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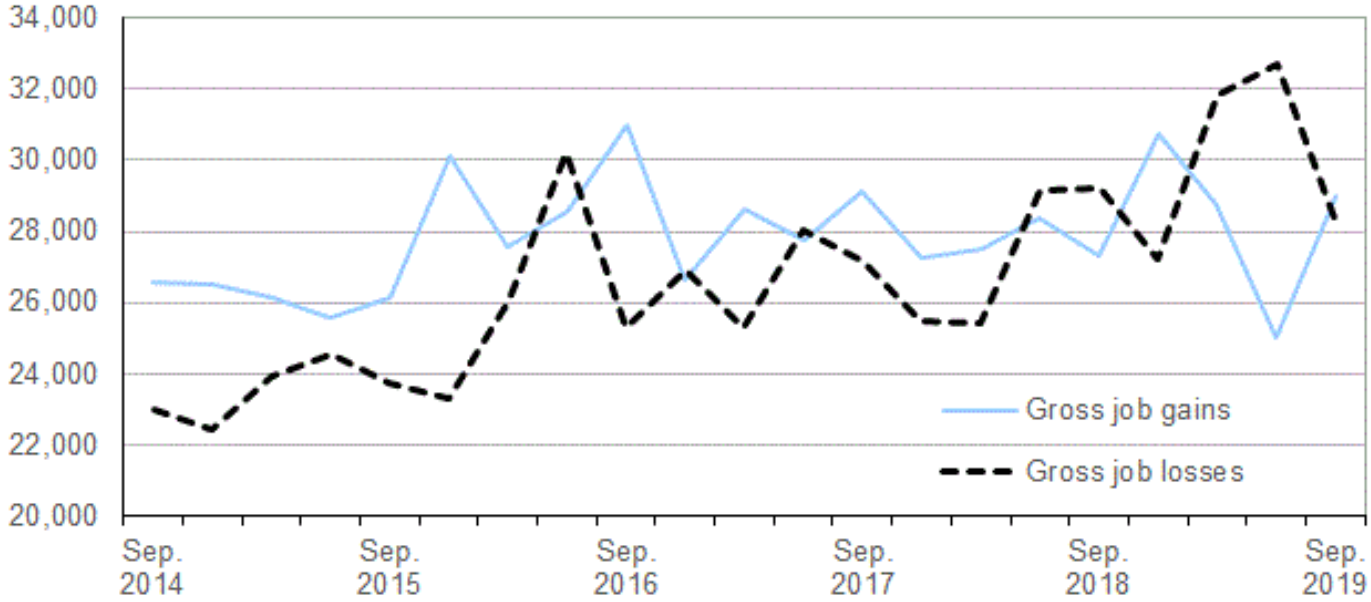
Business Employment Dynamics in Hawaii – Third Quarter 2019

From June 2019 to September 2019, **gross job gains** from opening and expanding private-sector establishments in Hawaii were 29,020, while **gross job losses** from closing and contracting private-sector establishments were 28,365, 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 655 jobs in the private sector during the third quarter of 2019. During the previous quarter, gross job losses exceeded gross job gains by 7,669. (See chart 1.)

