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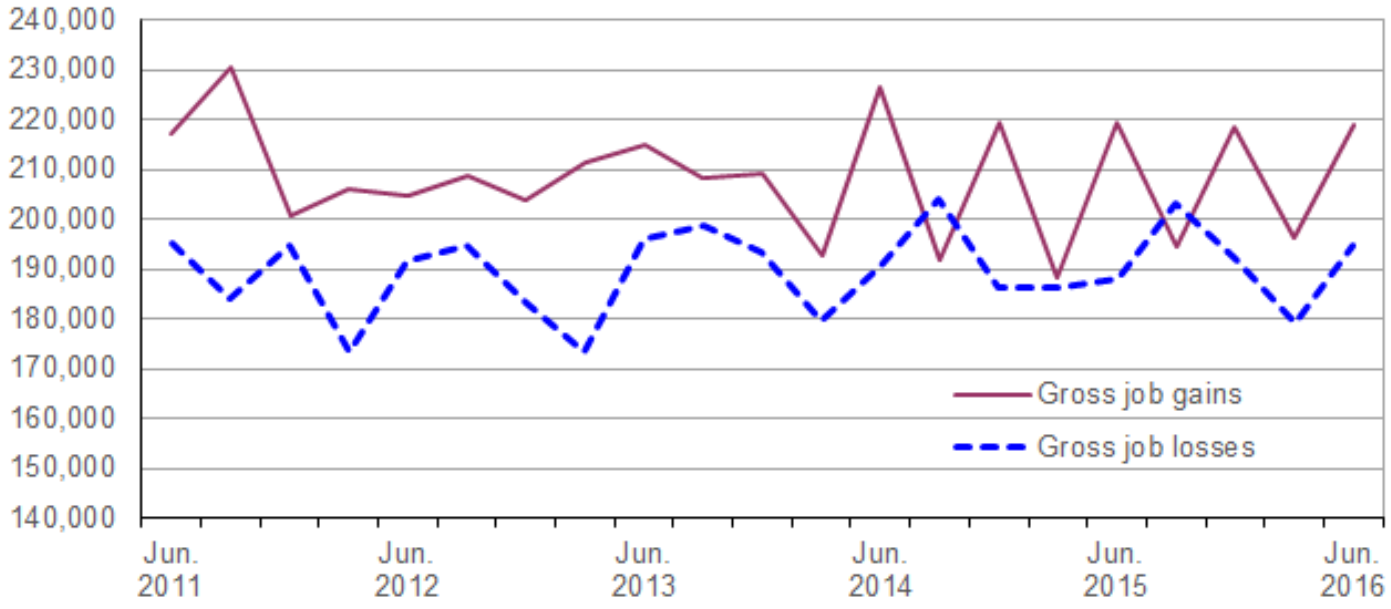
Business Employment Dynamics in Michigan — Second Quarter 2016

From March 2016 to June 2016 gross job gains in Michigan totaled 218,793, while gross job losses numbered 194,637, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that gross job gains exceeded gross job losses by 24,156. During the previous quarter, gross job gains exceeded gross job losses by 17,011.

Chart 1. Private sector gross job gains and losses in Michigan, June 2011–June 2016, seasonally adjusted

