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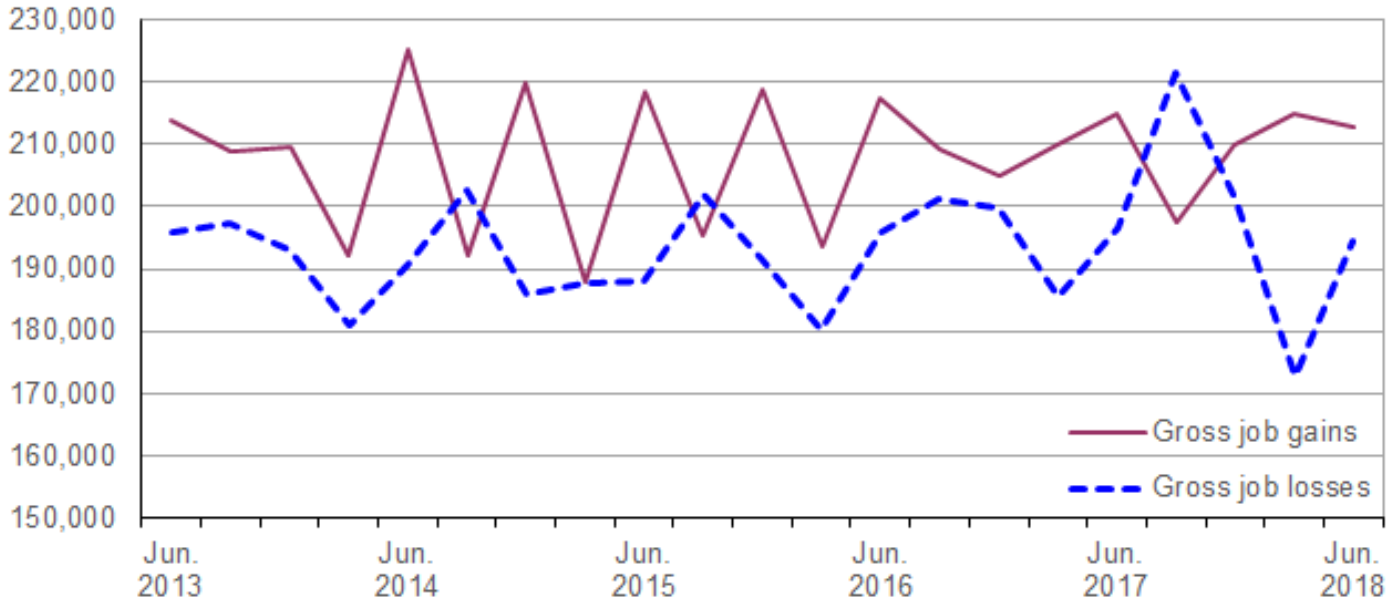
Business Employment Dynamics in Michigan — Second Quarter 2018

From March 2018 to June 2018, gross job gains in private sector establishments in Michigan totaled 212,862, while gross job losses numbered 194,576, 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 18,286. During the previous quarter, gross job gains exceeded gross job losses by 42,282. (See chart 1.)

Chart 1. Private sector gross job gains and losses in Michigan, June 2013–June 2018, seasonally adjusted



