employment change [2]	-9,394	-8,712	-5,308	273	3,253	-1.1	-0.9	-0.7	0.0	0.4
Wholesale trade										
Gross job gains	24,997	26,039	27,873	24,791	26,322	4.2	4.5	4.8	4.2	4.5
At expanding establishments	20,715	21,514	22,752	20,629	22,210	3.5	3.7	3.9	3.5	3.8
At opening establishments	4,282	4,525	5,121	4,162	4,112	0.7	0.8	0.9	0.7	0.7
Gross job losses	31,042	27,821	25,404	24,102	22,194	5.2	4.7	4.4	4.1	3.8
At contracting establishments	26,030	22,889	20,716	20,331	17,954	4.4	3.9	3.6	3.5	3.1
At closing establishments	5,012	4,932	4,688	3,771	4,240	0.8	0.8	0.8	0.6	0.7
Net employment change [2]	-6,045	-1,782	2,469	689	4,128	-1.0	-0.2	0.4	0.1	0.7
Retail trade										
Gross job gains	73,432	72,955	77,004	73,845	72,759	5.6	5.5	5.8	5.6	5.4
At expanding establishments	63,688	63,070	66,201	64,996	62,917	4.9	4.8	5.0	4.9	4.7
At opening establishments	9,744	9,885	10,803	8,849	9,842	0.7	0.7	0.8	0.7	0.7
Gross job losses	66,722	68,567	75,507	68,489	72,264	5.1	5.2	5.7	5.2	5.4
At contracting establishments	59,480	62,185	67,122	60,316	65,152	4.5	4.7	5.1	4.6	4.9
At closing establishments	7,242	6,382	8,385	8,173	7,112	0.6	0.5	0.6	0.6	0.5
Net employment change [2]	6,710	4,388	1,497	5,356	495	0.5	0.3	0.1	0.4	0.0
Transportation and warehousing										
Gross job gains	20,521	21,642	25,905	35,699	21,595	4.7	4.9	5.8	7.8	4.6
At expanding establishments	17,370	18,046	21,862	29,256	18,677	4.0	4.1	4.9	6.4	4.0
At opening establishments	3,151	3,596	4,043	6,443	2,918	0.7	0.8	0.9	1.4	0.6
Gross job losses	24,799	20,183	19,879	20,626	27,982	5.6	4.5	4.4	4.5	6.0
At contracting establishments	21,982	16,511	16,631	17,957	25,567	5.0	3.7	3.7	3.9	5.5
At closing establishments	2,817	3,672	3,248	2,669	2,415	0.6	0.8	0.7	0.6	0.5
Net employment change [2]	-4,278	1,459	6,026	15,073	-6,387	-0.9	0.4	1.4	3.3	-1.4
Information										
Gross job gains	7,793	11,344	8,885	9,177	9,130	3.9	5.7	4.4	4.6	4.5
At expanding establishments	5,834	9,376	7,455	7,645	7,705	2.9	4.7	3.7	3.8	3.8
At opening establishments	1,959	1,968	1,430	1,532	1,425	1.0	1.0	0.7	0.8	0.7
Gross job losses	9,426	8,642	9,507	9,950	8,223	4.7	4.3	4.7	4.9	4.0