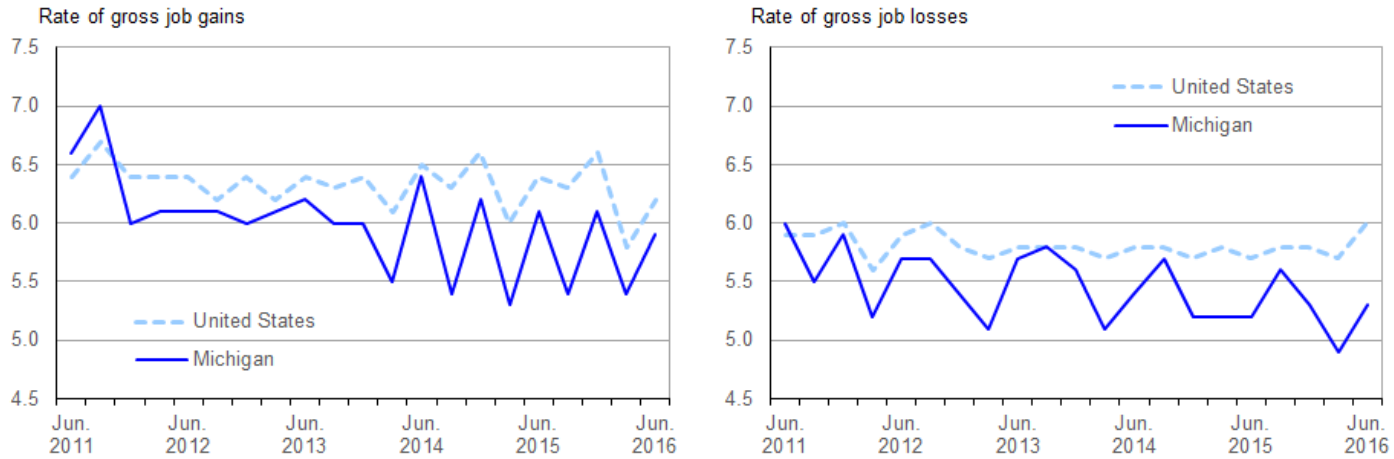


Source: U.S. Bureau of Labor Statistics.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.).

The 218,793 gross job gains in June 2016 were above the 196,117 gross job gains in the previous three-month period ended March 2016. Michigan's 194,637 gross job losses in June 2016 were more than the 179,106 gross job losses recorded in March 2016. (See chart 1.)

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Michigan, June 2011–June 2016, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Gross job gains represented 5.9 percent of private sector employment in Michigan in the quarter ended June 2016, while nationally gross job gains accounted for 6.2 percent of private sector employment. (See chart 2.) Since December 2011, the rate of gross job gains in Michigan has been below the U.S. rate each quarter. Michigan's rate of gross job losses as a percent of private sector employment was 5.3 percent in June 2016, below the national rate of 6.0 percent. Michigan's rate of gross job losses has been equal to or below the national rate each quarter since September 2011.

During the second quarter of 2016, gross job gains exceeded gross job losses in 10 industry sectors in Michigan. For example, within manufacturing, gross job gains exceeded gross jobs losses by 6,355. While almost 16,000 jobs were lost in closing and contracting establishments in the industry, more than 22,000 jobs were created by opening and expanding establishments in the 3-months ended in June 2016. In retail trade, more than 28,000 jobs were created in opening and expanding establishments and more than 24,000 jobs were lost in closing and contracting establishments. Two other sectors had net employment gains of more than 3,000 during the second quarter of 2016—leisure and hospitality and education and health services. (See table 1.) In the remaining industry sectors, gross job gains exceeded gross job losses by approximately 2,000 or less.

In contrast, gross job losses exceeded gross job gains in one industry sector. Within transportation and warehousing, gross job losses exceeded gross job gains by less than 1,000.

Michigan was one of the two states in the East North Central Census division that had gross job gains that exceeded gross job losses in the quarter ended June 2016. (See table A.) All five states in the division had rates of gross job gains that were lower than the 6.2-percent national rate and rates of gross job losses that were lower than the 6.0-percent national rate.

Table A. Private sector gross job gains and losses for the United States, East North Central Division, and East North Central states, June 2016, seasonally adjusted

Area	Gross job gains		Gross job losses		Net change	Net change as a percent of total employment
	Total	As a percent of total employment	Total	As a percent of total employment		
United States	7,463,000	6.2	7,156,000	6.0	307,000	0.2

Note: See footnotes at end of table.

Table A. Private sector gross job gains and losses for the United States, East North Central Division, and East North Central states, June 2016, seasonally adjusted - Continued

Area	Gross job gains		Gross job losses		Net change	Net change as a percent of total employment
	Total	As a percent of total employment	Total	As a percent of total employment		
East North Central [1]	1,051,069	—	1,030,351	—	20,718	—
Illinois	299,699	5.9	301,559	5.9	-1,860	0.0
Indiana	137,024	5.2	134,813	5.2	2,211	0.0
Michigan	218,793	5.9	194,637	5.3	24,156	0.6
Ohio	257,809	5.6	260,094	5.6	-2,285	0.0
Wisconsin	137,744	5.7	139,248	5.7	-1,504	0.0

Footnotes:
(1) Data were calculated for this release using published gross job gains and gross job losses for states located in the East North Central Census Division.
Note: Dash indicates data not available.

Additional statistics and other information

BED data for the states have been included in table 2 of this release. For more information on the Business Employment Dynamics data, visit the BED web site at www.bls.gov/bdm/.

The Business Employment Dynamics for third quarter 2016 are scheduled to be released on Wednesday, April 26, 2017.

