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## BUSINESS EMPLOYMENT DYNAMICS: FIRST QUARTER 2007

From December 2006 to March 2007, the number of job gains from opening and expanding private sector establishments was 7.5 million, and the number of job losses from closing and contracting establishments was 7.1 million, according to data released today by the Bureau of Labor Statistics of the



### Changes to Business Employment Dynamics Data

Beginning with the release of first quarter 2007 Business Employment Dynamics (BED) data, state level series are included as a regular feature of the news release.

Additionally, all historical BED series back to third quarter 1992 have been revised, for both seasonally adjusted and not seasonally adjusted series to incorporate updated and improved input data. In the future, annual revisions to BED series will be published each year with the release of first quarter data. Those revisions will cover the last four quarters of not seasonally adjusted data and 5 years of seasonally adjusted data.

In addition, beginning with this release, BED data have been revised to the 2007 North American Industry Classification System (NAICS 2007). The conversion to NAICS 2007 resulted in minor changes to the data. For further information on the NAICS 2007 revision and its effect on BED data, see the note on page 8 and the U.S. Census Bureau Web site at <http://www.census.gov/epcd/naics07/index.html>.

**Table A. Three-month private sector gross job gains and losses, seasonally adjusted**

Category	3 months ended				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
	Levels (in thousands)				
Gross job gains .....	7,679	7,811	7,473	7,809	7,509
At expanding establishments .....	6,261	6,292	6,032	6,271	6,158
At opening establishments .....	1,418	1,519	1,441	1,538	1,351
Gross job losses .....	6,905	7,395	7,462	7,297	7,071
At contracting establishments .....	5,633	6,015	6,110	5,943	5,796
At closing establishments .....	1,272	1,380	1,352	1,354	1,275
Net employment change <sup>1</sup> .....	774	416	11	512	438
	Rates (percent)				
Gross job gains .....	6.9	6.9	6.7	7.0	6.6
At expanding establishments .....	5.6	5.6	5.4	5.6	5.4
At opening establishments .....	1.3	1.3	1.3	1.4	1.2
Gross job losses .....	6.1	6.5	6.6	6.5	6.2
At contracting establishments .....	5.0	5.3	5.4	5.3	5.1
At closing establishments .....	1.1	1.2	1.2	1.2	1.1
Net employment change <sup>1</sup> .....	.8	.4	.1	.5	.4

<sup>1</sup> The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

U.S. Department of Labor. (See charts 1 and 2 and table 3.) Over this period, firms with 1,000 or more employees accounted for the largest share of gross job gains (16.5 percent) and firms with 1 to 4 employees had the largest share of gross job losses (16.7 percent). (See tables D and 4 and charts 3 and 4.)

The Business Employment Dynamics (BED) data series include gross job gains and gross job losses at the establishment level by major industry sector and 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.

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 units 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 units and the loss of jobs at closing units. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment. (See the Technical Note for more information.)

#### Private Sector Establishment-Level Gross Job Gains and Job Losses

Opening and expanding private sector business establishments gained 7.5 million jobs in the first quarter of 2007, a decrease of 300,000 from the previous quarter. Over this quarter, expanding establishments added 6.2 million jobs while opening establishments added 1.4 million jobs.

**Table B. Three-month private sector gross job gains and losses by industry, seasonally adjusted**  
(In thousands)

Industry	Gross job gains (3 months ended)					Gross job losses (3 months ended)				
	Mar. 2006	June 2006	Sept. 2006	Dec. 2006	Mar. 2007	Mar. 2006	June 2006	Sept. 2006	Dec. 2006	Mar. 2007
Total private <sup>1</sup> .....	7,679	7,811	7,473	7,809	7,509	6,905	7,395	7,462	7,297	7,071
Goods-producing .....	1,737	1,692	1,572	1,636	1,629	1,572	1,667	1,739	1,719	1,682
Natural resources and mining .....	283	293	269	287	279	277	268	263	266	287
Construction .....	924	838	791	825	850	757	841	868	845	816
Manufacturing .....	530	561	512	524	500	538	558	608	608	579
Service-providing <sup>1</sup> .....	5,942	6,119	5,901	6,173	5,880	5,333	5,728	5,723	5,578	5,389
Wholesale trade .....	315	332	311	322	314	290	292	305	303	296
Retail trade .....	1,056	1,062	1,030	1,081	1,087	986	1,100	1,085	1,004	971
Transportation and warehousing .....	240	247	241	269	224	230	232	224	225	245
Utilities .....	11	15	15	19	11	11	13	15	18	11
Information .....	143	150	148	167	138	149	144	171	146	132
Financial activities .....	429	457	446	457	421	419	442	445	444	418
Professional and business services .....	1,329	1,438	1,335	1,427	1,276	1,202	1,287	1,279	1,313	1,242
Education and health services .....	791	787	784	795	799	662	713	674	692	655
Leisure and hospitality .....	1,226	1,210	1,180	1,223	1,165	1,064	1,182	1,184	1,105	1,096
Other services .....	298	313	295	299	292	283	287	305	291	278

<sup>1</sup> Includes unclassified sector, not shown separately.

Gross job losses totaled 7.1 million, a decrease of 226,000 from the previous quarter. During the quarter, contracting establishments lost 5.8 million jobs while closing establishments lost 1.3 million jobs. (See tables A, 1, and 3, and chart 2.)

The difference between the number of gross jobs gained and the number of gross jobs lost yielded a net change of 438,000 jobs in the private sector for first quarter 2007.

From December 2006 to March 2007, gross job gains represented 6.6 percent of private sector employment while gross job losses represented 6.2 percent of private sector employment. (See tables A and 2.) These gross job gain and loss statistics demonstrate that a sizable number of jobs appear and disappear in the relatively short time frame of one quarter.

#### Major Industry Sector Gross Job Gains and Gross Job Losses

*Goods-producing.* Expanding and opening establishments in the goods-producing sector accounted for 1,629,000 jobs gained, and contracting and closing establishments accounted for 1,682,000 jobs lost. The net loss of 53,000 jobs was the third consecutive quarter of net loss in this sector. (See tables B and 3.)

*Construction.* In construction, gross job gains from December 2006 to March 2007 increased to 850,000 and gross job losses fell to 816,000, resulting in a net gain of 34,000 jobs. This was the first net gain in this industry since the first quarter of 2006.

*Manufacturing.* Gross job gains in manufacturing decreased to a level of 500,000 jobs in the first quarter of 2007 and gross job losses fell to 579,000, resulting in a net loss of 79,000 jobs.

**Table C. Number of private sector establishments by direction of employment change, seasonally adjusted**

(In thousands)

Category	3 months ended				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
Establishments gaining jobs .....	1,950	1,923	1,891	1,954	1,935
Expanding establishments .....	1,586	1,559	1,535	1,562	1,577
Opening establishments .....	364	364	356	392	358
Establishments losing jobs .....	1,852	1,899	1,909	1,892	1,900
Contracting establishments .....	1,506	1,554	1,558	1,542	1,545
Closing establishments .....	346	345	351	350	355
Net establishment change <sup>1</sup> .....	18	19	5	42	3

<sup>1</sup> The net establishment change is the difference between the number of opening establishments and the number of closing establishments. See the Technical Note for further information.

*Service-providing.* In the service-providing sector, gross job gains totaled 5,880,000 and gross job losses totaled 5,389,000 in the first quarter of 2007, resulting in a net gain of 491,000 jobs.

*Retail trade.* Gross job gains in retail trade inched up to 1,087,000 and gross job losses fell to 971,000, resulting in a net gain of 116,000 jobs. This was the second consecutive quarter that this sector had a net gain.

*Leisure and hospitality.* The leisure and hospitality sector gained 1,165,000 jobs and lost 1,096,000 jobs in the first quarter of 2007, for a net gain of 69,000.

#### Number of Establishments Gaining and Losing Employment

Another way to look at the dynamics of business activities is to monitor the number and proportion of business units that are growing and declining. In the first quarter of 2007, the number of establishments gaining jobs exceeded the number of establishments losing jobs. Out of 6.9 million active private-sector establishments, a total of 1,935,000 establishments gained jobs from December 2006 to March 2007. (See table C.) Of these, 1,577,000 were expanding establishments and 358,000 were opening establishments. During the quarter, 1,545,000 establishments contracted and 355,000 establishments closed, resulting in 1,900,000 establishments losing jobs. Overall, the number of active private sector establishments increased by 3,000 during the first quarter. This change was the difference between the number of opening establishments and the number of closing establishments.

#### Firm-Level Gross Job Gains and Gross Job Losses by Size Class

From December 2006 to March 2007, firms with 1,000 or more employees accounted for the largest share of gross job gains (16.5 percent) and firms with 1- 4 employees had the largest share of gross job losses (16.7 percent). (See tables D and 4 and charts 3 and 4.)

