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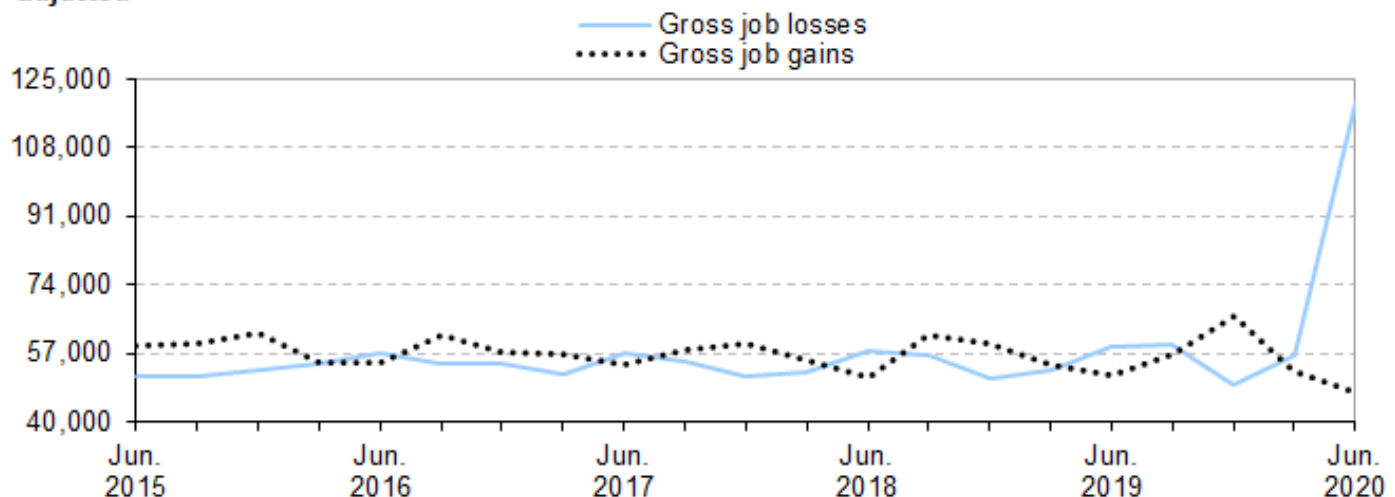
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Business Employment Dynamics in Arkansas – Second Quarter 2020

From March 2020 to June 2020, **gross job gains** from opening and expanding private-sector establishments in Arkansas totaled 47,653, while **gross job losses** from closing and contracting private-sector establishments were 119,256, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Michael Hirniak noted that second quarter 2020 marked the smallest gross job gain and the largest gross job loss since the series began in 1992. The difference between the number of gross job gains and the number of gross job losses yielded a **net employment loss** of 71,603 jobs in the private sector during the second quarter of 2020. During the previous quarter, gross job losses exceeded gross job gains by 3,551. (See [chart 1](#).)

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



Source: U.S. Bureau of Labor Statistics.

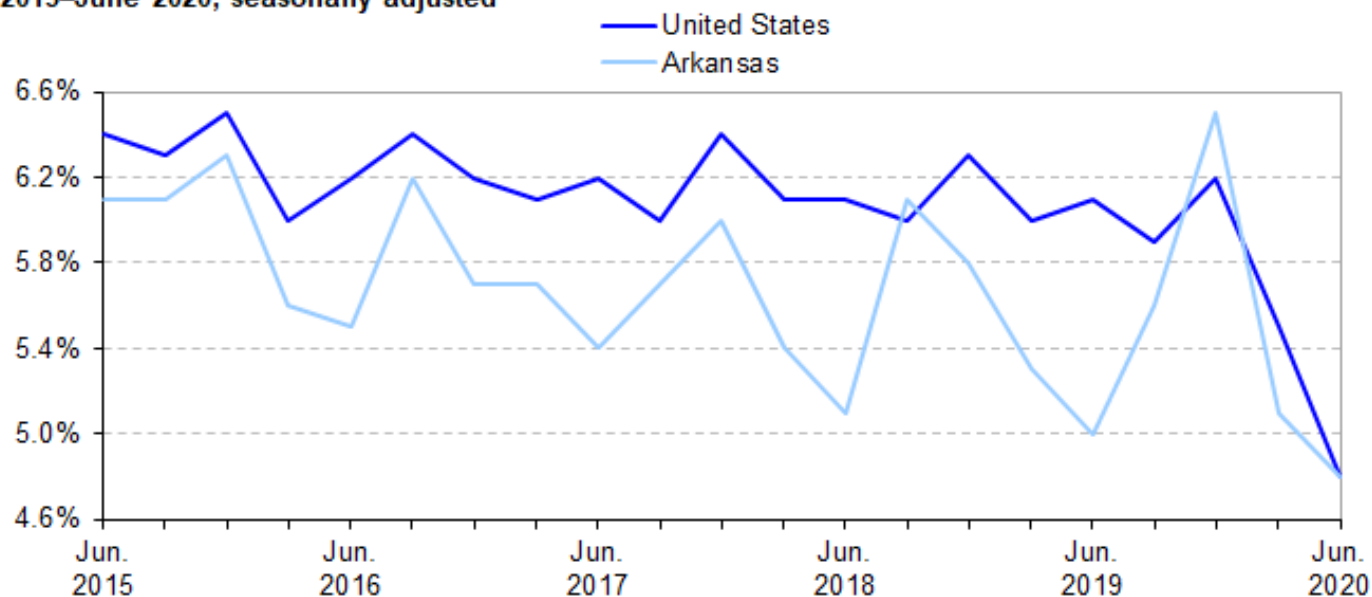
The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all private businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private-sector establishments from the third month of one quarter 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 4.8 percent of private-sector employment in Arkansas; nationally, gross job gains also 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 Arkansas, gross job gains at **expanding** establishments

