NEWS RELEASE
BUREAU OF LABOR STATISTICS
U. S. DEPARTMENT OF LABOR

For Release: Friday, December 21, 2018 **18-1782-CHI**

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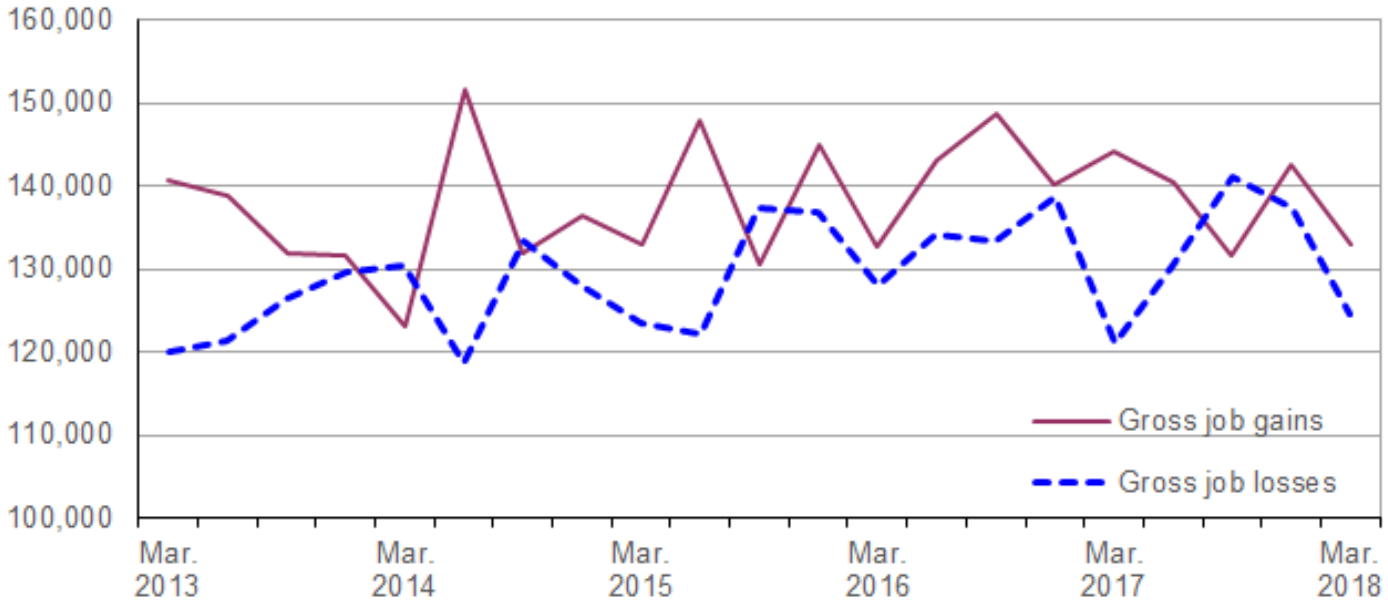
Business Employment Dynamics in Minnesota — First Quarter 2018

From December 2017 to March 2018, gross job gains in Minnesota totaled 133,031, while gross job losses numbered 124,520, 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 8,511. During the previous quarter, gross job gains exceeded gross job losses by 5,163.

