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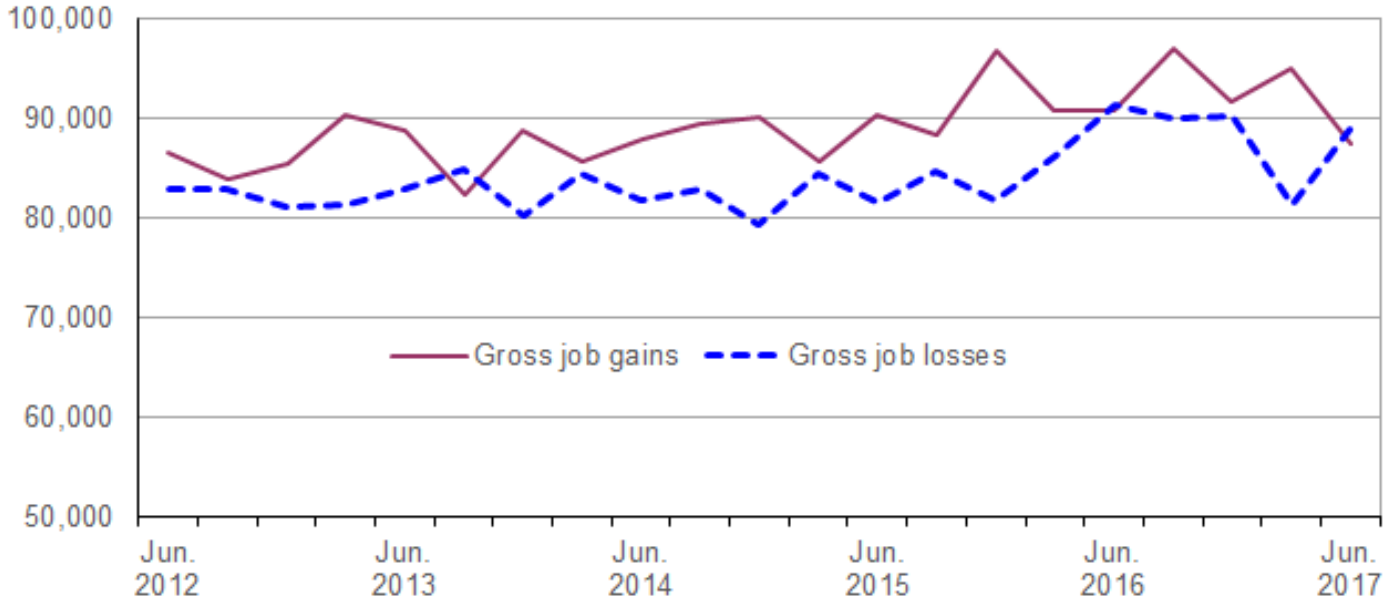
Business Employment Dynamics in Alabama – Second Quarter 2017

From March 2017 to June 2017, gross job gains in private sector establishments in Alabama totaled 87,409, while gross job losses numbered 88,801, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that gross job losses exceeded gross job gains by 1,392. During the previous quarter, gross job gains exceeded gross job losses by 13,678. (See chart 1.)

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 number of gross job gains in Alabama in June 2017 (87,409) was the lowest since September 2015. (See chart 1.) Alabama's gross job losses numbered 88,801 in the second quarter of 2017, lower than the recent peak of 91,306 gross jobs losses in June 2016.