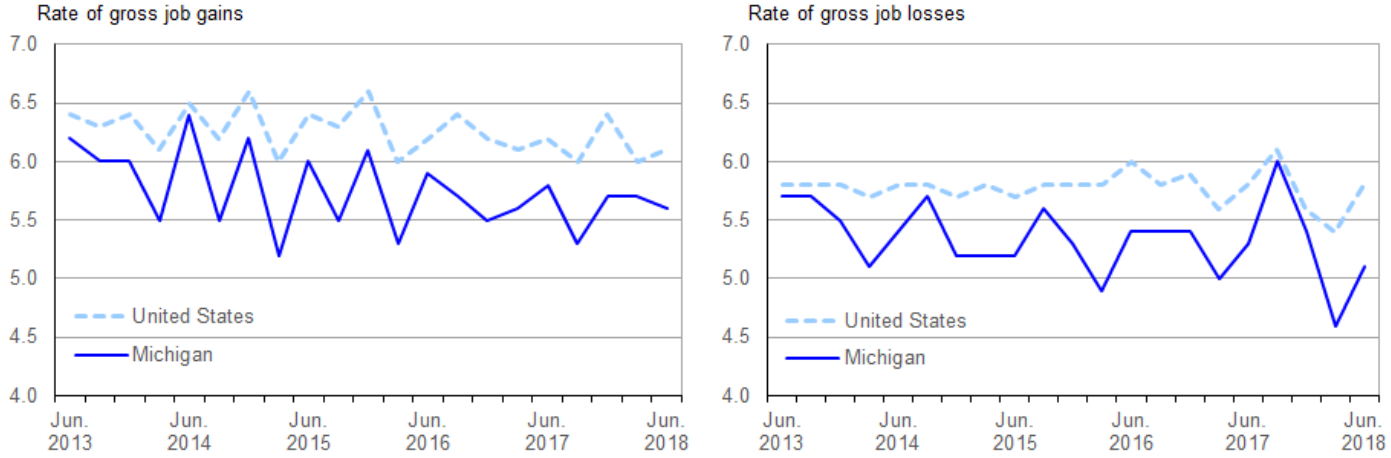
Source: U.S. Bureau of Labor Statistics.

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 212,862 gross job gains in June 2018 were less than the 215,009 gross job gains in the three-month period ended March 2018. During the past 5 years, gross job gains in Michigan peaked at 225,211 in June 2014 and were at a low of 187,868 in March 2015. The 194,576 gross job losses in the quarter ended June 2018, although larger than the previous quarter, were below the 5-year peak of 221,611 gross job losses in the quarter ended September 2017.

Gross job gains represented 5.6 percent of private sector employment in Michigan in the quarter ended June 2018, while nationally gross job gains accounted for 6.1 percent of private sector employment. (See chart 2.) The rate of gross job losses as a percent of private sector employment in Michigan was 5.1 percent, below the national rate of 5.8 percent in the quarter ended June 2018.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Michigan, June 2013–June 2018, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

During the second quarter of 2018, gross job gains exceeded gross job losses in nine industry sectors in Michigan. For example, within manufacturing, gross job gains exceeded gross jobs losses by 4,645. While almost 17,000 jobs were lost in closing and contracting establishments in the industry, opening and expanding establishments created more than 21,000 jobs. In professional and business services, more than 38,000 jobs were created in opening and expanding establishments and almost 34,000 jobs were lost in closing and contracting establishments resulting in a net employment gain of 4,523. (See table 1.)

In contrast, gross job losses exceeded gross job gains in two industry sectors. Education and health services and retail trade each had net employment losses that were less than 500.

Michigan was among three states in the East North Central Census division where gross job gains exceeded gross job losses in the quarter ended June 2018. (See table A.) All five states in the division had rates of gross job gains that were lower than the 6.1-percent national rate and rates of gross job losses that were lower than the 5.8-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 2018, 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	7,639,000	6.1	7,202,000	5.8	437,000	0.3
East North Central [1]	1,047,864	—	1,016,812	—	31,052	—
Illinois	291,226	5.6	287,764	5.5	3,462	0.1
Indiana	146,171	5.4	147,061	5.5	-890	-0.1

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 2018, 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		
Michigan	212,862	5.6	194,576	5.1	18,286	0.5
Ohio	260,528	5.6	250,063	5.4	10,465	0.2
Wisconsin	137,077	5.4	137,348	5.5	-271	-0.1

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 2018 are scheduled to be released on Wednesday, April 24, 2019.

