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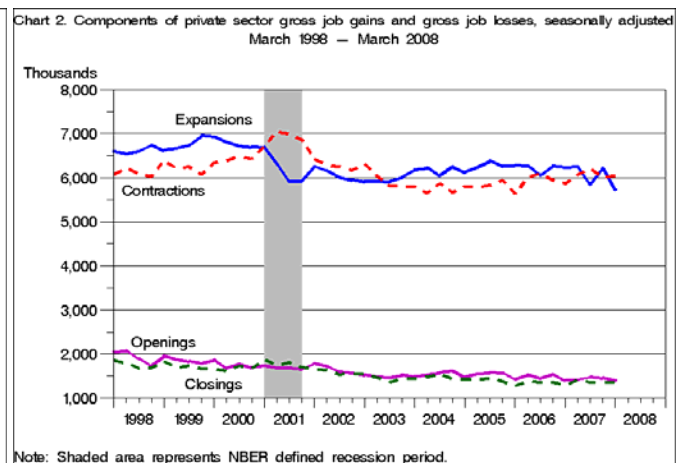
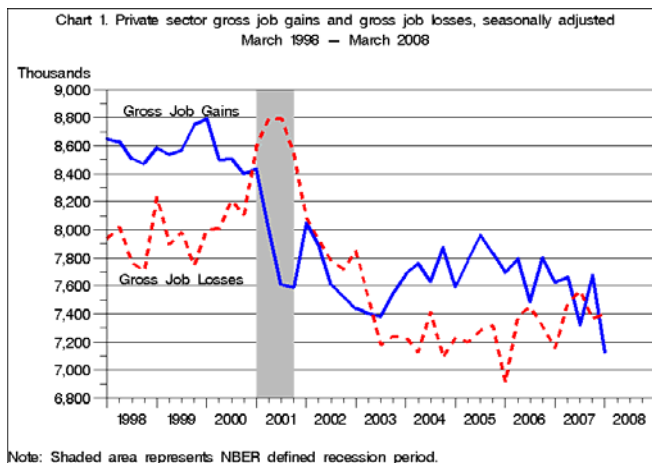
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BUSINESS EMPLOYMENT DYNAMICS: FIRST QUARTER 2008

From December 2007 to March 2008, the number of job gains from opening and expanding private sector establishments was 7.1 million, and the number of job losses from closing and contracting establishments was 7.4 million, according to data released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (See tables A and 3.) Over this period, firms with 1,000 or more employees experienced a decline in their share of gross job gains with 15.2 percent, down from 19.1 percent in the prior quarter. (See tables D 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.

Changes to Business Employment Dynamics Data

Data in this release incorporates annual revisions to the BED series. Annual revisions are published each year with the release of first quarter data. These revisions cover the last four quarters of not seasonally adjusted data and 5 years of seasonally adjusted data.

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.)

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

Category	3 months ended				
	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
	Levels (in thousands)				
Gross job gains.....	7,627	7,665	7,323	7,676	7,130
At expanding establishments.....	6,228	6,250	5,849	6,220	5,731
At opening establishments.....	1,399	1,415	1,474	1,456	1,399
Gross job losses.....	7,157	7,473	7,564	7,366	7,400
At contracting establishments.....	5,872	6,066	6,209	6,010	6,047
At closing establishments.....	1,285	1,407	1,355	1,356	1,353
Net employment change ¹	470	192	-241	310	-270
	Rates (percent)				
Gross job gains.....	6.7	6.7	6.4	6.8	6.2
At expanding establishments.....	5.5	5.5	5.1	5.5	5.0
At opening establishments.....	1.2	1.2	1.3	1.3	1.2
Gross job losses.....	6.3	6.5	6.7	6.5	6.5
At contracting establishments.....	5.2	5.3	5.5	5.3	5.3
At closing establishments.....	1.1	1.2	1.2	1.2	1.2
Net employment change ¹.....	.4	.2	-.3	.3	-.3

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

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

Opening and expanding private sector business establishments gained 7.1 million jobs in the first quarter of 2008, a decrease of 546,000 from the previous quarter. Over the quarter, expanding establishments added 5.7 million jobs while opening establishments added 1.4 million jobs.

