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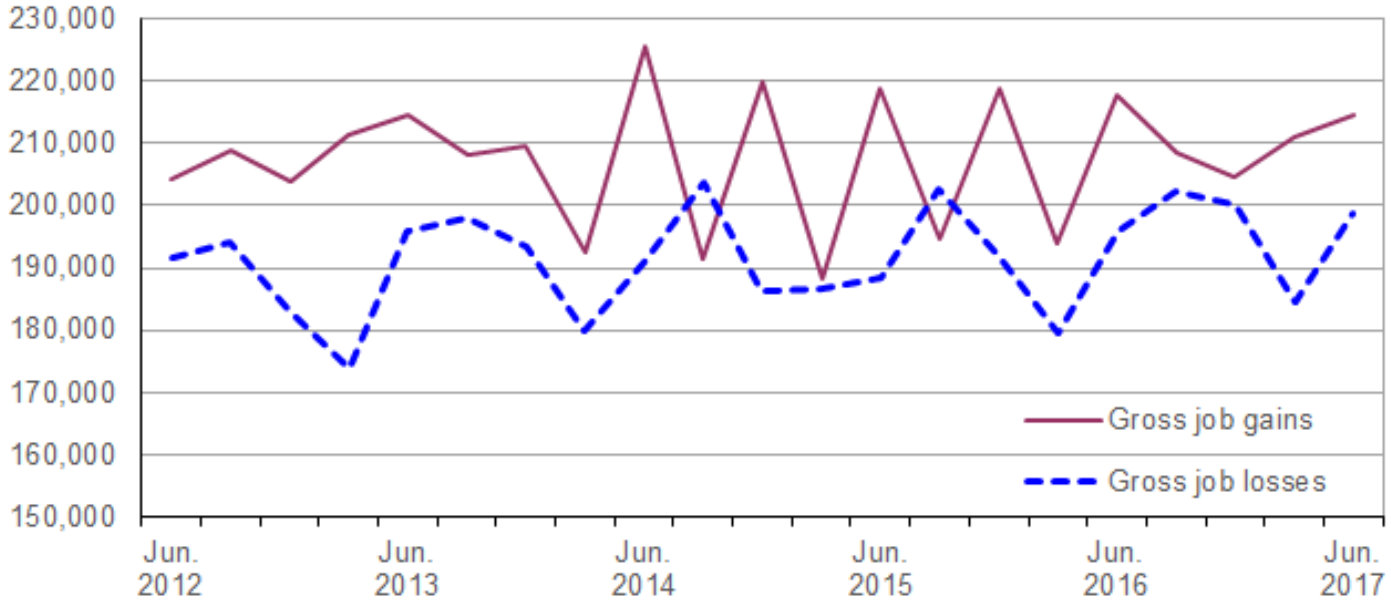
Business Employment Dynamics in Michigan — Second Quarter 2017

From March 2017 to June 2017, gross job gains in private sector establishments in Michigan totaled 214,607, while gross job losses numbered 198,700, 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 15,907. During the previous quarter, gross job gains exceeded gross job losses by 26,681.

Chart 1. Private sector gross job gains and losses in Michigan, June 2012–June 2017, 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 214,607 gross job gains in June 2017 were more than the 211,095 gross job gains in the three-month period ended March 2017. During the past 5 years, gross job gains in Michigan peaked at 225,721 in June 2014 and were at a low of 188,114 in March 2015. The 198,700 gross job losses in the quarter ended June 2017, although larger than seen in the previous quarter, were below the 5-year peak of 203,710 jobs in the quarter ended September 2014. (See chart 1.)

Gross job gains represented 5.7 percent of private sector employment in Michigan in the quarter ended June 2017, while nationally gross job gains accounted for 6.2 percent of private sector employment. (See chart 2.) Michigan's rate of gross job gains has been below the national rate each quarter since the quarter ended in December 2011. The rate of gross job losses as a percent of private sector employment in Michigan was 5.3 percent, below the national rate of 5.8 percent in the quarter ended June 2017. Michigan's rate of gross job losses has been below the national rate each quarter over the past 5 years with one exception.

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

Source: U.S. Bureau of Labor Statistics.

During the second quarter of 2017, gross job gains exceeded gross job losses in nine industry sectors in Michigan. For example, within manufacturing, gross job gains exceeded gross jobs losses by 4,838. While approximately 17,000 jobs were lost in closing and contracting establishments in the industry, opening and expanding establishments in the three-months ended in June 2017 created almost 22,000 jobs. In construction, nearly 18,000 jobs were created in opening and expanding establishments and almost 14,000 jobs were lost in closing and contracting establishments resulting in a net employment gain of 3,956. The financial activities sector had a net gain of more than 2,000 jobs during the second quarter of 2017. (See table 1.) In six industry sectors, gross job gains exceeded gross job losses by less than 2,000 in each.

In contrast, gross job losses exceeded gross job gains in two industry sectors. Leisure and hospitality and wholesale trade each had net employment losses that were less than 500.

All states in the East North Central Census division, including Michigan, had gross job gains that exceeded gross job losses in the quarter ended June 2017. (See table A.) All five states in the division had rates of gross job gains that were lower than the 6.2-percent national rate and rates of gross job losses that were lower than the 5.8-percent national rate.