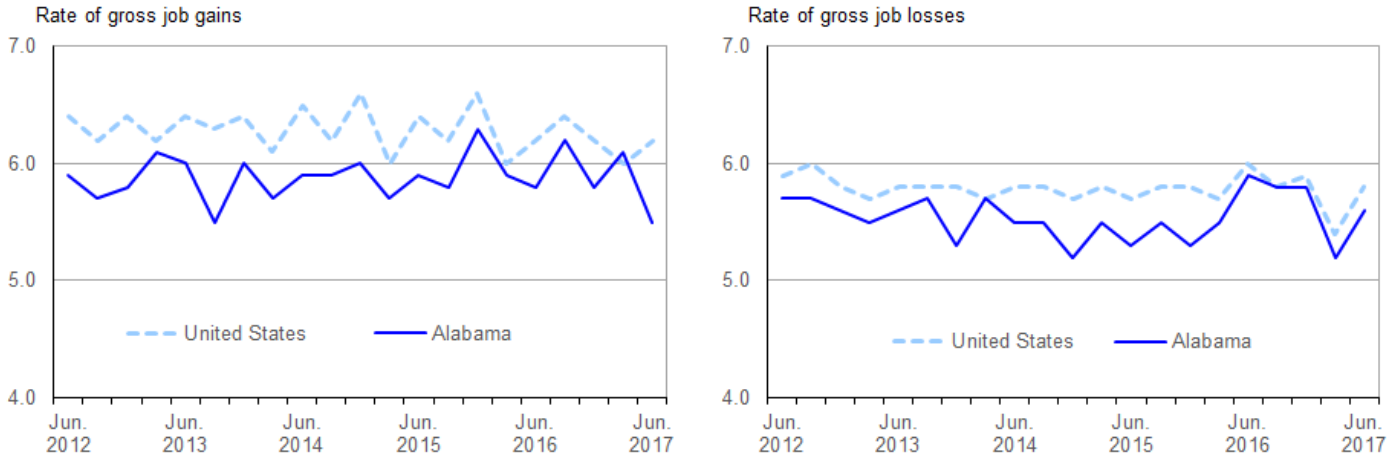
Chart 1. Private sector gross job gains and losses in Alabama, June 2012–June 2017, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Alabama's rate of gross job gains as a percent of private sector employment was 5.5 percent in the second quarter of 2017; nationally gross job gains accounted for 6.2 percent of private sector employment. (See chart 2.) Gross job losses represented 5.6 percent of private sector employment in Alabama, while nationally gross job losses accounted for 5.8 percent of private sector employment in the second quarter of 2017.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Alabama, June 2012–June 2017, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Alabama's gross job losses exceeded gross job gains in 7 of 10 industry sectors in the second quarter of 2017. The construction sector added over 7,300 jobs at opening and expanding establishments, while closing and contracting establishments lost close to 8,800 jobs. The resulting net loss of 1,455 jobs was the largest of any Alabama sector during the quarter. Leisure and hospitality created about 15,600 jobs at opening and expanding establishments, but approximately 16,700 jobs were lost at closing and contracting establishments, resulting in a net loss of 1,114 jobs. Within transportation and warehousing, gross job losses exceeded gross job gains by 1,009. Among the four other sectors with net employment losses, gross job losses exceeded gross job gains by less than 300.

During the second quarter of 2017, gross job gains exceeded gross job losses in three industry sectors in Alabama. Professional and business services had a net gain of 2,000 jobs. Net employment gains in education and health services and in wholesale trade were less than 800. (See table 1.)

Alabama was among the four states in the East South Central Census division. In the second quarter of 2017, two states—Kentucky and Tennessee—had gross job gains that exceeded gross job losses. (See table A.) All four states in the division had rates of gross job gains that were below the 6.2-percent national rate. Alabama and Tennessee had rates of gross job losses that were below the 5.8-percent nationwide rate.

Table A. Private sector gross job gains and losses for the United States, East South Central Division, and East South Central states, June 2017, 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	7,604,000	6.2	7,128,000	5.8	476,000	0.4
East South Central [1]	371,679	—	365,838	—	5,841	—
Alabama	87,409	5.5	88,801	5.6	-1,392	-0.1
Kentucky	95,401	6.1	94,425	5.9	976	0.2
Mississippi	52,591	5.9	53,075	6.0	-484	-0.1
Tennessee	136,278	5.4	129,537	5.1	6,741	0.3

Footnotes:
(1) Data were calculated for this release using published gross job gains and gross job losses for states located in the East South 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 2017 are scheduled to be released on Wednesday, April 25, 2018.

