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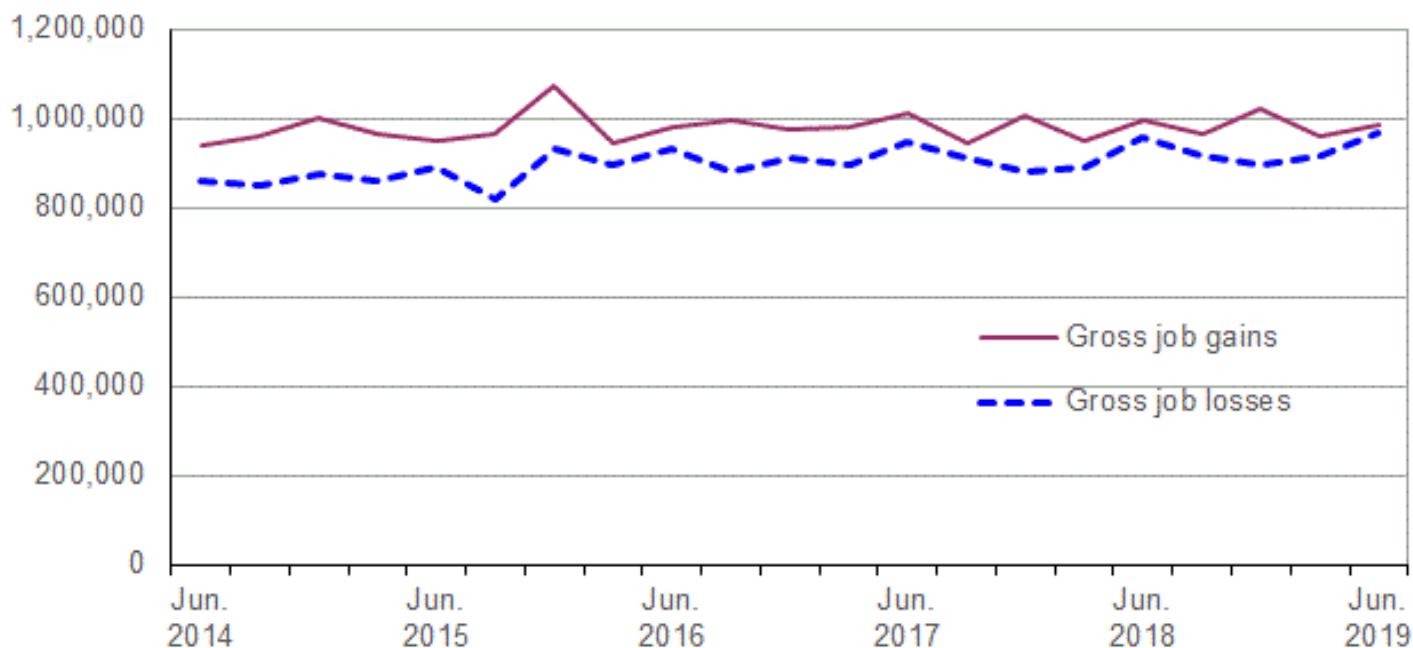
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Business Employment Dynamics in California – Second Quarter 2019

From March 2019 to June 2019, gross job gains from opening and expanding private-sector establishments in California totaled 986,077, while gross job losses from closing and contracting private-sector establishments numbered 969,001, the U.S. Bureau of Labor Statistics reported today. Richard Holden, the Bureau's Assistant Commissioner for Regional Operations, noted that the difference between the number of gross job gains and the number of gross job losses yielded a net employment gain of 17,076. During the previous quarter, gross job gains exceeded gross job losses by 40,591.

