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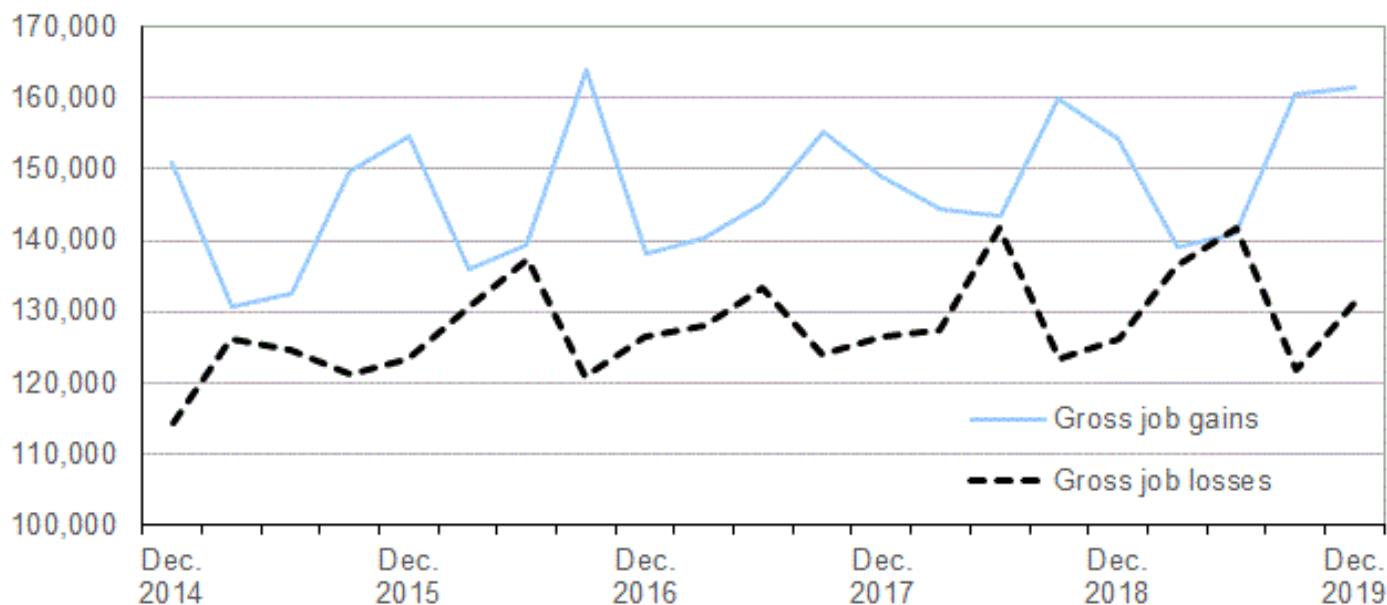
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Business Employment Dynamics in Arizona – Fourth Quarter 2019

From September 2019 to December 2019, **gross job gains** from opening and expanding private-sector establishments in Arizona were 161,299, while **gross job losses** from closing and contracting private-sector establishments were 131,054, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Richard Holden noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 30,245 jobs in the private sector during the fourth quarter of 2019. During the previous quarter, gross job gains exceeded gross job losses by 38,794. (See [chart 1.](#))

Chart 1. Private sector gross job gains and losses in Arizona, December 2014–December 2019, 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