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



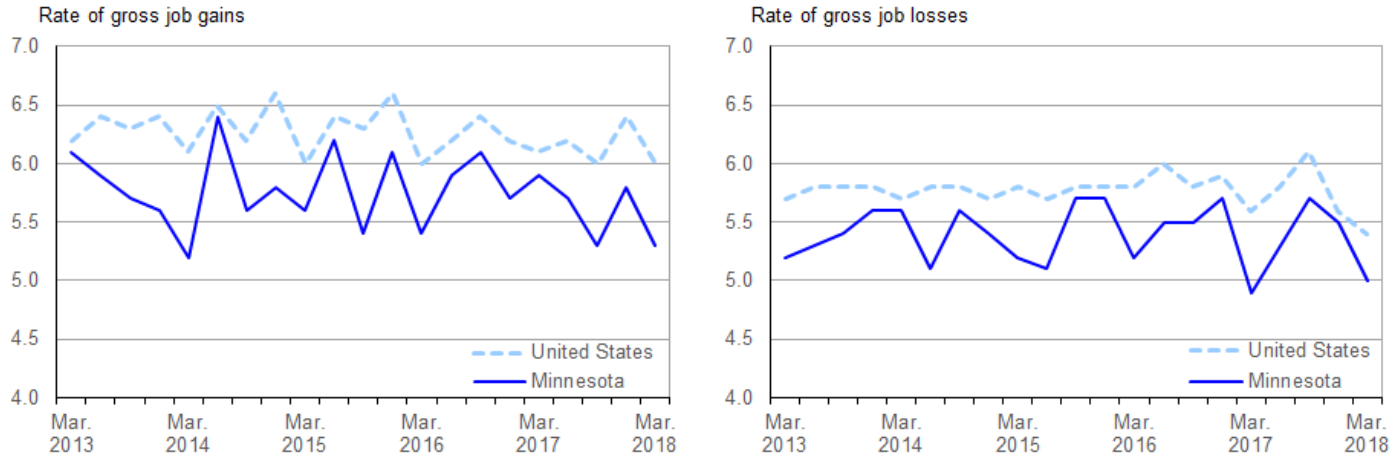
Source: U.S. Bureau of Labor Statistics.

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 133,031 gross job gains in the first quarter of 2018 were below the 142,622 gross job gains in the fourth quarter of 2017. The 124,520 gross job losses in the first quarter of 2018 were lower than the 137,459 gross job losses in the fourth quarter of 2017. (See chart 1.)

Gross job gains represented 5.3 percent of private sector employment in Minnesota in the first quarter of 2018, while nationally gross job gains accounted for 6.0 percent of private sector employment. (See chart 2.) Minnesota's rate of gross job losses represented 5.0 percent of private sector employment in the first quarter of 2018 and was below the U.S. rate of 5.4 percent.

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



Source: U.S. Bureau of Labor Statistics.

During the first quarter of 2018, gross job gains exceeded gross job losses in 5 of the 11 industry sectors in Minnesota. For example, leisure and hospitality created approximately 26,700 jobs in opening and expanding establishments, but lost more than 23,000 jobs in closing and contracting establishments. The resulting net gain of 3,683 jobs was the largest of any sector in the first quarter of 2018. In education and health services, more than 19,000 jobs were created in opening and expanding establishments and more than 16,000 jobs were lost in closing and contracting establishments, resulting in a net gain of 3,168 jobs. (See table 1.) Two industry sectors— manufacturing and retail trade—each had gross job gains that exceeded gross job losses by just under 2,000. In the remaining seven industry sectors, the net employment change for each was less than 1,000 in the first quarter of 2018.

Minnesota was among the seven states in the West North Central Census division. Six of the seven states in the division had gross job gains that exceeded gross job losses. (See table A.) North Dakota and South Dakota had rates of gross job gains that were higher than the 6.0-percent national rate. Five states (Iowa, Kansas, Minnesota, Missouri, and Nebraska) had rates of gross job gains that were lower than the national rate. Iowa, Minnesota, and Missouri had rates of gross job losses that were below the 5.4-percent national rate. The four remaining states had rates of gross job losses that were higher than the national rate.

Table A. Private sector gross job gains and losses for the United States, West North Central Division, and West North Central states, March 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	7,406,000	6.0	6,666,000	5.4	740,000	0.6
West North Central [1]	486,748	—	465,132	—	21,616	—
Iowa	72,763	5.5	68,476	5.3	4,287	0.2
Kansas	59,291	5.2	62,541	5.5	-3,250	-0.3

Note: See footnotes at end of table.

Table A. Private sector gross job gains and losses for the United States, West North Central Division, and West North Central states, March 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		
Minnesota	133,031	5.3	124,520	5.0	8,511	0.3
Missouri	128,761	5.4	122,569	5.2	6,192	0.2
Nebraska	46,119	5.6	44,422	5.5	1,697	0.1
North Dakota	24,123	7.0	21,767	6.3	2,356	0.7
South Dakota	22,660	6.4	20,837	5.9	1,823	0.5

Footnotes:
(1) Data were calculated for this release using published gross job gains and gross job losses for states located in the West 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 release for second quarter 2018 is scheduled to be released on Wednesday, January 30, 2019.