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



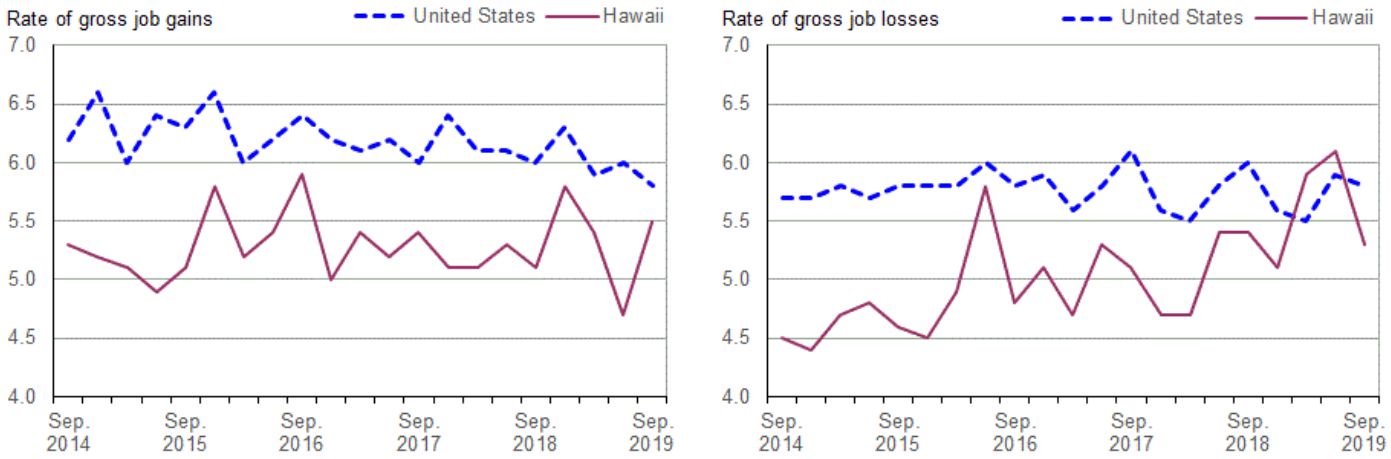
Source: U.S. Bureau of Labor Statistics.

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 the Technical Note.)

Gross job gains
In the third quarter of 2019, gross job gains represented 5.5 percent of private-sector employment in Hawaii; nationally, gross job gains accounted for 5.8 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 Hawaii, gross job gains at **expanding** establishments totaled 24,206 in the third quarter of 2019, an increase of 3,369 jobs compared to the previous quarter. (See table 1.) **Opening** establishments accounted for 4,814 jobs gained in the third quarter of 2019, an increase of 610 jobs from the previous quarter.

Gross job losses
In the third quarter of 2019, gross job losses represented 5.3 percent of private-sector employment in Hawaii; nationally, gross job losses accounted for 5.8 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 Hawaii, c**ontracting** establishments lost 20,744 jobs in the third quarter of 2019, a decrease of 4,871 jobs from the prior quarter. **Closing** establishments lost 7,621 jobs, an increase of 526 jobs from the previous quarter.

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



Source: U.S. Bureau of Labor Statistics.

