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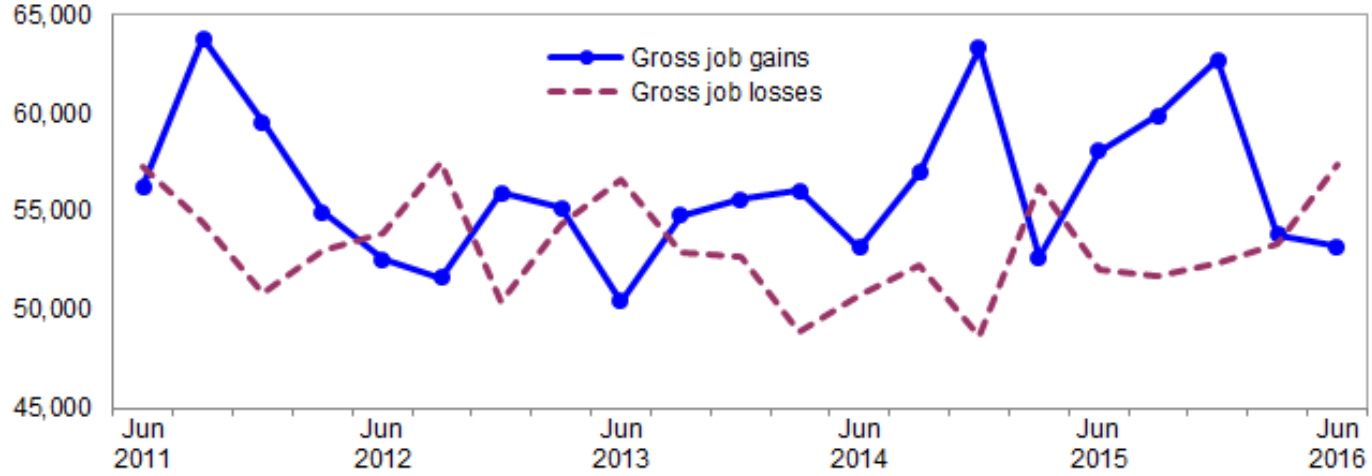
SOUTHWEST INFORMATION OFFICE: Dallas, Texas
Technical information: (972) 850-4800 BLSInfoDallas@bls.gov www.bls.gov/regions/southwest
Media contact: (972) 850-4800

Business Employment Dynamics in Arkansas – Second Quarter 2016

From March 2016 to June 2016 gross job losses in private sector establishments in Arkansas totaled 57,344, while gross job gains numbered 53,228, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that gross job losses exceeded gross job gains by 4,116. In the previous quarter, gross job gains exceeded gross job losses by 440. (See chart 1.)

Chart 1. Private sector gross job gains and losses in Arkansas, June 2011–June 2016 by quarter, seasonally adjusted



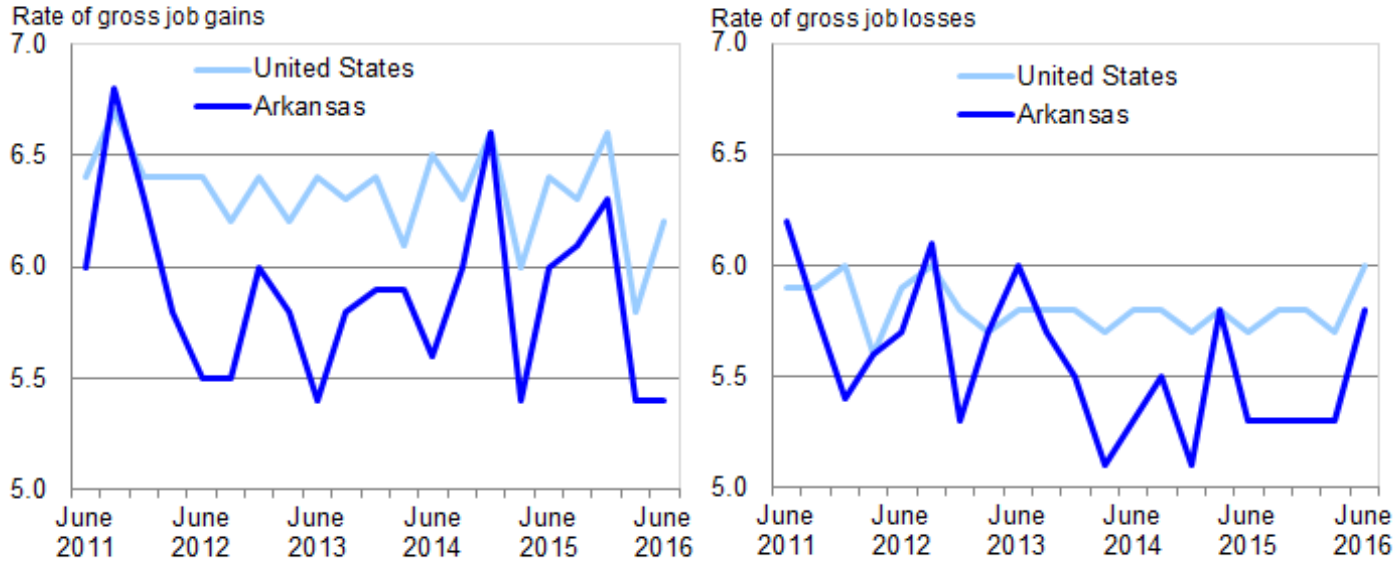
Source: U.S. Bureau of Labor Statistics.