Revisions to Business Employment Dynamics (BED) Data

Data in this release incorporate 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 five years of seasonally adjusted data.

Technical Note

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW). The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing QCEW records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by unemployment insurance (UI) laws, and to pay quarterly UI taxes. The QCEW is based largely on quarterly UI reports which are sent by businesses to the State Workforce Agencies (SWAs). These UI reports are supplemented by two additional BLS data collections to render administrative data into economic statistics. Together these data comprise the QCEW and form the basis of the Bureau's establishment universe sampling frame.

In the BED program, the QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding 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 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 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, Minnesota, 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)				
	Mar. 2017	June 2017	Sept 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept 2017	Dec. 2017	Mar. 2018
Total private [1]										
Gross job gains	144,230	140,365	131,527	142,622	133,031	5.9	5.7	5.3	5.8	5.3
At expanding establishments	119,973	121,687	109,852	120,098	112,079	4.9	4.9	4.4	4.9	4.5
At opening establishments	24,257	18,678	21,675	22,524	20,952	1.0	0.8	0.9	0.9	0.8
Gross job losses	121,219	130,303	141,017	137,459	124,520	4.9	5.3	5.7	5.5	5.0
At contracting establishments	106,105	108,624	118,410	112,184	103,873	4.3	4.4	4.8	4.5	4.2
At closing establishments	15,114	21,679	22,607	25,275	20,647	0.6	0.9	0.9	1.0	0.8
Net employment change [2]	23,011	10,062	-9,490	5,163	8,511	1.0	0.4	-0.4	0.3	0.3
Construction										
Gross job gains	19,238	14,664	11,467	16,162	13,908	16.2	12.0	9.7	13.6	11.4
At expanding establishments	15,336	12,667	9,556	13,635	11,110	12.9	10.4	8.1	11.5	9.1
At opening establishments	3,902	1,997	1,911	2,527	2,798	3.3	1.6	1.6	2.1	2.3
Gross job losses	12,150	13,572	14,654	14,527	13,791	10.2	11.2	12.4	12.2	11.3
At contracting establishments	10,515	10,834	12,212	11,626	11,349	8.8	8.9	10.3	9.8	9.3
At closing establishments	1,635	2,738	2,442	2,901	2,442	1.4	2.3	2.1	2.4	2.0
Net employment change [2]	7,088	1,092	-3,187	1,635	117	6.0	0.8	-2.7	1.4	0.1
Manufacturing										
Gross job gains	9,367	10,278	8,575	11,089	10,407	2.9	3.2	2.7	3.5	3.3
At expanding establishments	8,740	9,689	8,080	10,210	9,860	2.7	3.0	2.5	3.2	3.1
At opening establishments	627	589	495	879	547	0.2	0.2	0.2	0.3	0.2
Gross job losses	8,704	8,947	10,073	9,079	8,470	2.7	2.8	3.1	2.8	2.7
At contracting establishments	7,991	8,108	8,984	8,445	7,302	2.5	2.5	2.8	2.6	2.3
At closing establishments	713	839	1,089	634	1,168	0.2	0.3	0.3	0.2	0.4
Net employment change [2]	663	1,331	-1,498	2,010	1,937	0.2	0.4	-0.4	0.7	0.6
Wholesale trade										
Gross job gains	5,736	5,424	5,145	5,053	4,590	4.4	4.1	3.9	3.8	3.5
At expanding establishments	4,826	4,750	4,175	4,394	3,939	3.7	3.6	3.2	3.3	3.0
At opening establishments	910	674	970	659	651	0.7	0.5	0.7	0.5	0.5
Gross job losses	4,969	5,232	5,478	4,709	4,644	3.7	4.0	4.2	3.5	3.5
At contracting establishments	4,152	4,094	4,569	3,868	3,824	3.1	3.1	3.5	2.9	2.9
At closing establishments	817	1,138	909	841	820	0.6	0.9	0.7	0.6	0.6
Net employment change [2]	767	192	-333	344	-54	0.7	0.1	-0.3	0.3	0.0
Retail trade										
Gross job gains	17,356	18,519	16,961	17,262	17,318	5.9	6.2	5.6	5.8	5.8
At expanding establishments	14,782	16,478	14,736	15,241	15,388	5.0	5.5	4.9	5.1	5.2
At opening establishments	2,574	2,041	2,225	2,021	1,930	0.9	0.7	0.7	0.7	0.6
Gross job losses	14,873	17,311	20,030	19,098	15,612	5.0	5.7	6.7	6.4	5.2
At contracting establishments	13,233	14,756	17,906	16,981	13,707	4.4	4.9	6.0	5.7	4.6
At closing establishments	1,640	2,555	2,124	2,117	1,905	0.6	0.8	0.7	0.7	0.6
Net employment change [2]	2,483	1,208	-3,069	-1,836	1,706	0.9	0.5	-1.1	-0.6	0.6
Transportation and warehousing										
Gross job gains	4,492	5,021	4,844	6,196	5,190	5.0	5.6	5.4	6.8	5.8
At expanding establishments	3,920	4,461	4,270	5,451	4,685	4.4	5.0	4.8	6.0	5.2
At opening establishments	572	560	574	745	505	0.6	0.6	0.6	0.8	0.6
Gross job losses	5,620	4,385	4,289	4,612	5,695	6.3	4.9	4.8	5.1	6.3
At contracting establishments	5,133	3,668	3,638	3,965	5,080	5.8	4.1	4.1	4.4	5.6
At closing establishments	487	717	651	647	615	0.5	0.8	0.7	0.7	0.7
Net employment change [2]	-1,128	636	555	1,584	-505	-1.3	0.7	0.6	1.7	-0.5
Information										
Gross job gains	1,738	1,991	1,931	1,930	1,706	3.4	3.9	3.9	3.9	3.4
At expanding establishments	1,415	1,588	1,544	1,576	1,440	2.8	3.1	3.1	3.2	2.9
At opening establishments	323	403	387	354	266	0.6	0.8	0.8	0.7	0.5
Gross job losses	2,091	2,234	2,099	1,932	2,079	4.1	4.4	4.2	3.9	4.2