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 2017	Sept 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept 2017	Dec. 2017	Mar. 2018	June 2018
Total private [1]										
Gross job gains	214,731	197,425	209,924	215,009	212,862	5.8	5.3	5.7	5.7	5.6
At expanding establishments	190,342	164,704	177,390	180,432	185,055	5.1	4.4	4.8	4.8	4.9
At opening establishments	24,389	32,721	32,534	34,577	27,807	0.7	0.9	0.9	0.9	0.7
Gross job losses	196,603	221,611	201,345	172,727	194,576	5.3	6.0	5.4	4.6	5.1
At contracting establishments	164,269	181,284	165,130	148,071	164,754	4.4	4.9	4.4	3.9	4.3
At closing establishments	32,334	40,327	36,215	24,656	29,822	0.9	1.1	1.0	0.7	0.8
Net employment change [2]	18,128	-24,186	8,579	42,282	18,286	0.5	-0.7	0.3	1.1	0.5
Construction										
Gross job gains	17,771	15,634	15,237	20,227	17,859	10.9	9.7	9.4	12.1	10.4
At expanding establishments	16,013	13,512	12,433	16,509	15,949	9.8	8.4	7.7	9.9	9.3
At opening establishments	1,758	2,122	2,804	3,718	1,910	1.1	1.3	1.7	2.2	1.1
Gross job losses	13,970	15,995	17,978	12,772	15,160	8.6	9.9	11.2	7.6	8.9
At contracting establishments	12,070	13,214	14,815	11,193	13,011	7.4	8.2	9.2	6.7	7.6
At closing establishments	1,900	2,781	3,163	1,579	2,149	1.2	1.7	2.0	0.9	1.3
Net employment change [2]	3,801	-361	-2,741	7,455	2,699	2.3	-0.2	-1.8	4.5	1.5
Manufacturing										
Gross job gains	21,999	18,378	20,763	23,696	21,506	3.6	3.0	3.4	3.8	3.4
At expanding establishments	20,712	16,530	18,838	21,984	20,278	3.4	2.7	3.1	3.5	3.2
At opening establishments	1,287	1,848	1,925	1,712	1,228	0.2	0.3	0.3	0.3	0.2
Gross job losses	16,897	20,768	17,693	14,340	16,861	2.7	3.4	2.9	2.3	2.7
At contracting establishments	15,494	18,562	15,467	13,390	15,247	2.5	3.0	2.5	2.1	2.4
At closing establishments	1,403	2,206	2,226	950	1,614	0.2	0.4	0.4	0.2	0.3
Net employment change [2]	5,102	-2,390	3,070	9,356	4,645	0.9	-0.4	0.5	1.5	0.7
Wholesale trade										
Gross job gains	7,424	6,517	6,610	6,948	7,025	4.3	3.7	3.8	4.1	4.1
At expanding establishments	6,690	5,590	5,942	5,981	6,212	3.9	3.2	3.4	3.5	3.6
At opening establishments	734	927	668	967	813	0.4	0.5	0.4	0.6	0.5
Gross job losses	6,083	7,047	6,817	5,851	6,022	3.5	4.1	4.0	3.4	3.5
At contracting establishments	5,150	5,804	5,488	5,091	5,011	3.0	3.4	3.2	3.0	2.9
At closing establishments	933	1,243	1,329	760	1,011	0.5	0.7	0.8	0.4	0.6
Net employment change [2]	1,341	-530	-207	1,097	1,003	0.8	-0.4	-0.2	0.7	0.6
Retail trade										
Gross job gains	27,336	24,573	24,377	27,895	28,865	5.7	5.2	5.2	5.9	6.0
At expanding establishments	24,867	21,314	21,281	24,201	24,457	5.2	4.5	4.5	5.1	5.1
At opening establishments	2,469	3,259	3,096	3,694	4,408	0.5	0.7	0.7	0.8	0.9
Gross job losses	27,927	28,839	28,503	24,025	29,052	5.9	6.1	6.1	5.1	6.1
At contracting establishments	23,312	25,025	24,235	21,199	25,066	4.9	5.3	5.2	4.5	5.3
At closing establishments	4,615	3,814	4,268	2,826	3,986	1.0	0.8	0.9	0.6	0.8
Net employment change [2]	-591	-4,266	-4,126	3,870	-187	-0.2	-0.9	-0.9	0.8	-0.1
Transportation and warehousing										
Gross job gains	6,083	7,262	10,299	6,067	6,441	5.1	6.1	8.4	4.9	5.2
At expanding establishments	5,497	6,473	9,586	5,299	5,789	4.6	5.4	7.8	4.3	4.7
At opening establishments	586	789	713	768	652	0.5	0.7	0.6	0.6	0.5
Gross job losses	6,384	5,904	5,547	7,433	6,139	5.4	5.0	4.5	6.0	5.0
At contracting establishments	5,775	5,184	4,634	6,816	5,309	4.9	4.4	3.8	5.5	4.3
At closing establishments	609	720	913	617	830	0.5	0.6	0.7	0.5	0.7
Net employment change [2]	-301	1,358	4,752	-1,366	302	-0.3	1.1	3.9	-1.1	0.2
Information										
Gross job gains	2,899	3,640	3,092	2,988	2,822	5.1	6.5	5.5	5.3	5.0
At expanding establishments	2,327	2,817	2,142	2,295	2,193	4.1	5.0	3.8	4.1	3.9
At opening establishments	572	823	950	693	629	1.0	1.5	1.7	1.2	1.1
Gross job losses	3,351	3,218	3,309	3,008	2,770	6.0	5.7	5.8	5.4	4.9