Industries
Gross job gains exceeded gross job losses in 1 of the 11 industry sectors in Hawaii in the third quarter of 2019. Education and health services had a net increase of 1,842 jobs. This was the result of 4,836 gross job gains and 2,994 gross job losses. Retail trade showed a net loss of 432 jobs, the largest loss of any sector in the state. Hawaii's other services industry sector had a net loss of 346 jobs, and the wholesale trade industry lost 345 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 Fourth Quarter 2019 are scheduled to be released on Wednesday, July 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). 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 https://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, Hawaii, 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)				
	Sept 2018	Dec. 2018	Mar. 2019	June 2019	Sept 2019	Sept 2018	Dec. 2018	Mar. 2019	June 2019	Sept 2019
Total private [1]										
Gross job gains	27,332	30,742	28,766	25,041	29,020	5.1	5.8	5.4	4.7	5.5
At expanding establishments	21,994	25,055	22,986	20,837	24,206	4.1	4.7	4.3	3.9	4.6
At opening establishments	5,338	5,687	5,780	4,204	4,814	1.0	1.1	1.1	0.8	0.9
Gross job losses	29,198	27,198	31,811	32,710	28,365	5.4	5.1	5.9	6.1	5.3
At contracting establishments	23,710	22,385	26,213	25,615	20,744	4.4	4.2	4.9	4.8	3.9
At closing establishments	5,488	4,813	5,598	7,095	7,621	1.0	0.9	1.0	1.3	1.4
Net employment change [2]	-1,866	3,544	-3,045	-7,669	655	-0.3	0.7	-0.5	-1.4	0.2
Construction										
Gross job gains	2,952	3,191	3,749	2,716	2,808	8.2	8.8	10.3	7.4	7.7
At expanding establishments	2,523	2,534	3,141	2,363	2,338	7.0	7.0	8.6	6.4	6.4
At opening establishments	429	657	608	353	470	1.2	1.8	1.7	1.0	1.3
Gross job losses	3,165	3,188	3,449	3,763	3,110	8.7	8.8	9.5	10.1	8.5
At contracting establishments	2,611	2,572	2,722	2,974	2,411	7.2	7.1	7.5	8.0	6.6
At closing establishments	554	616	727	789	699	1.5	1.7	2.0	2.1	1.9
Net employment change [2]	-213	3	300	-1,047	-302	-0.5	0.0	0.8	-2.7	-0.8
Wholesale trade										
Gross job gains	626	764	659	577	618	3.5	4.3	3.7	3.1	3.4
At expanding establishments	520	612	568	497	527	2.9	3.4	3.2	2.7	2.9
At opening establishments	106	152	91	80	91	0.6	0.9	0.5	0.4	0.5
Gross job losses	697	670	782	784	963	3.9	3.8	4.4	4.3	5.3
At contracting establishments	583	514	550	563	651	3.3	2.9	3.1	3.1	3.6
At closing establishments	114	156	232	221	312	0.6	0.9	1.3	1.2	1.7
Net employment change [2]	-71	94	-123	-207	-345	-0.4	0.5	-0.7	-1.2	-1.9
Retail trade										
Gross job gains	3,480	3,298	3,246	3,569	3,448	4.8	4.6	4.5	5.0	4.9
At expanding establishments	3,040	2,956	2,743	3,353	2,970	4.2	4.1	3.8	4.7	4.2
At opening establishments	440	342	503	216	478	0.6	0.5	0.7	0.3	0.7
Gross job losses	3,584	3,598	3,592	4,191	3,880	5.0	5.0	5.0	5.8	5.4
At contracting establishments	3,210	3,145	3,211	3,448	3,290	4.5	4.4	4.5	4.8	4.6
At closing establishments	374	453	381	743	590	0.5	0.6	0.5	1.0	0.8
Net employment change [2]	-104	-300	-346	-622	-432	-0.2	-0.4	-0.5	-0.8	-0.5
Financial activities										
Gross job gains	1,270	1,375	1,225	1,089	1,300	4.5	4.9	4.4	3.7	4.4
At expanding establishments	1,068	1,124	1,040	892	1,056	3.8	4.0	3.7	3.0	3.6
At opening establishments	202	251	185	197	244	0.7	0.9	0.7	0.7	0.8
Gross job losses	1,392	1,157	1,200	1,537	1,598	4.9	4.1	4.2	5.2	5.4
At contracting establishments	1,116	897	932	1,081	1,043	3.9	3.2	3.3	3.7	3.5
At closing establishments	276	260	268	456	555	1.0	0.9	0.9	1.5	1.9
Net employment change [2]	-122	218	25	-448	-298	-0.4	0.8	0.2	-1.5	-1.0
Professional and business services										
Gross job gains	4,097	4,730	4,401	3,634	4,591	5.0	5.6	5.3	5.0	6.2
At expanding establishments	3,133	3,783	3,684	3,002	3,672	3.8	4.5	4.4	4.1	5.0
At opening establishments	964	947	717	632	919	1.2	1.1	0.9	0.9	1.2
Gross job losses	3,964	3,880	5,616	4,602	4,654	4.7	4.7	6.8	6.2	6.3
At contracting establishments	3,012	2,983	4,532	3,338	2,831	3.6	3.6	5.5	4.5	3.8
At closing establishments	952	897	1,084	1,264	1,823	1.1	1.1	1.3	1.7	2.5
Net employment change [2]	133	850	-1,215	-968	-63	0.3	0.9	-1.5	-1.2	-0.1
Education and health services										
Gross job gains	3,731	3,521	4,731	2,858	4,836	4.3	4.1	5.5	3.3	5.6
At expanding establishments	3,110	2,895	3,287	2,544	4,173	3.6	3.4	3.8	2.9	4.8
At opening establishments	621	626	1,444	314	663	0.7	0.7	1.7	0.4	0.8
Gross job losses	3,458	3,227	4,264	5,609	2,994	4.0	3.7	4.9	6.5	3.5