Gross job losses totaled 7.4 million, an increase of 34,000 from the previous quarter. During the quarter, contracting establishments lost 6.0 million jobs, while closing establishments lost 1.4 million jobs. (See tables A, 1, and 3.)

The difference between the number of gross jobs gained and the number of gross jobs lost yielded a net change of -270,000 jobs in the private sector for first quarter 2008. This is the second time in the past three quarters that there has been a net job loss.

From December 2007 to March 2008, gross job gains represented 6.2 percent of private sector employment, while gross job losses represented 6.5 percent of private sector employment. (See tables A and 2.)

Major Industry Sector Gross Job Gains and Gross Job Losses

Gross job losses exceeded gross job gains in the following major industry sectors: natural resources and mining, construction, manufacturing, wholesale trade, retail trade, transportation and warehousing, financial activities, and professional and business services. Education and health services was the only sector that had gross job gains noticeably higher than gross job losses. (See tables B and 3.)

Goods-producing. Expanding and opening establishments in the goods-producing sectors accounted for 1,493,000 jobs gained, and contracting and closing establishments accounted for 1,758,000 jobs lost. This net loss of 265,000 jobs results in the seventh consecutive quarter of net loss.

Construction. In construction, gross job gains fell over the quarter to 763,000. Although gross job losses also decreased slightly to 869,000, this sector lost a net of 106,000 jobs. This sector experienced net losses in seven of the previous eight quarters.

Manufacturing. Gross job gains declined to 456,000 while gross job losses grew to 596,000. This reverses a recent downward trend in gross job losses. This sector has experienced net losses in all but six quarters since the beginning of 1998.

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. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
Total private ¹	7,627	7,665	7,323	7,676	7,130	7,157	7,473	7,564	7,366	7,400
Goods-Producing.....	1,665	1,633	1,504	1,573	1,493	1,702	1,713	1,725	1,701	1,758
Natural res. and mining.....	286	290	262	292	274	288	274	274	261	293
Construction	867	820	772	784	763	828	865	882	875	869
Manufacturing	512	523	470	497	456	586	574	569	565	596
Service-Providing ¹	5,962	6,032	5,819	6,103	5,637	5,455	5,760	5,839	5,665	5,642
Wholesale trade.....	320	321	310	321	294	297	304	308	301	306
Retail trade	1,099	1,029	1,007	1,022	954	979	1,042	1,064	1,011	979
Transportation and warehousing.	234	246	224	254	208	250	223	233	229	250
Utilities	12	15	14	15	13	11	12	12	11	10
Information	140	161	155	145	154	136	139	154	155	153
Financial activities	434	433	418	432	412	423	463	479	486	436
Professional and business services.....	1,310	1,403	1,316	1,440	1,239	1,254	1,347	1,339	1,337	1,358
Education and health services ...	818	795	810	814	785	669	696	685	666	667
Leisure and hospitality.....	1,194	1,228	1,179	1,247	1,158	1,117	1,206	1,224	1,148	1,154
Other services	299	308	293	296	290	283	289	307	287	289

¹ Includes unclassified sector, not shown separately.

Service-providing. In the service-providing sectors, gross job gains decreased to 5,637,000 and gross job losses decreased to 5,642,000. Job gains at expanding establishments decreased to 4,473,000 jobs, while job losses at contracting establishments decreased to 4,566,000 jobs.

Education and Health Services. In the education and health services sector, gross job gains decreased to 785,000 jobs in the first quarter, while gross job losses remained virtually unchanged at 667,000. Gross job gains have exceeded gross job losses every quarter since this series began in 1992.

Retail Trade. In retail trade, gross job gains decreased to 954,000. This is only the second quarter since the series began in 1992 that gross job gains for this sector have been less than one million.