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 from existing QCEW records. The QCEW reports are sent by the State Employment Security Agencies (SESAs) to BLS and form the basis of the Bureau's QCEW program and establishment universe sampling frame. These reports are also used to produce the QCEW data on total employment and wages. Other important Bureau uses of the QCEW reports are in the Current Employment Statistics (CES) program. The CES program produces monthly estimates of employment, net changes, and earnings by detailed industry.

In the BED program, the QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding establishments and jobs lost at closing and contracting establishments.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

Openings. These are either establishments with positive third month employment for the second 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 establishments 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 establishments with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

Contractions. These are establishments with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private sector gross job gains and losses by industry, Michigan, seasonally adjusted

Category	Gross job gains and job losses (3 months ended)					Gross job gains and job losses as a percent of employment (3 months ended)				
	June 2015	Sept 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept 2015	Dec. 2015	Mar. 2016	June 2016
Total private [1]										
Gross job gains	219,500	194,705	218,432	196,117	218,793	6.1	5.4	6.1	5.4	5.9
At expanding establishments	193,272	163,702	182,977	163,984	192,600	5.4	4.5	5.1	4.5	5.2
At opening establishments	26,228	31,003	35,455	32,133	26,193	0.7	0.9	1.0	0.9	0.7
Gross job losses	188,160	203,207	192,084	179,106	194,637	5.2	5.6	5.3	4.9	5.3
At contracting establishments	159,006	169,042	158,778	158,343	162,418	4.4	4.7	4.4	4.3	4.4
At closing establishments	29,154	34,165	33,306	20,763	32,219	0.8	0.9	0.9	0.6	0.9
Net employment change [2]	31,340	-8,502	26,348	17,011	24,156	0.9	-0.2	0.8	0.5	0.6
Construction										
Gross job gains	17,549	14,586	16,007	18,131	17,100	11.8	9.9	10.8	11.8	11.0
At expanding establishments	15,483	12,405	12,920	14,347	15,316	10.4	8.4	8.7	9.3	9.9
At opening establishments	2,066	2,181	3,087	3,784	1,784	1.4	1.5	2.1	2.5	1.1
Gross job losses	13,605	15,702	16,238	14,203	16,236	9.1	10.6	11.0	9.2	10.5
At contracting establishments	11,068	12,268	13,309	12,761	13,460	7.4	8.3	9.0	8.3	8.7
At closing establishments	2,537	3,434	2,929	1,442	2,776	1.7	2.3	2.0	0.9	1.8