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, Alabama, 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 2016	Sept 2016	Dec. 2016	Mar. 2017	June 2017	June 2016	Sept 2016	Dec. 2016	Mar. 2017	June 2017
Total private [1]										
Gross job gains	90,760	96,889	91,681	95,018	87,409	5.8	6.2	5.8	6.1	5.5
At expanding establishments	75,187	78,023	75,497	78,066	74,314	4.8	5.0	4.8	5.0	4.7
At opening establishments	15,573	18,866	16,184	16,952	13,095	1.0	1.2	1.0	1.1	0.8
Gross job losses	91,306	90,051	90,287	81,340	88,801	5.9	5.8	5.8	5.2	5.6
At contracting establishments	76,111	76,097	76,083	69,965	73,904	4.9	4.9	4.9	4.5	4.7
At closing establishments	15,195	13,954	14,204	11,375	14,897	1.0	0.9	0.9	0.7	0.9
Net employment change [2]	-546	6,838	1,394	13,678	-1,392	-0.1	0.4	0.0	0.9	-0.1
Construction										
Gross job gains	7,460	8,469	8,933	8,858	7,314	8.8	10.1	10.6	10.4	8.6
At expanding establishments	6,210	6,861	7,494	7,407	6,137	7.3	8.2	8.9	8.7	7.2
At opening establishments	1,250	1,608	1,439	1,451	1,177	1.5	1.9	1.7	1.7	1.4
Gross job losses	8,719	8,245	8,104	7,672	8,769	10.3	9.8	9.6	9.0	10.2
At contracting establishments	7,558	7,151	6,968	6,419	7,450	8.9	8.5	8.3	7.5	8.7
At closing establishments	1,161	1,094	1,136	1,253	1,319	1.4	1.3	1.3	1.5	1.5
Net employment change [2]	-1,259	224	829	1,186	-1,455	-1.5	0.3	1.0	1.4	-1.6
Manufacturing										
Gross job gains	8,324	8,497	7,571	8,114	7,765	3.2	3.3	2.9	3.1	3.0
At expanding establishments	7,620	7,823	7,036	7,394	7,093	2.9	3.0	2.7	2.8	2.7
At opening establishments	704	674	535	720	672	0.3	0.3	0.2	0.3	0.3
Gross job losses	7,444	7,111	7,476	6,753	7,984	2.9	2.7	2.9	2.5	3.0
At contracting establishments	6,922	6,493	6,810	6,132	7,101	2.7	2.5	2.6	2.3	2.7
At closing establishments	522	618	666	621	883	0.2	0.2	0.3	0.2	0.3
Net employment change [2]	880	1,386	95	1,361	-219	0.3	0.6	0.0	0.6	0.0
Wholesale trade										
Gross job gains	3,371	3,432	3,198	3,481	3,412	4.6	4.6	4.3	4.8	4.6
At expanding establishments	2,633	2,689	2,615	2,690	2,806	3.6	3.6	3.5	3.7	3.8
At opening establishments	738	743	583	791	606	1.0	1.0	0.8	1.1	0.8
Gross job losses	3,393	3,323	3,212	3,069	3,075	4.5	4.5	4.3	4.2	4.2
At contracting establishments	2,545	2,622	2,468	2,475	2,439	3.4	3.6	3.3	3.4	3.3
At closing establishments	848	701	744	594	636	1.1	0.9	1.0	0.8	0.9
Net employment change [2]	-22	109	-14	412	337	0.1	0.1	0.0	0.6	0.4
Retail trade										
Gross job gains	13,923	14,288	13,232	13,861	13,628	5.9	6.1	5.7	5.9	5.8
At expanding establishments	12,404	12,042	11,099	11,665	11,946	5.3	5.1	4.8	5.0	5.1
At opening establishments	1,519	2,246	2,133	2,196	1,682	0.6	1.0	0.9	0.9	0.7
Gross job losses	14,450	14,759	13,798	13,180	13,698	6.2	6.3	6.0	5.6	5.9
At contracting establishments	12,613	13,077	12,034	11,923	11,804	5.4	5.6	5.2	5.1	5.1
At closing establishments	1,837	1,682	1,764	1,257	1,894	0.8	0.7	0.8	0.5	0.8
Net employment change [2]	-527	-471	-566	681	-70	-0.3	-0.2	-0.3	0.3	-0.1
Transportation and warehousing										
Gross job gains	2,822	3,761	3,890	3,716	2,348	5.1	6.7	6.9	6.5	4.2
At expanding establishments	2,391	3,040	3,438	3,121	2,078	4.3	5.4	6.1	5.5	3.7
At opening establishments	431	721	452	595	270	0.8	1.3	0.8	1.0	0.5
Gross job losses	3,036	3,333	3,382	3,378	3,357	5.4	6.0	5.9	6.0	5.9
At contracting establishments	2,637	2,783	2,907	3,058	2,876	4.7	5.0	5.1	5.4	5.1
At closing establishments	399	550	475	320	481	0.7	1.0	0.8	0.6	0.8
Net employment change [2]	-214	428	508	338	-1,009	-0.3	0.7	1.0	0.5	-1.7
Financial activities										
Gross job gains	4,399	4,820	4,450	4,293	4,234	4.7	5.1	4.7	4.5	4.5
At expanding establishments	3,458	3,868	3,574	3,532	3,430	3.7	4.1	3.8	3.7	3.6
At opening establishments	941	952	876	761	804	1.0	1.0	0.9	0.8	0.9
Gross job losses	4,620	3,897	4,712	3,828	4,314	5.0	4.1	5.0	4.1	4.6