totalled 38,386 in the second quarter of 2020, a decrease of 3,978 jobs compared to the previous quarter. (See [table 1](#).) **Opening** establishments accounted for 9,267 jobs gained in the second quarter of 2020, a decrease of 1,257 jobs from the previous quarter.

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

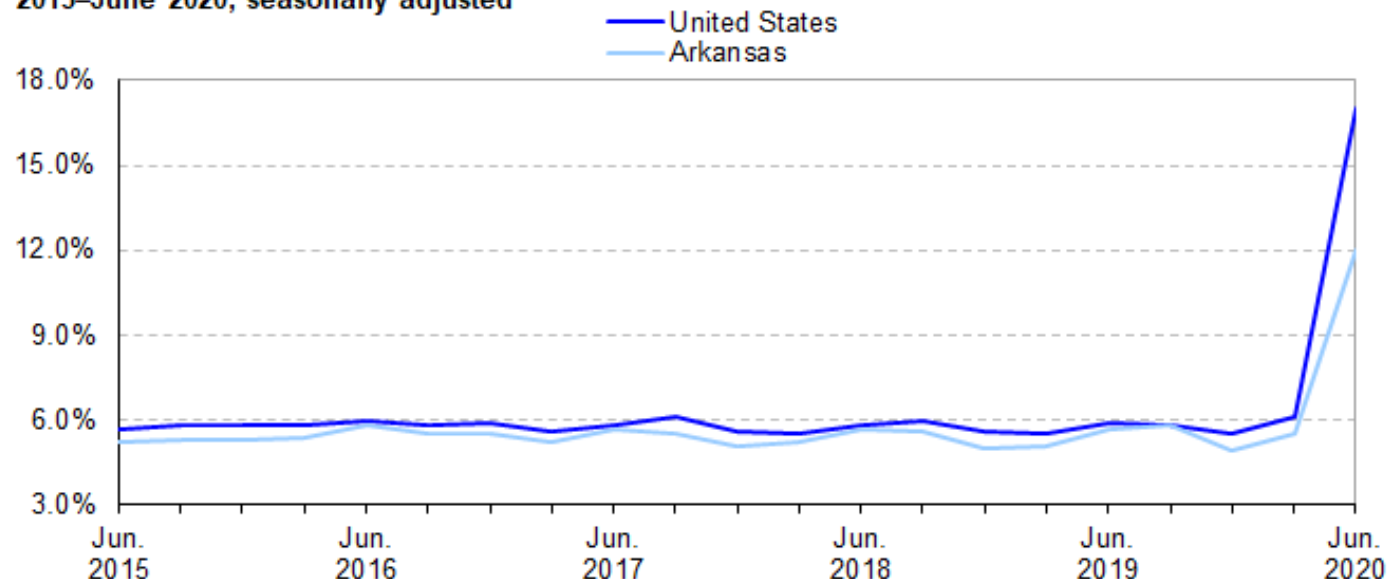


Source: U.S. Bureau of Labor Statistics.

Gross job losses

In the second quarter of 2020, gross job losses represented 12.0 percent of private-sector employment in Arkansas; 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 Arkansas, **contracting** establishments lost 104,715 jobs in the second quarter of 2020, an increase of 57,471 jobs from the prior quarter. **Closing** establishments lost 14,541 jobs, an increase of 5,346 jobs from the previous quarter.

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



Source: U.S. Bureau of Labor Statistics.