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.)

Gross job losses in Arkansas increased in each of the last three quarters. In the most recent quarter, gross job losses increased by nearly 4,000, to their highest level since September 2012. (See chart 1.) Gross job gains fell by 591 in the three months ended in June 2016, after decreasing by almost 8,900 in the previous quarter.

Gross job losses represented 5.8 percent of private sector employment in Arkansas in the quarter ended in June 2016, while nationally gross job losses accounted for 6.0 percent of private employment. (See chart 2.) Arkansas's rate of gross job losses has generally remained below the national rates since the series inception in September 1992. The state's rate of gross job gains was 5.4 percent in June 2016, unchanged from the previous quarter.

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



Source: U.S. Bureau of Labor Statistics.

During the second quarter of 2016, gross job losses exceeded gross job gains in 7 of the 10 industry sectors in Arkansas. The professional and business services sector experienced the largest net job loss during the quarter. While 9,447 jobs were created at opening and expanding establishments in the sector, 12,801 jobs were lost at closing and contracting establishments, for a net loss of 3,354 jobs. In leisure and hospitality, 8,515 jobs were created in opening and expanding establishments while 9,322 jobs were lost in closing and contracting establishments, resulting in a net loss of 807 jobs. (See table 1.)

In contrast, gross job gains exceeded gross job losses in three industry sectors in Arkansas. The education and health services sector had a net employment gain in this quarter as gross job gains exceeded gross job losses by 1,752. Although 5,812 jobs were lost at closing and contracting establishments, 7,564 jobs were gained at opening and expanding establishments. In the other services and manufacturing sectors, gross job gains exceeded gross job losses by less than 150.

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 Third Quarter 2016 is scheduled to be released on Wednesday, April 26, 2017 at 10:00 a.m. (EDT).

