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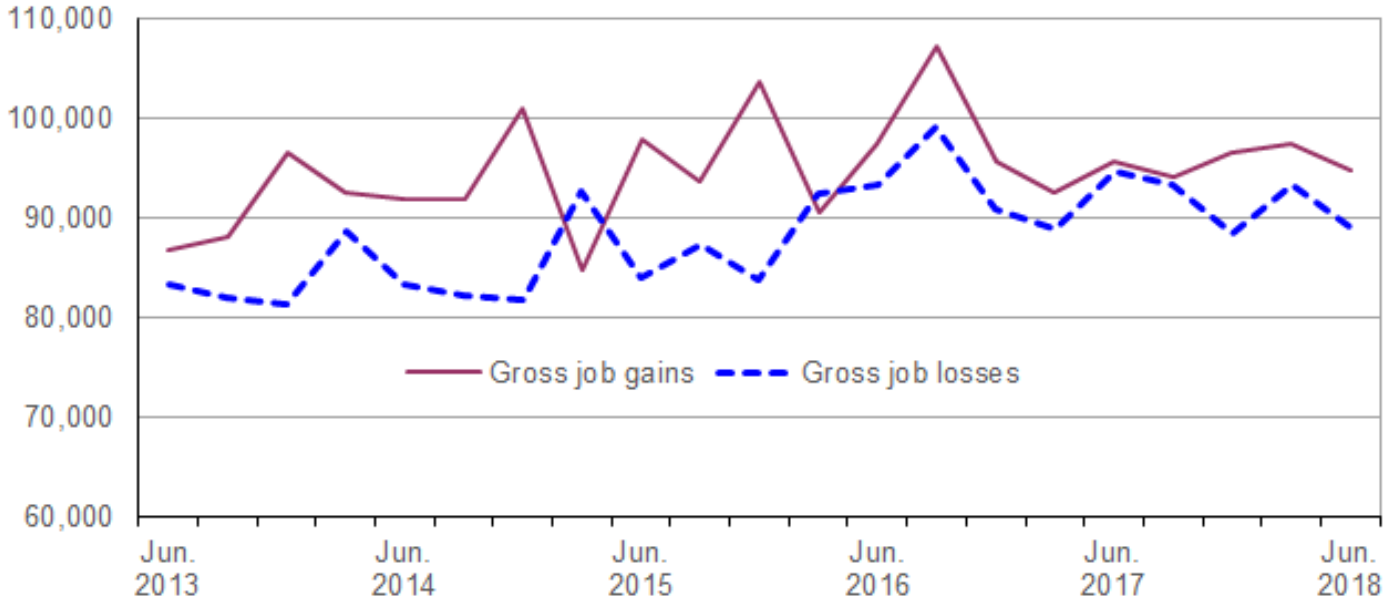
Business Employment Dynamics in Kentucky – Second Quarter 2018

From March 2018 to June 2018, gross job gains in private-sector establishments in Kentucky totaled 94,775, while gross job losses numbered 89,163, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the difference between the number of gross job gains and the number of gross job losses yielded a net employment gain of 5,612 in the private sector during the second quarter of 2018. During the previous quarter, gross job gains exceeded gross job losses by 3,930. (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 private businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private-sector establishments from the third month of one quarter to the third month of the next. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See Technical Note.)

The 94,775 gross job gains in June 2018 followed the 97,348 gross job gains in March 2018. Kentucky's gross job gains have remained between 90,000 and 100,000 each quarter since the fourth quarter of 2016. (See chart 1.) Kentucky's gross job losses numbered 89,163 in June 2018, lower than the 93,418 gross job losses in March 2018.