Industries

Gross job losses exceeded gross job gains in all 10 industry sectors in Arkansas in the second quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job decrease, with a loss of 24,538 jobs. This was the result of 6,820 gross job gains and 31,358 gross job losses. The professional and business services sector had a net loss of 12,638 jobs, while education and health services lost 9,998 net jobs. The financial activities sector showed the smallest net loss among published sectors in Arkansas, with a decrease of 1,033 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 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, Arkansas, 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	51,536	56,712	66,058	52,888	47,653	5.0	5.6	6.5	5.1	4.8
At expanding establishments	42,032	45,928	52,885	42,364	38,386	4.1	4.5	5.2	4.1	3.9
At opening establishments	9,504	10,784	13,173	10,524	9,267	0.9	1.1	1.3	1.0	0.9
Gross job losses	58,717	59,055	49,413	56,439	119,256	5.7	5.8	4.9	5.5	12.0
At contracting establishments	49,026	47,056	39,473	47,244	104,715	4.8	4.6	3.9	4.6	10.5
At closing establishments	9,691	11,999	9,940	9,195	14,541	0.9	1.2	1.0	0.9	1.5
Net employment change ⁽²⁾	-7,181	-2,343	16,645	-3,551	-71,603	-0.7	-0.2	1.6	-0.4	-7.2
Construction										
Gross job gains	4,403	4,572	5,275	4,296	4,185	8.4	8.8	9.9	7.9	7.8
At expanding establishments	3,567	3,750	4,304	3,311	3,329	6.8	7.2	8.1	6.1	6.2
At opening establishments	836	822	971	985	856	1.6	1.6	1.8	1.8	1.6
Gross job losses	4,196	4,423	3,957	4,202	5,631	8.0	8.5	7.5	7.7	10.5
At contracting establishments	3,354	3,470	3,212	3,525	4,698	6.4	6.7	6.1	6.5	8.8
At closing establishments	842	953	745	677	933	1.6	1.8	1.4	1.2	1.7
Net employment change ⁽²⁾	207	149	1,318	94	-1,446	0.4	0.3	2.4	0.2	-2.7
Manufacturing										
Gross job gains	3,996	4,088	4,756	3,485	2,350	2.4	2.5	3.0	2.2	1.5
At expanding establishments	3,807	3,891	4,489	3,185	2,107	2.3	2.4	2.8	2.0	1.3
At opening establishments	189	197	267	300	243	0.1	0.1	0.2	0.2	0.2
Gross job losses	4,524	5,542	4,177	5,096	10,861	2.7	3.4	2.6	3.2	6.9
At contracting establishments	4,300	5,172	3,729	4,802	10,485	2.6	3.2	2.3	3.0	6.7
At closing establishments	224	370	448	294	376	0.1	0.2	0.3	0.2	0.2
Net employment change ⁽²⁾	-528	-1454	579	-1,611	-8,511	-0.3	-0.9	0.4	-1.0	-5.4
Wholesale trade										
Gross job gains	2,267	2,411	2,609	2,420	1,901	4.8	5.0	5.5	5.1	4.0
At expanding establishments	1,852	1,962	2,089	1,980	1,465	3.9	4.1	4.4	4.2	3.1
At opening establishments	415	449	520	440	436	0.9	0.9	1.1	0.9	0.9
Gross job losses	2,405	2,499	2,032	2,383	4,153	5.1	5.3	4.3	5.0	8.9
At contracting establishments	1,884	1,921	1,550	1,966	3,448	4.0	4.1	3.3	4.1	7.4
At closing establishments	521	578	482	417	705	1.1	1.2	1.0	0.9	1.5
Net employment change ⁽²⁾	-138	-88	577	37	-2,252	-0.3	-0.3	1.2	0.1	-4.9
Retail trade										
Gross job gains	6,863	8,291	7,900	7,400	10,762	5.0	6.1	5.8	5.4	7.9
At expanding establishments	5,999	6,581	6,854	6,290	9,654	4.4	4.8	5.0	4.6	7.1
At opening establishments	864	1,710	1,046	1,110	1,108	0.6	1.3	0.8	0.8	0.8
Gross job losses	7,954	8,213	7,624	7,221	14,399	5.8	6.0	5.6	5.3	10.5
At contracting establishments	6,712	6,976	6,381	6,165	13,002	4.9	5.1	4.7	4.5	9.5
At closing establishments	1,242	1,237	1,243	1,056	1,397	0.9	0.9	0.9	0.8	1.0
Net employment change ⁽²⁾	-1,091	78	276	179	-3,637	-0.8	0.1	0.2	0.1	-2.6
Transportation and warehousing										
Gross job gains	2,294	2,329	3,466	2,258	2,975	4.0	4.1	6.1	3.9	5.4
At expanding establishments	1,841	1,875	2,884	1,909	2,723	3.2	3.3	5.1	3.3	4.9
At opening establishments	453	454	582	349	252	0.8	0.8	1.0	0.6	0.5
Gross job losses	2,832	2,608	2,168	2,827	6,522	5.0	4.6	3.9	5.0	11.7
At contracting establishments	2,419	2,224	1,788	2,502	5,796	4.3	3.9	3.2	4.4	10.4
At closing establishments	413	384	380	325	726	0.7	0.7	0.7	0.6	1.3
Net employment change ⁽²⁾	-538	-279	1298	-569	-3,547	-1.0	-0.5	2.2	-1.1	-6.3
Financial activities										
Gross job gains	2,692	2,354	2,542	2,756	2,347	5.2	4.6	4.9	5.2	4.5
At expanding establishments	1,972	1,840	1,854	2,001	1,614	3.8	3.6	3.6	3.8	3.1
At opening establishments	720	514	688	755	733	1.4	1.0	1.3	1.4	1.4
Gross job losses	2,414	2,266	2,179	2,680	3,380	4.7	4.4	4.1	5.1	6.5