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 2017	Sept 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept 2017	Dec. 2017	Mar. 2018	June 2018
At contracting establishments	2,525	2,474	2,444	1,960	2,143	4.5	4.4	4.3	3.5	3.8
At closing establishments	826	744	865	1,048	627	1.5	1.3	1.5	1.9	1.1
Net employment change [2]	-452	422	-217	-20	52	-0.9	0.8	-0.3	-0.1	0.1
Financial activities										
Gross job gains	9,352	7,672	9,114	7,713	8,504	4.6	3.8	4.5	3.8	4.2
At expanding establishments	8,050	6,415	6,812	6,226	7,090	4.0	3.2	3.4	3.1	3.5
At opening establishments	1,302	1,257	2,302	1,487	1,414	0.6	0.6	1.1	0.7	0.7
Gross job losses	6,970	9,771	8,584	6,447	6,452	3.5	4.8	4.2	3.2	3.2
At contracting establishments	5,370	7,068	6,682	5,454	5,205	2.7	3.5	3.3	2.7	2.6
At closing establishments	1,600	2,703	1,902	993	1,247	0.8	1.3	0.9	0.5	0.6
Net employment change [2]	2,382	-2,099	530	1,266	2,052	1.1	-1.0	0.3	0.6	1.0
Professional and business services										
Gross job gains	39,228	35,163	41,744	40,773	38,382	6.1	5.4	6.5	6.2	5.8
At expanding establishments	34,316	29,277	36,075	35,783	33,764	5.3	4.5	5.6	5.4	5.1
At opening establishments	4,912	5,886	5,669	4,990	4,618	0.8	0.9	0.9	0.8	0.7
Gross job losses	37,497	45,122	38,090	30,299	33,859	5.8	7.0	5.8	4.6	5.1
At contracting establishments	31,873	37,311	30,663	24,990	28,445	4.9	5.8	4.7	3.8	4.3
At closing establishments	5,624	7,811	7,427	5,309	5,414	0.9	1.2	1.1	0.8	0.8
Net employment change [2]	1,731	-9,959	3,654	10,474	4,523	0.3	-1.6	0.7	1.6	0.7
Education and health services										
Gross job gains	24,048	25,364	23,927	23,531	23,940	3.7	3.8	3.7	3.5	3.7
At expanding establishments	20,897	21,789	20,830	20,097	20,238	3.2	3.3	3.2	3.0	3.1
At opening establishments	3,151	3,575	3,097	3,434	3,702	0.5	0.5	0.5	0.5	0.6
Gross job losses	21,077	22,178	20,672	22,534	24,381	3.2	3.4	3.1	3.5	3.7
At contracting establishments	17,682	17,783	16,776	18,182	21,112	2.7	2.7	2.5	2.8	3.2
At closing establishments	3,395	4,395	3,896	4,352	3,269	0.5	0.7	0.6	0.7	0.5
Net employment change [2]	2,971	3,186	3,255	997	-441	0.5	0.4	0.6	0.0	0.0
Leisure and hospitality										
Gross job gains	40,117	37,053	37,547	36,614	39,031	9.2	8.6	8.7	8.4	8.9
At expanding establishments	34,963	27,292	29,328	28,300	33,768	8.0	6.3	6.8	6.5	7.7
At opening establishments	5,154	9,761	8,219	8,314	5,263	1.2	2.3	1.9	1.9	1.2
Gross job losses	38,431	44,751	37,142	30,646	37,143	8.8	10.4	8.6	7.0	8.5
At contracting establishments	30,896	34,363	30,108	26,749	30,676	7.1	8.0	7.0	6.1	7.0
At closing establishments	7,535	10,388	7,034	3,897	6,467	1.7	2.4	1.6	0.9	1.5
Net employment change [2]	1,686	-7,698	405	5,968	1,888	0.4	-1.8	0.1	1.4	0.4
Other services [3]										
Gross job gains	9,755	8,469	8,421	8,484	10,000	7.8	6.7	6.7	6.9	7.9
At expanding establishments	8,240	7,070	6,742	6,659	8,598	6.6	5.6	5.4	5.4	6.8
At opening establishments	1,515	1,399	1,679	1,825	1,402	1.2	1.1	1.3	1.5	1.1
Gross job losses	8,735	9,352	8,712	8,213	7,114	7.0	7.4	7.0	6.7	5.6
At contracting establishments	6,641	7,318	6,878	6,655	5,744	5.3	5.8	5.5	5.4	4.5
At closing establishments	2,094	2,034	1,834	1,558	1,370	1.7	1.6	1.5	1.3	1.1
Net employment change [2]	1,020	-883	-291	271	2,886	0.8	-0.7	-0.3	0.2	2.3