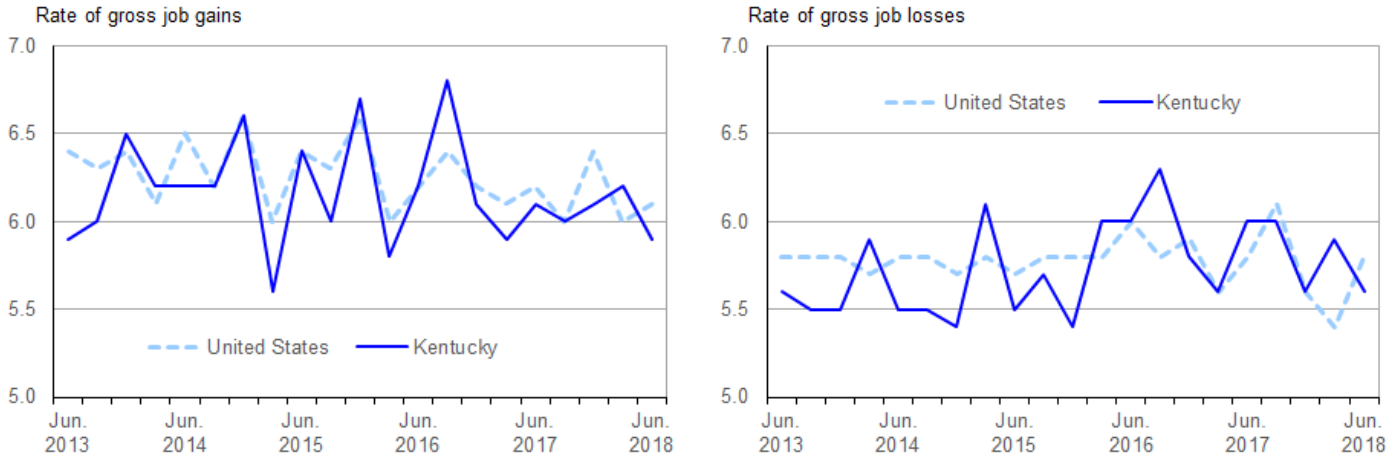
Chart 1. Private sector gross job gains and losses in Kentucky, June 2013–June 2018, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Kentucky's rate of gross job gains as a percent of private sector employment was 5.9 percent in the second quarter of 2018; nationally gross job gains accounted for 6.1 percent of private sector employment. (See chart 2.) Gross job losses represented 5.6 percent of private sector employment in Kentucky, while nationally gross job losses accounted for 5.8 percent of private sector employment in the second quarter of 2018.

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



Source: U.S. Bureau of Labor Statistics.

Gross job gains exceeded gross job losses in 8 of the 11 industry sectors in Kentucky in the second quarter of 2018. Education and health services added over 14,300 jobs at opening and expanding establishments, while closing and contracting establishments lost approximately 10,500 jobs. The resulting net gain of 3,798 was the largest of any Kentucky sector in the second quarter of 2018. Transportation and warehousing created over 6,000 jobs at opening and expanding establishments, but nearly 3,600 jobs were lost at closing and contracting establishments, resulting in a net gain of 2,441 jobs. Among the six other sectors, gross job gains exceeded gross job losses by less than 1,000.

In contrast, gross job losses exceeded gross job gains in three industries in Kentucky. Leisure and hospitality lost approximately 17,600 jobs in closing and contracting establishments, and added nearly 15,400 jobs in opening and expanding establishments. The resulting net loss of 2,232 jobs was the largest of any sector in the state for the second quarter of 2018. Net losses in the remaining two industries were less than 400. (See table 1.)

Kentucky was among the four states in the East South Central Census Division. In the second quarter of 2018, Alabama, 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 6.1-percent national rate. Kentucky was among the three states in the division that had rates of gross job losses that were below the 5.8-percent national rate. Mississippi had a rate of job loss above the national rate.

Table A. Private sector gross job gains and losses for the United States, East South Central Division, and East South 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 South Central (1)	378,597	—	366,281	—	12,316	—
Alabama	92,414	5.8	91,229	5.7	1,185	0.1
Kentucky	94,775	5.9	89,163	5.6	5,612	0.3
Mississippi	51,181	5.7	53,851	6.0	-2,670	-0.3
Tennessee	140,227	5.5	132,038	5.1	8,189	0.4

