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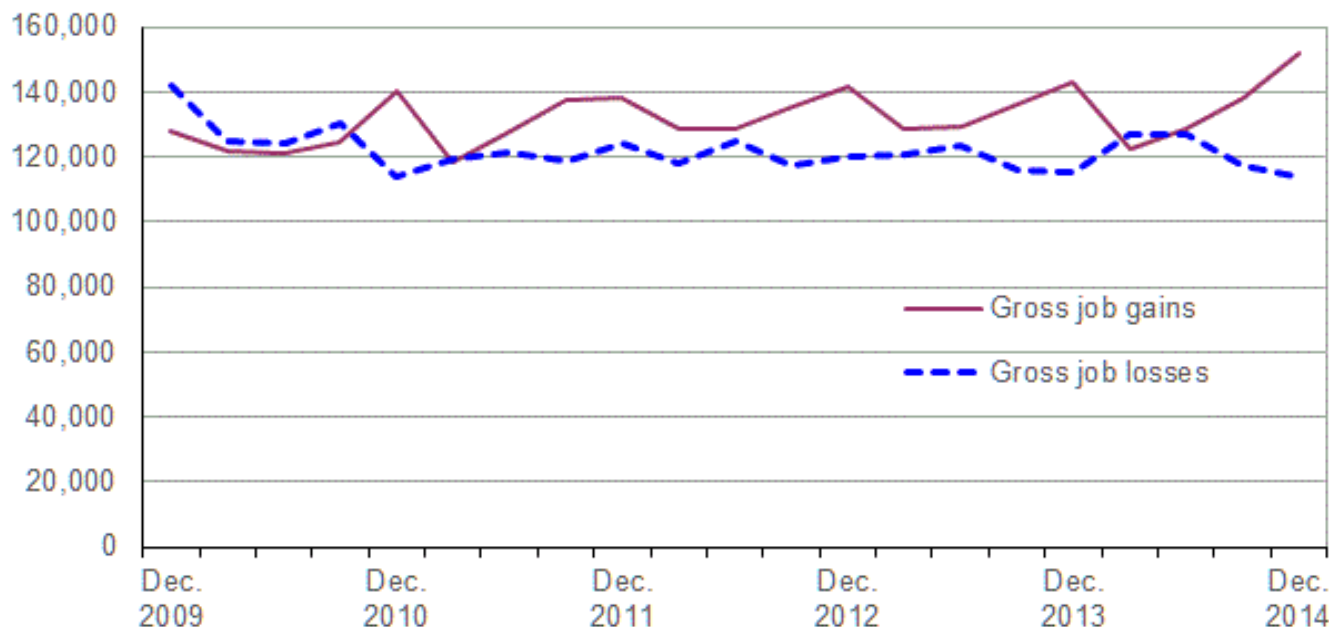
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### **Business Employment Dynamics in Arizona – Fourth Quarter 2014**

From September 2014 to December 2014 gross job gains in Arizona totaled 151,778, while gross job losses numbered 113,641, the U.S. Bureau of Labor Statistics reported today. Richard J. Holden, the Bureau's regional commissioner, noted that gross job gains exceeded gross job losses by 38,137, the highest level since March 2006. During the previous quarter, gross job gains exceeded gross job losses by 20,702.

**Chart 1. Private sector gross job gains and losses in Arizona, December 2009–December 2014 by quarter, seasonally adjusted**