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Minnesota, 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)				
	Mar. 2017	June 2017	Sept 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept 2017	Dec. 2017	Mar. 2018
At contracting establishments	1,723	1,907	1,715	1,585	1,700	3.4	3.8	3.4	3.2	3.4
At closing establishments	368	327	384	347	379	0.7	0.6	0.8	0.7	0.8
Net employment change (2)	-353	-243	-168	-2	-373	-0.7	-0.5	-0.3	0.0	-0.8
Financial activities										
Gross job gains	6,546	7,413	5,916	6,412	5,325	3.8	4.2	3.3	3.7	3.0
At expanding establishments	5,559	6,401	4,792	5,199	4,130	3.2	3.6	2.7	3.0	2.3
At opening establishments	987	1,012	1,124	1,213	1,195	0.6	0.6	0.6	0.7	0.7
Gross job losses	5,724	6,358	6,539	7,220	5,381	3.3	3.6	3.7	4.1	3.0
At contracting establishments	4,663	4,811	5,504	5,043	4,130	2.7	2.7	3.1	2.9	2.3
At closing establishments	1,061	1,547	1,035	2,177	1,251	0.6	0.9	0.6	1.2	0.7
Net employment change (2)	822	1,055	-623	-808	-56	0.5	0.6	-0.4	-0.4	0.0
Professional and business services										
Gross job gains	21,081	22,707	20,807	22,572	19,357	5.6	6.1	5.6	6.1	5.2
At expanding establishments	17,266	19,642	17,461	18,548	16,060	4.6	5.3	4.7	5.0	4.3
At opening establishments	3,815	3,065	3,346	4,024	3,297	1.0	0.8	0.9	1.1	0.9
Gross job losses	20,880	22,350	22,050	21,740	19,717	5.6	6.0	5.9	5.9	5.3
At contracting establishments	17,992	17,794	17,810	16,239	15,762	4.8	4.8	4.8	4.4	4.2
At closing establishments	2,888	4,556	4,240	5,501	3,955	0.8	1.2	1.1	1.5	1.1
Net employment change (2)	201	357	-1,243	832	-360	0.0	0.1	-0.3	0.2	-0.1
Education and health services										
Gross job gains	17,720	18,720	19,285	19,313	19,366	3.5	3.6	3.7	3.7	3.7
At expanding establishments	15,760	17,003	17,129	16,758	16,121	3.1	3.3	3.3	3.2	3.1
At opening establishments	1,960	1,717	2,156	2,555	3,245	0.4	0.3	0.4	0.5	0.6
Gross job losses	14,809	15,242	17,361	18,036	16,198	2.9	3.0	3.4	3.5	3.1
At contracting establishments	13,368	13,431	15,366	15,125	14,169	2.6	2.6	3.0	2.9	2.7
At closing establishments	1,441	1,811	1,995	2,911	2,029	0.3	0.4	0.4	0.6	0.4
Net employment change (2)	2,911	3,478	1,924	1,277	3,168	0.6	0.6	0.3	0.2	0.6
Leisure and hospitality										
Gross job gains	30,418	25,796	27,081	26,339	26,691	11.3	9.5	10.0	9.7	9.8
At expanding establishments	23,558	20,707	20,435	20,592	22,003	8.8	7.6	7.5	7.6	8.1
At opening establishments	6,860	5,089	6,646	5,747	4,688	2.5	1.9	2.5	2.1	1.7
Gross job losses	21,694	24,870	28,909	26,456	23,008	8.1	9.1	10.6	9.8	8.5
At contracting establishments	18,790	21,327	23,151	21,148	18,729	7.0	7.8	8.5	7.8	6.9
At closing establishments	2,904	3,543	5,758	5,308	4,279	1.1	1.3	2.1	2.0	1.6
Net employment change (2)	8,724	926	-1,828	-117	3,683	3.2	0.4	-0.6	-0.1	1.3
Other services (3)										
Gross job gains	6,533	6,877	6,225	6,110	6,018	7.6	8.0	7.2	7.2	7.1
At expanding establishments	5,404	5,654	4,936	5,002	4,733	6.3	6.6	5.7	5.9	5.6
At opening establishments	1,129	1,223	1,289	1,108	1,285	1.3	1.4	1.5	1.3	1.5
Gross job losses	5,921	6,361	6,645	6,941	6,054	6.9	7.4	7.8	8.1	7.2
At contracting establishments	5,070	5,086	5,137	5,479	4,869	5.9	5.9	6.0	6.4	5.8
At closing establishments	851	1,275	1,508	1,462	1,185	1.0	1.5	1.8	1.7	1.4
Net employment change (2)	612	516	-420	-831	-36	0.7	0.6	-0.6	-0.9	-0.1