Net employment change [2]	3,944	-1,116	-231	3,928	864	2.7	-0.7	-0.2	2.6	0.5
Manufacturing										
Gross job gains	22,899	18,279	19,153	17,316	22,302	3.9	3.1	3.2	2.9	3.7
At expanding establishments	21,672	16,992	17,386	16,038	21,079	3.7	2.9	2.9	2.7	3.5
At opening establishments	1,227	1,287	1,767	1,278	1,223	0.2	0.2	0.3	0.2	0.2
Gross job losses	13,878	16,681	16,966	16,359	15,947	2.3	2.8	2.8	2.7	2.7
At contracting establishments	12,419	15,007	15,599	15,159	14,377	2.1	2.5	2.6	2.5	2.4
At closing establishments	1,459	1,674	1,367	1,200	1,570	0.2	0.3	0.2	0.2	0.3
Net employment change [2]	9,021	1,598	2,187	957	6,355	1.6	0.3	0.4	0.2	1.0
Wholesale trade										
Gross job gains	7,769	6,691	7,722	7,131	8,121	4.6	3.9	4.6	4.2	4.7
At expanding establishments	7,077	6,030	6,937	6,327	7,415	4.2	3.5	4.1	3.7	4.3
At opening establishments	692	661	785	804	706	0.4	0.4	0.5	0.5	0.4
Gross job losses	6,271	6,813	6,600	6,576	6,204	3.7	4.0	3.9	3.8	3.6
At contracting establishments	5,071	5,442	5,259	5,678	5,138	3.0	3.2	3.1	3.3	3.0
At closing establishments	1,200	1,371	1,341	898	1,066	0.7	0.8	0.8	0.5	0.6
Net employment change [2]	1,498	-122	1,122	555	1,917	0.9	-0.1	0.7	0.4	1.1
Retail trade										
Gross job gains	29,113	24,395	26,366	26,048	28,049	6.2	5.2	5.6	5.5	5.9
At expanding establishments	25,919	20,575	22,509	22,683	25,133	5.5	4.4	4.8	4.8	5.3
At opening establishments	3,194	3,820	3,857	3,365	2,916	0.7	0.8	0.8	0.7	0.6
Gross job losses	25,142	28,515	26,358	23,666	24,047	5.4	6.1	5.7	5.0	5.1
At contracting establishments	21,472	24,909	22,770	21,199	20,850	4.6	5.3	4.9	4.5	4.4
At closing establishments	3,670	3,606	3,588	2,467	3,197	0.8	0.8	0.8	0.5	0.7
Net employment change [2]	3,971	-4,120	8	2,382	4,002	0.8	-0.9	-0.1	0.5	0.8
Transportation and warehousing										
Gross job gains	6,097	5,773	8,580	4,867	5,681	5.5	5.1	7.5	4.3	5.0
At expanding establishments	5,302	4,940	6,637	4,235	5,163	4.8	4.4	5.8	3.7	4.5
At opening establishments	795	833	1,943	632	518	0.7	0.7	1.7	0.6	0.5
Gross job losses	4,995	5,326	4,747	6,227	6,511	4.5	4.8	4.1	5.4	5.7
At contracting establishments	4,242	4,562	4,019	5,781	5,783	3.8	4.1	3.5	5.0	5.1
At closing establishments	753	764	728	446	728	0.7	0.7	0.6	0.4	0.6
Net employment change [2]	1,102	447	3,833	-1,360	-830	1.0	0.3	3.4	-1.1	-0.7
Information										
Gross job gains	2,908	2,717	2,639	2,723	3,428	5.1	4.8	4.7	4.8	6.0
At expanding establishments	2,235	1,925	1,976	1,822	2,747	3.9	3.4	3.5	3.2	4.8
At opening establishments	673	792	663	901	681	1.2	1.4	1.2	1.6	1.2
Gross job losses	2,853	2,723	3,368	2,186	2,554	5.0	4.8	6.0	3.9	4.5