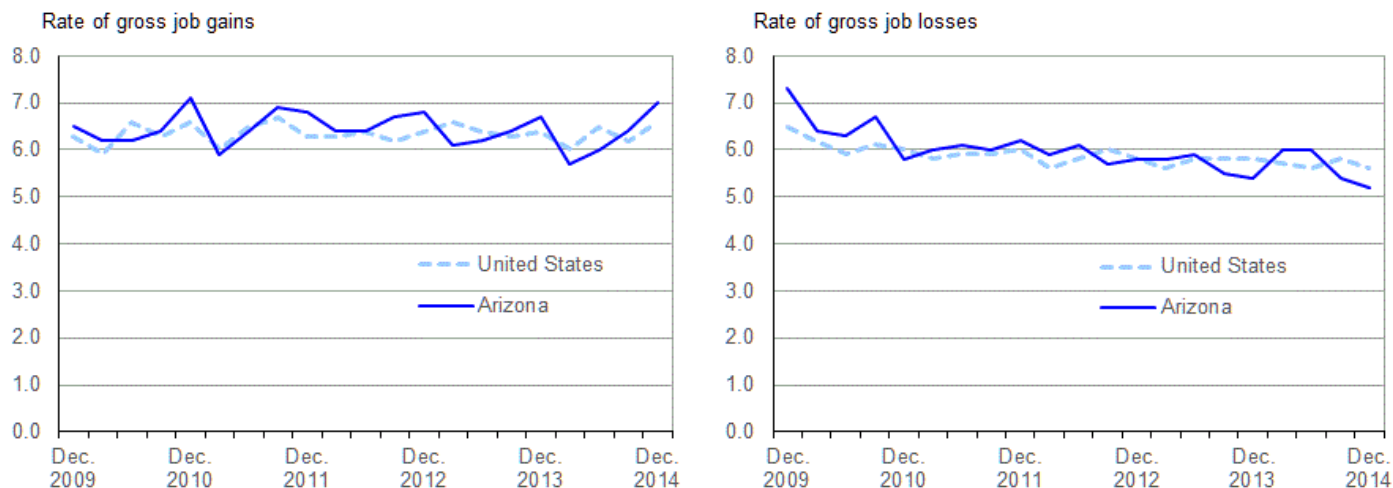
Source: U.S. Bureau of Labor Statistics.

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.)

The number of gross job gains in Arizona rose by 13,861 between September 2014 and December 2014. (See [chart 1](#).) Arizona's gross job gains this quarter were at the highest level since December 2007. Gross job losses declined in the three months ended in December 2014 to their lowest level since September 1994. Since the series began in 1992, job losses peaked in December 2008, when more than 190,000 jobs were lost within a three-month period.

**Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Arizona, December 2009–December 2014 by quarter, seasonally adjusted**



Source: U.S. Bureau of Labor Statistics.

Gross job gains represented 7.0 percent of private sector employment in Arizona in the quarter ended December 2014, while nationally gross job gains accounted for 6.6 percent of private employment. (See [chart 2](#).) Arizona's rate of gross job losses as a percent of private sector employment was 5.2 percent compared to the national rate of 5.6 percent. With few exceptions, Arizona's rates of gross job gains and gross job losses have generally tracked with the U.S. rates.

During the fourth quarter 2014, gross job gains exceeded gross job losses in 10 of the 11 industry sectors in Arizona. For example, opening and expanding establishments in professional and business services created more than 38,000 jobs during the period, though over 23,000 jobs were lost at closing and contracting establishments. The resulting net gain of 14,118 jobs in the professional and business services sector was the largest of any sector in the fourth quarter 2014. In education and health services, a gain of approximately 18,000 jobs at opening and expanding establishments more than offset the loss of nearly 12,000 jobs at closing and contracting establishments, and resulted in a net gain of 6,076 jobs. Other industries showing net job gains of more than 1,000 included retail trade (4,581), transportation and warehousing (2,675), financial activities (2,489), construction (1,695), and leisure and hospitality (1,686). In contrast, gross job losses exceeded gross job gains in the wholesale trade sector by 385. (See [table 1](#).)

### 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/](http://www.bls.gov/bdm/).

**The Business Employment Dynamics release for the first quarter 2015 is scheduled to be released on Wednesday, November 18, 2015.**

### **Changes to Business Employment Dynamics (BED) Data**

With the processing of fourth quarter 2014 BED data, BLS implemented a new statistical matching process used in the longitudinal linking of Quarterly Census of Employment and Wages (QCEW) data. Tabulations from this quarter forward will reflect this new methodology. For additional details on this new methodology, please see the article "A Simplified Approach to Administrative Record Linkage in the Quarterly Census of Employment and Wages" available at: <https://www.bls.gov/osmr/research-papers/2014/pdf/st140020.pdf> .

### **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 from existing QCEW records. The QCEW reports are sent by the State Employment Security Agencies (SESAs) to BLS and form the basis of the Bureau's QCEW program and establishment universe sampling frame. These reports are also used to produce the QCEW data on total employment and wages. Other important Bureau uses of the QCEW reports are in the Current Employment Statistics (CES) program. The CES program produces monthly estimates of employment, net changes, and earnings by detailed industry.