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Alabama, 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 2016	Sept 2016	Dec. 2016	Mar. 2017	June 2017	June 2016	Sept 2016	Dec. 2016	Mar. 2017	June 2017
At contracting establishments	3,506	3,220	3,679	3,070	3,271	3.8	3.4	3.9	3.3	3.5
At closing establishments	1,114	677	1,033	758	1,043	1.2	0.7	1.1	0.8	1.1
Net employment change [2]	-221	923	-262	465	-80	-0.3	1.0	-0.3	0.4	-0.1
Professional and business services										
Gross job gains	17,472	17,178	18,252	18,158	17,514	7.4	7.4	7.8	7.7	7.3
At expanding establishments	14,326	13,713	14,595	14,951	14,805	6.1	5.9	6.2	6.3	6.2
At opening establishments	3,146	3,465	3,657	3,207	2,709	1.3	1.5	1.6	1.4	1.1
Gross job losses	17,690	17,898	16,459	14,727	15,514	7.6	7.7	7.1	6.3	6.5
At contracting establishments	14,243	14,964	13,281	11,995	12,665	6.1	6.4	5.7	5.1	5.3
At closing establishments	3,447	2,934	3,178	2,732	2,849	1.5	1.3	1.4	1.2	1.2
Net employment change [2]	-218	-720	1,793	3,431	2,000	-0.2	-0.3	0.7	1.4	0.8
Education and health services										
Gross job gains	10,903	11,908	10,544	10,053	10,287	4.8	5.2	4.6	4.4	4.4
At expanding establishments	9,294	9,538	8,695	8,486	9,075	4.1	4.2	3.8	3.7	3.9
At opening establishments	1,609	2,370	1,849	1,567	1,212	0.7	1.0	0.8	0.7	0.5
Gross job losses	9,475	9,283	10,397	10,152	9,504	4.2	4.0	4.5	4.4	4.2
At contracting establishments	7,594	7,143	8,794	8,806	7,717	3.4	3.1	3.8	3.8	3.4
At closing establishments	1,881	2,140	1,603	1,346	1,787	0.8	0.9	0.7	0.6	0.8
Net employment change [2]	1,428	2,625	147	-99	783	0.6	1.2	0.1	0.0	0.2
Leisure and hospitality										
Gross job gains	16,639	18,793	15,716	18,168	15,588	8.4	9.5	7.9	9.1	7.7
At expanding establishments	12,485	13,991	12,178	13,765	12,815	6.3	7.1	6.1	6.9	6.3
At opening establishments	4,154	4,802	3,538	4,403	2,773	2.1	2.4	1.8	2.2	1.4
Gross job losses	16,813	16,620	16,823	13,333	16,702	8.5	8.4	8.5	6.6	8.3
At contracting establishments	14,162	14,010	14,071	11,663	13,688	7.2	7.1	7.1	5.8	6.8
At closing establishments	2,651	2,610	2,752	1,670	3,014	1.3	1.3	1.4	0.8	1.5
Net employment change [2]	-174	2,173	-1,107	4,835	-1,114	-0.1	1.1	-0.6	2.5	-0.6
Other services [3]										
Gross job gains	2,995	3,150	3,021	3,004	2,765	7.2	7.6	7.2	7.2	6.6
At expanding establishments	2,403	2,406	2,304	2,468	2,212	5.8	5.8	5.5	5.9	5.3
At opening establishments	592	744	717	536	553	1.4	1.8	1.7	1.3	1.3
Gross job losses	2,827	2,824	3,318	2,604	2,776	6.8	6.8	8.0	6.3	6.6
At contracting establishments	2,014	2,358	2,825	2,160	2,213	4.8	5.7	6.8	5.2	5.3
At closing establishments	813	466	493	444	563	2.0	1.1	1.2	1.1	1.3
Net employment change [2]	168	326	-297	400	-11	0.4	0.8	-0.8	0.9	0.0