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Michigan, seasonally adjusted - Continued

Category	Gross job gains and job losses (3 months ended)					Gross job gains and job losses as a percent of employment (3 months ended)				
	June 2015	Sept 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept 2015	Dec. 2015	Mar. 2016	June 2016
At contracting establishments	2,031	1,982	2,675	1,754	1,829	3.6	3.5	4.8	3.1	3.2
At closing establishments	822	741	693	432	725	1.4	1.3	1.2	0.8	1.3
Net employment change [2]	55	-6	-729	537	874	0.1	0.0	-1.3	0.9	1.5
Financial activities										
Gross job gains	9,731	8,561	8,810	8,374	9,393	5.1	4.4	4.5	4.3	4.7
At expanding establishments	8,592	7,157	7,022	6,866	7,930	4.5	3.7	3.6	3.5	4.0
At opening establishments	1,139	1,404	1,788	1,508	1,463	0.6	0.7	0.9	0.8	0.7
Gross job losses	7,393	8,049	7,621	7,061	7,915	3.8	4.2	3.9	3.6	4.0
At contracting establishments	5,396	6,319	5,819	5,859	6,134	2.8	3.3	3.0	3.0	3.1
At closing establishments	1,997	1,730	1,802	1,202	1,781	1.0	0.9	0.9	0.6	0.9
Net employment change [2]	2,338	512	1,189	1,313	1,478	1.3	0.2	0.6	0.7	0.7
Professional and business services										
Gross job gains	42,256	39,295	48,255	35,859	43,743	6.6	6.2	7.5	5.6	6.7
At expanding establishments	36,587	31,964	41,656	30,830	38,237	5.7	5.0	6.5	4.8	5.9
At opening establishments	5,669	7,331	6,599	5,029	5,506	0.9	1.2	1.0	0.8	0.8
Gross job losses	41,991	44,048	38,803	31,874	42,874	6.6	6.9	6.1	4.9	6.6
At contracting establishments	36,713	36,327	31,691	28,357	34,587	5.8	5.7	5.0	4.4	5.3
At closing establishments	5,278	7,721	7,112	3,517	8,287	0.8	1.2	1.1	0.5	1.3
Net employment change [2]	265	-4,753	9,452	3,985	869	0.0	-0.7	1.4	0.7	0.1
Education and health services										
Gross job gains	23,439	24,691	27,468	20,564	23,594	3.7	3.9	4.3	3.2	3.6
At expanding establishments	20,945	21,920	24,223	17,659	20,871	3.3	3.5	3.8	2.7	3.2
At opening establishments	2,494	2,771	3,245	2,905	2,723	0.4	0.4	0.5	0.5	0.4
Gross job losses	20,812	21,861	19,105	23,875	20,564	3.2	3.4	2.9	3.7	3.2
At contracting establishments	17,978	18,616	15,640	21,362	17,303	2.8	2.9	2.4	3.3	2.7
At closing establishments	2,834	3,245	3,465	2,513	3,261	0.4	0.5	0.5	0.4	0.5
Net employment change [2]	2,627	2,830	8,363	-3,311	3,030	0.5	0.5	1.4	-0.5	0.4
Leisure and hospitality										
Gross job gains	38,596	32,604	34,050	37,868	38,646	9.3	7.9	8.2	9.0	9.1
At expanding establishments	33,280	25,629	26,014	29,991	32,778	8.0	6.2	6.3	7.1	7.7
At opening establishments	5,316	6,975	8,036	7,877	5,868	1.3	1.7	1.9	1.9	1.4
Gross job losses	34,276	35,766	35,825	28,114	34,989	8.3	8.6	8.7	6.7	8.2
At contracting establishments	28,637	29,882	28,905	23,656	29,107	6.9	7.2	7.0	5.6	6.8
At closing establishments	5,639	5,884	6,920	4,458	5,882	1.4	1.4	1.7	1.1	1.4
Net employment change [2]	4,320	-3,162	-1,775	9,754	3,657	1.0	-0.7	-0.5	2.3	0.9
Other services [3]										
Gross job gains	9,594	9,068	9,550	8,218	9,936	7.8	7.4	7.8	6.7	8.0
At expanding establishments	7,846	7,711	7,364	6,134	8,052	6.4	6.3	6.0	5.0	6.5
At opening establishments	1,748	1,357	2,186	2,084	1,884	1.4	1.1	1.8	1.7	1.5
Gross job losses	8,547	8,330	8,853	9,664	7,931	7.0	6.8	7.2	7.8	6.4
At contracting establishments	6,864	6,395	6,788	8,335	6,350	5.6	5.2	5.5	6.7	5.1
At closing establishments	1,683	1,935	2,065	1,329	1,581	1.4	1.6	1.7	1.1	1.3
Net employment change [2]	1,047	738	697	-1,446	2,005	0.8	0.6	0.6	-1.1	1.6

Footnotes:
(1) Includes unclassified sector not shown separately.
(2) The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.
(3) Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