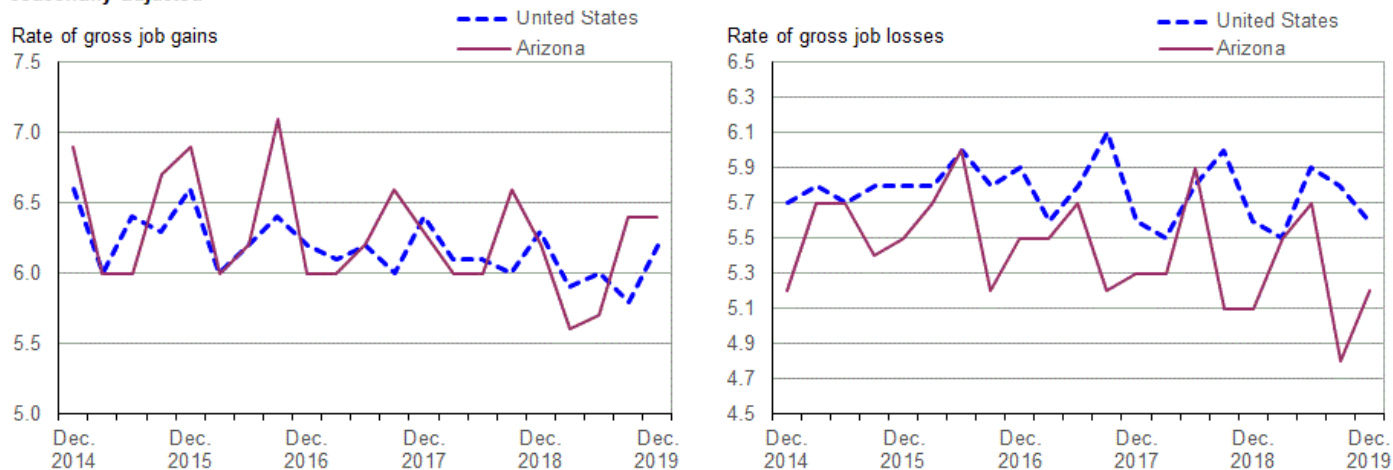
In the fourth quarter of 2019, gross job gains represented 6.4 percent of private-sector employment in Arizona; nationally, gross job gains accounted for 6.2 percent of private-sector employment. (See [chart 2.](#)) Gross job gains are the sum of increases in employment due to expansions at existing establishments and the addition of new jobs at opening establishments. In Arizona, gross job gains at **expanding** establishments totaled 134,072 in the fourth quarter of 2019, an increase of 2,120 jobs compared to the previous quarter. (See [table 1.](#))

Opening establishments accounted for 27,227 jobs gained in the fourth quarter of 2019, a decrease of 1,469 jobs from the previous quarter.

Gross job losses

In the fourth quarter of 2019, gross job losses represented 5.2 percent of private-sector employment in Arizona; nationally, gross job losses accounted for 5.6 percent of private-sector employment. (See [chart 2.](#)) Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. In Arizona, **contracting** establishments lost 105,650 jobs in the fourth quarter of 2019, an increase of 7,035 jobs from the prior quarter. **Closing** establishments lost 25,404 jobs, an increase of 2,165 jobs from the previous quarter.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Arizona, December 2014–December 2019, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Industries

Gross job gains exceeded gross job losses in all 11 industry sectors in Arizona in the fourth quarter of 2019. Transportation and warehousing had the largest over-the-quarter net job increase, with a gain of 6,691 jobs. This was the result of 10,460 gross job gains and 3,769 gross job losses. The professional and business services industry had a net gain of 6,056 jobs, followed by education and health services with a net gain of 5,226 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 First Quarter 2020 are scheduled to be released on Wednesday, October 28, 2020.