Chart 1. Private sector gross job gains and losses in California, June 2014–June 2019, seasonally adjusted



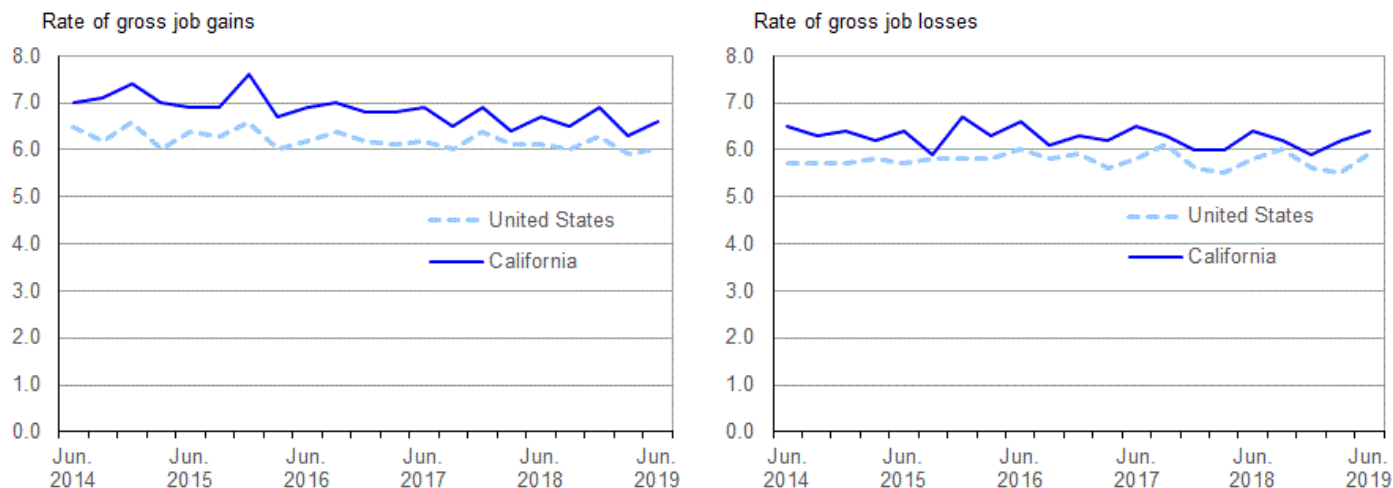
Source: U.S. Bureau of Labor Statistics.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all 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. 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.)

California’s number of gross job gains rose by 27,387 during the second quarter of 2019, following a decrease of 60,893 in the previous quarter. Gross job losses rose by 50,902 in the second quarter of 2019, after increasing by 24,809 in the previous quarter.

Gross job gains represented 6.6 percent of private-sector employment in California in the second quarter of 2019, while gross job losses accounted for 6.4 percent of private-sector employment. Nationally, gross job gains and gross job losses accounted for 6.0 and 5.9 percent of private-sector employment, respectively. (See [chart 2](#).) The rates of both gross job gains and job losses in California have been at or above the U.S. rate each quarter since data became available in 1992.

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



Source: U.S. Bureau of Labor Statistics.

During the second quarter of 2019, gross job gains exceeded gross job losses in 6 of the 11 industry sectors in California. For example, within professional and business services, gross job gains exceeded gross job losses by 9,625. While 181,967 jobs were gained in opening and expanding establishments in the industry, 172,342 jobs were lost by closing and contracting establishments in the second quarter of 2019. In transportation and warehousing, 38,601 jobs were created in opening and expanding establishments, while 30,075 jobs were lost in closing and contracting establishments. (See [table 1](#).)

Gross job losses exceeded gross job gains in five industry sectors in California. The retail trade industry sector had the largest net employment loss, down 16,340 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 for the Third Quarter 2019 are scheduled to be released on Wednesday, April 29, 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), 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 units and the addition of new jobs at opening units. 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.