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, Arkansas, 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 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016
Total private [1]										
Gross job gains	58,092	59,893	62,679	53,819	53,228	6.0	6.1	6.3	5.4	5.4
At expanding establishments	48,789	49,037	50,625	44,562	44,448	5.0	5.0	5.1	4.5	4.5
At opening establishments	9,303	10,856	12,054	9,257	8,780	1.0	1.1	1.2	0.9	0.9
Gross job losses	52,024	51,688	52,402	53,379	57,344	5.3	5.3	5.3	5.3	5.8
At contracting establishments	44,106	42,885	43,027	45,179	49,222	4.5	4.4	4.4	4.5	5.0
At closing establishments	7,918	8,803	9,375	8,200	8,122	0.8	0.9	0.9	0.8	0.8
Net employment change [2]	6,068	8,205	10,277	440	-4,116	0.7	0.8	1.0	0.1	-0.4
Construction										
Gross job gains	5,637	7,133	5,182	4,742	5,012	11.7	14.4	10.2	9.3	9.9
At expanding establishments	4,615	6,005	4,064	3,668	4,114	9.6	12.1	8.0	7.2	8.1
At opening establishments	1,022	1,128	1,118	1,074	898	2.1	2.3	2.2	2.1	1.8
Gross job losses	4,562	4,539	5,042	5,257	5,162	9.5	9.2	9.9	10.3	10.2
At contracting establishments	3,504	3,717	4,076	4,397	4,355	7.3	7.5	8.0	8.6	8.6
At closing establishments	1,058	822	966	860	807	2.2	1.7	1.9	1.7	1.6
Net employment change [2]	1,075	2,594	140	-515	-150	2.2	5.2	0.3	-1.0	-0.3
Manufacturing										
Gross job gains	4,006	4,353	4,351	3,580	4,364	2.6	2.8	2.8	2.3	2.9
At expanding establishments	3,724	4,185	4,042	3,286	4,126	2.4	2.7	2.6	2.1	2.7
At opening establishments	282	168	309	294	238	0.2	0.1	0.2	0.2	0.2
Gross job losses	4,971	4,456	4,040	4,532	4,231	3.2	2.9	2.6	2.9	2.7
At contracting establishments	4,722	3,906	3,585	4,317	3,875	3.0	2.5	2.3	2.8	2.5
At closing establishments	249	550	455	215	356	0.2	0.4	0.3	0.1	0.2
Net employment change [2]	-965	-103	311	-952	133	-0.6	-0.1	0.2	-0.6	0.2
Wholesale trade										
Gross job gains	2,422	2,647	2,696	2,467	2,099	5.2	5.6	5.6	5.3	4.6
At expanding establishments	1,927	2,166	2,150	1,959	1,702	4.1	4.6	4.5	4.2	3.7
At opening establishments	495	481	546	508	397	1.1	1.0	1.1	1.1	0.9
Gross job losses	2,480	2,357	2,263	2,310	2,553	5.3	5.0	4.8	5.0	5.5
At contracting establishments	2,050	1,871	1,878	1,771	2,069	4.4	4.0	4.0	3.8	4.5
At closing establishments	430	486	385	539	484	0.9	1.0	0.8	1.2	1.0
Net employment change [2]	-58	290	433	157	-454	-0.1	0.6	0.8	0.3	-0.9
Retail trade										
Gross job gains	8,836	7,780	8,584	9,069	7,735	6.3	5.5	6.1	6.4	5.4
At expanding establishments	7,952	6,385	6,874	7,684	6,777	5.7	4.5	4.9	5.4	4.7
At opening establishments	884	1,395	1,710	1,385	958	0.6	1.0	1.2	1.0	0.7
Gross job losses	6,107	8,109	8,115	7,840	7,992	4.4	5.7	5.7	5.5	5.6
At contracting establishments	5,291	7,090	7,064	6,965	7,139	3.8	5.0	5.0	4.9	5.0
At closing establishments	816	1,019	1,051	875	853	0.6	0.7	0.7	0.6	0.6
Net employment change [2]	2,729	-329	469	1,229	-257	1.9	-0.2	0.4	0.9	-0.2
Transportation and warehousing										
Gross job gains	2,973	2,181	2,782	2,422	2,177	5.6	4.1	5.3	4.5	4.1
At expanding establishments	2,601	1,822	2,490	2,022	1,989	4.9	3.4	4.7	3.8	3.7
At opening establishments	372	359	292	400	188	0.7	0.7	0.6	0.7	0.4
Gross job losses	2,148	2,393	2,260	2,516	2,242	4.0	4.5	4.2	4.7	4.2
At contracting establishments	1,705	2,083	1,655	2,237	1,904	3.2	3.9	3.1	4.2	3.6
At closing establishments	443	310	605	279	338	0.8	0.6	1.1	0.5	0.6
Net employment change [2]	825	-212	522	-94	-65	1.6	-0.4	1.1	-0.2	-0.1
Financial activities										
Gross job gains	2,423	2,396	2,557	2,364	2,182	5.0	5.0	5.3	4.8	4.4
At expanding establishments	1,921	1,880	1,832	1,696	1,765	4.0	3.9	3.8	3.4	3.6
At opening establishments	502	516	725	668	417	1.0	1.1	1.5	1.4	0.8
Gross job losses	2,405	2,165	2,353	2,224	2,336	5.0	4.5	4.9	4.6	4.7