Leisure and Hospitality. Despite the decrease in gross job gains in first quarter, the leisure and hospitality industry managed to show net job growth. Other than the four quarters of 2001, this sector has experienced a net job loss in only two quarters since 1992.

Financial Activities. For the fourth consecutive quarter gross job losses exceeded gross job gains in this sector. The number of gross job losses declined to 436,000, and the number of gross job gains also decreased to 412,000.

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 2008, the number of establishments losing jobs exceeded the number of establishments gaining jobs.

Out of 7.3 million active private-sector establishments, a total of 1,976,000 establishments lost jobs from December 2007 to March 2008. (See table C.) Of these establishments, 1,596,000 were contracting establishments and 380,000 were closing establishments. Of the establishments gaining jobs, 1,517,000 establishments were expanding and 357,000 establishments were opening, resulting in 1,874,000 establishments gaining jobs.

The number of closing establishments exceeded the number of opening establishments, resulting in a net loss of 23,000 private-sector establishments during the quarter.

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

(In thousands)

Category	3 months ended				
	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
Establishments gaining jobs.....	1,950	1,919	1,901	1,940	1,874
Expanding establishments.....	1,582	1,559	1,525	1,558	1,517
Opening establishments.....	368	360	376	382	357
Establishments losing jobs.....	1,914	1,952	1,956	1,935	1,976
Contracting establishments.....	1,552	1,582	1,595	1,575	1,596
Closing establishments.....	362	370	361	360	380
Net establishment change ¹	6	-10	15	22	-23

¹ 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.

Firm-level Gross Job Gains and Gross Job Losses by Size Class

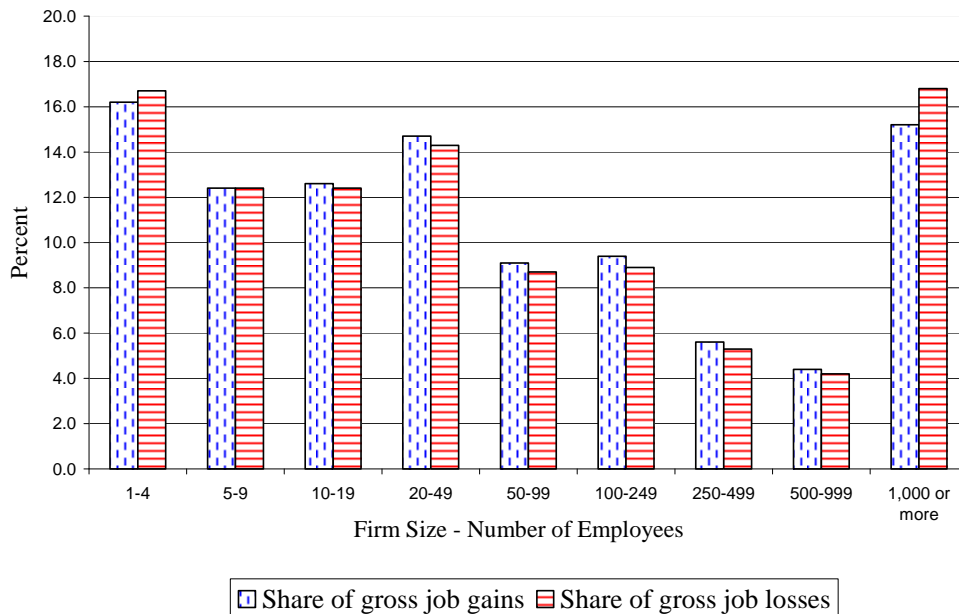
From December 2007 to March 2008, firms with 1 to 4 employees accounted for the largest share of gross job gains at 16.2 percent. Firms with 1,000 or more employees had the highest share of gross job losses with 16.8 percent, followed closely by firms with 1 to 4 employees with 16.7 percent. (See tables D and 4.)