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)				
	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018
United States(1)	6.1	6.2	6.0	6.4	6.0	5.6	5.8	6.1	5.6	5.4
Alabama	6.1	5.6	6.0	6.0	6.0	5.2	5.6	5.8	5.4	5.3
Alaska	9.4	10.9	8.7	9.7	9.8	10.1	9.9	10.8	10.2	8.8
Arizona	6.0	6.2	6.6	6.3	6.0	5.5	5.7	5.2	5.3	5.3
Arkansas	5.7	5.4	5.8	6.1	5.4	5.2	5.7	5.5	5.1	5.0
California	6.8	6.9	6.5	6.9	6.4	6.2	6.5	6.3	6.0	5.9
Colorado	6.9	7.0	6.7	6.8	6.8	6.0	6.3	6.5	6.1	6.0
Connecticut	5.8	5.7	5.4	5.3	5.1	5.4	5.2	5.8	5.2	5.2
Delaware	6.6	6.7	6.4	7.0	7.1	5.9	6.6	6.6	6.4	5.9
District of Columbia	5.8	5.7	5.4	5.8	6.0	4.8	5.4	5.2	5.0	4.7
Florida	6.1	6.6	5.8	8.2	6.1	5.6	6.1	7.5	5.3	5.5
Georgia	6.3	6.2	6.2	6.9	6.5	5.9	6.1	6.1	5.6	5.6
Hawaii	5.4	5.2	5.4	5.1	5.0	4.8	5.3	5.1	4.7	4.8
Idaho	7.8	7.3	6.7	7.4	7.9	6.4	6.6	6.8	6.6	5.9
Illinois	5.9	5.7	5.6	6.0	5.7	5.5	5.6	6.0	5.3	5.1
Indiana	5.7	5.7	5.4	5.7	5.6	5.1	5.5	5.6	5.0	5.1
Iowa	6.1	5.7	5.5	5.9	5.5	5.6	5.8	5.7	5.3	5.3
Kansas	5.9	5.5	6.3	5.9	5.2	5.6	6.5	5.7	5.2	5.5
Kentucky	5.9	6.1	6.0	6.1	6.2	5.6	6.0	6.0	5.6	5.9
Louisiana	6.5	6.3	6.2	6.2	6.5	5.9	6.6	6.1	6.0	5.8
Maine	7.2	7.7	6.5	7.2	7.2	6.6	6.8	7.5	6.6	7.0
Maryland	6.1	6.4	6.3	6.2	6.3	5.9	6.1	6.2	6.3	5.7
Massachusetts	5.6	6.1	5.4	5.7	5.4	5.2	5.3	5.6	5.4	5.2
Michigan	5.6	5.8	5.3	5.7	5.7	5.0	5.3	6.0	5.4	4.6
Minnesota	5.9	5.7	5.3	5.8	5.3	4.9	5.3	5.7	5.5	5.0
Mississippi	5.9	5.9	5.9	6.3	5.5	5.9	6.0	5.9	5.4	5.8
Missouri	5.9	5.6	5.9	5.7	5.4	5.0	5.6	5.9	5.5	5.2