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Arkansas, 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 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016
At contracting establishments	1,862	1,642	1,726	1,656	1,771	3.9	3.4	3.6	3.4	3.6
At closing establishments	543	523	627	568	565	1.1	1.1	1.3	1.2	1.1
Net employment change (2)	18	231	204	140	-154	0.0	0.5	0.4	0.2	-0.3
Professional and business services										
Gross job gains	10,554	11,587	12,917	8,649	9,447	7.8	8.4	9.2	6.1	6.7
At expanding establishments	8,561	9,191	10,418	7,277	7,786	6.3	6.7	7.4	5.1	5.5
At opening establishments	1,993	2,396	2,499	1,372	1,661	1.5	1.7	1.8	1.0	1.2
Gross job losses	10,803	8,369	8,800	9,031	12,801	7.9	6.1	6.2	6.3	9.0
At contracting establishments	9,288	6,590	6,799	7,463	11,062	6.8	4.8	4.8	5.2	7.8
At closing establishments	1,515	1,779	2,001	1,568	1,739	1.1	1.3	1.4	1.1	1.2
Net employment change (2)	-249	3,218	4,117	-382	-3,354	-0.1	2.3	3.0	-0.2	-2.3
Education and health services										
Gross job gains	7,326	7,129	8,443	7,174	7,564	4.3	4.1	4.9	4.1	4.3
At expanding establishments	6,136	6,096	6,866	6,041	6,341	3.6	3.5	4.0	3.5	3.6
At opening establishments	1,190	1,033	1,577	1,133	1,223	0.7	0.6	0.9	0.6	0.7
Gross job losses	5,935	6,150	6,515	6,498	5,812	3.4	3.6	3.8	3.7	3.3
At contracting establishments	4,863	4,908	5,312	5,192	4,854	2.8	2.9	3.1	3.0	2.8
At closing establishments	1,072	1,242	1,203	1,306	958	0.6	0.7	0.7	0.7	0.5
Net employment change (2)	1,391	979	1,928	676	1,752	0.9	0.5	1.1	0.4	1.0
Leisure and hospitality										
Gross job gains	9,548	10,623	10,525	9,060	8,515	8.7	9.5	9.2	7.8	7.4
At expanding establishments	7,809	8,027	8,414	7,284	6,744	7.1	7.2	7.4	6.3	5.9
At opening establishments	1,739	2,596	2,111	1,776	1,771	1.6	2.3	1.8	1.5	1.5
Gross job losses	7,996	8,678	8,234	8,723	9,322	7.3	7.8	7.2	7.5	8.1
At contracting establishments	7,022	7,455	7,187	7,445	8,302	6.4	6.7	6.3	6.4	7.2
At closing establishments	974	1,223	1,047	1,278	1,020	0.9	1.1	0.9	1.1	0.9
Net employment change (2)	1,552	1,945	2,291	337	-807	1.4	1.7	2.0	0.3	-0.7
Other services (3)										
Gross job gains	1,861	1,689	2,264	1,747	1,881	8.2	7.3	9.7	7.3	7.9
At expanding establishments	1,502	1,318	1,611	1,475	1,422	6.6	5.7	6.9	6.2	6.0
At opening establishments	359	371	653	272	459	1.6	1.6	2.8	1.1	1.9
Gross job losses	1,588	1,685	1,778	1,682	1,743	6.9	7.3	7.6	7.1	7.4
At contracting establishments	1,195	1,239	1,420	1,356	1,324	5.2	5.4	6.1	5.7	5.6
At closing establishments	393	446	358	326	419	1.7	1.9	1.5	1.4	1.8
Net employment change (2)	273	4	486	65	138	1.3	0.0	2.1	0.2	0.5