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Hawaii, 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)				
	Sept 2018	Dec. 2018	Mar. 2019	June 2019	Sept 2019	Sept 2018	Dec. 2018	Mar. 2019	June 2019	Sept 2019
At contracting establishments	2,992	2,685	3,634	4,653	2,301	3.5	3.1	4.2	5.4	2.7
At closing establishments	466	542	630	956	693	0.5	0.6	0.7	1.1	0.8
Net employment change [2]	273	294	467	-2,751	1,842	0.3	0.4	0.6	-3.2	2.1
Leisure and hospitality										
Gross job gains	5,352	8,030	5,735	5,325	5,702	4.4	6.4	4.6	4.3	4.6
At expanding establishments	4,392	6,388	4,676	4,627	4,874	3.6	5.1	3.8	3.7	3.9
At opening establishments	960	1,642	1,059	698	828	0.8	1.3	0.8	0.6	0.7
Gross job losses	5,947	5,988	7,513	6,255	5,976	4.8	4.9	6.1	4.9	4.7
At contracting establishments	4,987	5,166	6,175	4,984	4,410	4.0	4.2	5.0	3.9	3.5
At closing establishments	960	822	1,338	1,271	1,566	0.8	0.7	1.1	1.0	1.2
Net employment change [2]	-595	2,042	-1,778	-930	-274	-0.4	1.5	-1.5	-0.6	-0.1
Other services [3]										
Gross job gains	1,380	1,657	1,415	1,352	1,277	5.3	6.3	5.4	5.1	4.8
At expanding establishments	1,124	1,323	1,201	1,141	1,039	4.3	5.0	4.6	4.3	3.9
At opening establishments	256	334	214	211	238	1.0	1.3	0.8	0.8	0.9
Gross job losses	1,527	1,746	1,378	1,757	1,623	5.8	6.6	5.3	6.6	6.1
At contracting establishments	1,213	1,298	1,062	1,230	1,179	4.6	4.9	4.1	4.6	4.4
At closing establishments	314	448	316	527	444	1.2	1.7	1.2	2.0	1.7
Net employment change [2]	-147	-89	37	-405	-346	-0.5	-0.3	0.1	-1.5	-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)				
	Sept. 2018	Dec. 2018	Mar. 2019	June 2019	Sept. 2019	Sept. 2018	Dec. 2018	Mar. 2019	June 2019	Sept. 2019
United States(1)	6.0	6.3	5.9	6.0	5.8	6.0	5.6	5.5	5.9	5.8
Alabama	6.0	6.3	6.0	5.8	5.9	5.9	5.3	5.5	6.0	5.9
Alaska	8.9	11.0	10.0	10.8	9.5	10.7	9.8	9.0	10.2	10.1
Arizona	6.6	6.2	5.6	5.7	6.4	5.1	5.1	5.5	5.7	4.8
Arkansas	6.1	5.9	5.2	5.0	5.5	5.6	5.0	5.1	5.7	5.5
California	6.5	6.9	6.3	6.6	6.3	6.2	5.9	6.2	6.4	6.1
Colorado	6.6	6.8	6.6	7.0	6.6	6.8	6.0	6.3	6.2	6.4
Connecticut	5.3	5.3	5.2	5.8	5.5	5.7	4.9	5.7	5.9	5.8
Delaware	5.7	6.6	6.4	6.0	6.1	6.5	5.6	5.5	6.3	6.2
District of Columbia	5.3	5.6	5.4	5.4	5.4	5.5	5.1	4.9	5.5	5.4
Florida	6.8	6.4	6.1	6.5	6.5	5.8	6.1	5.6	6.3	5.7