Montana	8.1	7.9	7.2	8.5	7.8	7.2	7.7	7.9	7.4	7.1
Nebraska	6.0	5.5	5.9	6.2	5.6	5.1	6.1	5.9	5.5	5.5
Nevada	6.6	6.2	6.2	6.6	6.5	5.2	5.9	5.8	5.2	5.4
New Hampshire	5.8	6.6	5.5	6.7	6.1	5.7	6.0	6.6	5.9	5.9
New Jersey	5.6	6.7	6.0	6.4	5.6	5.9	5.6	6.3	5.8	5.8
New Mexico	6.5	6.8	6.6	6.5	6.3	6.2	6.4	6.3	6.1	5.5
New York	6.2	6.4	6.3	6.2	6.2	5.7	5.8	6.1	5.8	5.6
North Carolina	6.4	6.3	6.0	6.3	6.2	5.7	6.2	6.0	5.5	5.2
North Dakota	7.6	6.8	6.7	6.8	7.0	6.8	6.9	6.7	6.8	6.3
Ohio	5.8	5.8	5.3	5.7	5.5	5.2	5.5	5.7	5.2	5.0
Oklahoma	6.3	6.6	6.6	6.4	6.1	6.2	6.0	6.0	5.8	5.5
Oregon	7.0	6.7	6.6	6.8	7.8	5.9	6.1	6.4	6.0	5.6
Pennsylvania	5.3	5.5	5.5	5.5	5.2	5.0	5.2	5.2	5.0	4.9
Rhode Island	6.4	6.5	6.0	6.6	6.3	6.0	5.9	6.3	6.0	6.1
South Carolina	6.2	6.1	5.8	7.0	5.9	5.7	6.1	6.2	5.3	4.7
South Dakota	6.4	6.2	5.8	6.4	6.4	5.9	6.2	5.9	5.7	5.9
Tennessee	5.2	5.5	5.4	5.9	5.0	5.0	5.2	5.2	4.9	4.8
Texas	5.9	5.9	5.9	6.4	5.8	5.2	5.4	5.8	5.3	5.1
Utah	7.7	6.8	7.0	7.0	7.4	6.1	6.3	6.3	5.9	6.0
Vermont	6.6	7.9	6.5	7.4	6.4	6.8	6.8	7.8	6.5	7.0
Virginia	6.1	6.4	5.9	6.3	5.8	5.6	5.9	6.2	5.5	5.2
Washington	6.9	7.1	6.4	6.9	7.2	6.0	6.2	6.4	6.0	5.7
West Virginia	6.3	6.4	6.7	6.3	6.8	6.3	6.5	6.3	6.1	5.8
Wisconsin	5.9	5.6	5.0	5.6	5.6	4.8	5.5	5.7	5.0	4.7
Wyoming	8.9	8.6	8.7	8.7	8.4	8.1	9.1	7.9	8.4	8.0
Puerto Rico	5.1	5.4	4.5	7.1	8.4	5.7	5.4	6.8	11.8	6.8
Virgin Islands	5.6	6.7	4.2	9.2	12.0	5.5	5.3	11.6	28.2	16.8

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.