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, California, 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 2018	Sept 2018	Dec. 2018	Mar. 2019	June 2019	June 2018	Sept 2018	Dec. 2018	Mar. 2019	June 2019
Total private ⁽¹⁾										
Gross job gains	993,961	966,144	1,019,583	958,690	986,077	6.7	6.5	6.9	6.3	6.6
At expanding establishments	798,498	768,233	798,943	772,829	794,946	5.4	5.2	5.4	5.1	5.3
At opening establishments	195,463	197,911	220,640	185,861	191,131	1.3	1.3	1.5	1.2	1.3
Gross job losses	954,808	915,540	893,290	918,099	969,001	6.4	6.2	5.9	6.2	6.4
At contracting establishments	769,983	729,839	708,972	729,854	770,879	5.2	4.9	4.7	4.9	5.1
At closing establishments	184,825	185,701	184,318	188,245	198,122	1.2	1.3	1.2	1.3	1.3
Net employment change ⁽²⁾	39,153	50,604	126,293	40,591	17,076	0.3	0.3	1.0	0.1	0.2
Construction										
Gross job gains	83,852	77,122	81,058	78,973	81,955	9.8	9.0	9.3	9.0	9.3
At expanding establishments	69,357	62,297	65,022	65,240	67,885	8.1	7.3	7.5	7.4	7.7
At opening establishments	14,495	14,825	16,036	13,733	14,070	1.7	1.7	1.8	1.6	1.6
Gross job losses	74,843	73,858	72,693	72,006	75,497	8.8	8.6	8.4	8.2	8.5
At contracting establishments	60,647	59,989	58,710	58,842	60,316	7.1	7.0	6.8	6.7	6.8
At closing establishments	14,196	13,869	13,983	13,164	15,181	1.7	1.6	1.6	1.5	1.7
Net employment change ⁽²⁾	9,009	3,264	8,365	6,967	6,458	1.0	0.4	0.9	0.8	0.8
Manufacturing										
Gross job gains	52,269	53,916	54,063	48,535	49,095	4.0	4.1	4.1	3.7	3.7
At expanding establishments	47,038	47,593	47,421	42,477	43,619	3.6	3.6	3.6	3.2	3.3
At opening establishments	5,231	6,323	6,642	6,058	5,476	0.4	0.5	0.5	0.5	0.4
Gross job losses	49,490	49,626	54,259	49,012	53,956	3.7	3.7	4.1	3.7	4.1
At contracting establishments	42,245	41,534	43,875	42,209	44,898	3.2	3.1	3.3	3.2	3.4
At closing establishments	7,245	8,092	10,384	6,803	9,058	0.5	0.6	0.8	0.5	0.7
Net employment change ⁽²⁾	2,779	4,290	-196	-477	-4,861	0.3	0.4	0.0	0.0	-0.4
Wholesale trade										
Gross job gains	33,322	34,365	35,357	30,587	31,958	4.8	4.9	5.0	4.3	4.6
At expanding establishments	27,149	27,564	28,314	25,453	25,521	3.9	3.9	4.0	3.6	3.7
At opening establishments	6,173	6,801	7,043	5,134	6,437	0.9	1.0	1.0	0.7	0.9
Gross job losses	33,761	33,872	30,094	32,815	34,855	4.9	4.9	4.3	4.7	5.0
At contracting establishments	26,380	26,288	23,736	25,430	27,006	3.8	3.8	3.4	3.6	3.9
At closing establishments	7,381	7,584	6,358	7,385	7,849	1.1	1.1	0.9	1.1	1.1
Net employment change ⁽²⁾	-439	493	5,263	-2,228	-2,897	-0.1	0.0	0.7	-0.4	-0.4
Retail trade										
Gross job gains	95,840	105,233	95,722	93,272	90,693	5.7	6.2	5.7	5.6	5.5
At expanding establishments	79,298	89,869	81,933	80,374	76,267	4.7	5.3	4.9	4.8	4.6
At opening establishments	16,542	15,364	13,789	12,898	14,426	1.0	0.9	0.8	0.8	0.9
Gross job losses	108,340	104,500	100,636	99,324	107,033	6.4	6.2	6.0	5.9	6.4
At contracting establishments	93,190	88,178	84,603	84,310	89,881	5.5	5.2	5.0	5.0	5.4
At closing establishments	15,150	16,322	16,033	15,014	17,152	0.9	1.0	1.0	0.9	1.0
Net employment change ⁽²⁾	-12,500	733	-4,914	-6,052	-16,340	-0.7	0.0	-0.3	-0.3	-0.9
Transportation and warehousing										
Gross job gains	31,766	35,436	48,021	31,994	38,601	5.4	6.0	7.9	5.2	6.3
At expanding establishments	27,130	30,298	42,154	27,169	33,944	4.6	5.1	6.9	4.4	5.5
At opening establishments	4,636	5,138	5,867	4,825	4,657	0.8	0.9	1.0	0.8	0.8
Gross job losses	28,078	26,129	26,364	38,197	30,075	4.8	4.4	4.4	6.2	4.9
At contracting establishments	23,585	22,056	21,601	33,946	24,798	4.0	3.7	3.6	5.5	4.0
At closing establishments	4,493	4,073	4,763	4,251	5,277	0.8	0.7	0.8	0.7	0.9
Net employment change ⁽²⁾	3,688	9,307	21,657	-6,203	8,526	0.6	1.6	3.5	-1.0	1.4
Information										
Gross job gains	34,752	30,755	30,104	56,077	34,410	6.6	5.8	5.7	10.5	6.3
At expanding establishments	31,036	26,312	23,803	40,595	30,486	5.9	5.0	4.5	7.6	5.6
At opening establishments	3,716	4,443	6,301	15,482	3,924	0.7	0.8	1.2	2.9	0.7
Gross job losses	39,914	28,480	29,618	38,666	38,846	7.6	5.5	5.6	7.2	7.1