Georgia	6.7	6.3	6.8	6.2	6.2	6.1	5.8	5.7	6.4	6.1
Hawaii	5.1	5.8	5.4	4.7	5.5	5.4	5.1	5.9	6.1	5.3
Idaho	6.8	7.4	7.5	7.1	6.9	6.9	6.3	6.1	6.7	6.8
Illinois	5.5	5.5	5.2	5.6	4.9	5.8	5.6	5.1	5.3	5.6
Indiana	5.2	5.6	5.9	5.2	5.4	5.4	5.0	4.8	5.8	5.7
Iowa	5.3	5.8	5.1	5.8	5.3	5.7	5.3	5.4	5.6	5.6
Kansas	5.9	6.1	5.4	5.7	5.7	5.7	5.4	5.7	5.7	5.6
Kentucky	5.8	6.1	5.8	5.8	5.8	6.0	5.4	5.5	5.9	5.7
Louisiana	6.3	6.2	5.9	6.0	5.9	6.3	5.8	5.9	6.5	6.1
Maine	6.1	7.3	7.2	7.5	6.4	7.5	6.7	6.4	7.5	7.2
Maryland	6.3	6.8	6.4	6.3	6.2	6.6	6.4	5.7	6.4	6.6
Massachusetts	5.6	5.8	5.7	6.0	5.3	6.1	5.3	5.2	5.7	5.9
Michigan	5.0	5.6	5.1	5.5	5.1	6.2	5.2	4.6	5.8	6.0
Minnesota	5.5	5.7	5.2	5.8	5.2	5.7	5.4	5.1	5.5	5.8
Mississippi	5.9	6.5	5.7	5.8	5.5	5.9	5.3	6.2	6.0	5.8
Missouri	5.9	5.8	5.4	5.6	5.8	6.0	5.4	5.3	5.8	5.8
Montana	7.2	8.9	7.6	8.0	7.3	7.9	7.2	8.0	7.7	7.7
Nebraska	5.9	5.9	5.7	5.7	5.6	5.9	5.7	5.6	5.7	5.5
Nevada	6.7	6.6	6.0	5.9	6.0	5.7	5.5	5.4	6.0	5.7
New Hampshire	5.7	6.6	6.3	6.4	5.8	6.8	5.7	5.7	6.3	6.6
New Jersey	6.0	6.4	5.7	6.2	6.0	6.4	5.7	5.6	5.8	6.1
New Mexico	6.4	6.8	6.4	6.3	6.7	6.4	6.1	5.8	6.3	6.1
New York	6.1	6.3	6.0	6.0	5.8	6.4	5.7	5.3	5.9	5.9
North Carolina	5.7	6.7	6.3	6.1	5.7	6.4	5.3	5.1	5.7	5.9
North Dakota	6.6	6.8	7.1	6.7	6.6	6.6	6.2	6.4	6.7	7.1
Ohio	5.4	5.6	5.5	5.6	5.3	5.8	5.3	5.1	5.7	5.8
Oklahoma	6.7	6.5	5.8	5.9	6.3	6.1	6.1	5.8	6.2	6.1
Oregon	6.2	6.7	6.3	6.3	6.2	6.3	6.0	5.8	6.1	6.2
Pennsylvania	5.4	5.3	5.1	5.2	5.2	5.2	4.8	4.8	5.3	5.2
Rhode Island	6.2	6.4	5.8	6.4	5.8	6.4	5.7	5.6	6.7	6.2
South Carolina	5.8	7.4	6.4	6.3	6.0	6.5	5.4	6.0	6.2	5.7
South Dakota	6.0	6.3	5.7	6.2	5.8	5.7	5.8	6.4	6.0	6.0
Tennessee	5.8	5.8	5.4	5.5	5.5	5.3	4.9	4.8	5.0	5.1
Texas	6.0	6.2	5.5	5.7	5.8	5.4	5.2	5.2	5.3	5.2
Utah	7.3	6.9	7.3	6.9	6.8	6.4	6.2	6.2	6.5	6.2
Vermont	6.9	7.4	6.7	6.9	6.3	7.6	6.8	6.3	7.1	7.6
Virginia	5.7	6.3	6.4	6.1	5.2	6.3	5.6	5.5	5.9	6.0
Washington	6.2	6.4	6.2	6.6	6.0	6.5	5.6	5.6	5.7	6.0
West Virginia	7.0	6.3	6.0	6.2	5.8	6.4	6.5	6.6	6.5	6.7
Wisconsin	5.1	5.4	5.1	5.5	4.8	5.9	5.0	4.8	5.3	5.8
Wyoming	8.3	10.0	8.6	8.5	8.5	8.4	7.8	7.8	9.6	8.7
Puerto Rico	7.2	6.0	7.1	6.4	6.1	5.8	6.8	5.1	5.8	5.4
Virgin Islands	12.8	7.9	11.9	8.8	11.2	5.9	7.1	7.4	6.1	6.6

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.