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 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. 2018	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Dec. 2018	Mar. 2019	June 2019	Sept 2019	Dec. 2019
Total private ⁽¹⁾										
Gross job gains	154,406	139,196	140,806	160,648	161,299	6.2	5.6	5.7	6.4	6.4
At expanding establishments	126,585	114,291	113,205	131,952	134,072	5.1	4.6	4.6	5.3	5.3
At opening establishments	27,821	24,905	27,601	28,696	27,227	1.1	1.0	1.1	1.1	1.1
Gross job losses	126,130	136,405	141,783	121,854	131,054	5.1	5.5	5.7	4.8	5.2
At contracting establishments	101,827	109,543	114,618	98,615	105,650	4.1	4.4	4.6	3.9	4.2
At closing establishments	24,303	26,862	27,165	23,239	25,404	1.0	1.1	1.1	0.9	1.0
Net employment change ⁽²⁾	28,276	2,791	-977	38,794	30,245	1.1	0.1	0.0	1.6	1.2
Construction										
Gross job gains	14,463	13,855	12,891	12,521	14,222	8.9	8.3	7.6	7.3	8.2
At expanding establishments	12,332	11,529	10,824	10,057	12,167	7.6	6.9	6.4	5.9	7.0
At opening establishments	2,131	2,326	2,067	2,464	2,055	1.3	1.4	1.2	1.4	1.2
Gross job losses	9,533	10,497	10,853	11,539	10,485	5.8	6.3	6.4	6.7	6.0
At contracting establishments	7,696	8,232	8,721	9,668	8,536	4.7	4.9	5.1	5.6	4.9
At closing establishments	1,837	2,265	2,132	1,871	1,949	1.1	1.4	1.3	1.1	1.1
Net employment change ⁽²⁾	4,930	3,358	2,038	982	3,737	3.1	2.0	1.2	0.6	2.2
Manufacturing										
Gross job gains	6,818	5,900	7,347	6,467	6,166	4.0	3.3	4.2	3.7	3.5
At expanding establishments	6,160	5,319	5,946	5,773	5,674	3.6	3.0	3.4	3.3	3.2
At opening establishments	658	581	1,401	694	492	0.4	0.3	0.8	0.4	0.3
Gross job losses	5,344	5,422	5,324	5,227	5,603	3.1	3.1	3.0	3.0	3.2
At contracting establishments	4,094	4,454	4,645	4,383	4,598	2.4	2.5	2.6	2.5	2.6
At closing establishments	1,250	968	679	844	1,005	0.7	0.6	0.4	0.5	0.6
Net employment change ⁽²⁾	1,474	478	2,023	1,240	563	0.9	0.2	1.2	0.7	0.3
Wholesale trade										
Gross job gains	4,633	4,986	5,355	4,830	4,522	4.7	5.1	5.4	4.9	4.6
At expanding establishments	3,585	4,223	4,237	3,769	3,367	3.6	4.3	4.3	3.8	3.4
At opening establishments	1,048	763	1,118	1,061	1,155	1.1	0.8	1.1	1.1	1.2
Gross job losses	4,352	4,255	4,109	4,740	4,226	4.4	4.4	4.1	4.8	4.2
At contracting establishments	3,323	3,177	3,086	3,377	3,008	3.4	3.3	3.1	3.4	3.0
At closing establishments	1,029	1,078	1,023	1,363	1,218	1.0	1.1	1.0	1.4	1.2
Net employment change ⁽²⁾	281	731	1,246	90	296	0.3	0.7	1.3	0.1	0.4
Retail trade										
Gross job gains	17,437	16,111	15,722	17,679	18,694	5.3	5.0	4.8	5.4	5.7
At expanding establishments	15,692	14,521	13,432	15,930	17,041	4.8	4.5	4.1	4.9	5.2
At opening establishments	1,745	1,590	2,290	1,749	1,653	0.5	0.5	0.7	0.5	0.5
Gross job losses	15,653	17,488	17,747	15,950	16,028	4.7	5.4	5.4	4.9	4.9
At contracting establishments	13,551	15,300	15,433	13,754	13,454	4.1	4.7	4.7	4.2	4.1
At closing establishments	2,102	2,188	2,314	2,196	2,574	0.6	0.7	0.7	0.7	0.8
Net employment change ⁽²⁾	1,784	-1,377	-2,025	1,729	2,666	0.6	-0.4	-0.6	0.5	0.8
Transportation and warehousing										
Gross job gains	7,448	4,256	4,971	6,335	10,460	7.5	4.2	4.9	6.1	9.7
At expanding establishments	5,695	3,458	3,342	5,486	9,269	5.7	3.4	3.3	5.3	8.6
At opening establishments	1,753	798	1,629	849	1,191	1.8	0.8	1.6	0.8	1.1
Gross job losses	3,058	6,091	4,405	4,737	3,769	3.1	6.1	4.3	4.6	3.5
At contracting establishments	2,394	5,518	3,773	3,998	3,329	2.4	5.5	3.7	3.9	3.1
At closing establishments	664	573	632	739	440	0.7	0.6	0.6	0.7	0.4
Net employment change ⁽²⁾	4,390	-1,835	566	1,598	6,691	4.4	-1.9	0.6	1.5	6.2
Information										
Gross job gains	3,075	2,407	2,513	3,331	2,609	6.4	5.0	5.2	6.8	5.3
At expanding establishments	2,626	1,845	1,998	2,606	2,067	5.5	3.8	4.1	5.3	4.2
At opening establishments	449	562	515	725	542	0.9	1.2	1.1	1.5	1.1
Gross job losses	2,012	2,619	2,781	2,655	2,332	4.2	5.5	5.8	5.4	4.7