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, Arizona, 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)				
	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
<b>Total private <sup>(1)</sup></b>										
Gross job gains .....	142,862	122,710	128,550	137,917	151,778	6.7	5.7	6.0	6.4	7.0
At expanding establishments .....	115,176	101,144	105,110	112,490	124,396	5.4	4.7	4.9	5.2	5.7
At opening establishments .....	27,686	21,566	23,440	25,427	27,382	1.3	1.0	1.1	1.2	1.3
Gross job losses .....	114,990	127,049	126,814	117,215	113,641	5.4	6.0	6.0	5.4	5.2
At contracting establishments .....	92,519	106,051	101,812	95,257	90,800	4.3	5.0	4.8	4.4	4.2
At closing establishments .....	22,471	20,998	25,002	21,958	22,841	1.1	1.0	1.2	1.0	1.0
Net employment change <sup>(2)</sup> .....	27,872	-4,339	1,736	20,702	38,137	1.3	-0.3	0.0	1.0	1.8
<b>Construction</b>										
Gross job gains .....	12,544	12,366	11,761	10,587	12,420	10.1	9.8	9.4	8.6	10.1
At expanding establishments .....	10,072	10,765	9,751	8,424	10,325	8.1	8.5	7.8	6.8	8.4
At opening establishments .....	2,472	1,601	2,010	2,163	2,095	2.0	1.3	1.6	1.8	1.7
Gross job losses .....	11,657	12,016	14,371	12,902	10,725	9.3	9.5	11.5	10.5	8.7
At contracting establishments .....	9,632	9,835	12,367	10,976	9,113	7.7	7.8	9.9	8.9	7.4
At closing establishments .....	2,025	2,181	2,004	1,926	1,612	1.6	1.7	1.6	1.6	1.3
Net employment change <sup>(2)</sup> .....	887	350	-2,610	-2,315	1,695	0.8	0.3	-2.1	-1.9	1.4
<b>Manufacturing</b>										
Gross job gains .....	5,567	5,060	5,047	4,657	5,293	3.6	3.2	3.2	3.0	3.4
At expanding establishments .....	4,892	4,513	4,556	4,214	4,650	3.2	2.9	2.9	2.7	3.0
At opening establishments .....	675	547	491	443	643	0.4	0.3	0.3	0.3	0.4
Gross job losses .....	5,495	4,666	5,261	5,638	4,533	3.5	3.0	3.3	3.6	2.9
At contracting establishments .....	4,527	4,093	4,562	4,718	3,834	2.9	2.6	2.9	3.0	2.5
At closing establishments .....	968	573	699	920	699	0.6	0.4	0.4	0.6	0.4
Net employment change <sup>(2)</sup> .....	72	394	-214	-981	760	0.1	0.2	-0.1	-0.6	0.5
<b>Wholesale trade</b>										
Gross job gains .....	4,494	4,130	4,420	4,526	4,237	4.5	4.5	4.7	4.9	4.5
At expanding establishments .....	3,584	3,408	3,907	3,799	3,504	3.6	3.7	4.2	4.1	3.7
At opening establishments .....	910	722	513	727	733	0.9	0.8	0.5	0.8	0.8
Gross job losses .....	4,128	4,188	4,388	4,198	4,622	4.2	4.5	4.7	4.5	4.9
At contracting establishments .....	2,916	3,300	3,282	3,255	3,368	3.0	3.5	3.5	3.5	3.6
At closing establishments .....	1,212	888	1,106	943	1,254	1.2	1.0	1.2	1.0	1.3
Net employment change <sup>(2)</sup> .....	366	-58	32	328	-385	0.3	0.0	0.0	0.4	-0.4
<b>Retail trade</b>										
Gross job gains .....	18,756	15,244	15,446	15,844	18,065	6.1	5.0	5.0	5.1	5.7
At expanding establishments .....	16,194	13,192	13,916	14,009	16,401	5.3	4.3	4.5	4.5	5.2
At opening establishments .....	2,562	2,052	1,530	1,835	1,664	0.8	0.7	0.5	0.6	0.5
Gross job losses .....	14,536	16,332	14,036	14,546	13,484	4.8	5.3	4.5	4.6	4.2
At contracting establishments .....	12,493	14,367	12,009	12,561	11,779	4.1	4.7	3.9	4.0	3.7
At closing establishments .....	2,043	1,965	2,027	1,985	1,705	0.7	0.6	0.6	0.6	0.5
Net employment change <sup>(2)</sup> .....	4,220	-1,088	1,410	1,298	4,581	1.3	-0.3	0.5	0.5	1.5
<b>Transportation and warehousing</b>										
Gross job gains .....	4,506	3,298	3,324	3,499	5,198	6.3	4.5	4.7	4.9	7.1
At expanding establishments .....	3,835	2,917	2,977	3,017	4,459	5.4	4.0	4.2	4.2	6.1
At opening establishments .....	671	381	347	482	739	0.9	0.5	0.5	0.7	1.0
Gross job losses .....	2,345	4,136	3,938	3,532	2,523	3.3	5.7	5.5	5.0	3.5
At contracting establishments .....	1,966	3,703	3,220	2,835	1,879	2.8	5.1	4.5	4.0	2.6
At closing establishments .....	379	433	718	697	644	0.5	0.6	1.0	1.0	0.9
Net employment change <sup>(2)</sup> .....	2,161	-838	-614	-33	2,675	3.0	-1.2	-0.8	-0.1	3.6
<b>Information</b>										
Gross job gains .....	2,143	1,711	2,278	2,080	2,300	5.1	4.0	5.3	4.8	5.2
At expanding establishments .....	1,914	1,495	2,027	1,834	1,975	4.6	3.5	4.7	4.2	4.5
At opening establishments .....	229	216	251	246	325	0.5	0.5	0.6	0.6	0.7
Gross job losses .....	1,776	1,570	1,473	2,277	1,885	4.2	3.7	3.4	5.3	4.4