In the first quarter of 2007, firms with 500 or more employees represented 21.0 percent of gross job gains and 20.7 percent of gross job losses. (See table D.) From September 1992 through March 2007, firms with 500 or more employees, on average, have accounted for 35.5 percent of quarterly net employment growth. (See table E.)

**Table D. Three-month private sector share <sup>1</sup> of gross job gains and losses by firm size, seasonally adjusted**  
(Percent)

Firm size	Share of gross job gains (3 months ended)					Share of gross job losses (3 months ended)				
	Mar. 2006	June 2006	Sept. 2006	Dec. 2006	Mar. 2007	Mar. 2006	June 2006	Sept. 2006	Dec. 2006	Mar. 2007
1 - 4 employees .....	15.9	15.2	15.6	15.8	15.7	16.9	15.9	15.8	15.9	16.7
5 - 9 employees .....	12.3	11.9	12.1	11.6	12.3	12.9	12.5	12.2	12.4	12.6
10 - 19 employees .....	12.6	12.3	12.3	11.7	12.5	12.9	12.6	12.4	12.4	12.5
20 - 49 employees .....	14.9	14.6	14.4	13.8	14.6	14.4	14.4	14.5	14.4	14.4
50 - 99 employees .....	9.2	9.1	9.1	8.7	9.0	8.7	8.9	8.9	8.9	8.8
100 - 249 employees .....	9.7	9.8	9.3	9.2	9.4	8.8	9.1	9.3	9.3	9.0
250 - 499 employees .....	5.7	5.9	5.8	5.5	5.5	5.1	5.4	5.5	5.8	5.3
500 - 999 employees .....	4.5	4.8	4.6	4.5	4.5	4.0	4.4	4.5	4.6	4.1
1,000 or more employees .....	15.2	16.4	16.8	19.2	16.5	16.3	16.8	16.9	16.3	16.6
Total .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

<sup>1</sup> Share measures the percent of the category represented by firm size.

**Table E. Average percentage share <sup>1</sup> of gross job gains and losses by firm size, third quarter 1992–  
first quarter 2007, seasonally adjusted**  
(Percent)

Category	Firm size (number of employees)									
	Total	1 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	250 - 499	500 - 999	1,000 or more
Gross job gains .....	100.0	14.5	11.6	12.0	14.3	9.1	9.8	5.9	4.8	18.0
Expanding firms .....	100.0	7.1	10.7	12.1	15.2	10.1	11.1	6.8	5.6	21.3
Opening firms .....	100.0	53.1	16.1	11.5	9.6	4.1	2.8	1.2	.7	.9
Gross job losses .....	100.0	14.8	12.0	12.3	14.5	9.1	9.6	5.8	4.7	17.2
Contracting firms .....	100.0	7.6	11.2	12.4	15.4	10.0	10.8	6.6	5.5	20.5
Closing firms .....	100.0	50.7	15.6	11.5	10.0	4.6	3.7	1.6	1.1	1.2
Net change .....	100.0	9.6	6.4	8.1	12.2	9.3	11.6	7.3	6.2	29.3
Cumulative share of net change ..	–	9.6	16.0	24.1	36.3	45.6	57.2	64.5	70.7	100.0

<sup>1</sup> Share measures the percent of the category represented by firm size.

Firms with 1- 4 employees continued to have the largest shares of both job gains at opening firms and job losses at closing firms, with 60.4 and 60.6 percent respectively, in the first quarter of 2007. (See table 4.)

Chart 3. Share of total quarterly gross job gains and losses by firm size, December 2006-March 2007, seasonally adjusted

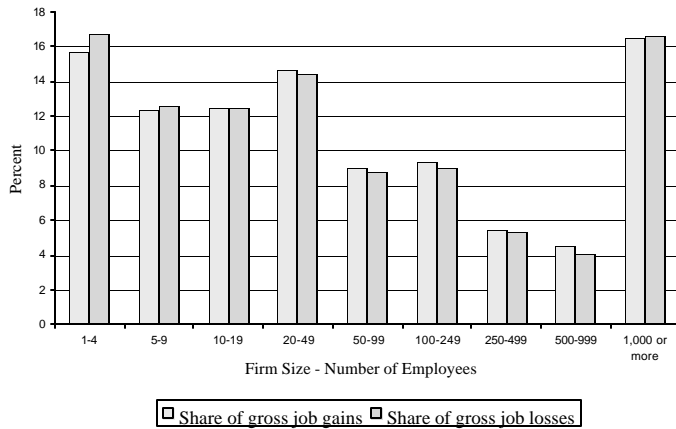
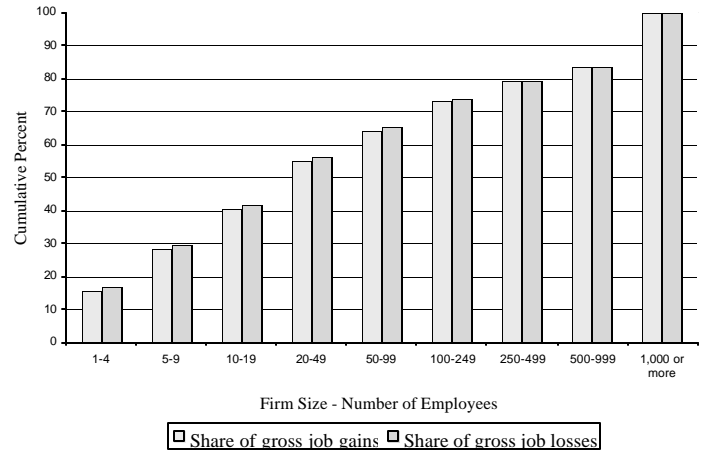


Chart 4. Cumulative share of total quarterly gross job gains and losses by firm size, December 2006-March 2007, seasonally adjusted



### Gross Job Gains and Losses by State

Over the quarter, Alaska had the highest rate of gross job gains (10.3 percent) and gross job losses (9.5 percent). Connecticut had the lowest rate of gross job gains (5.3 percent) and Hawaii and the District of Columbia had the lowest rates of gross job losses (5.2 percent each). (See table 6.) Gross job gains exceeded gross job losses in 39 states and the District of Columbia. In 11 states, Puerto Rico, and the Virgin Islands, gross job losses were greater than gross job gains resulting in net losses in total employment. (See table 5.)

### More Information

Additional information on gross job gains and gross job losses are available at the Business Employment Dynamics Web page on the BLS Web site at <http://www.bls.gov/bdm>. This information includes data on the levels and rates of gross job gains and gross job losses by firm size, the not seasonally adjusted data and other seasonally adjusted time series not presented in this release, charts of gross job gains and gross job losses by industry and firm size, and frequently asked questions on firm-size data. Additional information about the Business Employment Dynamics data can be found in the Technical Note of this release or may be obtained by e-mailing [BDMinfo@bls.gov](mailto:BDMinfo@bls.gov).

### **Comparing Business Employment Dynamics Data with Current Employment Statistics and Quarterly Census of Employment and Wages Data**

The net change in employment from Business Employment Dynamics (BED) data series will not match the net change in employment from the monthly Current Employment Statistics (CES) survey. The CES estimates are based on monthly surveys from a sample of establishments, while gross job gains and gross job losses are based on a quarterly census of administrative records. In addition, the CES has a different coverage, excluding the agriculture sector but including establishments not covered by the unemployment insurance program. The net over-the-quarter changes derived by aggregating component series in the BED data may be different from the net employment change estimated from the CES seasonally adjusted total employment series. The intended use of the BED statistics is to show the dynamic labor market flows that underlie the net changes in aggregate employment levels; data users who want to track net changes in aggregate employment levels over time should refer to CES data.

BED data have a more limited scope than the Quarterly Census of Employment and Wages (QCEW) data. The data in this release, in contrast to the QCEW data, exclude government employees, private households (NAICS 814110), and establishments with zero employment.

See the Technical Note for further information.

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

In an effort to enhance the comparability of industrial employment and wage statistics across Mexico, Canada, and the United States, and reflect economic activities within industries more accurately, the North American Industry Classification System (NAICS) is revised periodically. In conjunction with its counterparts in Mexico and Canada, the U.S. Office of Management and Budget developed NAICS 2007.

The conversion to NAICS 2007 resulted in minor revisions reflecting content changes within the Agriculture, forestry, fishing, and hunting sector and the Manufacturing sector; the restructuring of the Telecommunications subsector; the elimination of the Real estate and investment trusts industry within the Finance and insurance sector; and minor content changes within the Professional, scientific, and technical services sector. Several industry titles and descriptions also were updated. This revision was introduced by the Bureau of Labor Statistics (BLS) with the release of first quarter 2007 QCEW data, which is the source data used to derive the BED data. This revision had a minimal impact on QCEW data. Approximately 1 percent of both employment and establishments were reclassified into different industries as a result of the revision.