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. 2018	Mar. 2019	June 2019	Sept 2019	Dec. 2019	Dec. 2018	Mar. 2019	June 2019	Sept 2019	Dec. 2019
At contracting establishments	1,566	2,255	2,308	2,000	1,772	3.3	4.7	4.8	4.1	3.6
At closing establishments	446	364	473	655	560	0.9	0.8	1.0	1.3	1.1
Net employment change ⁽²⁾	1,063	-212	-268	676	277	2.2	-0.5	-0.6	1.4	0.6
Financial activities										
Gross job gains	10,828	11,039	11,366	10,569	12,314	5.0	5.0	5.1	4.7	5.5
At expanding establishments	8,274	8,861	9,328	8,670	9,245	3.8	4.0	4.2	3.9	4.1
At opening establishments	2,554	2,178	2,038	1,899	3,069	1.2	1.0	0.9	0.8	1.4
Gross job losses	9,829	8,405	9,642	7,740	9,289	4.5	3.8	4.3	3.4	4.1
At contracting establishments	7,678	5,940	7,812	5,684	7,192	3.5	2.7	3.5	2.5	3.2
At closing establishments	2,151	2,465	1,830	2,056	2,097	1.0	1.1	0.8	0.9	0.9
Net employment change ⁽²⁾	999	2,634	1,724	2,829	3,025	0.5	1.2	0.8	1.3	1.4
Professional and business services										
Gross job gains	33,502	27,286	29,607	33,563	34,983	7.6	6.1	6.8	7.6	7.7
At expanding establishments	27,311	22,883	24,085	26,036	28,978	6.2	5.1	5.5	5.9	6.4
At opening establishments	6,191	4,403	5,522	7,527	6,005	1.4	1.0	1.3	1.7	1.3
Gross job losses	26,421	30,348	29,531	25,969	28,927	6.0	6.8	6.7	5.9	6.4
At contracting establishments	20,592	24,521	22,000	20,191	22,970	4.7	5.5	5.0	4.6	5.1
At closing establishments	5,829	5,827	7,531	5,778	5,957	1.3	1.3	1.7	1.3	1.3
Net employment change ⁽²⁾	7,081	-3,062	76	7,594	6,056	1.6	-0.7	0.1	1.7	1.3
Education and health services										
Gross job gains	19,176	18,438	19,668	24,436	20,866	4.3	4.1	4.4	5.3	4.5
At expanding establishments	15,883	15,272	15,203	20,743	17,067	3.6	3.4	3.4	4.5	3.7
At opening establishments	3,293	3,166	4,465	3,693	3,799	0.7	0.7	1.0	0.8	0.8
Gross job losses	14,522	17,978	19,868	14,537	15,640	3.2	4.0	4.4	3.2	3.4
At contracting establishments	11,647	13,617	16,325	11,570	12,514	2.6	3.0	3.6	2.5	2.7
At closing establishments	2,875	4,361	3,543	2,967	3,126	0.6	1.0	0.8	0.7	0.7
Net employment change ⁽²⁾	4,654	460	-200	9,899	5,226	1.1	0.1	0.0	2.1	1.1
Leisure and hospitality										
Gross job gains	23,652	24,003	21,788	25,595	23,320	7.2	7.3	6.7	7.7	7.0
At expanding establishments	19,151	18,535	17,680	21,199	18,687	5.8	5.6	5.4	6.4	5.6
At opening establishments	4,501	5,468	4,108	4,396	4,633	1.4	1.7	1.3	1.3	1.4
Gross job losses	22,557	21,783	24,113	20,478	22,901	6.8	6.6	7.3	6.2	6.9
At contracting establishments	18,482	17,812	19,810	17,599	18,394	5.6	5.4	6.0	5.3	5.5
At closing establishments	4,075	3,971	4,303	2,879	4,507	1.2	1.2	1.3	0.9	1.4
Net employment change ⁽²⁾	1,095	2,220	-2,325	5,117	419	0.4	0.7	-0.6	1.5	0.1
Other services ⁽³⁾										
Gross job gains	4,697	5,064	4,607	5,305	5,475	6.3	6.9	6.3	7.2	7.3
At expanding establishments	3,562	3,601	3,564	4,225	4,256	4.8	4.9	4.9	5.7	5.7
At opening establishments	1,135	1,463	1,043	1,080	1,219	1.5	2.0	1.4	1.5	1.6
Gross job losses	4,876	4,606	4,648	4,329	4,448	6.6	6.3	6.3	5.9	6.0
At contracting establishments	3,772	3,442	3,595	3,249	3,181	5.1	4.7	4.9	4.4	4.3
At closing establishments	1,104	1,164	1,053	1,080	1,267	1.5	1.6	1.4	1.5	1.7
Net employment change ⁽²⁾	-179	458	-41	976	1,027	-0.3	0.6	0.0	1.3	1.3