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Arkansas, 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	1,768	1,633	1,529	1,985	2,863	3.4	3.2	2.9	3.8	5.5
At closing establishments	646	633	650	695	517	1.3	1.2	1.2	1.3	1.0
Net employment change ⁽²⁾	278	88	363	76	-1,033	0.5	0.2	0.8	0.1	-2.0
Professional and business services										
Gross job gains	8,806	9,836	12,914	8,909	7,166	6.1	6.9	8.8	6.0	5.1
At expanding establishments	6,948	7,702	10,920	7,294	5,352	4.8	5.4	7.4	4.9	3.8
At opening establishments	1,858	2,134	1,994	1,615	1,814	1.3	1.5	1.4	1.1	1.3
Gross job losses	11,620	9,787	7,737	9,295	19,804	8.0	6.8	5.3	6.2	14.1
At contracting establishments	9,599	7,943	6,090	7,495	17,558	6.6	5.5	4.2	5.0	12.5
At closing establishments	2,021	1,844	1,647	1,800	2,246	1.4	1.3	1.1	1.2	1.6
Net employment change ⁽²⁾	-2,814	49	5,177	-386	-12,638	-1.9	0.1	3.5	-0.2	-9.0
Education and health services										
Gross job gains	7,615	7,664	10,317	8,544	5,886	4.0	4.1	5.5	4.5	3.2
At expanding establishments	6,216	6,269	6,552	6,513	4,489	3.3	3.4	3.5	3.4	2.4
At opening establishments	1,399	1,395	3,765	2,031	1,397	0.7	0.7	2.0	1.1	0.8
Gross job losses	7,658	9,834	7,505	7,711	15,884	4.1	5.2	4.0	4.1	8.6
At contracting establishments	6,213	6,207	5,309	6,001	14,234	3.3	3.3	2.8	3.2	7.7
At closing establishments	1,445	3,627	2,196	1,710	1,650	0.8	1.9	1.2	0.9	0.9
Net employment change ⁽²⁾	-43	-2,170	2,812	833	-9,998	-0.1	-1.1	1.5	0.4	-5.4
Leisure and hospitality										
Gross job gains	8,608	11,208	11,136	8,580	6,820	7.2	9.5	9.1	7.0	6.2
At expanding establishments	6,762	8,965	8,917	6,460	5,380	5.7	7.6	7.3	5.3	4.9
At opening establishments	1,846	2,243	2,219	2,120	1,440	1.5	1.9	1.8	1.7	1.3
Gross job losses	10,921	9,460	7,908	10,508	31,358	9.2	7.9	6.6	8.5	28.3
At contracting establishments	9,388	7,862	6,624	9,138	26,999	7.9	6.6	5.5	7.4	24.4
At closing establishments	1,533	1,598	1,284	1,370	4,359	1.3	1.3	1.1	1.1	3.9
Net employment change ⁽²⁾	-2,313	1,748	3,228	-1,928	-24,538	-2.0	1.6	2.5	-1.5	-22.1
Other services ⁽³⁾										
Gross job gains	1,747	1,944	2,038	1,845	1,411	7.1	8.0	8.3	7.6	6.0
At expanding establishments	1,350	1,551	1,568	1,390	867	5.5	6.4	6.4	5.7	3.7
At opening establishments	397	393	470	455	544	1.6	1.6	1.9	1.9	2.3
Gross job losses	1,989	1,825	1,743	2,025	3,355	8.2	7.5	7.1	8.3	14.4
At contracting establishments	1,586	1,438	1,305	1,514	2,583	6.5	5.9	5.3	6.2	11.1
At closing establishments	403	387	438	511	772	1.7	1.6	1.8	2.1	3.3
Net employment change ⁽²⁾	-242	119	295	-180	-1,944	-1.1	0.5	1.2	-0.7	-8.4

(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)				
	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

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)				
	June 2019	Sept. 2019	Dec. 2019	Mar. 2020	June 2020	June 2019	Sept. 2019	Dec. 2019	Mar. 2020	June 2020
Virgin Islands.....	8.9	12.0	10.3	7.2	5.3	6.9	6.4	7.3	8.3	19.8

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