With the introduction of this revision, some industries were directly transferred to new industries while others were split into two or more industries, with the original industry often retaining a portion of the establishments and employment. Of the 1,179 industries used by BLS under NAICS 2002, 8 industries were directly moved to new industries created by the NAICS 2007 revision. Involved in these direct transfers were 41,821 establishments and 829,263 employees. In addition, 13 industries were split into 2 or more industries. In all, 27,457 establishments and 662,125 employees changed industries via these split transfers. Since BED data are published at the NAICS 2-digit sector level, the impact of this conversion is not significant.

All figures cited are preliminary and all employment figures cited reflect March 2007 data. For further information on the NAICS 2007 revision, see the U.S. Census Bureau Web site at <http://www.census.gov/epcd/naics07/index.html>.

More information on the NAICS 2007 revision, including the implementation schedules of other BLS programs, will be posted on the BLS Web site as it becomes available.



# 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 quarterly state unemployment insurance (UI) records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by UI laws, and to pay quarterly UI taxes. The quarterly UI reports are sent by the State Workforce Agencies (SWAs) to BLS and form the basis of the BLS establishment universe sampling frame. These reports also are used to produce the quarterly QCEW data on total employment and wages and the longitudinal BED data on gross job gains and losses. Other important BLS uses of the UI reports are in the Current Employment Statistics (CES) program.

(See table below for differences between QCEW, CES, and BED.)

In the BED program, the quarterly UI 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.

## Differences between QCEW, BED, and CES employment measures

The BLS publishes three different establishment-based employment measures for any given quarter. Each of these measures—QCEW, BED, and CES—makes use of the quarterly

**Summary of Major Differences between QCEW, BED, and CES Employment Measures**

	QCEW	BED	CES
<b>Source</b>	<ul style="list-style-type: none"> <li>Count of UI administrative records submitted by 8.9 million establishments</li> </ul>	<ul style="list-style-type: none"> <li>Count of longitudinally-linked UI administrative records submitted by 6.9 million private sector employers</li> </ul>	<ul style="list-style-type: none"> <li>Sample survey: 400,000 establishments</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>UI and UCFE coverage, including all employers subject to state and federal UI laws</li> </ul>	<ul style="list-style-type: none"> <li>UI coverage, excluding government, private households, and establishments with zero employment</li> </ul>	Nonfarm wage and salary jobs: <ul style="list-style-type: none"> <li>UI coverage, excluding agriculture, private households, and self-employed workers</li> <li>Other employment, including railroads, religious organizations, and other non-UI-covered jobs</li> </ul>
<b>Publication frequency</b>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>- 7 months after the end of each quarter</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>- 8 months after the end of each quarter</li> </ul>	<ul style="list-style-type: none"> <li>Monthly</li> <li>- Usually first Friday of following month</li> </ul>
<b>Use of UI file</b>	<ul style="list-style-type: none"> <li>Directly summarizes and publishes each new quarter of UI data</li> </ul>	<ul style="list-style-type: none"> <li>Links each new UI quarter to longitudinal database and directly summarizes gross job gains and losses</li> </ul>	<ul style="list-style-type: none"> <li>Uses UI file as a sampling frame and annually realigns (benchmarks) sample estimates to first quarter UI levels</li> </ul>
<b>Principal products</b>	<ul style="list-style-type: none"> <li>Provides a quarterly and annual universe count of establishments, employment, and wages at the county, MSA, state, and national levels by detailed industry</li> </ul>	<ul style="list-style-type: none"> <li>Provides quarterly employer dynamics data on establishment openings, closings, expansions, and contractions at the national level by NAICS supersectors at the state private-sector total level, and by size of firm</li> <li>Future expansions will include data with greater industry detail and data at the county and MSA level</li> </ul>	<ul style="list-style-type: none"> <li>Provides current monthly estimates of employment, hours, and earnings at the MSA, state, and national level by industry</li> </ul>
<b>Principal uses</b>	<ul style="list-style-type: none"> <li>Major uses include:               <ul style="list-style-type: none"> <li>Detailed locality data</li> <li>Periodic universe counts for benchmarking sample survey estimates</li> <li>Sample frame for BLS establishment surveys</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Major uses include:               <ul style="list-style-type: none"> <li>Business cycle analysis</li> <li>Analysis of employer dynamics underlying economic expansions and contractions</li> <li>Analysis of employment expansion and contractions by size of firm</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Major uses include:               <ul style="list-style-type: none"> <li>Principal national economic indicator</li> <li>Official time series for employment change measures</li> <li>Input into other major economic indicators</li> </ul> </li> </ul>
<b>Program Web sites</b>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/cew/">www.bls.gov/cew/</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/bdm/">www.bls.gov/bdm/</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="http://www.bls.gov/ces/">www.bls.gov/ces/</a></li> </ul>

UI employment reports in producing data; however, each measure has a somewhat different universe coverage, estimation procedure, and publication product.

Differences in coverage and estimation methods can result in somewhat different measures of over-the-quarter employment change. It is important to understand program differences and the intended uses of the program products. (See table on previous page.) Additional information on each program can be obtained from the program Web sites shown in the table.

### Coverage

Employment and wage data for workers covered by state UI and Unemployment Compensation for Federal Employees (UCFE) laws are compiled from quarterly contribution reports submitted to the SWAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the “Multiple Worksite Report,” which provides detailed information on the location of their establishments. These reports are based on place of employment rather than place of residence. UI and UCFE coverage is broad and basically comparable from state to state.

Major exclusions from UI coverage are self-employed workers, religious organizations, most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Gross job gains and gross job losses in this release are derived from longitudinal histories of over 6.9 million private sector employer reports out of 8.9 million total reports of employment and wages submitted by states to BLS in the first quarter of 2007. Gross job gains and gross job losses data in this release do not report estimates for government employees or private households (NAICS 814110), and do not include establishments with zero employment in both previous and current quarters. Data from Puerto Rico and the Virgin Islands also are excluded from the national data. As an illustration, the table below shows, in millions of establishments, the number of establishments excluded from

#### Number of active establishments included in state Business Employment Dynamics data

	Millions
Total establishments QCEW program .....	8.9
Excluded: Public sector .....	0.3
Private households .....	0.6
Zero employment .....	1.0
Establishments in Puerto Rico and the Virgin Islands .....	0.1
Total establishments included in state Business Employment Dynamics data.....	7.0

the gross job gains and gross job losses data in the first quarter of 2007:

### Unit of analysis

*Establishments* are used in the tabulation of the BED statistics by industry and *firms* are used in the tabulation of the BED size-class statistics. An establishment is defined as an economic unit that produces goods or services, usually at a single physical location, and engages in one or predominantly one activity. A firm is a legal business, either corporate or otherwise, and may consist of several establishments. Firm-level data are compiled based on an aggregation of establishments under common ownership by a corporate parent using employer tax identification numbers. The firm-level aggregation, which is consistent with the role of corporations as the economic decision makers, is used for the measurement of the BED data elements by size class.

Because of the difference in the unit of analysis, total gross job gains and gross job losses by size class are lower than total gross job gains and gross job losses by industry, as some establishment gains and losses within a firm are offset during the aggregation process. However, the total net changes in employment are the same for not seasonally adjusted data and are similar for seasonally adjusted data.

### Concepts and methodology

The Business Employment Dynamics data measure the net change in employment at the establishment or firm level. These changes come about in one of four ways. A net increase in employment can come from either *opening units* or *expanding units*. A net decrease in employment can come from either *closing units* or *contracting units*. *Gross job gains* include the sum of all jobs added at either opening or expanding units. *Gross job losses* include the sum of all jobs lost in either closing or contracting units. The net change in employment is the difference between gross job gains and gross job losses.

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 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.

All establishment-level employment changes are measured from the third month of each quarter. Not all establishments

and firms change their employment levels. Units with no change in employment count towards estimates of total employment, but not for levels of gross job gains and gross job losses.

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. This provides a symmetric growth rate. 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.

### **Linkage methodology**

Prior to the measurement of gross job gains and gross job losses, QCEW records are linked across two quarters. The linkage process matches establishments' unique SWA identification numbers (SWA-ID). Between 95 to 97 percent of establishments identified as continuous from quarter to quarter are matched by SWA-ID. The rest are linked in one of three ways. The first method uses predecessor and successor information, identified by the states, which relates records with different SWA-IDs across quarters. Predecessor and successor relations can come about for a variety of reasons, including a change in ownership, a firm restructuring, or a UI account restructuring. If a match cannot be attained in this manner, a probability-based match is used. This match attempts to identify two establishments with different SWA-IDs as continuous. The match is based upon comparisons such as the same name, address, and phone number. Third, an analyst examines unmatched records individually and makes a possible match.

In order to ensure the highest possible quality of data, SWAs verify with employers and update, if necessary, the industry, location, and ownership classification of all establishments on a 3-year cycle. Changes in establishment classification codes resulting from the verification process are introduced with the data reported for the first quarter of the year. Changes resulting from improved employer reporting also are introduced in the first quarter.