Table D. Three-month private sector share¹ of gross job gains and gross job 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. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
1 - 4 employees.....	15.9	14.9	16.2	15.6	16.2	16.7	16.1	15.8	16.0	16.7
5 - 9 employees.....	12.2	11.6	12.2	11.4	12.4	12.5	12.3	12.1	12.3	12.4
10 - 19 employees.....	12.4	12.1	12.2	11.6	12.6	12.5	12.3	12.3	12.4	12.4
20 - 49 employees.....	14.5	14.5	14.3	13.8	14.7	14.3	14.3	14.5	14.4	14.3
50 - 99 employees.....	8.9	9.1	8.9	8.7	9.1	8.8	8.6	8.9	8.9	8.7
100 - 249 employees.....	9.4	9.8	9.2	9.3	9.4	9.0	8.9	9.4	9.1	8.9
250 - 499 employees.....	5.5	5.9	5.6	5.5	5.6	5.3	5.2	5.5	5.3	5.3
500 - 999 employees.....	4.5	4.7	4.6	4.5	4.4	4.0	4.4	4.5	4.5	4.2
1,000 or more employees....	16.4	16.9	16.4	19.1	15.2	16.5	17.4	16.6	16.7	16.8

¹Share measures the percent of the category represented by each firm size class, and rates may not sum to 100.0 due to rounding.

Chart 3. Share of total quarterly gross job gains and losses by firm size, December 2007 to March 2008, seasonally adjusted



Gross Job Gains and Losses by State

In the first quarter, 19 states, the District of Columbia and the Virgin Islands had net employment growth. However, 31 states and Puerto Rico experienced net job losses. Although the number of gross job gains in Texas declined from fourth quarter, it had the largest net job growth with 51,572. This is the ninth consecutive quarter that Texas has had the highest net job gains. After experiencing net job growth from third quarter 2003 to third quarter 2006, Florida and Arizona have had net job losses in five of the past six quarters. Gross job gains in California are at the lowest level in the history of the data series spanning back to 1992. (See table 5.) Connecticut had the lowest rate of gross job losses and Wyoming had the highest rate of gross job gains. (See table 6.)

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.

Comparing Business Employment Dynamics Data with Current Employment Statistics and Quarterly Census of Employment and Wage 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.

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 Employment Security Agencies (SESAs) to BLS and form the basis of the Bureau's establishment universe sampling frame. These reports are also 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 Bureau uses of the UI reports are in the Current Employment Statistics (CES) program.

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 units and jobs lost at closing and contracting units.

Differences between QCEW, BED, and CES employment measures

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

Additional information on each program can be obtained from the program web sites shown in the table below.

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

	QCEW	BED	CES
Source	<ul style="list-style-type: none"> Count of UI administrative records submitted by 9.2 million employers 	<ul style="list-style-type: none"> Count of longitudinally-linked UI administrative records submitted by 7.3 million private sector employers 	<ul style="list-style-type: none"> Sample Survey: 400,000 establishments
Coverage	<ul style="list-style-type: none"> UI and UCFE coverage: all employers subject to State and federal UI Laws 	<ul style="list-style-type: none"> UI Coverage, excluding: government, private households, and establishments with zero employment 	<ul style="list-style-type: none"> Non-farm wage and salary jobs: <ul style="list-style-type: none"> UI Coverage, excluding: agriculture, private households, and self-employed; including: railroads, religious organizations, and other non-UI-covered jobs
Publication frequency	<ul style="list-style-type: none"> Quarterly <ul style="list-style-type: none"> – 7 Months after the end of each quarter 	<ul style="list-style-type: none"> Quarterly <ul style="list-style-type: none"> – 8 Months after the end of each quarter 	<ul style="list-style-type: none"> Monthly <ul style="list-style-type: none"> – First Friday of each month
Use of UI file	<ul style="list-style-type: none"> Directly summarizes and publishes each new quarter of UI data 	<ul style="list-style-type: none"> Links each new UI quarter to longitudinal database and directly summarizes gross job gains and losses 	<ul style="list-style-type: none"> Uses UI file as a sampling frame and annually realigns (benchmarks) sample estimates to first quarter UI levels
Principal products	<ul style="list-style-type: none"> Provides a quarterly and annual universe count of establishments, employment, and wages at the county, MSA, State, and national levels by detailed industry 	<ul style="list-style-type: none"> Provides quarterly employer dynamics data on establishment openings, closings, expansions, and contractions at the national level by NAICS super-sectors and by size of firm, and at the state private-sector total level Future expansions will include data with greater industry detail and data at the county and MSA level 	<ul style="list-style-type: none"> Provides current monthly estimates of employment, hours, and earnings at the MSA, State, and national level by industry
Principal uses	<ul style="list-style-type: none"> Major uses include: <ul style="list-style-type: none"> – Detailed locality data – Periodic universe counts for benchmarking sample survey estimates – Sample frame for BLS establishment surveys 	<ul style="list-style-type: none"> Major uses include: <ul style="list-style-type: none"> – Business cycle analysis – Analysis of employer dynamics underlying economic expansions and contractions – Analysis of employment expansion and contraction by size of firm 	<ul style="list-style-type: none"> Major uses include: <ul style="list-style-type: none"> – Principal national economic indicator – Official time series for employment change measures – Input into other major economic indicators
Program Websites	<ul style="list-style-type: none"> www.bls.gov/cew/ 	<ul style="list-style-type: none"> www.bls.gov/bdm/ 	<ul style="list-style-type: none"> www.bls.gov/ces/

