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

For Release: Tuesday, December 06, 2016 **16-2151-CHI**

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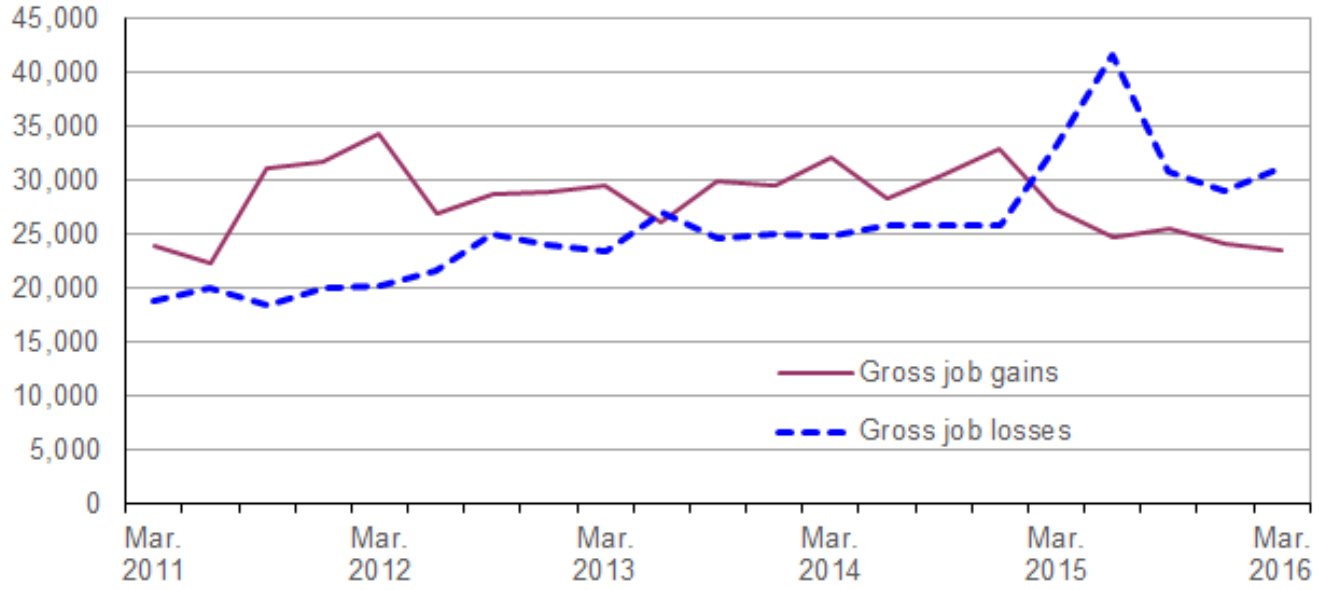
Business Employment Dynamics in North Dakota — First Quarter 2016

From December 2015 to March 2016 gross job losses in North Dakota totaled 31,279, while gross job gains numbered 23,501, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that gross job losses exceeded gross job gains by 7,778. During the previous quarter, gross job losses exceeded gross job gains by 4,910.

Chart 1. Private sector gross job gains and losses in North Dakota, March 2011–March 2016, seasonally adjusted