### **Sizing methodology**

The method of dynamic sizing is used in calculations for the BED size-class data series. Dynamic sizing allocates each firm's employment gain or loss during a quarter to each respective size class in which the change occurred. For example, if a firm grew from 2 employees in quarter 1 to 38 employees in quarter 2, then, of the 36-employee increase, 2 would be allocated to the first size class, 5 to the size class 5 to 9, 10 to size class 10 to 19, and 19 to size class 20 to 49.

Dynamic sizing provides symmetrical firm-size estimates and eliminates any systematic effects which may be caused by the transitory and reverting changes in firms' sizes over time.

Additionally, it allocates each job gain or loss to the actual size class where it occurred.

### **Seasonal adjustment**

Over the course of a year, the levels of employment and the associated job flows undergo sharp fluctuations due to such seasonal events as changes in the weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. The effect of such seasonal variation can be very large.

Because these seasonal events follow a more or less regular pattern each year, their influence can be eliminated by adjusting these statistics from quarter to quarter. These adjustments make nonseasonal developments, such as declines in economic activity, easier to recognize. For example, the large number of youths taking summer jobs is likely to obscure other changes that have taken place in June relative to March, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. The adjusted figures provide a more useful tool with which to analyze changes in economic activity.

The employment data series for opening, expanding, closing, and contracting units are independently seasonally adjusted; net changes are calculated based on the difference between gross job gains and gross job losses. Similarly, for industry data, the establishment counts data series for opening, expanding, closing, and contracting establishments are independently adjusted, and the net changes are calculated based on the difference between the number of opening and closing establishments. Additionally, establishment and employment levels are independently seasonally adjusted to calculate the seasonally adjusted rates. Concurrent seasonal adjustment is run using X-12 ARIMA. Seasonally adjusted data series for the total private sector are calculated by summing the seasonally adjusted data for all sectors, including the unclassified sector, which is not published separately.

The employment data series for opening, expanding, closing, and contracting units for each of the 50 states and the District of Columbia are seasonally adjusted at the total private level only. The sum of the state series for opening, expanding, closing, and contracting units will not necessarily be equal to the national total private series because of the independent seasonal adjustment of these series.

The net over-the-quarter change derived by summing the BED component series will differ from the net employment change estimated from the seasonally adjusted total private employment series from the CES program. The intended use of BED statistics is to show the dynamic labor market changes that underlie the net employment change statistic. As such, data users interested particularly in the net employment change and not in the gross job flows underlying this change should

refer to CES data for over-the-quarter net employment changes.

### **Reliability of the data**

Since the data series on Business Employment Dynamics are based on administrative rather than sample data, there are no issues related to sampling error. Nonsampling error, however, still exists. Nonsampling errors can occur for many reasons, such as the employer submitting corrected employment data after the end of the quarter or typographical errors made by businesses when providing information. Such errors, however, are likely to be distributed randomly throughout the dataset.

Changes in administrative data sometimes create complications for the linkage process. This can result in overstating openings and closings while understating expansions and contractions. The BLS continues to refine methods for improving the linkage process to alleviate the effects of these complications.

The BED data series are subject to periodic minor changes based on corrections in QCEW records, updates on predecessors and successors information, and seasonal adjustment revisions.

### **Additional statistics and other information**

Several other programs within BLS produce closely related information. The QCEW program, also known as the ES-202 program, provides both quarterly and annual estimates of employment by state, county, and detailed industry. News releases on quarterly county employment and wages are available upon request from the Division of Administrative Statistics and Labor Turnover, Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC 20212; telephone 202-691-6567; (<http://www.bls.gov/cew/>); (e-mail: [QCEWInfo@bls.gov](mailto:QCEWInfo@bls.gov)).

The CES program produces monthly estimates of employment, its net change, and earnings by detailed industry. These estimates are part of the Employment Situation report put out monthly by BLS.

The Job Openings and Labor Turnover Survey (JOLTS) program provides monthly measures of job openings, as well as employee hires and separations.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral number: 1-800-877-8339.

**Table 1. Private sector gross job gains and losses, seasonally adjusted**  
(In thousands)

Year	3 months ended	Net change <sup>1</sup>	Gross job gains			Gross job losses		
			Total	Expanding establishments	Opening establishments	Total	Contracting establishments	Closing establishments
1992	September .....	599	7,329	5,688	1,641	6,730	5,308	1,422
	December .....	123	6,986	5,452	1,534	6,863	5,484	1,379
1993	March .....	288	7,117	5,404	1,713	6,829	5,364	1,465
	June .....	734	7,275	5,782	1,493	6,541	5,155	1,386
	September .....	965	7,539	5,926	1,613	6,574	5,265	1,309
	December .....	603	7,375	5,822	1,553	6,772	5,411	1,361
1994	March .....	559	7,381	5,800	1,581	6,822	5,401	1,421
	June .....	905	7,709	6,041	1,668	6,804	5,315	1,489
	September .....	1,288	8,002	6,277	1,725	6,714	5,426	1,288
	December .....	460	7,535	5,978	1,557	7,075	5,642	1,433
1995	March .....	758	7,787	6,124	1,663	7,029	5,652	1,377
	June .....	358	7,666	6,006	1,660	7,308	5,840	1,468
	September .....	845	7,983	6,341	1,642	7,138	5,645	1,493
	December .....	378	7,830	6,140	1,690	7,452	5,929	1,523
1996	March .....	457	7,933	6,179	1,754	7,476	5,967	1,509
	June .....	631	8,051	6,282	1,769	7,420	5,903	1,517
	September .....	704	8,177	6,373	1,804	7,473	5,942	1,531
	December .....	816	8,206	6,396	1,810	7,390	5,875	1,515
1997	March .....	784	8,214	6,407	1,807	7,430	5,886	1,544
	June .....	584	8,055	6,330	1,725	7,471	5,931	1,540
	September .....	901	8,515	6,718	1,797	7,614	5,927	1,687
	December .....	708	8,617	6,697	1,920	7,909	6,024	1,885
1998	March .....	711	8,648	6,599	2,049	7,937	6,077	1,860
	June .....	610	8,629	6,552	2,077	8,019	6,224	1,795
	September .....	742	8,508	6,607	1,901	7,766	6,093	1,673
	December .....	768	8,475	6,737	1,738	7,707	6,025	1,682
1999	March .....	353	8,585	6,626	1,959	8,232	6,395	1,837
	June .....	644	8,539	6,661	1,878	7,895	6,210	1,685
	September .....	588	8,571	6,734	1,837	7,983	6,250	1,733
	December .....	1,005	8,749	6,956	1,793	7,744	6,076	1,668
2000	March .....	789	8,792	6,924	1,868	8,003	6,341	1,662
	June .....	492	8,499	6,814	1,685	8,007	6,387	1,620
	September .....	296	8,506	6,728	1,778	8,210	6,483	1,727
	December .....	295	8,400	6,702	1,698	8,105	6,433	1,672
2001	March .....	-156	8,436	6,694	1,742	8,592	6,717	1,875
	June .....	-792	8,009	6,319	1,690	8,801	7,050	1,751
	September .....	-1,184	7,608	5,917	1,691	8,792	6,991	1,801
	December .....	-960	7,591	5,932	1,659	8,551	6,858	1,693
2002	March .....	-39	8,049	6,259	1,790	8,088	6,424	1,664
	June .....	-38	7,890	6,164	1,726	7,928	6,290	1,638
	September .....	-171	7,608	6,015	1,593	7,779	6,248	1,531
	December .....	-198	7,522	5,960	1,562	7,720	6,171	1,549
2003	March .....	-420	7,423	5,901	1,522	7,843	6,306	1,537
	June .....	-96	7,415	5,944	1,471	7,511	6,040	1,471
	September .....	180	7,369	5,898	1,471	7,189	5,828	1,361
	December .....	332	7,560	6,027	1,533	7,228	5,792	1,436
2004	March .....	439	7,669	6,174	1,495	7,230	5,796	1,434
	June .....	636	7,771	6,251	1,520	7,135	5,651	1,484
	September .....	182	7,612	6,036	1,576	7,430	5,889	1,541
	December .....	797	7,883	6,268	1,615	7,086	5,655	1,431
2005	March .....	352	7,578	6,107	1,471	7,226	5,800	1,426
	June .....	590	7,796	6,248	1,548	7,206	5,789	1,417
	September .....	651	7,943	6,362	1,581	7,292	5,846	1,446
	December .....	539	7,846	6,278	1,568	7,307	5,936	1,371
2006	March .....	774	7,679	6,261	1,418	6,905	5,633	1,272
	June .....	416	7,811	6,292	1,519	7,395	6,015	1,380
	September .....	11	7,473	6,032	1,441	7,462	6,110	1,352
	December .....	512	7,809	6,271	1,538	7,297	5,943	1,354
2007	March .....	438	7,509	6,158	1,351	7,071	5,796	1,275

<sup>1</sup> Net change is the difference between total gross job gains and total gross job losses.