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 2016	Sept. 2016	Dec. 2016	Mar. 2017	June 2017	June 2016	Sept. 2016	Dec. 2016	Mar. 2017	June 2017
United States(1)	6.2	6.4	6.2	6.0	6.2	6.0	5.8	5.9	5.4	5.8
Alabama	5.8	6.2	5.8	6.1	5.5	5.9	5.8	5.8	5.2	5.6
Alaska	10.4	9.1	9.8	9.4	11.0	11.2	11.2	10.0	9.8	9.9
Arizona	6.2	7.2	6.0	5.8	6.2	6.0	5.2	5.5	5.4	5.7
Arkansas	5.4	6.2	5.9	5.6	5.2	5.9	5.6	5.4	5.0	5.6
California	6.9	6.9	6.9	6.7	6.9	6.6	6.2	6.3	6.0	6.6
Colorado	7.0	7.1	6.6	6.8	7.1	6.5	6.2	6.5	6.2	6.3
Connecticut	5.4	5.2	5.1	5.5	5.7	5.4	5.4	5.2	5.1	5.1
Delaware	6.8	6.3	6.2	6.6	6.6	6.7	6.6	6.2	5.9	7.0
District of Columbia	5.9	6.2	5.6	5.7	5.7	5.8	5.8	5.6	4.7	5.6
Florida	6.5	7.4	6.7	6.1	6.6	5.9	5.8	6.1	5.5	6.1
Georgia	6.9	6.7	6.6	6.3	6.2	6.4	5.9	5.8	5.8	6.1
Hawaii	5.4	6.0	5.0	5.1	5.2	5.8	4.8	5.0	4.8	5.4
Idaho	7.2	7.9	7.5	7.9	7.3	7.0	7.3	6.7	6.3	6.6
Illinois	6.0	5.7	6.1	5.8	5.7	5.9	5.7	5.6	5.4	5.5
Indiana	5.4	5.8	5.4	5.7	5.7	5.2	5.1	5.2	5.1	5.5
Iowa	5.7	6.1	5.7	6.1	5.6	6.2	5.8	5.9	5.5	5.7
Kansas	5.7	6.2	5.9	5.8	5.5	6.3	5.6	5.7	5.6	6.6
Kentucky	6.2	6.8	6.1	5.7	6.1	6.0	6.3	5.8	5.4	5.9
Louisiana	6.0	6.8	5.9	6.4	6.2	6.9	6.5	6.5	5.9	6.5
Maine	7.7	6.7	7.4	7.2	7.7	6.8	7.4	7.1	6.4	7.7
Maryland	6.4	6.6	6.6	6.1	6.4	6.2	5.9	6.2	5.9	6.2
Massachusetts	6.0	5.7	5.6	5.5	6.1	5.2	5.4	5.4	5.1	5.2
Michigan	5.9	5.7	5.5	5.6	5.7	5.4	5.5	5.4	5.0	5.3
Minnesota	5.9	6.1	5.7	5.8	5.7	5.5	5.5	5.7	4.7	5.3
Mississippi	5.7	6.3	6.3	5.7	5.9	6.5	5.5	5.6	5.9	6.0