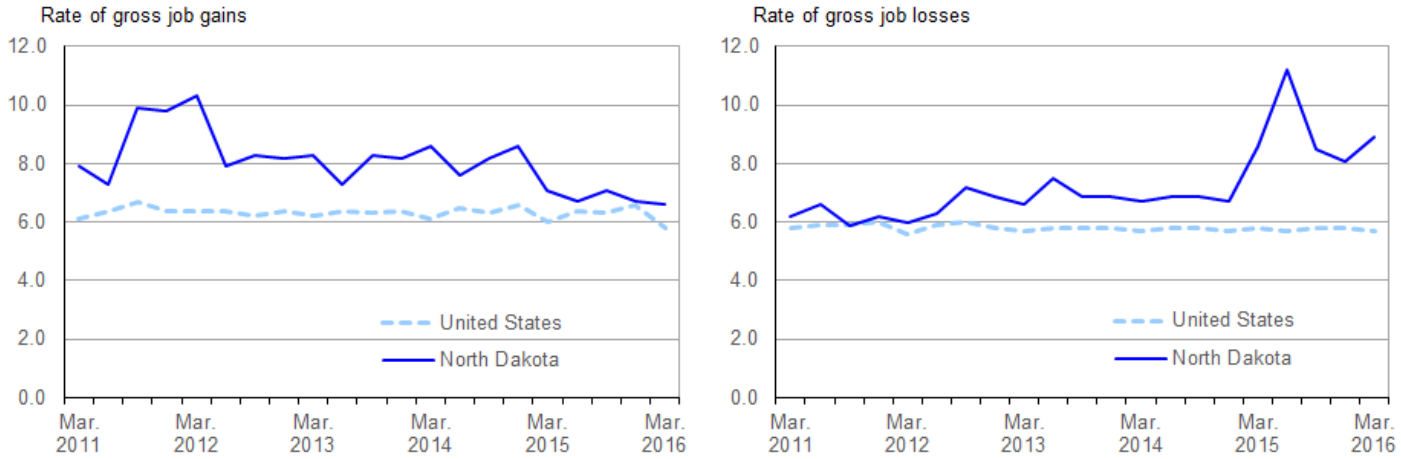


Source: U.S. Bureau of Labor Statistics.

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.)

North Dakota's 31,279 gross job losses in March 2016 were more than the 28,948 gross job losses recorded in December 2015. Over the past 5 years, gross job losses reached a high of 41,546 in June 2015 and a low of 18,432 in September 2011. North Dakota's 23,501 gross job gains in March 2016 followed the 24,038 gross job gains in December 2015. Over the past 5 years, gross job gains reached a high of 34,397 in March 2012 and a low of 22,316 in June 2011. (See chart 1.) The gross job gains in March 2012 were a series high for the state.

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



Source: U.S. Bureau of Labor Statistics.

Gross job losses represented 8.9 percent of private sector employment in North Dakota in the quarter ended March 2016, while nationally gross job losses accounted for 5.7 percent of private sector employment. (See chart 2.) Since March 2011, the rate of gross job losses in North Dakota has been at or above the U.S. rate each quarter. Gross job gains represented 6.6 percent of private sector employment in North Dakota in the quarter ended March 2016, while the U.S. rate of gross job gains was 5.8 percent of private sector employment. The rate of gross job gains in North Dakota has been at or above the national rate since March 2006.

During the first quarter of 2016, gross job losses exceeded gross job gains in all published industry sectors. For example, within professional and business services, gross job losses exceeded gross job gains by 1,786. While almost 4,000 jobs were lost in closing and contracting establishments in the industry, more than 2,000 jobs were created by opening and expanding establishments in the three-months ended in March 2016. In the construction industry, nearly 7,000 jobs were lost in closing and contracting establishments and more than 5,000 jobs created in opening and expanding establishments, resulting in a net loss of 1,671 jobs. In each of the three other sectors—wholesale trade, leisure and hospitality, and retail trade—gross job losses exceeded gross job gains by less than 1,000. (See table 1.)

North Dakota was among the seven states in the West North Central Census division. Two states in the division, including North Dakota, had gross job losses that exceeded gross job gains. (See table A.) Two states (Minnesota and Missouri) had rates of gross job gains that were lower than the 5.8-percent national rate. Three states (North Dakota, South Dakota, and Iowa) had rates of gross job gains that were higher than the national rate. Four states had rates of gross job losses that were below the 5.7-percent national rate. The three 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 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	6,977,000	5.8	6,783,000	5.7	194,000	0.1
West North Central (1)	497,061	—	483,942	—	13,119	—
Iowa	77,795	6.0	69,140	5.3	8,655	0.7
Kansas	64,980	5.8	66,896	5.9	-1,916	-0.1
Minnesota	131,059	5.4	126,838	5.2	4,221	0.2
Missouri	131,177	5.7	124,222	5.3	6,955	0.4
Nebraska	47,050	5.8	44,379	5.5	2,671	0.3
North Dakota	23,501	6.6	31,279	8.9	-7,778	-2.3
South Dakota	21,499	6.2	21,188	6.1	311	0.1

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 2016 is scheduled to be released on Wednesday, January 25, 2017.