(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

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016
United States[1]	6.4	6.3	6.6	5.8	6.2	5.7	5.8	5.8	5.7	6.0
Alabama	5.9	5.8	6.2	5.8	5.8	5.3	5.5	5.3	5.4	5.8
Alaska	10.6	9.1	9.6	9.4	10.3	10.9	10.3	10.5	9.7	11.9
Arizona	6.0	6.8	6.9	6.0	6.1	5.7	5.4	5.4	5.7	6.1
Arkansas	6.0	6.1	6.3	5.4	5.4	5.3	5.3	5.3	5.3	5.8
California	6.9	6.9	7.6	6.5	6.8	6.5	5.9	6.7	6.3	6.7
Colorado	7.0	7.0	7.0	6.6	6.9	6.4	6.4	6.4	6.1	6.5
Connecticut	5.7	5.1	5.5	5.2	5.4	5.0	5.9	4.9	5.0	5.3
Delaware	7.7	6.1	7.3	6.5	6.7	5.8	6.1	6.2	6.4	6.6
District of Columbia	6.1	6.1	6.2	5.2	5.8	5.8	5.4	4.6	5.6	6.1
Florida	7.0	6.9	7.2	6.1	6.4	5.9	5.8	5.8	5.8	5.9
Georgia	6.7	6.5	6.9	6.1	7.0	5.8	5.9	5.7	5.6	6.6
Hawaii	4.9	5.1	5.8	4.9	5.4	4.8	4.6	4.4	4.9	6.0
Idaho	7.6	7.8	7.9	8.2	7.1	7.2	7.0	6.9	6.3	7.1
Illinois	6.1	5.4	6.4	5.3	5.9	5.2	5.8	5.6	5.4	5.9
Indiana	5.7	5.5	6.2	5.5	5.2	5.2	5.3	4.9	5.3	5.2
Iowa	6.0	5.7	6.0	6.0	5.6	6.0	6.0	5.7	5.3	6.1
Kansas	6.0	5.7	6.2	5.8	5.6	5.9	5.8	5.6	5.9	6.3
Kentucky	6.4	6.1	6.7	5.7	6.2	5.5	5.7	5.4	5.8	5.8
Louisiana	6.4	6.2	6.5	6.0	5.9	6.8	6.2	6.4	6.6	6.9
Maine	8.3	6.6	8.6	8.0	7.7	6.5	7.1	7.1	6.9	6.7
Maryland	7.1	6.5	6.8	6.2	6.3	5.9	6.2	5.9	6.0	6.3
Massachusetts	6.4	5.4	5.9	5.2	6.0	5.1	5.6	5.2	5.0	5.2
Michigan	6.1	5.4	6.1	5.4	5.9	5.2	5.6	5.3	4.9	5.3
Minnesota	6.1	5.4	6.1	5.4	5.9	5.1	5.8	5.7	5.2	5.6
Mississippi	6.5	6.2	7.1	5.7	5.7	5.9	5.9	5.4	6.1	6.5
Missouri	6.0	5.7	6.3	5.7	5.7	5.2	5.5	5.3	5.3	5.4
Montana	8.0	7.6	8.5	7.8	7.9	8.4	7.7	7.3	7.2	8.6
Nebraska	5.9	6.0	6.1	5.8	5.7	5.6	5.6	5.5	5.5	6.0
Nevada	6.2	6.2	6.8	6.3	6.5	5.8	5.6	5.3	5.7	5.6
New Hampshire	6.8	6.1	6.7	6.0	6.5	6.0	6.4	5.6	5.8	5.9
New Jersey	7.1	6.3	6.7	5.9	6.5	6.0	6.2	5.9	5.9	5.8
New Mexico	6.8	6.5	7.0	6.2	6.5	6.9	6.6	6.9	6.3	6.7
New York	6.7	6.3	6.4	6.1	6.2	5.8	6.0	5.7	5.7	5.8
North Carolina	6.4	6.3	6.7	6.0	6.3	5.5	5.7	5.5	5.6	5.8
North Dakota	6.7	7.1	6.7	6.6	6.8	11.2	8.5	8.1	8.9	9.0
Ohio	6.0	5.5	6.0	5.4	5.6	5.2	5.6	5.1	5.1	5.6
Oklahoma	6.0	6.1	6.3	5.7	5.8	6.6	6.1	6.5	6.4	6.8
Oregon	6.9	7.0	7.0	7.0	6.7	6.1	6.4	6.2	5.8	6.5
Pennsylvania	5.6	5.3	5.7	5.4	5.3	4.9	5.3	5.1	5.2	5.4
Rhode Island	6.7	5.8	6.6	5.8	6.2	5.9	5.8	5.7	5.9	6.2
South Carolina	6.5	6.1	7.1	6.1	6.3	5.5	5.8	5.3	5.8	5.8
South Dakota	6.3	5.9	6.7	6.2	6.4	5.9	6.1	5.9	6.1	6.2
Tennessee	6.0	5.8	6.3	5.2	5.7	4.8	5.1	4.8	5.1	5.3
Texas	6.0	5.9	6.1	4.7	6.3	5.6	5.5	5.5	5.5	5.4
Utah	6.9	7.0	7.2	7.3	6.7	6.2	6.0	6.0	5.9	6.4
Vermont	7.3	6.9	7.2	6.6	7.4	6.9	7.7	6.5	6.9	7.2
Virginia	6.5	7.1	6.4	5.9	6.4	5.4	5.8	5.6	5.9	6.0
Washington	7.3	6.7	6.8	7.1	7.2	6.1	6.8	6.2	5.6	5.8
West Virginia	6.4	5.8	6.6	5.9	5.8	6.7	6.7	6.3	6.9	6.9
Wisconsin	5.7	5.6	6.0	5.6	5.7	5.2	5.6	5.2	5.2	5.7
Wyoming	7.9	8.5	9.0	7.9	7.7	11.0	9.2	9.3	9.4	10.4
Puerto Rico	5.7	5.9	6.3	5.7	5.6	6.2	6.3	5.7	6.0	5.6

Note: See footnotes at end of table.

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

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016	June 2015	Sept. 2015	Dec. 2015	Mar. 2016	June 2016
Virgin Islands	6.5	6.0	7.3	5.7	6.3	6.8	7.3	5.3	5.4	5.8

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