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, California, 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 2018	Sept 2018	Dec. 2018	Mar. 2019	June 2019	June 2018	Sept 2018	Dec. 2018	Mar. 2019	June 2019
At contracting establishments	35,350	24,012	24,854	33,626	34,275	6.7	4.6	4.7	6.3	6.3
At closing establishments	4,564	4,468	4,764	5,040	4,571	0.9	0.9	0.9	0.9	0.8
Net employment change ⁽²⁾	-5,162	2,275	486	17,411	-4,436	-1.0	0.3	0.1	3.3	-0.8
Financial activities										
Gross job gains	44,752	43,830	47,861	41,983	45,026	5.4	5.2	5.7	5.0	5.3
At expanding establishments	34,142	32,100	33,460	33,251	33,904	4.1	3.8	4.0	4.0	4.0
At opening establishments	10,610	11,730	14,401	8,732	11,122	1.3	1.4	1.7	1.0	1.3
Gross job losses	43,991	47,899	44,558	43,045	41,139	5.3	5.7	5.3	5.2	4.9
At contracting establishments	32,600	35,909	33,494	30,571	30,399	3.9	4.3	4.0	3.7	3.6
At closing establishments	11,391	11,990	11,064	12,474	10,740	1.4	1.4	1.3	1.5	1.3
Net employment change ⁽²⁾	761	-4,069	3,303	-1,062	3,887	0.1	-0.5	0.4	-0.2	0.4
Professional and business services										
Gross job gains	183,671	182,114	196,500	162,939	181,967	6.9	6.8	7.3	6.0	6.7
At expanding establishments	153,205	145,507	151,125	135,010	151,085	5.8	5.4	5.6	5.0	5.6
At opening establishments	30,466	36,607	45,375	27,929	30,882	1.1	1.4	1.7	1.0	1.1
Gross job losses	173,583	158,942	158,213	174,043	172,342	6.5	5.9	5.9	6.4	6.4
At contracting establishments	138,647	123,769	124,048	138,443	135,615	5.2	4.6	4.6	5.1	5.0
At closing establishments	34,936	35,173	34,165	35,600	36,727	1.3	1.3	1.3	1.3	1.4
Net employment change ⁽²⁾	10,088	23,172	38,287	-11,104	9,625	0.4	0.9	1.4	-0.4	0.3
Education and health services										
Gross job gains	150,269	146,203	146,124	145,713	149,955	5.7	5.5	5.5	5.4	5.5
At expanding establishments	106,663	104,603	101,089	106,818	108,002	4.0	3.9	3.8	4.0	4.0
At opening establishments	43,606	41,600	45,035	38,895	41,953	1.7	1.6	1.7	1.4	1.5
Gross job losses	131,461	127,085	122,875	122,912	142,456	5.0	4.8	4.6	4.6	5.3
At contracting establishments	94,364	89,982	85,404	80,507	100,325	3.6	3.4	3.2	3.0	3.7
At closing establishments	37,097	37,103	37,471	42,405	42,131	1.4	1.4	1.4	1.6	1.6
Net employment change ⁽²⁾	18,808	19,118	23,249	22,801	7,499	0.7	0.7	0.9	0.8	0.2
Leisure and hospitality										
Gross job gains	139,622	143,236	151,343	144,261	140,055	7.0	7.2	7.6	7.1	6.9
At expanding establishments	106,329	106,025	113,710	112,192	106,241	5.3	5.3	5.7	5.5	5.2
At opening establishments	33,293	37,211	37,633	32,069	33,814	1.7	1.9	1.9	1.6	1.7
Gross job losses	140,237	143,870	128,280	124,470	144,598	7.1	7.2	6.4	6.1	7.1
At contracting establishments	113,026	115,377	100,863	95,704	113,160	5.7	5.8	5.0	4.7	5.6
At closing establishments	27,211	28,493	27,417	28,766	31,438	1.4	1.4	1.4	1.4	1.5
Net employment change ⁽²⁾	-615	-634	23,063	19,791	-4,543	-0.1	0.0	1.2	1.0	-0.2
Other services ⁽³⁾										
Gross job gains	39,152	36,905	37,884	35,410	39,129	7.7	7.3	7.5	7.0	7.7
At expanding establishments	30,330	27,863	27,237	26,907	29,882	6.0	5.5	5.4	5.3	5.9
At opening establishments	8,822	9,042	10,647	8,503	9,247	1.7	1.8	2.1	1.7	1.8
Gross job losses	36,203	36,685	34,101	34,640	37,654	7.2	7.3	6.7	6.8	7.4
At contracting establishments	27,691	28,221	25,201	25,554	28,716	5.5	5.6	5.0	5.0	5.6
At closing establishments	8,512	8,464	8,900	9,086	8,938	1.7	1.7	1.7	1.8	1.8
Net employment change ⁽²⁾	2,949	220	3,783	770	1,475	0.5	0.0	0.8	0.2	0.3