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 SESAs 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 7.3 million private sector employer reports out of 9.2 million total reports of employment and wages submitted by states to BLS in the first quarter of 2008. 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 the national gross job gains and gross job losses data in the first quarter 2008:

Number of active establishments included in Business Employment Dynamics data at the national level

	Millions
Total establishments QCEW program.....	9.2
Excluded: Public sector	0.3
Private households	0.6
Zero employment	0.9
Establishments in Puerto Rico and the Virgin Islands	0.1
Total establishments included in Business Employment Dynamics data.....	7.3

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 are 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 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.

All employment changes are measured from the third month of the previous quarter to the third month of the current 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 SESA identification numbers (SESA-ID). Between 95 to 97 percent of establishments identified as continuous from quarter to quarter are matched by SESA-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 SESA-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 SESA-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, SESAs 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 total private are the sum of seasonally adjusted data of all sectors including the unclassified sector, which is not separately published.

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 and an annual bulletin: *Employment and Wages Annual Averages, 2003* 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).

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 2. Private sector gross job gains and losses as a percent of employment,¹ seasonally adjusted
(Percent)

Year	3 months ended	Net change ²	Gross job gains			Gross job losses		
			Total	Expanding establishments	Opening establishments	Total	Contracting establishments	Closing establishments
1992	September .....	.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 .....	.2	6.9	5.5	1.4	6.7	5.4	1.3
	December .....	.3	7.0	5.6	1.4	6.7	5.4	1.3
2004	March .....	.5	7.2	5.8	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 .....	.7	7.2	5.7	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 .....	.4	7.0	5.6	1.4	6.6	5.4	1.2
2006	March .....	.8	6.9	5.6	1.3	6.1	5.0	1.1
	June .....	.5	7.0	5.6	1.4	6.5	5.3	1.2
	September .....	.1	6.7	5.4	1.3	6.6	5.4	1.2
	December .....	.4	6.9	5.5	1.4	6.5	5.3	1.2
2007	March .....	.4	6.7	5.5	1.2	6.3	5.2	1.1
	June .....	.2	6.7	5.5	1.2	6.5	5.3	1.2
	September	-3	6.4	5.1	1.3	6.7	5.5	1.2
	December .....	.3	6.8	5.5	1.3	6.5	5.3	1.2
2008	March	-3	6.2	5.0	1.2	6.5	5.3	1.2

¹The rates measure gross job gains and gross job losses as a percentage of the average of the previous and current quarter employment levels.

²Net change is the difference between total gross job gains and total gross job losses.