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 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). 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, Kentucky, 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	95,753	94,074	96,637	97,348	94,775	6.1	6.0	6.1	6.2	5.9
At expanding establishments	75,855	78,816	81,650	78,830	76,886	4.8	5.0	5.2	5.0	4.8
At opening establishments	19,898	15,258	14,987	18,518	17,889	1.3	1.0	0.9	1.2	1.1
Gross job losses	94,600	93,321	88,557	93,418	89,163	6.0	6.0	5.6	5.9	5.6
At contracting establishments	79,755	76,538	72,199	78,997	75,815	5.1	4.9	4.6	5.0	4.8
At closing establishments	14,845	16,783	16,358	14,421	13,348	0.9	1.1	1.0	0.9	0.8
Net employment change [2]	1,153	753	8,080	3,930	5,612	0.1	0.0	0.5	0.3	0.3
Construction										
Gross job gains	7,870	8,768	7,824	9,259	7,744	10.1	11.3	10.1	11.7	9.8
At expanding establishments	6,160	7,338	5,993	7,349	6,283	7.9	9.5	7.7	9.3	8.0
At opening establishments	1,710	1,430	1,831	1,910	1,461	2.2	1.8	2.4	2.4	1.8
Gross job losses	8,880	8,340	8,452	7,792	7,614	11.3	10.7	10.9	9.9	9.7
At contracting establishments	7,627	6,615	6,584	6,325	6,044	9.7	8.5	8.5	8.0	7.7
At closing establishments	1,253	1,725	1,868	1,467	1,570	1.6	2.2	2.4	1.9	2.0
Net employment change [2]	-1,010	428	-628	1,467	130	-1.2	0.6	-0.8	1.8	0.1
Manufacturing										
Gross job gains	6,890	7,102	7,661	6,874	6,790	2.8	2.9	3.0	2.7	2.6
At expanding establishments	6,242	6,725	7,296	6,292	6,413	2.5	2.7	2.9	2.5	2.5
At opening establishments	648	377	365	582	377	0.3	0.2	0.1	0.2	0.1
Gross job losses	6,596	8,870	5,855	6,054	6,742	2.6	3.5	2.4	2.4	2.6
At contracting establishments	6,143	8,305	5,178	5,543	6,116	2.4	3.3	2.1	2.2	2.4
At closing establishments	453	565	677	511	626	0.2	0.2	0.3	0.2	0.2
Net employment change [2]	294	-1,768	1,806	820	48	0.2	-0.6	0.6	0.3	0.0
Wholesale trade										
Gross job gains	4,323	3,436	3,348	3,619	3,690	5.7	4.5	4.4	4.9	4.9
At expanding establishments	3,162	2,805	2,885	2,605	3,001	4.2	3.7	3.8	3.5	4.0
At opening establishments	1,161	631	463	1,014	689	1.5	0.8	0.6	1.4	0.9
Gross job losses	3,050	3,901	3,594	3,066	3,484	4.0	5.1	4.7	4.1	4.6
At contracting establishments	2,429	3,060	2,723	2,455	2,731	3.2	4.0	3.6	3.3	3.6
At closing establishments	621	841	871	611	753	0.8	1.1	1.1	0.8	1.0
Net employment change [2]	1,273	-465	-246	553	206	1.7	-0.6	-0.3	0.8	0.3
Retail trade										
Gross job gains	12,652	12,949	11,769	13,260	12,137	5.8	6.0	5.4	6.1	5.6
At expanding establishments	10,196	10,972	10,393	11,216	9,962	4.7	5.1	4.8	5.2	4.6
At opening establishments	2,456	1,977	1,376	2,044	2,175	1.1	0.9	0.6	0.9	1.0
Gross job losses	13,355	12,175	11,939	11,813	12,506	6.2	5.6	5.5	5.5	5.8
At contracting establishments	11,472	10,164	10,447	10,069	11,268	5.3	4.7	4.8	4.7	5.2
At closing establishments	1,883	2,011	1,492	1,744	1,238	0.9	0.9	0.7	0.8	0.6
Net employment change [2]	-703	774	-170	1,447	-369	-0.4	0.4	-0.1	0.6	-0.2
Transportation and warehousing										
Gross job gains	5,144	5,864	8,341	6,250	6,033	5.2	5.8	8.0	5.8	5.7
At expanding establishments	4,641	5,038	7,772	5,783	5,604	4.7	5.0	7.5	5.4	5.3
At opening establishments	503	826	569	467	429	0.5	0.8	0.5	0.4	0.4
Gross job losses	4,573	3,176	3,758	7,255	3,592	4.6	3.2	3.6	6.8	3.4
At contracting establishments	3,980	2,721	3,113	6,912	3,231	4.0	2.7	3.0	6.5	3.1
At closing establishments	593	455	645	343	361	0.6	0.5	0.6	0.3	0.3
Net employment change [2]	571	2,688	4,583	-1,005	2,441	0.6	2.6	4.4	-1.0	2.3
Information										
Gross job gains	1,632	1,297	1,078	1,149	1,338	7.1	5.8	4.8	5.1	6.1
At expanding establishments	1,353	1,057	848	808	951	5.9	4.7	3.8	3.6	4.3
At opening establishments	279	240	230	341	387	1.2	1.1	1.0	1.5	1.8
Gross job losses	2,017	1,339	1,547	1,024	1,217	8.8	5.9	6.9	4.6	5.5