**Table 2. Private sector gross job gains and losses as a percent of employment,<sup>1</sup> seasonally adjusted**  
(Percent)

Year	3 months ended	Net change <sup>2</sup>	Gross job gains			Gross job losses		
			Total	Expanding establishments	Opening establishments	Total	Contracting establishments	Closing establishments
1992	September .....	0.7	8.2	6.4	1.8	7.5	5.9	1.6
	December .....	.2	7.8	6.1	1.7	7.6	6.1	1.5
1993	March .....	.3	7.9	6.0	1.9	7.6	6.0	1.6
	June .....	.8	8.0	6.4	1.6	7.2	5.7	1.5
	September .....	1.1	8.3	6.5	1.8	7.2	5.8	1.4
	December .....	.6	8.0	6.3	1.7	7.4	5.9	1.5
1994	March .....	.7	8.0	6.3	1.7	7.3	5.8	1.5
	June .....	1.0	8.3	6.5	1.8	7.3	5.7	1.6
	September .....	1.3	8.4	6.6	1.8	7.1	5.7	1.4
	December .....	.5	7.9	6.3	1.6	7.4	5.9	1.5
1995	March .....	.8	8.1	6.4	1.7	7.3	5.9	1.4
	June .....	.3	7.9	6.2	1.7	7.6	6.1	1.5
	September .....	.9	8.2	6.5	1.7	7.3	5.8	1.5
	December .....	.3	8.0	6.3	1.7	7.7	6.1	1.6
1996	March .....	.5	8.1	6.3	1.8	7.6	6.1	1.5
	June .....	.7	8.2	6.4	1.8	7.5	6.0	1.5
	September .....	.7	8.2	6.4	1.8	7.5	6.0	1.5
	December .....	.8	8.2	6.4	1.8	7.4	5.9	1.5
1997	March .....	.9	8.2	6.4	1.8	7.3	5.8	1.5
	June .....	.6	7.9	6.2	1.7	7.3	5.8	1.5
	September .....	1.0	8.4	6.6	1.8	7.4	5.8	1.6
	December .....	.8	8.4	6.5	1.9	7.6	5.8	1.8
1998	March .....	.7	8.4	6.4	2.0	7.7	5.9	1.8
	June .....	.6	8.3	6.3	2.0	7.7	6.0	1.7
	September .....	.7	8.1	6.3	1.8	7.4	5.8	1.6
	December .....	.7	8.0	6.4	1.6	7.3	5.7	1.6
1999	March .....	.3	8.0	6.2	1.8	7.7	6.0	1.7
	June .....	.6	8.0	6.2	1.8	7.4	5.8	1.6
	September .....	.6	8.0	6.3	1.7	7.4	5.8	1.6
	December .....	1.0	8.1	6.4	1.7	7.1	5.6	1.5
2000	March .....	.7	8.0	6.3	1.7	7.3	5.8	1.5
	June .....	.4	7.7	6.2	1.5	7.3	5.8	1.5
	September .....	.2	7.7	6.1	1.6	7.5	5.9	1.6
	December .....	.3	7.6	6.1	1.5	7.3	5.8	1.5
2001	March .....	-.1	7.7	6.1	1.6	7.8	6.1	1.7
	June .....	-.8	7.2	5.7	1.5	8.0	6.4	1.6
	September .....	-1.2	6.9	5.4	1.5	8.1	6.4	1.7
	December .....	-.9	7.0	5.5	1.5	7.9	6.3	1.6
2002	March .....	.0	7.5	5.8	1.7	7.5	6.0	1.5
	June .....	.0	7.3	5.7	1.6	7.3	5.8	1.5
	September .....	-.1	7.1	5.6	1.5	7.2	5.8	1.4
	December .....	.0	7.1	5.6	1.5	7.1	5.7	1.4
2003	March .....	-.4	6.9	5.5	1.4	7.3	5.9	1.4
	June .....	-.1	7.0	5.6	1.4	7.1	5.7	1.4
	September .....	.1	6.9	5.5	1.4	6.8	5.5	1.3
	December .....	.3	7.0	5.6	1.4	6.7	5.4	1.3
2004	March .....	.4	7.1	5.7	1.4	6.7	5.4	1.3
	June .....	.6	7.2	5.8	1.4	6.6	5.2	1.4
	September .....	.3	7.1	5.6	1.5	6.8	5.4	1.4
	December .....	.8	7.3	5.8	1.5	6.5	5.2	1.3
2005	March .....	.3	6.9	5.6	1.3	6.6	5.3	1.3
	June .....	.5	7.1	5.7	1.4	6.6	5.3	1.3
	September .....	.6	7.2	5.8	1.4	6.6	5.3	1.3
	December .....	.6	7.1	5.7	1.4	6.5	5.3	1.2
2006	March .....	.8	6.9	5.6	1.3	6.1	5.0	1.1
	June .....	.4	6.9	5.6	1.3	6.5	5.3	1.2
	September .....	.1	6.7	5.4	1.3	6.6	5.4	1.2
	December .....	.5	7.0	5.6	1.4	6.5	5.3	1.2
2007	March .....	.4	6.6	5.4	1.2	6.2	5.1	1.1

<sup>1</sup> The rates measure gross job gains and gross job losses as a percentage of the average of the previous and current employment.

<sup>2</sup> See footnote 1, table 1.

**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted**

Category	Gross job gains and losses (in thousands) (3 months ended)					Gross job gains and losses as a percent of employment (3 months ended)				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
<b>Total private <sup>1</sup></b>										
Gross job gains .....	7,679	7,811	7,473	7,809	7,509	6.9	6.9	6.7	7.0	6.6
At expanding establishments .....	6,261	6,292	6,032	6,271	6,158	5.6	5.6	5.4	5.6	5.4
At opening establishments .....	1,418	1,519	1,441	1,538	1,351	1.3	1.3	1.3	1.4	1.2
Gross job losses .....	6,905	7,395	7,462	7,297	7,071	6.1	6.5	6.6	6.5	6.2
At contracting establishments .....	5,633	6,015	6,110	5,943	5,796	5.0	5.3	5.4	5.3	5.1
At closing establishments .....	1,272	1,380	1,352	1,354	1,275	1.1	1.2	1.2	1.2	1.1
Net employment change .....	774	416	11	512	438	.8	.4	.1	.5	.4
<b>Goods-producing</b>										
Gross job gains .....	1,737	1,692	1,572	1,636	1,629	7.3	7.2	6.6	7.0	6.9
At expanding establishments .....	1,469	1,438	1,329	1,381	1,398	6.2	6.1	5.6	5.9	5.9
At opening establishments .....	268	254	243	255	231	1.1	1.1	1.0	1.1	1.0
Gross job losses .....	1,572	1,667	1,739	1,719	1,682	6.7	7.1	7.4	7.3	7.1
At contracting establishments .....	1,320	1,390	1,463	1,452	1,421	5.6	5.9	6.2	6.2	6.0
At closing establishments .....	252	277	276	267	261	1.1	1.2	1.2	1.1	1.1
Net employment change .....	165	25	-167	-83	-53	.6	.1	-.8	-.3	-.2
<b>Natural resources and mining</b>										
Gross job gains .....	283	293	269	287	279	16.0	16.5	15.1	15.9	15.3
At expanding establishments .....	241	250	230	245	241	13.6	14.1	12.9	13.6	13.2
At opening establishments .....	42	43	39	42	38	2.4	2.4	2.2	2.3	2.1
Gross job losses .....	277	268	263	266	287	15.6	15.1	14.8	14.7	15.6
At contracting establishments .....	236	229	223	230	248	13.3	12.9	12.5	12.7	13.5
At closing establishments .....	41	39	40	36	39	2.3	2.2	2.3	2.0	2.1
Net employment change .....	6	25	6	21	-8	.4	1.4	.3	1.2	-.3
<b>Construction</b>										
Gross job gains .....	924	838	791	825	850	12.1	10.9	10.3	10.8	11.1
At expanding establishments .....	746	679	636	663	699	9.8	8.8	8.3	8.7	9.1
At opening establishments .....	178	159	155	162	151	2.3	2.1	2.0	2.1	2.0
Gross job losses .....	757	841	868	845	816	9.9	10.9	11.4	11.1	10.6
At contracting establishments .....	605	676	702	683	655	7.9	8.8	9.2	9.0	8.5
At closing establishments .....	152	165	166	162	161	2.0	2.1	2.2	2.1	2.1
Net employment change .....	167	-3	-77	-20	34	2.2	.0	-1.1	-.3	.5
<b>Manufacturing</b>										
Gross job gains .....	530	561	512	524	500	3.7	4.0	3.6	3.8	3.6
At expanding establishments .....	482	509	463	473	458	3.4	3.6	3.3	3.4	3.3
At opening establishments .....	48	52	49	51	42	.3	.4	.3	.4	.3
Gross job losses .....	538	558	608	608	579	3.8	3.9	4.3	4.3	4.1
At contracting establishments .....	479	485	538	539	518	3.4	3.4	3.8	3.8	3.7
At closing establishments .....	59	73	70	69	61	.4	.5	.5	.5	.4
Net employment change .....	-8	3	-96	-84	-79	-.1	.1	-.7	-.5	-.5
<b>Service-providing <sup>1</sup></b>										
Gross job gains .....	5,942	6,119	5,901	6,173	5,880	6.7	6.9	6.6	6.9	6.5
At expanding establishments .....	4,792	4,854	4,703	4,890	4,760	5.4	5.5	5.3	5.5	5.3
At opening establishments .....	1,150	1,265	1,198	1,283	1,120	1.3	1.4	1.3	1.4	1.2
Gross job losses .....	5,333	5,728	5,723	5,578	5,389	6.1	6.4	6.4	6.2	6.0
At contracting establishments .....	4,313	4,625	4,647	4,491	4,375	4.9	5.2	5.2	5.0	4.9
At closing establishments .....	1,020	1,103	1,076	1,087	1,014	1.2	1.2	1.2	1.2	1.1
Net employment change .....	609	391	178	595	491	.6	.5	.2	.7	.5
<b>Wholesale trade</b>										
Gross job gains .....	315	332	311	322	314	5.4	5.7	5.3	5.4	5.3
At expanding establishments .....	261	270	253	262	256	4.5	4.6	4.3	4.4	4.3
At opening establishments .....	54	62	58	60	58	.9	1.1	1.0	1.0	1.0
Gross job losses .....	290	292	305	303	296	4.9	4.9	5.1	5.1	5.0
At contracting establishments .....	224	226	238	236	230	3.8	3.8	4.0	4.0	3.9
At closing establishments .....	66	66	67	67	66	1.1	1.1	1.1	1.1	1.1
Net employment change .....	25	40	6	19	18	.5	.8	.2	.3	.3