Note: See footnotes at end of table.

**Table 1. Private sector gross job gains and losses by industry, Arizona, 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)				
	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
At contracting establishments .....	1,299	1,266	1,245	1,778	1,510	3.1	3.0	2.9	4.1	3.5
At closing establishments .....	477	304	228	499	375	1.1	0.7	0.5	1.2	0.9
Net employment change <sup>(2)</sup> .....	367	141	805	-197	415	0.9	0.3	1.9	-0.5	0.8
<b>Financial activities</b>										
Gross job gains .....	9,650	7,897	8,442	7,814	9,639	5.4	4.4	4.6	4.3	5.2
At expanding establishments .....	7,537	6,412	7,088	6,494	7,584	4.2	3.6	3.9	3.6	4.1
At opening establishments .....	2,113	1,485	1,354	1,320	2,055	1.2	0.8	0.7	0.7	1.1
Gross job losses .....	7,615	8,181	8,924	7,142	7,150	4.3	4.6	4.9	3.9	3.9
At contracting establishments .....	5,895	6,082	6,789	5,281	5,445	3.3	3.4	3.7	2.9	3.0
At closing establishments .....	1,720	2,099	2,135	1,861	1,705	1.0	1.2	1.2	1.0	0.9
Net employment change <sup>(2)</sup> .....	2,035	-284	-482	672	2,489	1.1	-0.2	-0.3	0.4	1.3
<b>Professional and business services</b>										
Gross job gains .....	34,638	23,545	26,922	28,161	38,083	9.1	6.1	7.2	7.4	9.7
At expanding establishments .....	28,665	20,067	23,281	23,762	32,463	7.5	5.2	6.2	6.2	8.3
At opening establishments .....	5,973	3,478	3,641	4,399	5,620	1.6	0.9	1.0	1.2	1.4
Gross job losses .....	23,134	31,479	24,557	23,845	23,965	6.1	8.2	6.5	6.3	6.1
At contracting establishments .....	17,939	27,185	18,483	18,666	17,528	4.7	7.1	4.9	4.9	4.5
At closing establishments .....	5,195	4,294	6,074	5,179	6,437	1.4	1.1	1.6	1.4	1.6
Net employment change <sup>(2)</sup> .....	11,504	-7,934	2,365	4,316	14,118	3.0	-2.1	0.7	1.1	3.6
<b>Education and health services</b>										
Gross job gains .....	15,352	13,287	14,869	17,884	18,064	4.1	3.5	4.0	4.7	4.8
At expanding establishments .....	12,648	11,357	12,767	15,898	15,492	3.4	3.0	3.4	4.2	4.1
At opening establishments .....	2,704	1,930	2,102	1,986	2,572	0.7	0.5	0.6	0.5	0.7
Gross job losses .....	14,115	13,698	14,160	12,224	11,988	3.7	3.7	3.8	3.3	3.1
At contracting establishments .....	10,992	11,474	11,678	9,742	9,723	2.9	3.1	3.1	2.6	2.5
At closing establishments .....	3,123	2,224	2,482	2,482	2,265	0.8	0.6	0.7	0.7	0.6
Net employment change <sup>(2)</sup> .....	1,237	-411	709	5,660	6,076	0.4	-0.2	0.2	1.4	1.7
<b>Leisure and hospitality</b>										
Gross job gains .....	20,616	21,228	20,506	23,504	20,776	7.4	7.5	7.2	8.2	7.2
At expanding establishments .....	15,559	16,444	16,528	19,253	16,803	5.6	5.8	5.8	6.7	5.8
At opening establishments .....	5,057	4,784	3,978	4,251	3,973	1.8	1.7	1.4	1.5	1.4
Gross job losses .....	18,015	18,605	21,827	19,340	19,090	6.4	6.6	7.7	6.8	6.6
At contracting establishments .....	14,936	15,486	17,497	16,239	15,558	5.3	5.5	6.2	5.7	5.4
At closing establishments .....	3,079	3,119	4,330	3,101	3,532	1.1	1.1	1.5	1.1	1.2
Net employment change <sup>(2)</sup> .....	2,601	2,623	-1,321	4,164	1,686	1.0	0.9	-0.5	1.4	0.6
<b>Other services <sup>(3)</sup></b>										
Gross job gains .....	4,640	4,620	3,811	4,482	4,894	7.1	7.2	5.9	6.9	7.4
At expanding establishments .....	3,640	3,871	3,204	3,510	3,969	5.6	6.0	5.0	5.4	6.0
At opening establishments .....	1,000	749	607	972	925	1.5	1.2	0.9	1.5	1.4
Gross job losses .....	3,680	4,377	4,596	4,118	3,921	5.7	6.7	7.1	6.4	6.0
At contracting establishments .....	2,671	3,263	3,438	3,275	3,023	4.1	5.0	5.3	5.1	4.6
At closing establishments .....	1,009	1,114	1,158	843	898	1.6	1.7	1.8	1.3	1.4
Net employment change <sup>(2)</sup> .....	960	243	-785	364	973	1.4	0.5	-1.2	0.5	1.4