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

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

Category	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018
United States(1)	6.2	6.0	6.4	6.0	6.1	5.8	6.1	5.6	5.4	5.8
Alabama	5.6	6.0	6.0	6.0	5.8	5.6	5.8	5.4	5.3	5.7
Alaska	10.9	8.7	9.7	9.8	10.9	9.9	10.8	10.2	8.8	10.7
Arizona	6.2	6.6	6.3	6.0	6.0	5.7	5.2	5.3	5.3	5.9
Arkansas	5.4	5.8	6.1	5.4	5.0	5.7	5.5	5.1	5.0	5.6
California	6.9	6.5	6.9	6.4	6.7	6.5	6.3	6.0	5.9	6.3
Colorado	7.0	6.7	6.8	6.8	6.8	6.3	6.5	6.1	6.0	6.1
Connecticut	5.7	5.4	5.3	5.1	5.8	5.2	5.8	5.2	5.2	5.0
Delaware	6.7	6.4	7.0	7.1	6.5	6.6	6.6	6.4	5.9	6.0
District of Columbia	5.7	5.4	5.8	6.0	5.6	5.4	5.2	5.0	4.7	5.5
Florida	6.6	5.8	8.2	6.1	6.5	6.1	7.5	5.3	5.5	6.1
Georgia	6.2	6.2	6.9	6.5	6.2	6.1	6.1	5.6	5.6	6.4
Hawaii	5.2	5.4	5.1	5.0	5.2	5.3	5.1	4.7	4.8	5.5
Idaho	7.3	6.7	7.4	7.9	7.3	6.6	6.8	6.6	5.9	6.7
Illinois	5.7	5.6	6.0	5.7	5.6	5.6	6.0	5.3	5.1	5.5
Indiana	5.7	5.4	5.7	5.6	5.4	5.5	5.6	5.0	5.1	5.5
Iowa	5.7	5.5	5.9	5.5	5.7	5.8	5.7	5.3	5.3	5.4
Kansas	5.5	6.3	5.9	5.2	5.7	6.5	5.7	5.2	5.5	5.6
Kentucky	6.1	6.0	6.1	6.2	5.9	6.0	6.0	5.6	5.9	5.6
Louisiana	6.3	6.2	6.2	6.5	6.1	6.6	6.1	6.0	5.8	6.5
Maine	7.7	6.5	7.2	7.2	8.1	6.8	7.5	6.6	7.0	7.1
Maryland	6.4	6.3	6.2	6.3	6.0	6.1	6.2	6.3	5.7	5.8
Massachusetts	6.1	5.4	5.7	5.4	6.1	5.3	5.6	5.4	5.2	5.4
Michigan	5.8	5.3	5.7	5.7	5.6	5.3	6.0	5.4	4.6	5.1
Minnesota	5.7	5.3	5.8	5.3	5.8	5.3	5.7	5.5	5.0	5.3
Mississippi	5.9	5.9	6.3	5.5	5.7	6.0	5.9	5.4	5.8	6.0