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. 2018	Mar. 2019	June 2019	Sept. 2019	Dec. 2019	Dec. 2018	Mar. 2019	June 2019	Sept. 2019	Dec. 2019
United States(1)	6.3	5.9	6.0	5.8	6.2	5.6	5.5	5.9	5.8	5.6
Alabama	6.3	6.0	5.8	5.9	6.3	5.3	5.5	6.0	5.9	5.7
Alaska	11.0	10.0	10.8	9.5	10.2	9.8	9.0	10.2	10.1	10.2
Arizona	6.2	5.6	5.7	6.4	6.4	5.1	5.5	5.7	4.8	5.2
Arkansas	5.9	5.2	5.0	5.5	6.4	5.0	5.1	5.7	5.5	4.8
California	6.9	6.3	6.6	6.3	6.7	5.9	6.2	6.4	6.1	5.9
Colorado	6.8	6.6	7.0	6.6	6.7	6.0	6.3	6.2	6.4	6.2
Connecticut	5.3	5.2	5.8	5.5	5.5	4.9	5.7	5.9	5.8	5.5
Delaware	6.6	6.4	6.0	6.1	6.5	5.6	5.5	6.3	6.2	6.2
District of Columbia	5.6	5.4	5.4	5.4	5.4	5.1	4.9	5.5	5.4	4.7
Florida	6.4	6.1	6.5	6.5	6.6	6.1	5.6	6.3	5.7	5.9
Georgia	6.3	6.8	6.2	6.2	6.5	5.8	5.7	6.4	6.1	5.6
Hawaii	5.8	5.4	4.7	5.5	5.6	5.1	5.9	6.1	5.3	5.4
Idaho	7.4	7.5	7.1	6.9	7.7	6.3	6.1	6.7	6.8	6.3
Illinois	5.5	5.2	5.6	4.9	5.6	5.6	5.1	5.3	5.6	5.2
Indiana	5.6	5.9	5.2	5.4	6.0	5.0	4.8	5.8	5.7	5.1
Iowa	5.8	5.1	5.8	5.3	5.8	5.3	5.4	5.6	5.6	5.3
Kansas	6.1	5.4	5.7	5.7	6.3	5.4	5.7	5.7	5.6	5.7
Kentucky	6.1	5.8	5.8	5.8	6.1	5.4	5.5	5.9	5.7	5.8
Louisiana	6.2	5.9	6.0	5.9	5.9	5.8	5.9	6.5	6.1	5.8
Maine	7.3	7.2	7.5	6.4	7.4	6.7	6.4	7.5	7.2	7.0
Maryland	6.8	6.4	6.3	6.2	6.5	6.4	5.7	6.4	6.6	5.8
Massachusetts	5.8	5.7	6.0	5.3	5.8	5.3	5.2	5.7	5.9	5.5
Michigan	5.6	5.1	5.5	5.1	5.8	5.2	4.6	5.8	6.0	5.3
Minnesota	5.7	5.2	5.8	5.2	5.8	5.4	5.1	5.5	5.8	5.6
Mississippi	6.5	5.7	5.8	5.5	6.2	5.3	6.2	6.0	5.8	5.5