Missouri	5.7	5.7	5.7	5.9	5.6	5.4	5.4	5.6	4.9	5.6
Montana	7.9	7.6	7.8	8.1	7.9	8.6	7.7	7.5	7.1	7.7
Nebraska	5.7	6.4	5.7	5.9	5.6	5.9	5.9	6.2	5.2	6.1
Nevada	6.5	6.8	6.2	6.6	6.3	5.8	5.5	5.6	5.2	6.0
New Hampshire	6.5	6.4	6.3	5.7	6.6	5.9	6.3	5.9	5.6	5.9
New Jersey	6.4	6.3	6.4	5.5	6.7	5.7	5.9	5.9	5.8	5.5
New Mexico	6.4	7.0	6.6	6.4	6.7	6.7	6.2	6.5	6.2	6.3
New York	6.3	6.3	6.1	6.2	6.5	5.8	5.9	5.9	5.7	5.7
North Carolina	6.3	6.3	6.3	6.2	6.3	5.8	5.9	5.7	5.5	5.9
North Dakota	6.8	8.2	6.7	7.6	6.8	8.9	7.1	7.7	6.7	6.9
Ohio	5.6	5.7	5.7	5.7	5.8	5.7	5.7	5.4	5.1	5.4
Oklahoma	5.8	6.3	6.5	6.3	6.6	6.8	6.0	6.3	6.5	5.9
Oregon	6.8	6.9	6.6	6.9	6.5	6.6	6.4	6.3	5.7	5.9
Pennsylvania	5.3	5.6	5.4	5.2	5.5	5.4	5.1	5.1	5.0	5.2
Rhode Island	6.1	5.6	5.7	6.3	6.5	6.2	5.9	5.8	5.9	5.9
South Carolina	6.3	6.3	6.5	6.0	6.1	5.8	5.6	5.4	5.6	6.0
South Dakota	6.4	6.4	6.0	6.4	6.3	6.2	6.2	6.1	5.9	6.3
Tennessee	5.8	5.9	5.8	5.1	5.4	5.4	5.2	5.1	4.9	5.1
Texas	5.8	6.2	5.9	5.8	5.8	5.5	5.5	5.4	5.2	5.4
Utah	6.7	7.4	6.8	7.7	6.8	6.4	6.7	6.4	6.1	6.2
Vermont	7.4	7.2	7.0	6.6	7.9	7.2	7.4	7.0	6.8	6.8
Virginia	6.5	6.2	6.2	6.0	6.2	6.1	6.1	5.9	5.6	5.9
Washington	7.3	6.7	7.1	6.8	7.1	6.0	6.6	6.7	5.6	6.1
West Virginia	5.8	6.5	6.4	6.3	6.4	6.9	6.4	6.2	6.4	6.5
Wisconsin	5.7	5.5	5.5	5.9	5.6	5.7	5.6	5.3	4.8	5.5
Wyoming	7.7	8.5	8.8	8.8	8.5	10.6	8.8	8.7	8.1	9.0
Puerto Rico	5.6	5.8	5.8	5.1	5.2	5.5	5.7	5.4	5.7	5.2
Virgin Islands	6.5	6.2	6.0	5.3	6.2	5.7	6.8	6.0	5.5	4.7

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.