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)				
	June 2018	Sept. 2018	Dec. 2018	Mar. 2019	June 2019	June 2018	Sept. 2018	Dec. 2018	Mar. 2019	June 2019
United States ⁽¹⁾	6.1	6.0	6.3	5.9	6.0	5.8	6.0	5.6	5.5	5.9
Alabama	5.8	6.0	6.3	6.0	5.8	5.7	5.9	5.3	5.5	6.0
Alaska	10.9	8.9	11.0	10.0	10.8	10.7	10.7	9.8	9.0	10.2
Arizona	6.0	6.6	6.2	5.6	5.7	5.9	5.1	5.1	5.5	5.7
Arkansas	5.0	6.1	5.9	5.2	5.0	5.7	5.6	5.0	5.1	5.7
California	6.7	6.5	6.9	6.3	6.6	6.4	6.2	5.9	6.2	6.4
Colorado	6.8	6.6	6.8	6.6	7.0	6.1	6.8	6.0	6.3	6.2
Connecticut	5.8	5.3	5.3	5.2	5.8	5.1	5.7	4.9	5.7	5.9
Delaware	6.4	5.7	6.6	6.4	6.0	6.0	6.5	5.6	5.5	6.3
District of Columbia	5.6	5.3	5.6	5.4	5.4	5.6	5.5	5.1	4.9	5.5
Florida	6.4	6.8	6.4	6.1	6.5	6.1	5.8	6.1	5.6	6.3
Georgia	6.3	6.7	6.3	6.8	6.2	6.4	6.1	5.8	5.7	6.4
Hawaii	5.3	5.1	5.8	5.4	4.7	5.4	5.4	5.1	5.9	6.1
Idaho	7.3	6.8	7.4	7.5	7.1	6.8	6.9	6.3	6.1	6.7
Illinois	5.6	5.5	5.5	5.2	5.6	5.6	5.8	5.6	5.1	5.3
Indiana	5.5	5.2	5.6	5.9	5.2	5.5	5.4	5.0	4.8	5.8
Iowa	5.7	5.3	5.8	5.1	5.8	5.4	5.7	5.3	5.4	5.6
Kansas	5.7	5.9	6.1	5.4	5.7	5.6	5.7	5.4	5.7	5.7
Kentucky	5.9	5.8	6.1	5.8	5.8	5.7	6.0	5.4	5.5	5.9
Louisiana	6.2	6.3	6.2	5.9	6.0	6.5	6.3	5.8	5.9	6.5
Maine	8.0	6.1	7.3	7.2	7.5	7.1	7.5	6.7	6.4	7.5
Maryland	6.1	6.3	6.8	6.4	6.3	5.8	6.6	6.4	5.7	6.4
Massachusetts	6.1	5.6	5.8	5.7	6.0	5.5	6.1	5.3	5.2	5.7
Michigan	5.5	5.0	5.6	5.1	5.5	5.2	6.2	5.2	4.6	5.8
Minnesota	5.8	5.5	5.7	5.2	5.8	5.2	5.7	5.4	5.1	5.5
Mississippi	5.7	5.9	6.5	5.7	5.8	6.0	5.9	5.3	6.2	6.0