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)				
	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
Leisure and hospitality										
Gross job gains	1,194	1,228	1,179	1,247	1,158	9.0	9.2	8.9	9.3	8.6
At expanding establishments	914	939	891	961	879	6.9	7.0	6.7	7.2	6.5
At opening establishments	280	289	288	286	279	2.1	2.2	2.2	2.1	2.1
Gross job losses	1,117	1,206	1,224	1,148	1,154	8.4	9.0	9.1	8.5	8.6
At contracting establishments	918	975	993	931	930	6.9	7.3	7.4	6.9	6.9
At closing establishments	199	231	231	217	224	1.5	1.7	1.7	1.6	1.7
Net employment change	77	22	-45	99	4	.6	.2	-.2	.8	.0
Other services										
Gross job gains	299	308	293	296	290	7.7	7.9	7.5	7.6	7.5
At expanding establishments	241	247	230	238	233	6.2	6.3	5.9	6.1	6.0
At opening establishments	58	61	63	58	57	1.5	1.6	1.6	1.5	1.5
Gross job losses	283	289	307	287	289	7.3	7.4	7.8	7.3	7.4
At contracting establishments	221	227	243	224	224	5.7	5.8	6.2	5.7	5.7
At closing establishments	62	62	64	63	65	1.6	1.6	1.6	1.6	1.7
Net employment change	16	19	-14	9	1	.4	.5	-.3	.3	.1

¹ Includes unclassified sector, not shown separately.

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

Category	3 months ended				
	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
Firm size 1 - 4 employees					
Gross job gains	15.9	14.9	16.2	15.6	16.2
Expanding firms	7.4	7.1	7.5	7.2	7.7
Opening firms	60.0	58.4	59.4	61.5	58.9
Gross job losses	16.7	16.1	15.8	16.0	16.7
Contracting firms	8.2	7.9	7.7	8.0	8.1
Closing firms	60.5	59.6	60.1	59.6	60.9
Firm size 5 - 9 employees					
Gross job gains	12.2	11.6	12.2	11.4	12.4
Expanding firms	11.4	10.8	11.3	10.7	11.6
Opening firms	16.6	16.5	16.4	15.5	16.5
Gross job losses	12.5	12.3	12.1	12.3	12.4
Contracting firms	11.9	11.6	11.3	11.5	11.7
Closing firms	15.6	16.1	16.1	16.2	15.9
Firm size 10 - 19 employees					
Gross job gains	12.4	12.1	12.2	11.6	12.6
Expanding firms	12.7	12.2	12.5	11.9	12.9
Opening firms	10.8	11.4	10.7	10.1	11.0
Gross job losses	12.5	12.3	12.3	12.4	12.4
Contracting firms	12.9	12.7	12.7	12.6	12.8
Closing firms	10.1	10.5	10.5	10.8	10.2
Firm size 20 - 49 employees					
Gross job gains	14.5	14.5	14.3	13.8	14.7
Expanding firms	15.8	15.6	15.6	14.9	16.1
Opening firms	7.7	8.6	7.7	7.7	7.8
Gross job losses	14.3	14.3	14.5	14.4	14.3
Contracting firms	15.6	15.5	15.7	15.6	15.6
Closing firms	7.6	8.0	7.9	8.0	7.5
Firm size 50 - 99 employees					
Gross job gains	8.9	9.1	8.9	8.7	9.1
Expanding firms	10.1	10.2	10.1	9.8	10.4
Opening firms	2.4	2.9	2.8	2.8	2.7
Gross job losses	8.8	8.6	8.9	8.9	8.7
Contracting firms	9.9	9.7	10.0	10.0	9.9
Closing firms	2.9	2.8	2.7	2.9	2.8

See footnote at end of table.