See footnote at end of table.

**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted—Continued**

Category	Gross job gains and losses (in thousands) (3 months ended)					Gross job gains and losses as a percent of employment (3 months ended)				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
<b>Retail trade</b>										
Gross job gains .....	1,056	1,062	1,030	1,081	1,087	6.8	6.9	6.7	7.0	7.0
At expanding establishments .....	901	876	850	898	941	5.8	5.7	5.5	5.8	6.1
At opening establishments .....	155	186	180	183	146	1.0	1.2	1.2	1.2	.9
Gross job losses .....	986	1,100	1,085	1,004	971	6.3	7.1	7.0	6.5	6.2
At contracting establishments .....	840	942	923	857	827	5.4	6.1	6.0	5.5	5.3
At closing establishments .....	146	158	162	147	144	.9	1.0	1.0	1.0	.9
Net employment change .....	70	-38	-55	77	116	.5	-.2	-.3	.5	.8
<b>Transportation and warehousing</b>										
Gross job gains .....	240	247	241	269	224	5.8	5.8	5.7	6.3	5.2
At expanding establishments .....	204	207	207	231	192	4.9	4.9	4.9	5.4	4.5
At opening establishments .....	36	40	34	38	32	.9	.9	.8	.9	.7
Gross job losses .....	230	232	224	225	245	5.4	5.5	5.3	5.2	5.7
At contracting establishments .....	195	191	186	185	211	4.6	4.5	4.4	4.3	4.9
At closing establishments .....	35	41	38	40	34	.8	1.0	.9	.9	.8
Net employment change .....	10	15	17	44	-21	.4	.3	.4	1.1	-.5
<b>Utilities</b>										
Gross job gains .....	11	15	15	19	11	2.0	2.8	2.8	3.5	2.0
At expanding establishments .....	10	13	14	13	10	1.8	2.4	2.6	2.4	1.8
At opening establishments .....	1	2	1	6	1	.2	.4	.2	1.1	.2
Gross job losses .....	11	13	15	18	11	2.0	2.4	2.8	3.3	2.0
At contracting establishments .....	9	11	13	13	10	1.6	2.0	2.4	2.4	1.8
At closing establishments .....	2	2	2	5	1	.4	.4	.4	.9	.2
Net employment change .....	0	2	0	1	0	.0	.4	.0	.2	.0
<b>Information</b>										
Gross job gains .....	143	150	148	167	138	4.7	5.0	4.8	5.5	4.6
At expanding establishments .....	122	124	123	138	118	4.0	4.1	4.0	4.5	3.9
At opening establishments .....	21	26	25	29	20	.7	.9	.8	1.0	.7
Gross job losses .....	149	144	171	146	132	4.9	4.7	5.6	4.7	4.4
At contracting establishments .....	121	116	142	114	108	4.0	3.8	4.7	3.7	3.6
At closing establishments .....	28	28	29	32	24	.9	.9	.9	1.0	.8
Net employment change .....	-6	6	-23	21	6	-.2	.3	-.8	.8	.2
<b>Financial activities</b>										
Gross job gains .....	429	457	446	457	421	5.3	5.6	5.5	5.5	5.1
At expanding establishments .....	342	353	350	347	335	4.2	4.3	4.3	4.2	4.1
At opening establishments .....	87	104	96	110	86	1.1	1.3	1.2	1.3	1.0
Gross job losses .....	419	442	445	444	418	5.2	5.4	5.4	5.4	5.1
At contracting establishments .....	324	342	343	338	320	4.0	4.2	4.2	4.1	3.9
At closing establishments .....	95	100	102	106	98	1.2	1.2	1.2	1.3	1.2
Net employment change .....	10	15	1	13	3	.1	.2	.1	.1	.0
<b>Professional and business services</b>										
Gross job gains .....	1,329	1,438	1,335	1,427	1,276	7.7	8.3	7.6	8.1	7.2
At expanding establishments .....	1,088	1,164	1,093	1,149	1,064	6.3	6.7	6.2	6.5	6.0
At opening establishments .....	241	274	242	278	212	1.4	1.6	1.4	1.6	1.2
Gross job losses .....	1,202	1,287	1,279	1,313	1,242	6.9	7.3	7.3	7.4	7.0
At contracting establishments .....	969	1,006	1,029	1,057	996	5.6	5.7	5.9	6.0	5.6
At closing establishments .....	233	281	250	256	246	1.3	1.6	1.4	1.4	1.4
Net employment change .....	127	151	56	114	34	.8	1.0	.3	.7	.2
<b>Education and health services</b>										
Gross job gains .....	791	787	784	795	799	4.7	4.7	4.6	4.7	4.6
At expanding establishments .....	670	659	665	666	678	4.0	3.9	3.9	3.9	3.9
At opening establishments .....	121	128	119	129	121	.7	.8	.7	.8	.7
Gross job losses .....	662	713	674	692	655	3.9	4.2	4.0	4.1	3.8
At contracting establishments .....	544	595	561	558	540	3.2	3.5	3.3	3.3	3.1
At closing establishments .....	118	118	113	134	115	.7	.7	.7	.8	.7
Net employment change .....	129	74	110	103	144	.8	.5	.6	.6	.8

See footnote at end of table.



**Table 3. Private sector gross job gains and losses by industry, seasonally adjusted—Continued**

Category	Gross job gains and losses (in thousands) (3 months ended)					Gross job gains and losses as a percent of employment (3 months ended)				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
<b>Leisure and hospitality</b>										
Gross job gains .....	1,226	1,210	1,180	1,223	1,165	9.4	9.3	9.1	9.3	8.8
At expanding establishments .....	938	925	896	932	903	7.2	7.1	6.9	7.1	6.8
At opening establishments .....	288	285	284	291	262	2.2	2.2	2.2	2.2	2.0
Gross job losses .....	1,064	1,182	1,184	1,105	1,096	8.2	9.0	9.0	8.4	8.3
At contracting establishments .....	855	958	959	892	902	6.6	7.3	7.3	6.8	6.8
At closing establishments .....	209	224	225	213	194	1.6	1.7	1.7	1.6	1.5
Net employment change .....	162	28	-4	118	69	1.2	.3	.1	.9	.5
<b>Other services</b>										
Gross job gains .....	298	313	295	299	292	7.8	8.1	7.7	7.8	7.6
At expanding establishments .....	240	248	235	238	239	6.3	6.4	6.1	6.2	6.2
At opening establishments .....	58	65	60	61	53	1.5	1.7	1.6	1.6	1.4
Gross job losses .....	283	287	305	291	278	7.4	7.4	7.9	7.5	7.2
At contracting establishments .....	220	225	240	228	217	5.8	5.8	6.2	5.9	5.6
At closing establishments .....	63	62	65	63	61	1.6	1.6	1.7	1.6	1.6
Net employment change .....	15	26	-10	8	14	.4	.7	-.2	.3	.4

<sup>1</sup> Includes unclassified sector, not shown separately.