Missouri	5.7	5.9	5.8	5.4	5.6	5.7	6.0	5.4	5.3	5.8
Montana	8.0	7.2	8.9	7.6	8.0	7.8	7.9	7.2	8.0	7.7
Nebraska	5.8	5.9	5.9	5.7	5.7	5.8	5.9	5.7	5.6	5.7
Nevada	6.1	6.7	6.6	6.0	5.9	5.8	5.7	5.5	5.4	6.0
New Hampshire	6.7	5.7	6.6	6.3	6.4	6.2	6.8	5.7	5.7	6.3
New Jersey	6.5	6.0	6.4	5.7	6.2	5.8	6.4	5.7	5.6	5.8
New Mexico	6.7	6.4	6.8	6.4	6.3	6.2	6.4	6.1	5.8	6.3
New York	6.3	6.1	6.3	6.0	6.0	5.8	6.4	5.7	5.3	5.9
North Carolina	6.1	5.7	6.7	6.3	6.1	5.7	6.4	5.3	5.1	5.7
North Dakota	6.7	6.6	6.8	7.1	6.7	6.2	6.6	6.2	6.4	6.7
Ohio	5.6	5.4	5.6	5.5	5.6	5.4	5.8	5.3	5.1	5.7
Oklahoma	6.4	6.7	6.5	5.8	5.9	6.3	6.1	6.1	5.8	6.2
Oregon	6.2	6.2	6.7	6.3	6.3	6.3	6.3	6.0	5.8	6.1
Pennsylvania	5.3	5.4	5.3	5.1	5.2	5.1	5.2	4.8	4.8	5.3
Rhode Island	6.3	6.2	6.4	5.8	6.4	6.1	6.4	5.7	5.6	6.7
South Carolina	7.5	5.8	7.4	6.4	6.3	6.7	6.5	5.4	6.0	6.2
South Dakota	6.1	6.0	6.3	5.7	6.2	6.1	5.7	5.8	6.4	6.0
Tennessee	5.5	5.8	5.8	5.4	5.5	5.3	5.3	4.9	4.8	5.0
Texas	5.9	6.0	6.2	5.5	5.7	5.3	5.4	5.2	5.2	5.3
Utah	6.9	7.3	6.9	7.3	6.9	6.4	6.4	6.2	6.2	6.5
Vermont	7.2	6.9	7.4	6.7	6.9	7.1	7.6	6.8	6.3	7.1
Virginia	6.2	5.7	6.3	6.4	6.1	5.8	6.3	5.6	5.5	5.9
Washington	7.3	6.2	6.4	6.2	6.6	6.5	6.5	5.6	5.6	5.7
West Virginia	6.8	7.0	6.3	6.0	6.2	6.4	6.4	6.5	6.6	6.5
Wisconsin	5.5	5.1	5.4	5.1	5.5	5.5	5.9	5.0	4.8	5.3
Wyoming	8.4	8.3	10.0	8.6	8.5	8.4	8.4	7.8	7.8	9.6
Puerto Rico	7.9	7.2	6.0	7.1	6.4	6.2	5.8	6.8	5.1	5.8
Virgin Islands	13.2	12.8	7.9	11.9	8.8	7.0	5.9	7.1	7.4	6.1

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.