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

Category	3 months ended				
	Mar. 2007	June 2007	Sept. 2007	Dec. 2007	Mar. 2008
Firm size 100 - 249 employees					
Gross job gains	9.4	9.8	9.2	9.3	9.4
Expanding firms	11.0	11.3	10.8	10.7	11.1
Opening firms	1.0	1.3	1.5	1.3	1.3
Gross job losses	9.0	8.9	9.4	9.1	8.9
Contracting firms	10.4	10.2	10.8	10.4	10.3
Closing firms	1.7	1.6	1.6	1.6	1.5
Firm size 250 - 499 employees					
Gross job gains	5.5	5.9	5.6	5.5	5.6
Expanding firms	6.5	6.9	6.6	6.5	6.6
Opening firms .....	.2	.4	.5	.3	.4
Gross job losses	5.3	5.2	5.5	5.3	5.3
Contracting firms	6.2	6.1	6.4	6.2	6.2
Closing firms .....	.6	.6	.5	.5	.4
Firm size 500 - 999 employees					
Gross job gains	4.5	4.7	4.6	4.5	4.4
Expanding firms	5.3	5.5	5.5	5.3	5.2
Opening firms .....	.1	.2	.2	.2	.3
Gross job losses	4.0	4.4	4.5	4.5	4.2
Contracting firms	4.8	5.2	5.3	5.3	4.9
Closing firms .....	.3	.3	.2	.1	.2
Firm size 1,000 or more employees					
Gross job gains	16.4	16.9	16.4	19.1	15.2
Expanding firms	19.4	20.0	19.6	22.6	18.1
Opening firms .....	.4	.1	.5	.2	.7
Gross job losses	16.5	17.4	16.6	16.7	16.8
Contracting firms	19.6	20.7	19.7	19.8	20.1
Closing firms .....	.3	.2	.0	.0	.2

¹ Shares measure the percent of the category represented by each firm size class, and rates may not sum to 100.0 due to rounding.