Missouri	5.8	5.4	5.6	5.8	6.1	5.4	5.3	5.8	5.8	5.2
Montana	8.9	7.6	8.0	7.3	8.6	7.2	8.0	7.7	7.7	7.2
Nebraska	5.9	5.7	5.7	5.6	6.2	5.7	5.6	5.7	5.5	5.8
Nevada	6.6	6.0	5.9	6.0	6.8	5.5	5.4	6.0	5.7	5.0
New Hampshire	6.6	6.3	6.4	5.8	6.6	5.7	5.7	6.3	6.6	5.9
New Jersey	6.4	5.7	6.2	6.0	6.5	5.7	5.6	5.8	6.1	5.8
New Mexico	6.8	6.4	6.3	6.7	6.7	6.1	5.8	6.3	6.1	6.2
New York	6.3	6.0	6.0	5.8	6.0	5.7	5.3	5.9	5.9	5.7
North Carolina	6.7	6.3	6.1	5.7	6.2	5.3	5.1	5.7	5.9	5.3
North Dakota	6.8	7.1	6.7	6.6	6.7	6.2	6.4	6.7	7.1	6.7
Ohio	5.6	5.5	5.6	5.3	5.7	5.3	5.1	5.7	5.8	5.3
Oklahoma	6.5	5.8	5.9	6.3	6.4	6.1	5.8	6.2	6.1	6.2
Oregon	6.7	6.3	6.3	6.2	6.7	6.0	5.8	6.1	6.2	5.8
Pennsylvania	5.3	5.1	5.2	5.2	5.4	4.8	4.8	5.3	5.2	4.9
Rhode Island	6.4	5.8	6.4	5.8	6.5	5.7	5.6	6.7	6.2	5.9
South Carolina	7.4	6.4	6.3	6.0	6.5	5.4	6.0	6.2	5.7	5.9
South Dakota	6.3	5.7	6.2	5.8	6.4	5.8	6.4	6.0	6.0	5.7
Tennessee	5.8	5.4	5.5	5.5	5.6	4.9	4.8	5.0	5.1	5.0
Texas	6.2	5.5	5.7	5.8	6.0	5.2	5.2	5.3	5.2	5.1
Utah	6.9	7.3	6.9	6.8	6.8	6.2	6.2	6.5	6.2	6.3
Vermont	7.4	6.7	6.9	6.3	6.9	6.8	6.3	7.1	7.6	6.4
Virginia	6.3	6.4	6.1	5.2	6.6	5.6	5.5	5.9	6.0	5.5
Washington	6.4	6.2	6.6	6.0	6.6	5.6	5.6	5.7	6.0	5.7
West Virginia	6.3	6.0	6.2	5.8	6.2	6.5	6.6	6.5	6.7	7.1
Wisconsin	5.4	5.1	5.5	4.8	5.5	5.0	4.8	5.3	5.8	5.0
Wyoming	10.0	8.6	8.5	8.5	9.3	7.8	7.8	9.6	8.7	8.6
Puerto Rico	6.0	7.1	6.4	6.1	5.4	6.8	5.1	5.8	5.4	4.9
Virgin Islands	7.9	11.9	8.8	11.2	10.2	7.1	7.4	6.1	6.6	7.1

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.