**Table 4. Private sector percentage share <sup>1</sup> of gross job gains and losses, seasonally adjusted**  
(Percent)

Category	3 months ended				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
<b>Total private</b>					
Gross job gains .....	100.0	100.0	100.0	100.0	100.0
Expanding firms .....	100.0	100.0	100.0	100.0	100.0
Opening firms .....	100.0	100.0	100.0	100.0	100.0
Gross job losses .....	100.0	100.0	100.0	100.0	100.0
Contracting firms .....	100.0	100.0	100.0	100.0	100.0
Closing firms .....	100.0	100.0	100.0	100.0	100.0
<b>Firm size 1 - 4 employees</b>					
Gross job gains .....	15.9	15.2	15.6	15.8	15.7
Expanding firms .....	7.4	7.2	7.5	7.2	7.4
Opening firms .....	58.8	57.0	58.6	60.6	60.4
Gross job losses .....	16.9	15.9	15.8	15.9	16.7
Contracting firms .....	8.4	8.0	7.8	8.0	8.2
Closing firms .....	59.6	58.2	58.8	58.5	60.6
<b>Firm size 5 - 9 employees</b>					
Gross job gains .....	12.3	11.9	12.1	11.6	12.3
Expanding firms .....	11.5	11.1	11.3	10.8	11.5
Opening firms .....	16.8	16.6	16.6	15.8	16.6
Gross job losses .....	12.9	12.5	12.2	12.4	12.6
Contracting firms .....	12.3	11.8	11.5	11.7	11.9
Closing firms .....	16.1	16.3	16.0	16.1	15.9
<b>Firm size 10 - 19 employees</b>					
Gross job gains .....	12.6	12.3	12.3	11.7	12.5
Expanding firms .....	12.9	12.4	12.5	12.0	12.8
Opening firms .....	11.1	11.4	11.0	10.3	10.8
Gross job losses .....	12.9	12.6	12.4	12.4	12.5
Contracting firms .....	13.4	13.0	12.7	12.8	12.9
Closing firms .....	10.6	10.7	10.6	10.6	10.3
<b>Firm size 20 - 49 employees</b>					
Gross job gains .....	14.9	14.6	14.4	13.8	14.6
Expanding firms .....	16.2	15.8	15.6	14.9	15.9
Opening firms .....	7.9	8.6	8.3	7.9	7.7
Gross job losses .....	14.4	14.4	14.5	14.4	14.4
Contracting firms .....	15.7	15.6	15.7	15.6	15.7
Closing firms .....	7.9	8.3	8.1	8.0	7.5
<b>Firm size 50 - 99 employees</b>					
Gross job gains .....	9.2	9.1	9.1	8.7	9.0
Expanding firms .....	10.5	10.3	10.2	9.8	10.2
Opening firms .....	2.7	3.2	3.1	3.0	2.5
Gross job losses .....	8.7	8.9	8.9	8.9	8.8
Contracting firms .....	9.8	9.9	9.9	10.0	10.0
Closing firms .....	3.0	3.3	3.1	3.1	2.9

See footnote at end of table.

**Table 4. Private sector percentage share <sup>1</sup> of gross job gains and losses, seasonally adjusted—Continued**  
(Percent)

Category	3 months ended				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
<b>Firm size 100 - 249 employees</b>					
Gross job gains .....	9.7	9.8	9.3	9.2	9.4
Expanding firms .....	11.3	11.3	10.8	10.6	11.0
Opening firms .....	1.4	1.7	1.5	1.5	1.0
Gross job losses .....	8.8	9.1	9.3	9.3	9.0
Contracting firms .....	10.2	10.4	10.7	10.6	10.5
Closing firms .....	1.8	2.1	2.0	1.9	1.7
<b>Firm size 250 - 499 employees</b>					
Gross job gains .....	5.7	5.9	5.8	5.5	5.5
Expanding firms .....	6.7	6.9	6.8	6.4	6.4
Opening firms .....	.5	.4	.4	.5	.3
Gross job losses .....	5.1	5.4	5.5	5.8	5.3
Contracting firms .....	6.0	6.2	6.4	6.8	6.3
Closing firms .....	.6	.7	.7	.6	.5
<b>Firm size 500 - 999 employees</b>					
Gross job gains .....	4.5	4.8	4.6	4.5	4.5
Expanding firms .....	5.4	5.6	5.4	5.4	5.3
Opening firms .....	.3	.2	.4	.2	.2
Gross job losses .....	4.0	4.4	4.5	4.6	4.1
Contracting firms .....	4.7	5.2	5.3	5.3	4.8
Closing firms .....	.2	.3	.2	.4	.3
<b>Firm size 1,000 or more employees</b>					
Gross job gains .....	15.2	16.4	16.8	19.2	16.5
Expanding firms .....	18.1	19.4	19.9	22.9	19.5
Opening firms .....	.5	.9	.1	.2	.5
Gross job losses .....	16.3	16.8	16.9	16.3	16.6
Contracting firms .....	19.5	19.9	20.0	19.2	19.7
Closing firms .....	.2	.1	.5	.8	.3

<sup>1</sup> Share measures the percent of the category represented by each firm size class.

**Table 5. Private sector gross job gains and losses by state, seasonally adjusted**

State	Gross job gains (3 months ended)					Gross job losses (3 months ended)				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
United States <sup>1</sup>	7,679,000	7,811,000	7,473,000	7,809,000	7,509,000	6,905,000	7,395,000	7,462,000	7,297,000	7,071,000
Alabama	103,596	100,840	100,446	106,892	112,765	93,285	100,349	103,700	104,477	89,364
Alaska	26,202	28,861	22,123	25,702	24,244	22,112	23,040	26,742	26,432	22,400
Arizona	172,977	170,647	174,546	161,693	156,804	128,109	154,963	152,200	165,067	153,133
Arkansas	63,662	59,654	58,160	62,275	60,704	53,032	60,404	63,784	58,778	52,796
California	935,087	955,811	910,172	982,478	947,540	914,176	926,329	927,374	907,888	912,613
Colorado	137,903	149,241	142,546	150,220	146,688	127,514	132,280	142,570	138,889	131,774
Connecticut	79,072	87,841	81,794	85,126	75,957	75,076	80,456	82,496	77,497	81,107
Delaware	25,605	28,310	23,470	26,159	29,733	24,123	26,663	27,718	23,392	28,414
District of Columbia	25,795	29,069	27,044	25,599	28,423	23,511	26,424	25,381	26,443	23,213
Florida	487,572	526,449	508,541	501,285	464,050	413,474	495,061	493,363	522,827	451,580
Georgia	252,674	257,404	247,388	263,872	249,091	222,660	233,395	251,362	252,232	227,479
Hawaii	27,726	29,136	28,211	27,446	27,483	25,165	24,918	26,129	26,250	26,630
Idaho	47,870	46,245	45,061	47,395	48,396	38,960	42,628	41,378	40,019	40,735
Illinois	282,837	306,757	278,177	293,431	281,177	265,446	263,652	288,515	281,099	268,855
Indiana	153,735	149,946	148,107	153,325	145,342	139,656	151,845	154,760	148,985	140,603
Iowa	78,930	79,031	75,093	79,518	72,577	70,936	73,192	74,910	73,886	73,448
Kansas	70,596	72,012	78,985	85,024	78,808	62,938	72,548	74,864	68,067	67,661
Kentucky	100,762	88,851	92,740	106,958	101,623	83,028	94,323	96,675	90,552	95,549
Louisiana	151,997	123,125	120,127	123,095	121,990	108,712	112,380	108,558	104,159	99,462
Maine	35,790	40,612	35,951	40,832	37,283	37,017	37,701	39,975	37,567	37,189
Maryland	142,555	136,710	131,708	136,491	130,873	124,678	136,422	136,408	130,083	125,994
Massachusetts	158,389	181,498	167,647	166,346	154,124	157,177	158,219	169,849	163,458	157,024
Michigan	217,382	246,077	226,583	229,109	216,604	240,704	237,059	255,227	261,024	234,035
Minnesota	150,980	155,378	138,439	146,430	140,915	139,748	150,512	165,270	147,210	133,393
Mississippi	69,320	63,581	68,823	67,302	60,198	57,864	66,289	62,884	58,428	62,486
Missouri	147,042	150,269	137,786	151,637	148,426	133,236	143,796	142,506	144,042	133,861
Montana	32,383	30,383	27,503	32,922	32,066	26,344	27,899	29,606	26,893	26,215
Nebraska	45,650	45,693	47,050	47,973	44,773	40,465	45,424	44,754	45,236	41,131
Nevada	83,071	79,576	73,442	80,115	79,439	65,159	72,527	76,814	77,068	70,468
New Hampshire	39,074	41,230	37,381	39,715	36,043	36,571	39,132	40,708	37,503	37,188
New Jersey	220,345	238,571	217,626	226,397	200,823	201,996	228,241	230,836	221,251	216,208
New Mexico	50,814	56,728	46,361	49,483	45,658	40,539	46,459	46,285	45,992	39,391
New York	453,399	497,341	451,199	491,296	439,880	450,140	450,660	454,776	436,426	450,887
North Carolina	230,967	230,531	228,819	271,718	238,694	195,552	216,862	222,867	209,905	203,669
North Dakota	21,355	19,942	19,561	19,077	19,613	17,434	19,436	17,615	18,029	17,877
Ohio	276,942	280,652	266,494	273,486	259,261	268,183	279,071	286,805	285,789	260,711
Oklahoma	86,999	86,252	85,999	87,109	85,616	72,308	86,973	80,220	80,850	73,657
Oregon	107,378	103,093	103,167	107,374	104,745	95,893	97,275	94,670	97,684	96,037
Pennsylvania	294,436	292,189	281,640	286,900	282,273	266,079	277,751	278,525	278,568	266,506
Rhode Island	25,198	29,960	28,749	28,621	25,073	25,959	25,774	28,340	28,374	27,137
South Carolina	112,697	112,410	124,764	109,561	113,532	97,125	110,062	103,809	97,192	98,842
South Dakota	22,210	21,897	21,559	22,548	21,003	20,193	19,443	20,198	19,873	19,153
Tennessee	146,716	149,007	143,225	156,388	148,938	127,034	152,368	143,136	157,013	144,012
Texas	556,703	555,610	545,573	566,668	542,825	451,599	508,951	480,295	476,908	461,745
Utah	83,821	78,264	77,218	79,960	80,804	63,988	65,772	68,620	64,989	62,978
Vermont	17,022	19,375	16,515	18,861	16,966	18,312	17,694	18,832	18,099	18,899
Virginia	194,262	196,604	181,450	193,009	192,908	168,421	193,525	196,437	181,525	174,760
Washington	177,761	187,676	176,707	184,842	190,639	158,900	161,486	170,405	166,948	154,634
West Virginia	43,348	38,485	37,841	40,697	38,687	35,457	39,828	40,489	36,849	37,621
Wisconsin	142,738	151,415	143,515	146,759	144,613	135,231	143,378	146,137	143,350	141,179
Wyoming	23,117	19,438	20,984	22,692	22,362	16,596	18,839	19,491	16,482	18,199
Puerto Rico	48,421	46,809	50,294	56,039	43,159	54,363	55,110	56,054	47,988	55,059
Virgin Islands	2,492	2,243	2,727	2,358	2,091	1,899	2,287	2,766	1,980	2,501