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Texas, 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. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017
At contracting establishments	8,094	6,994	8,011	8,292	7,183	4.0	3.5	4.0	4.1	3.5
At closing establishments	1,332	1,648	1,496	1,658	1,040	0.7	0.8	0.7	0.8	0.5
Net employment change (2)	-1,633	2,702	-622	-773	907	-0.8	1.4	-0.3	-0.3	0.5
Financial activities										
Gross job gains	31,348	34,857	37,873	35,428	32,491	4.4	4.9	5.3	4.9	4.4
At expanding establishments	24,189	27,976	29,206	27,786	25,617	3.4	3.9	4.1	3.8	3.5
At opening establishments	7,159	6,881	8,667	7,642	6,874	1.0	1.0	1.2	1.1	0.9
Gross job losses	30,623	31,233	30,499	29,331	29,322	4.3	4.4	4.3	4.1	4.0
At contracting establishments	23,673	24,079	23,433	22,857	22,877	3.3	3.4	3.3	3.2	3.1
At closing establishments	6,950	7,154	7,066	6,474	6,445	1.0	1.0	1.0	0.9	0.9
Net employment change (2)	725	3,624	7,374	6,097	3,169	0.1	0.5	1.0	0.8	0.4
Professional and business services										
Gross job gains	102,632	110,313	121,446	109,554	114,615	6.4	6.8	7.5	6.7	7.0
At expanding establishments	83,899	89,028	101,687	89,010	95,236	5.2	5.5	6.3	5.4	5.8
At opening establishments	18,733	21,285	19,759	20,544	19,379	1.2	1.3	1.2	1.3	1.2
Gross job losses	114,190	103,438	99,551	110,092	99,033	7.0	6.4	6.2	6.7	6.0
At contracting establishments	94,161	85,407	80,497	88,575	81,406	5.8	5.3	5.0	5.4	4.9
At closing establishments	20,029	18,031	19,054	21,517	17,627	1.2	1.1	1.2	1.3	1.1
Net employment change (2)	-11,558	6,875	21,895	-538	15,582	-0.6	0.4	1.3	0.0	1.0
Education and health services										
Gross job gains	66,156	72,253	82,672	76,615	72,615	4.2	4.6	5.3	4.9	4.6
At expanding establishments	53,232	58,019	67,587	62,997	60,153	3.4	3.7	4.3	4.0	3.8
At opening establishments	12,924	14,234	15,085	13,618	12,462	0.8	0.9	1.0	0.9	0.8
Gross job losses	63,420	62,381	61,453	64,009	62,828	4.1	4.0	3.9	4.0	4.0
At contracting establishments	51,253	49,887	49,404	51,244	52,063	3.3	3.2	3.1	3.2	3.3
At closing establishments	12,167	12,494	12,049	12,765	10,765	0.8	0.8	0.8	0.8	0.7
Net employment change (2)	2,736	9,872	21,219	12,606	9,787	0.1	0.6	1.4	0.9	0.6
Leisure and hospitality										
Gross job gains	90,421	96,110	99,511	94,173	93,103	7.1	7.5	7.7	7.2	7.1
At expanding establishments	69,036	72,843	78,002	74,624	73,671	5.4	5.7	6.0	5.7	5.6
At opening establishments	21,385	23,267	21,509	19,549	19,432	1.7	1.8	1.7	1.5	1.5
Gross job losses	85,404	85,077	90,018	86,103	84,643	6.7	6.7	7.0	6.6	6.5
At contracting establishments	71,496	72,531	77,302	74,047	70,587	5.6	5.7	6.0	5.7	5.4
At closing establishments	13,908	12,546	12,716	12,056	14,056	1.1	1.0	1.0	0.9	1.1
Net employment change (2)	5,017	11,033	9,493	8,070	8,460	0.4	0.8	0.7	0.6	0.6
Other services (3)										
Gross job gains	20,649	23,300	23,299	21,158	21,912	7.0	7.8	7.8	7.0	7.2
At expanding establishments	15,107	17,224	18,554	16,693	17,947	5.1	5.8	6.2	5.5	5.9
At opening establishments	5,542	6,076	4,745	4,465	3,965	1.9	2.0	1.6	1.5	1.3
Gross job losses	21,561	19,904	21,244	21,103	20,000	7.2	6.7	7.1	7.0	6.6
At contracting establishments	16,677	15,506	16,397	17,313	16,307	5.6	5.2	5.5	5.7	5.4
At closing establishments	4,884	4,398	4,847	3,790	3,693	1.6	1.5	1.6	1.3	1.2
Net employment change (2)	-912	3,396	2,055	55	1,912	-0.2	1.1	0.7	0.0	0.6