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)				
	Mar.	June	Sept.	Dec.	Mar.	Mar.	June	Sept.	Dec.	Mar.
	2007	2007	2007	2007	2008	2007	2007	2007	2007	2008
United States	6.7	6.7	6.4	6.8	6.2	6.3	6.5	6.7	6.5	6.5
Alabama	7.1	6.3	6.3	6.8	6.0	5.8	6.8	6.5	6.5	6.5
Alaska	10.5	11.9	9.6	10.6	10.2	9.8	10.3	11.3	11.2	9.0
Arizona	7.1	6.9	7.0	7.0	5.9	6.8	7.0	7.0	7.7	7.1
Arkansas	6.3	5.6	5.8	6.2	5.8	5.5	6.3	5.9	5.8	5.7
California	7.4	7.2	7.0	7.7	6.8	7.2	7.5	7.3	7.0	7.5
Colorado	7.6	7.8	7.7	7.6	7.4	6.9	7.0	7.5	7.3	7.1
Connecticut	5.4	6.3	5.5	5.9	5.3	5.8	5.4	5.8	5.7	5.3
Delaware	8.3	6.9	6.5	7.1	6.2	7.8	6.4	7.6	6.4	6.4
District of Columbia	6.5	6.3	6.0	6.0	6.2	5.2	5.9	6.3	6.1	5.6
Florida	6.8	7.2	7.1	7.4	6.8	6.7	7.7	8.1	8.1	7.5
Georgia	7.4	7.1	7.2	7.3	7.1	6.8	7.4	7.1	7.5	7.3
Hawaii	5.5	5.9	5.3	5.4	5.4	5.3	5.3	5.9	5.2	5.7
Idaho	8.8	8.1	7.6	8.5	8.0	7.4	8.2	8.3	7.7	8.6
Illinois	5.6	5.9	5.3	5.7	5.0	5.4	5.4	5.7	5.6	5.4
Indiana	5.9	6.1	5.8	5.9	5.2	5.6	5.9	6.1	6.0	6.1
Iowa	6.0	6.4	5.9	6.1	6.0	6.0	5.8	6.1	5.8	6.0
Kansas	6.9	6.5	6.7	6.5	7.7	6.0	6.8	6.1	6.6	6.7
Kentucky	6.9	6.5	5.8	6.6	5.9	6.4	6.2	6.4	6.1	6.3
Louisiana	8.0	7.2	7.3	7.4	6.9	6.5	7.4	7.0	6.7	6.5
Maine	7.5	8.0	7.5	8.0	7.0	7.5	7.7	8.0	7.3	7.6
Maryland	6.3	6.3	6.5	6.4	6.2	6.0	6.2	6.7	6.6	6.4
Massachusetts	5.8	6.5	6.0	5.9	5.6	5.6	5.4	6.3	6.1	5.5
Michigan	6.2	6.7	6.3	6.4	5.9	6.5	6.5	6.9	7.0	6.9
Minnesota	6.2	6.6	6.5	6.0	6.0	5.9	6.2	6.1	6.2	6.1
Mississippi	6.8	6.7	7.0	7.3	6.3	7.0	7.5	6.5	6.4	6.5
Missouri	6.5	6.2	6.4	6.0	6.0	5.9	6.3	6.3	6.2	6.1
Montana	9.1	8.4	8.2	9.0	8.5	7.5	8.6	8.2	8.0	8.4
Nebraska	6.3	6.4	6.4	6.3	6.0	5.7	5.9	5.8	6.2	5.5
Nevada	7.0	6.5	6.1	7.6	6.7	6.3	6.8	7.3	6.8	7.6
New Hampshire	6.7	7.5	6.6	7.2	6.5	6.9	6.9	7.3	7.1	6.8
New Jersey	6.0	7.2	6.4	6.8	6.1	6.5	6.4	7.0	6.5	6.3
New Mexico	7.4	7.2	7.3	7.5	6.9	6.3	7.7	7.5	7.0	6.5
New York	6.3	7.0	6.3	6.9	6.1	6.3	6.3	6.5	6.2	6.3
North Carolina	7.2	6.9	6.6	6.8	6.5	6.0	6.8	6.6	6.4	6.5
North Dakota	7.1	7.0	7.1	7.2	7.7	6.5	6.7	6.5	6.2	6.1
Ohio	5.9	6.2	5.5	6.0	5.4	5.8	5.9	6.2	6.1	6.3
Oklahoma	7.1	7.0	6.8	6.5	7.0	6.2	7.1	6.2	6.4	5.9
Oregon	7.3	6.9	7.0	7.3	6.7	6.7	7.2	6.9	7.1	6.9
Pennsylvania	5.8	6.1	5.5	5.8	5.4	5.5	5.6	5.8	5.6	5.6
Rhode Island	6.0	6.8	5.6	6.2	5.7	6.5	6.3	7.0	6.8	6.4
South Carolina	7.5	6.6	6.3	6.6	6.3	6.5	6.7	6.5	6.7	6.5
South Dakota	6.6	6.8	6.4	6.6	6.7	6.0	6.1	6.3	6.2	5.9
Tennessee	6.4	6.2	6.1	6.1	5.7	6.2	6.2	6.0	5.7	5.8
Texas	6.7	6.5	6.3	6.7	6.1	5.6	5.8	5.9	5.6	5.6
Utah	8.0	7.6	7.2	7.9	7.0	6.3	7.0	7.4	7.3	6.9
Vermont	7.0	7.6	7.6	8.2	7.0	7.4	7.6	8.0	7.5	7.7
Virginia	6.5	6.4	6.0	6.1	6.2	5.9	6.3	6.3	6.2	6.0
Washington	8.0	7.6	7.1	7.7	7.6	6.5	6.9	7.3	6.8	7.0
West Virginia	6.8	6.6	6.4	7.0	6.4	6.7	6.6	6.8	6.3	6.5
Wisconsin	6.1	6.2	5.4	5.7	5.6	5.9	5.6	6.0	5.7	5.7
Wyoming	10.4	8.8	9.9	10.8	10.5	8.5	10.1	9.3	8.2	8.9
Puerto Rico	6.1	6.6	7.1	6.7	5.9	7.4	6.9	6.9	6.8	7.6
Virgin Islands	6.8	10.8	7.3	6.8	6.6	7.3	7.2	9.5	6.8	6.5

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