<sup>1</sup>The sum of the states will not necessarily add to the U.S. total because of the independent seasonal adjustment of each state.

NOTE: Totals for the United States do not include data for Puerto Rico or the Virgin Islands.

**Table 6. 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)				
	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
United States .....	6.9	6.9	6.7	7.0	6.6	6.1	6.5	6.6	6.5	6.2
Alabama .....	6.6	6.4	6.4	6.8	7.1	5.9	6.3	6.6	6.7	5.7
Alaska .....	11.5	12.3	9.4	11.0	10.3	9.7	9.9	1.5	11.4	9.5
Arizona .....	7.9	7.7	7.8	7.2	7.0	5.8	6.9	6.7	7.3	6.8
Arkansas .....	6.5	6.1	5.9	6.4	6.2	5.5	6.1	6.6	6.0	5.4
California .....	7.2	7.4	7.1	7.6	7.3	7.1	7.1	7.2	7.0	7.0
Colorado .....	7.3	7.9	7.5	7.9	7.6	6.8	7.0	7.5	7.3	6.8
Connecticut .....	5.6	6.2	5.7	6.0	5.3	5.3	5.6	5.8	5.4	5.7
Delaware .....	7.0	7.7	6.5	7.2	8.1	6.6	7.3	7.6	6.4	7.7
District of Columbia .....	5.9	6.7	6.2	5.9	6.4	5.4	6.1	5.8	6.0	5.2
Florida .....	7.2	7.7	7.4	7.3	6.7	6.0	7.2	7.1	7.5	6.6
Georgia .....	7.5	7.6	7.3	7.8	7.3	6.7	7.0	7.4	7.4	6.7
Hawaii .....	5.6	5.8	5.6	5.4	5.5	5.1	4.9	5.1	5.2	5.2
Idaho .....	9.1	8.7	8.5	8.7	8.8	7.5	8.0	7.7	7.4	7.4
Illinois .....	5.7	6.1	5.5	5.8	5.5	5.3	5.2	5.8	5.6	5.4
Indiana .....	6.2	5.9	5.9	6.1	5.8	5.6	6.0	6.2	6.0	5.6
Iowa .....	6.4	6.4	6.1	6.4	5.8	5.7	6.0	6.1	5.9	5.9
Kansas .....	6.6	6.7	7.3	7.8	7.1	5.8	6.7	6.9	6.2	6.1
Kentucky .....	6.8	6.0	6.3	7.2	6.8	5.6	6.3	6.6	6.1	6.4
Louisiana .....	10.5	8.4	8.1	8.2	8.0	7.6	7.7	7.4	7.0	6.5
Maine .....	7.2	8.1	7.2	8.2	7.4	7.5	7.5	8.1	7.5	7.4
Maryland .....	6.9	6.6	6.3	6.6	6.3	6.0	6.6	6.5	6.3	6.1
Massachusetts .....	5.7	6.6	6.1	6.0	5.6	5.7	5.7	6.1	5.8	5.6
Michigan .....	6.0	6.7	6.2	6.4	6.1	6.6	6.5	7.0	7.2	6.5
Minnesota .....	6.6	6.7	6.1	6.4	6.1	6.0	6.6	7.2	6.4	5.8
Mississippi .....	7.9	7.1	7.7	7.5	6.7	6.5	7.4	7.0	6.5	7.0
Missouri .....	6.5	6.7	6.1	6.6	6.5	5.9	6.4	6.3	6.3	5.8
Montana .....	9.4	8.7	7.9	9.4	9.0	7.7	8.1	8.5	7.7	7.4
Nebraska .....	6.1	6.1	6.3	6.4	6.0	5.4	6.0	6.0	6.0	5.4
Nevada .....	7.5	7.1	6.5	7.1	6.9	5.8	6.5	6.8	6.8	6.2
New Hampshire .....	7.3	7.6	6.9	7.3	6.6	6.7	7.2	7.5	6.9	6.8
New Jersey .....	6.6	7.1	6.5	6.8	6.0	6.0	6.8	6.9	6.6	6.4
New Mexico .....	8.3	9.1	7.3	7.9	7.1	6.6	7.5	7.3	7.3	6.2
New York .....	6.5	7.1	6.5	7.0	6.2	6.4	6.4	6.5	6.2	6.3
North Carolina .....	7.1	7.0	7.0	8.1	7.1	6.1	6.6	6.8	6.3	6.1
North Dakota .....	7.9	7.3	7.2	7.0	7.0	6.5	7.2	6.5	6.6	6.5
Ohio .....	6.0	6.1	5.8	6.0	5.7	5.8	6.1	6.2	6.3	5.7
Oklahoma .....	7.3	7.2	7.2	7.2	7.0	6.1	7.3	6.7	6.8	6.1
Oregon .....	7.5	7.2	7.2	7.4	7.1	6.8	6.8	6.6	6.8	6.5
Pennsylvania .....	6.0	5.9	5.7	5.8	5.7	5.4	5.7	5.7	5.7	5.4
Rhode Island .....	6.0	7.2	6.9	6.8	5.9	6.2	6.2	6.8	6.7	6.4
South Carolina .....	7.5	7.4	8.2	7.1	7.3	6.4	7.3	6.8	6.2	6.3
South Dakota .....	7.1	7.0	6.9	7.1	6.5	6.5	6.2	6.5	6.2	5.9
Tennessee .....	6.4	6.3	6.1	6.7	6.4	5.5	6.5	6.1	6.7	6.1
Texas .....	6.9	6.8	6.6	6.8	6.4	5.6	6.2	5.8	5.7	5.5
Utah .....	8.7	8.1	7.8	8.0	8.0	6.7	6.7	7.0	6.5	6.2
Vermont .....	6.8	7.7	6.6	7.6	6.8	7.3	7.0	7.5	7.3	7.6
Virginia .....	6.6	6.6	6.1	6.5	6.5	5.6	6.4	6.6	6.1	5.9
Washington .....	7.8	8.1	7.6	7.9	8.0	6.9	7.0	7.4	7.1	6.5
West Virginia .....	7.7	6.8	6.7	7.2	6.8	6.3	7.0	7.1	6.5	6.6
Wisconsin .....	6.0	6.4	6.0	6.2	6.0	5.7	6.0	6.1	6.0	5.9
Wyoming .....	11.3	9.4	10.1	10.7	10.2	8.1	9.1	9.4	7.8	8.4
Puerto Rico .....	6.4	6.2	6.7	7.5	5.8	7.2	7.3	7.5	6.4	7.4
Virgin Islands .....	7.6	6.8	8.3	7.1	6.4	5.8	7.0	8.4	6.0	7.6

NOTE: Totals for the United States do not include data for Puerto Rico or the Virgin Islands.