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Kentucky, 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	1,269	1,015	1,215	836	954	5.5	4.5	5.4	3.8	4.3
At closing establishments	748	324	332	188	263	3.3	1.4	1.5	0.8	1.2
Net employment change [2]	-385	-42	-469	125	121	-1.7	-0.1	-2.1	0.5	0.6
Financial activities										
Gross job gains	4,209	3,947	3,806	4,527	4,151	4.5	4.3	4.1	4.9	4.5
At expanding establishments	3,209	3,225	2,953	3,634	2,981	3.4	3.5	3.2	3.9	3.2
At opening establishments	1,000	722	853	893	1,170	1.1	0.8	0.9	1.0	1.3
Gross job losses	4,212	4,363	4,535	4,941	3,607	4.5	4.7	4.9	5.4	3.9
At contracting establishments	3,422	3,461	3,509	4,048	2,725	3.7	3.7	3.8	4.4	2.9
At closing establishments	790	902	1,026	893	882	0.8	1.0	1.1	1.0	1.0
Net employment change [2]	-3	-416	-729	-414	544	0.0	-0.4	-0.8	-0.5	0.6
Professional and business services										
Gross job gains	18,307	18,133	18,327	16,675	17,950	8.6	8.5	8.5	7.7	8.2
At expanding establishments	14,927	15,141	15,574	13,138	14,373	7.0	7.1	7.2	6.1	6.6
At opening establishments	3,380	2,992	2,753	3,537	3,577	1.6	1.4	1.3	1.6	1.6
Gross job losses	18,201	16,657	16,739	18,889	16,954	8.5	7.8	7.8	8.7	7.8
At contracting establishments	15,248	13,450	13,490	16,038	14,176	7.1	6.3	6.3	7.4	6.5
At closing establishments	2,953	3,207	3,249	2,851	2,778	1.4	1.5	1.5	1.3	1.3
Net employment change [2]	106	1,476	1,588	-2,214	996	0.1	0.7	0.7	-1.0	0.4
Education and health services										
Gross job gains	13,339	11,335	12,606	12,684	14,308	5.1	4.3	4.8	4.8	5.4
At expanding establishments	10,491	9,404	10,294	10,026	11,072	4.0	3.6	3.9	3.8	4.2
At opening establishments	2,848	1,931	2,312	2,658	3,236	1.1	0.7	0.9	1.0	1.2
Gross job losses	10,292	12,001	11,767	12,078	10,510	3.9	4.5	4.4	4.5	4.0
At contracting establishments	8,432	9,562	9,276	9,916	8,469	3.2	3.6	3.5	3.7	3.2
At closing establishments	1,860	2,439	2,491	2,162	2,041	0.7	0.9	0.9	0.8	0.8
Net employment change [2]	3,047	-666	839	606	3,798	1.2	-0.2	0.4	0.3	1.4
Leisure and hospitality										
Gross job gains	16,578	16,452	17,405	17,782	15,373	8.3	8.4	8.8	9.0	7.8
At expanding establishments	12,149	13,406	14,230	13,826	12,269	6.1	6.8	7.2	7.0	6.2
At opening establishments	4,429	3,046	3,175	3,956	3,104	2.2	1.6	1.6	2.0	1.6
Gross job losses	18,542	17,597	15,505	15,693	17,605	9.4	9.0	7.9	7.9	8.9
At contracting establishments	15,780	14,690	12,930	13,232	15,588	8.0	7.5	6.6	6.7	7.9
At closing establishments	2,762	2,907	2,575	2,461	2,017	1.4	1.5	1.3	1.2	1.0
Net employment change [2]	-1,964	-1,145	1,900	2,089	-2,232	-1.1	-0.6	0.9	1.1	-1.1
Other services [3]										
Gross job gains	3,136	3,115	2,930	3,358	3,276	7.5	7.5	7.0	8.1	7.9
At expanding establishments	2,252	2,498	2,251	2,687	2,291	5.4	6.0	5.4	6.5	5.5
At opening establishments	884	617	679	671	985	2.1	1.5	1.6	1.6	2.4
Gross job losses	3,224	2,996	3,189	2,997	3,413	7.8	7.2	7.7	7.2	8.2
At contracting establishments	2,704	2,120	2,409	2,148	2,839	6.5	5.1	5.8	5.2	6.8
At closing establishments	520	876	780	849	574	1.3	2.1	1.9	2.0	1.4
Net employment change [2]	-88	119	-259	361	-137	-0.3	0.3	-0.7	0.9	-0.3

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.