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), 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 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, North Dakota, 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. 2015	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	Mar. 2015	June 2015	Sept. 2015	Dec. 2015	Mar. 2016
Total private [1]										
Gross job gains	27,368	24,792	25,567	24,038	23,501	7.1	6.7	7.1	6.7	6.6
At expanding establishments	21,464	20,283	19,156	19,259	18,798	5.6	5.5	5.3	5.4	5.3
At opening establishments	5,904	4,509	6,411	4,779	4,703	1.5	1.2	1.8	1.3	1.3
Gross job losses	33,179	41,546	30,767	28,948	31,279	8.6	11.2	8.5	8.1	8.9
At contracting establishments	28,796	35,357	25,865	24,602	26,307	7.5	9.5	7.1	6.9	7.5
At closing establishments	4,383	6,189	4,902	4,346	4,972	1.1	1.7	1.4	1.2	1.4
Net employment change [2]	-5,811	-16,754	-5,200	-4,910	-7,778	-1.5	-4.5	-1.4	-1.4	-2.3
Construction										
Gross job gains	6,666	4,762	5,345	5,332	5,293	17.7	13.6	16.5	16.4	16.5
At expanding establishments	4,592	3,708	3,559	4,063	3,695	12.2	10.6	11.0	12.5	11.5
At opening establishments	2,074	1,054	1,786	1,269	1,598	5.5	3.0	5.5	3.9	5.0
Gross job losses	6,940	10,774	5,852	5,123	6,964	18.5	30.9	18.2	15.8	21.7
At contracting establishments	5,808	8,974	4,567	4,049	5,751	15.5	25.7	14.2	12.5	17.9
At closing establishments	1,132	1,800	1,285	1,074	1,213	3.0	5.2	4.0	3.3	3.8
Net employment change [2]	-274	-6,012	-507	209	-1,671	-0.8	-17.3	-1.7	0.6	-5.2
Wholesale trade										
Gross job gains	1,472	1,279	1,362	1,161	1,225	5.3	4.8	5.2	4.5	4.8
At expanding establishments	1,297	1,130	979	1,009	1,042	4.7	4.2	3.7	3.9	4.1
At opening establishments	175	149	383	152	183	0.6	0.6	1.5	0.6	0.7
Gross job losses	1,802	2,438	1,380	1,925	1,868	6.5	9.1	5.2	7.4	7.3
At contracting establishments	1,660	2,283	1,264	1,627	1,681	6.0	8.5	4.8	6.3	6.6
At closing establishments	142	155	116	298	187	0.5	0.6	0.4	1.1	0.7
Net employment change [2]	-330	-1,159	-18	-764	-643	-1.2	-4.3	0.0	-2.9	-2.5
Retail trade										
Gross job gains	3,941	2,928	3,338	2,628	2,750	7.7	5.7	6.5	5.2	5.5
At expanding establishments	3,232	2,672	2,357	2,358	2,500	6.3	5.2	4.6	4.7	5.0
At opening establishments	709	256	981	270	250	1.4	0.5	1.9	0.5	0.5
Gross job losses	3,102	3,793	3,454	3,346	2,932	6.1	7.4	6.8	6.6	5.8
At contracting establishments	2,808	3,334	3,219	3,146	2,718	5.5	6.5	6.3	6.2	5.4
At closing establishments	294	459	235	200	214	0.6	0.9	0.5	0.4	0.4
Net employment change [2]	839	-865	-116	-718	-182	1.6	-1.7	-0.3	-1.4	-0.3
Professional and business services										
Gross job gains	2,888	3,499	3,021	2,812	2,169	8.0	9.7	8.3	7.8	6.3
At expanding establishments	2,213	2,816	2,189	2,123	1,653	6.1	7.8	6.0	5.9	4.8
At opening establishments	675	683	832	689	516	1.9	1.9	2.3	1.9	1.5
Gross job losses	3,811	2,999	3,195	3,813	3,955	10.5	8.3	8.8	10.7	11.5
At contracting establishments	3,182	2,241	2,620	3,148	3,141	8.8	6.2	7.2	8.8	9.1
At closing establishments	629	758	575	665	814	1.7	2.1	1.6	1.9	2.4
Net employment change [2]	-923	500	-174	-1,001	-1,786	-2.5	1.4	-0.5	-2.9	-5.2
Leisure and hospitality										
Gross job gains	3,491	3,662	3,840	3,821	3,435	8.5	9.0	9.6	9.5	8.6
At expanding establishments	2,684	2,923	2,804	2,851	2,803	6.5	7.2	7.0	7.1	7.0
At opening establishments	807	739	1,036	970	632	2.0	1.8	2.6	2.4	1.6
Gross job losses	4,127	4,347	3,953	3,722	3,925	10.0	10.7	9.8	9.2	9.8
At contracting establishments	3,560	3,662	3,250	3,263	3,047	8.6	9.0	8.1	8.1	7.6
At closing establishments	567	685	703	459	878	1.4	1.7	1.7	1.1	2.2
Net employment change [2]	-636	-685	-113	99	-490	-1.5	-1.7	-0.2	0.3	-1.2

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.

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

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.