## 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. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
United States <sup>(1)</sup>	6.4	6.0	6.5	6.2	6.6	5.8	5.7	5.6	5.8	5.6
Alabama	6.0	5.6	5.9	5.9	6.0	5.3	5.7	5.5	5.4	5.2
Alaska	10.1	10.8	10.9	9.4	10.5	10.4	9.6	10.9	10.4	10.3
Arizona	6.7	5.7	6.0	6.4	7.0	5.4	6.0	6.0	5.4	5.2
Arkansas	6.0	5.8	5.6	5.9	6.5	5.5	5.0	4.9	5.3	4.9
California	7.3	6.8	7.0	7.0	7.3	6.3	6.1	6.4	6.0	6.5
Colorado	6.9	6.7	7.3	7.3	7.0	6.1	5.9	6.1	6.2	6.1
Connecticut	5.3	5.1	5.6	5.2	5.4	5.4	5.0	4.8	5.3	5.1
Delaware	6.6	6.3	6.5	6.0	7.0	5.8	5.9	5.2	6.1	5.4
District of Columbia	5.8	5.9	6.4	5.7	5.3	5.4	5.5	5.7	5.5	5.5
Florida	7.0	6.5	7.2	7.2	7.1	6.0	5.8	6.2	5.9	6.0
Georgia	6.8	6.5	6.8	6.8	7.0	5.8	5.6	5.9	5.9	5.6
Hawaii	5.4	4.8	4.9	5.2	5.2	4.5	5.1	5.1	4.7	4.4
Idaho	8.3	8.4	7.7	7.5	7.9	7.3	7.2	8.0	7.3	6.5
Illinois	5.8	5.8	6.1	5.7	6.2	5.3	5.5	5.5	5.8	5.5
Indiana	6.1	5.3	5.9	5.3	6.3	5.1	5.5	5.0	5.3	5.0
Iowa	6.0	5.8	6.2	5.7	6.1	5.5	5.5	5.7	5.7	5.6
Kansas	6.2	5.7	6.1	5.7	6.2	5.3	5.5	5.7	5.8	5.3
Kentucky	6.5	6.1	6.2	6.1	6.6	5.4	5.9	5.5	5.4	5.3
Louisiana	6.7	6.7	6.6	6.6	6.8	6.1	5.8	6.4	5.8	5.8
Maine	7.0	6.7	7.8	6.7	7.1	7.5	7.0	6.5	7.1	7.2
Maryland	6.4	5.9	6.6	6.5	6.6	6.3	5.8	5.8	6.2	6.2
Massachusetts	5.4	5.3	6.3	5.6	6.0	5.3	5.0	5.3	5.5	5.3
Michigan	6.0	5.5	6.4	5.5	6.2	5.6	5.1	5.4	5.8	5.2
Minnesota	5.6	5.3	6.5	5.5	5.8	5.6	5.7	5.1	5.9	5.4
Mississippi	6.6	5.7	6.1	6.2	6.8	5.6	5.9	6.7	6.0	5.2
Missouri	6.0	5.6	6.0	5.6	6.3	5.5	5.5	5.3	5.6	5.1
Montana	8.2	7.2	8.2	8.0	8.5	7.5	7.9	7.7	8.1	8.0