(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

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017
United States [1]	6.0	6.2	6.4	6.2	6.0	5.7	6.0	5.8	5.9	5.4
Alabama	5.9	5.8	6.2	5.8	6.1	5.5	5.9	5.8	5.8	5.2
Alaska	9.6	10.4	9.1	9.8	9.4	9.6	11.2	11.2	10.0	9.8
Arizona	5.9	6.2	7.2	6.0	5.8	5.7	6.0	5.2	5.5	5.4
Arkansas	5.5	5.4	6.2	5.9	5.6	5.4	5.9	5.6	5.4	5.0
California	6.6	6.9	6.9	6.9	6.7	6.3	6.6	6.2	6.3	6.0
Colorado	6.6	7.0	7.1	6.6	6.8	6.1	6.5	6.2	6.5	6.2
Connecticut	5.3	5.4	5.2	5.1	5.5	5.0	5.4	5.4	5.2	5.1
Delaware	6.6	6.8	6.3	6.2	6.6	6.5	6.7	6.6	6.2	5.9
District of Columbia	5.3	5.9	6.2	5.6	5.7	5.6	5.8	5.8	5.6	4.7
Florida	6.2	6.5	7.4	6.7	6.1	5.8	5.9	5.8	6.1	5.5
Georgia	6.2	6.9	6.7	6.6	6.3	5.8	6.4	5.9	5.8	5.8
Hawaii	5.2	5.4	6.0	5.0	5.1	5.0	5.8	4.8	5.0	4.8
Idaho	8.2	7.2	7.9	7.5	7.9	6.5	7.0	7.3	6.7	6.3
Illinois	5.6	6.0	5.7	6.1	5.8	5.6	5.9	5.7	5.6	5.4
Indiana	5.5	5.4	5.8	5.4	5.7	5.3	5.2	5.1	5.2	5.1
Iowa	6.1	5.7	6.1	5.7	6.1	5.4	6.2	5.8	5.9	5.5
Kansas	5.8	5.7	6.2	5.9	5.8	5.9	6.3	5.6	5.7	5.6
Kentucky	5.9	6.2	6.8	6.1	5.7	6.0	6.0	6.3	5.8	5.4
Louisiana	6.0	6.0	6.8	5.9	6.4	6.7	6.9	6.5	6.5	5.9
Maine	7.2	7.7	6.7	7.4	7.2	6.9	6.8	7.4	7.1	6.4
Maryland	6.2	6.4	6.6	6.6	6.1	6.0	6.2	5.9	6.2	5.9
Massachusetts	5.4	6.0	5.7	5.6	5.5	5.1	5.2	5.4	5.4	5.1
Michigan	5.3	5.9	5.7	5.5	5.6	4.9	5.4	5.5	5.4	5.0
Minnesota	5.5	5.9	6.1	5.7	5.8	5.2	5.5	5.5	5.7	4.7
Mississippi	5.9	5.7	6.3	6.3	5.7	6.2	6.5	5.5	5.6	5.9
Missouri	5.6	5.7	5.7	5.7	5.9	5.3	5.4	5.4	5.6	4.9
Montana	7.9	7.9	7.6	7.8	8.1	7.3	8.6	7.7	7.5	7.1
Nebraska	5.9	5.7	6.4	5.7	5.9	5.5	5.9	5.9	6.2	5.2
Nevada	6.4	6.5	6.8	6.2	6.6	5.9	5.8	5.5	5.6	5.2
New Hampshire	6.0	6.5	6.4	6.3	5.7	5.8	5.9	6.3	5.9	5.6
New Jersey	5.8	6.4	6.3	6.4	5.5	6.0	5.7	5.9	5.9	5.8
New Mexico	6.4	6.4	7.0	6.6	6.4	6.4	6.7	6.2	6.5	6.2
New York	6.2	6.3	6.3	6.1	6.2	5.8	5.8	5.9	5.9	5.7
North Carolina	6.1	6.3	6.3	6.3	6.2	5.6	5.8	5.9	5.7	5.5
North Dakota	6.7	6.8	8.2	6.7	7.6	8.9	8.9	7.1	7.7	6.7
Ohio	5.5	5.6	5.7	5.7	5.7	5.2	5.7	5.7	5.4	5.1
Oklahoma	5.7	5.8	6.3	6.5	6.3	6.3	6.8	6.0	6.3	6.5
Oregon	7.1	6.8	6.9	6.6	6.9	5.8	6.6	6.4	6.3	5.7
Pennsylvania	5.4	5.3	5.6	5.4	5.2	5.3	5.4	5.1	5.1	5.0
Rhode Island	5.8	6.1	5.6	5.7	6.3	5.9	6.2	5.9	5.8	5.9
South Carolina	6.0	6.3	6.3	6.5	6.0	6.0	5.8	5.6	5.4	5.6
South Dakota	6.2	6.4	6.4	6.0	6.4	6.1	6.2	6.2	6.1	5.9
Tennessee	5.4	5.8	5.9	5.8	5.1	5.2	5.4	5.2	5.1	4.9
Texas	5.4	5.8	6.2	5.9	5.8	5.8	5.5	5.5	5.4	5.2
Utah	7.3	6.7	7.4	6.8	7.7	6.0	6.4	6.7	6.4	6.1
Vermont	6.7	7.4	7.2	7.0	6.6	6.9	7.2	7.4	7.0	6.8
Virginia	5.9	6.5	6.2	6.2	6.0	6.0	6.1	6.1	5.9	5.6
Washington	7.1	7.3	6.7	7.1	6.8	6.0	6.0	6.6	6.7	5.6
West Virginia	5.9	5.8	6.5	6.4	6.3	6.9	6.9	6.4	6.2	6.4
Wisconsin	5.6	5.7	5.5	5.5	5.9	5.2	5.7	5.6	5.3	4.8
Wyoming	8.1	7.7	8.5	8.8	8.8	9.4	10.6	8.8	8.7	8.1
Puerto Rico	5.7	5.6	5.8	5.8	5.1	6.0	5.5	5.7	5.4	5.7

Note: See footnotes at end of table.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted - Continued

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017	Mar. 2016	June 2016	Sept. 2016	Dec. 2016	Mar. 2017
Virgin Islands	6.0	6.5	6.2	6.0	5.3	5.8	5.7	6.8	6.0	5.5

(1) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.