Category	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016
United States(1)	6.4	6.3	6.6	5.8	6.2	5.7	5.8	5.8	5.7	6.0
Alabama	5.9	5.8	6.2	5.8	5.8	5.3	5.5	5.3	5.4	5.8
Alaska	10.6	9.1	9.6	9.4	10.3	10.9	10.3	10.5	9.7	11.9
Arizona	6.0	6.8	6.9	6.0	6.1	5.7	5.4	5.4	5.7	6.1
Arkansas	6.0	6.1	6.3	5.4	5.4	5.3	5.3	5.3	5.3	5.8
California	6.9	6.9	7.6	6.5	6.8	6.5	5.9	6.7	6.3	6.7
Colorado	7.0	7.0	7.0	6.6	6.9	6.4	6.4	6.4	6.1	6.5
Connecticut	5.7	5.1	5.5	5.2	5.4	5.0	5.9	4.9	5.0	5.3
Delaware	7.7	6.1	7.3	6.5	6.7	5.8	6.1	6.2	6.4	6.6
District of Columbia	6.1	6.1	6.2	5.2	5.8	5.8	5.4	4.6	5.6	6.1
Florida	7.0	6.9	7.2	6.1	6.4	5.9	5.8	5.8	5.8	5.9
Georgia	6.7	6.5	6.9	6.1	7.0	5.8	5.9	5.7	5.6	6.6
Hawaii	4.9	5.1	5.8	4.9	5.4	4.8	4.6	4.4	4.9	6.0
Idaho	7.6	7.8	7.9	8.2	7.1	7.2	7.0	6.9	6.3	7.1
Illinois	6.1	5.4	6.4	5.3	5.9	5.2	5.8	5.6	5.4	5.9
Indiana	5.7	5.5	6.2	5.5	5.2	5.2	5.3	4.9	5.3	5.2
Iowa	6.0	5.7	6.0	6.0	5.6	6.0	6.0	5.7	5.3	6.1
Kansas	6.0	5.7	6.2	5.8	5.6	5.9	5.8	5.6	5.9	6.3
Kentucky	6.4	6.1	6.7	5.7	6.2	5.5	5.7	5.4	5.8	5.8
Louisiana	6.4	6.2	6.5	6.0	5.9	6.8	6.2	6.4	6.6	6.9
Maine	8.3	6.6	8.6	8.0	7.7	6.5	7.1	7.1	6.9	6.7
Maryland	7.1	6.5	6.8	6.2	6.3	5.9	6.2	5.9	6.0	6.3
Massachusetts	6.4	5.4	5.9	5.2	6.0	5.1	5.6	5.2	5.0	5.2
Michigan	6.1	5.4	6.1	5.4	5.9	5.2	5.6	5.3	4.9	5.3
Minnesota	6.1	5.4	6.1	5.4	5.9	5.1	5.8	5.7	5.2	5.6
Mississippi	6.5	6.2	7.1	5.7	5.7	5.9	5.9	5.4	6.1	6.5
Missouri	6.0	5.7	6.3	5.7	5.7	5.2	5.5	5.3	5.3	5.4
Montana	8.0	7.6	8.5	7.8	7.9	8.4	7.7	7.3	7.2	8.6
Nebraska	5.9	6.0	6.1	5.8	5.7	5.6	5.6	5.5	5.5	6.0
Nevada	6.2	6.2	6.8	6.3	6.5	5.8	5.6	5.3	5.7	5.6
New Hampshire	6.8	6.1	6.7	6.0	6.5	6.0	6.4	5.6	5.8	5.9
New Jersey	7.1	6.3	6.7	5.9	6.5	6.0	6.2	5.9	5.9	5.8
New Mexico	6.8	6.5	7.0	6.2	6.5	6.9	6.6	6.9	6.3	6.7
New York	6.7	6.3	6.4	6.1	6.2	5.8	6.0	5.7	5.7	5.8
North Carolina	6.4	6.3	6.7	6.0	6.3	5.5	5.7	5.5	5.6	5.8
North Dakota	6.7	7.1	6.7	6.6	6.8	11.2	8.5	8.1	8.9	9.0
Ohio	6.0	5.5	6.0	5.4	5.6	5.2	5.6	5.1	5.1	5.6
Oklahoma	6.0	6.1	6.3	5.7	5.8	6.6	6.1	6.5	6.4	6.8
Oregon	6.9	7.0	7.0	7.0	6.7	6.1	6.4	6.2	5.8	6.5
Pennsylvania	5.6	5.3	5.7	5.4	5.3	4.9	5.3	5.1	5.2	5.4
Rhode Island	6.7	5.8	6.6	5.8	6.2	5.9	5.8	5.7	5.9	6.2
South Carolina	6.5	6.1	7.1	6.1	6.3	5.5	5.8	5.3	5.8	5.8
South Dakota	6.3	5.9	6.7	6.2	6.4	5.9	6.1	5.9	6.1	6.2
Tennessee	6.0	5.8	6.3	5.2	5.7	4.8	5.1	4.8	5.1	5.3
Texas	6.0	5.9	6.1	4.7	6.3	5.6	5.5	5.5	5.5	5.4
Utah	6.9	7.0	7.2	7.3	6.7	6.2	6.0	6.0	5.9	6.4
Vermont	7.3	6.9	7.2	6.6	7.4	6.9	7.7	6.5	6.9	7.2
Virginia	6.5	7.1	6.4	5.9	6.4	5.4	5.8	5.6	5.9	6.0
Washington	7.3	6.7	6.8	7.1	7.2	6.1	6.8	6.2	5.6	5.8
West Virginia	6.4	5.8	6.6	5.9	5.8	6.7	6.7	6.3	6.9	6.9
Wisconsin	5.7	5.6	6.0	5.6	5.7	5.2	5.6	5.2	5.2	5.7
Wyoming	7.9	8.5	9.0	7.9	7.7	11.0	9.2	9.3	9.4	10.4
Puerto Rico	5.7	5.9	6.3	5.7	5.6	6.2	6.3	5.7	6.0	5.6
Virgin Islands	6.5	6.0	7.3	5.7	6.3	6.8	7.3	5.3	5.4	5.8

Note: See footnotes at end of table.

Footnotes(1) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.