Nebraska	6.3	5.9	6.0	6.0	6.2	5.7	5.6	6.0	5.7	5.6
Nevada	6.3	6.6	6.7	6.6	6.6	5.3	5.2	5.6	5.5	5.3
New Hampshire	6.8	5.7	6.7	5.9	6.9	5.8	5.9	6.1	6.3	6.0
New Jersey	6.4	5.9	6.9	6.3	6.9	6.4	6.2	5.8	6.3	6.1
New Mexico	6.9	6.3	6.6	6.5	7.0	6.4	6.4	6.1	6.1	6.0
New York	6.6	6.2	6.6	6.4	6.5	6.0	6.0	5.7	6.0	5.8
North Carolina	6.4	5.9	6.4	6.1	6.5	5.7	5.6	5.5	5.8	5.4
North Dakota	8.2	8.6	7.6	8.2	8.7	6.9	6.8	7.0	6.7	6.7
Ohio	6.0	5.6	6.1	5.5	6.1	5.3	5.6	5.3	5.5	5.1
Oklahoma	6.2	6.1	6.2	6.1	6.7	6.2	6.0	6.1	5.5	5.5
Oregon	6.9	7.0	6.9	7.0	7.1	6.6	6.1	6.4	6.0	6.3
Pennsylvania	5.4	5.2	5.6	5.2	5.6	5.2	4.9	4.8	5.1	4.8
Rhode Island	6.2	5.7	6.5	5.9	6.4	5.7	5.7	5.5	5.8	5.6
South Carolina	6.7	6.2	6.5	6.1	6.8	5.5	5.8	5.7	5.8	5.0
South Dakota	6.9	6.3	6.4	6.2	6.3	6.0	6.1	6.0	6.0	5.8
Tennessee	6.3	5.4	5.6	5.7	6.3	4.7	5.3	5.0	5.0	4.7
Texas	6.1	5.9	6.0	6.0	6.4	5.3	5.1	4.9	5.1	4.9
Utah	7.4	6.5	7.0	7.1	7.1	6.1	6.0	6.6	6.0	5.8
Vermont	7.6	6.7	7.4	6.8	7.5	6.6	6.8	6.9	7.2	6.7
Virginia	5.7	5.3	6.2	5.6	5.8	5.6	5.5	5.5	5.8	5.5
Washington	6.9	6.6	7.3	7.0	7.1	6.3	5.9	5.5	6.0	5.9
West Virginia	6.5	6.3	6.6	6.1	6.6	6.4	6.7	6.4	6.6	6.0
Wisconsin	5.7	5.3	5.9	5.3	5.7	5.2	5.1	5.0	5.6	5.1
Wyoming	9.4	8.4	8.7	8.3	9.2	8.1	8.0	8.2	8.4	8.1
Puerto Rico	6.6	5.1	5.6	5.6	6.5	5.2	6.4	6.3	5.9	5.0

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**

Category	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014	Dec. 2013	Mar. 2014	June 2014	Sept. 2014	Dec. 2014
Virgin Islands.....	5.5	4.9	6.1	6.3	6.2	6.0	6.1	6.4	5.5	5.5

Footnotes

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