Missouri	5.6	5.9	5.7	5.4	5.7	5.6	5.9	5.5	5.2	5.7
Montana	7.9	7.2	8.5	7.8	8.0	7.7	7.9	7.4	7.1	7.8
Nebraska	5.5	5.9	6.2	5.6	5.9	6.1	5.9	5.5	5.5	5.8
Nevada	6.2	6.2	6.6	6.5	6.1	5.9	5.8	5.2	5.4	5.8
New Hampshire	6.6	5.5	6.7	6.1	6.7	6.0	6.6	5.9	5.9	6.3
New Jersey	6.7	6.0	6.4	5.6	6.5	5.6	6.3	5.8	5.8	5.7
New Mexico	6.8	6.6	6.5	6.3	6.5	6.4	6.3	6.1	5.5	6.2
New York	6.4	6.3	6.2	6.2	6.3	5.8	6.1	5.8	5.6	5.8
North Carolina	6.3	6.0	6.3	6.2	6.1	6.2	6.0	5.5	5.2	5.5
North Dakota	6.8	6.7	6.8	7.0	6.7	6.9	6.7	6.8	6.3	6.2
Ohio	5.8	5.3	5.7	5.5	5.6	5.5	5.7	5.2	5.0	5.4
Oklahoma	6.6	6.6	6.4	6.1	6.3	6.0	6.0	5.8	5.5	6.5
Oregon	6.7	6.6	6.8	7.8	6.2	6.1	6.4	6.0	5.6	6.2
Pennsylvania	5.5	5.5	5.5	5.2	5.3	5.2	5.2	5.0	4.9	5.1
Rhode Island	6.5	6.0	6.6	6.3	6.3	5.9	6.3	6.0	6.1	6.1
South Carolina	6.1	5.8	7.0	5.9	7.5	6.1	6.2	5.3	4.7	6.5
South Dakota	6.2	5.8	6.4	6.4	6.1	6.2	5.9	5.7	5.9	6.1
Tennessee	5.5	5.4	5.9	5.0	5.5	5.2	5.2	4.9	4.8	5.1
Texas	5.9	5.9	6.4	5.8	5.9	5.4	5.8	5.3	5.1	5.2
Utah	6.8	7.0	7.0	7.4	6.9	6.3	6.3	5.9	6.0	6.3
Vermont	7.9	6.5	7.4	6.4	7.2	6.8	7.8	6.5	7.0	7.3
Virginia	6.4	5.9	6.3	5.8	6.1	5.9	6.2	5.5	5.2	5.8
Washington	7.1	6.4	6.9	7.2	7.3	6.2	6.4	6.0	5.7	6.3
West Virginia	6.4	6.7	6.3	6.8	6.8	6.5	6.3	6.1	5.8	6.4
Wisconsin	5.6	5.0	5.6	5.6	5.4	5.5	5.7	5.0	4.7	5.5
Wyoming	8.6	8.7	8.7	8.4	8.2	9.1	7.9	8.4	8.0	8.3
Puerto Rico	5.4	4.5	7.1	8.4	8.0	5.4	6.8	11.8	6.8	6.2
Virgin Islands	6.7	4.2	9.2	12.0	12.5	5.3	11.6	28.2	16.8	8.6

Note: See footnotes at end of table.

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