Table A. Private sector gross job gains and losses for the United States, East North Central Division, and East North 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 North Central [1]	1,065,154	—	1,010,646	—	54,508	—
Illinois	295,556	5.7	283,177	5.5	12,379	0.2
Indiana	148,779	5.7	143,482	5.5	5,297	0.2
Michigan	214,607	5.7	198,700	5.3	15,907	0.4
Ohio	266,532	5.8	248,853	5.4	17,679	0.4
Wisconsin	139,680	5.6	136,434	5.5	3,246	0.1

Footnotes:
(1) Data were calculated for this release using published gross job gains and gross job losses for states located in the East 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 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), 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 second 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, Michigan, 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	217,902	208,459	204,720	211,095	214,607	5.9	5.7	5.5	5.6	5.7
At expanding establishments	191,925	174,993	173,527	176,452	190,567	5.2	4.8	4.7	4.7	5.1
At opening establishments	25,977	33,466	31,193	34,643	24,040	0.7	0.9	0.8	0.9	0.6
Gross job losses	196,003	202,265	200,138	184,414	198,700	5.4	5.5	5.4	5.0	5.3
At contracting establishments	164,324	168,250	166,979	161,789	164,662	4.5	4.6	4.5	4.4	4.4
At closing establishments	31,679	34,015	33,159	22,625	34,038	0.9	0.9	0.9	0.6	0.9
Net employment change [2]	21,899	6,194	4,582	26,681	15,907	0.5	0.2	0.1	0.6	0.4
Construction										
Gross job gains	17,104	16,423	15,998	19,516	17,823	11.1	10.8	10.4	12.2	10.9
At expanding establishments	15,309	13,554	13,082	15,506	16,073	9.9	8.9	8.5	9.7	9.8
At opening establishments	1,795	2,869	2,916	4,010	1,750	1.2	1.9	1.9	2.5	1.1
Gross job losses	16,376	14,922	17,609	13,436	13,867	10.6	9.7	11.4	8.4	8.4
At contracting establishments	13,477	11,971	14,404	11,819	11,992	8.7	7.8	9.3	7.4	7.3
At closing establishments	2,899	2,951	3,205	1,617	1,875	1.9	1.9	2.1	1.0	1.1
Net employment change [2]	728	1,501	-1,611	6,080	3,956	0.5	1.1	-1.0	3.8	2.5
Manufacturing										
Gross job gains	22,227	18,565	18,356	24,029	21,907	3.7	3.0	3.0	3.9	3.5
At expanding establishments	20,974	17,077	17,003	22,777	20,632	3.5	2.8	2.8	3.7	3.3
At opening establishments	1,253	1,488	1,353	1,252	1,275	0.2	0.2	0.2	0.2	0.2
Gross job losses	15,977	18,697	16,546	19,996	17,069	2.6	3.1	2.8	3.2	2.7
At contracting establishments	14,480	16,687	14,925	19,084	15,536	2.4	2.8	2.5	3.1	2.5
At closing establishments	1,497	2,010	1,621	912	1,533	0.2	0.3	0.3	0.1	0.2
Net employment change [2]	6,250	-132	1,810	4,033	4,838	1.1	-0.1	0.2	0.7	0.8
Wholesale trade										
Gross job gains	7,830	6,893	6,830	6,653	7,437	4.6	4.0	4.0	3.9	4.3
At expanding establishments	7,175	5,993	6,152	6,004	6,707	4.2	3.5	3.6	3.5	3.9
At opening establishments	655	900	678	649	730	0.4	0.5	0.4	0.4	0.4
Gross job losses	6,173	7,105	6,354	5,462	6,050	3.6	4.1	3.7	3.2	3.5
At contracting establishments	5,115	5,752	5,161	4,793	5,153	3.0	3.3	3.0	2.8	3.0
At closing establishments	1,058	1,353	1,193	669	897	0.6	0.8	0.7	0.4	0.5
Net employment change [2]	1,657	-212	476	1,191	1,387	1.0	-0.1	0.3	0.7	0.8
Retail trade										
Gross job gains	27,677	26,658	25,152	30,585	28,101	5.8	5.6	5.4	6.5	5.9
At expanding establishments	24,750	23,315	22,001	26,861	25,645	5.2	4.9	4.7	5.7	5.4
At opening establishments	2,927	3,343	3,151	3,724	2,456	0.6	0.7	0.7	0.8	0.5
Gross job losses	24,953	28,683	27,253	24,910	27,927	5.3	6.1	5.8	5.2	5.9
At contracting establishments	21,770	25,064	23,873	21,841	23,214	4.6	5.3	5.1	4.6	4.9
At closing establishments	3,183	3,619	3,380	3,069	4,713	0.7	0.8	0.7	0.6	1.0
Net employment change [2]	2,724	-2,025	-2,101	5,675	174	0.5	-0.5	-0.4	1.3	0.0
Transportation and warehousing										
Gross job gains	5,803	7,369	7,993	7,095	6,063	5.1	6.5	6.8	6.0	5.1
At expanding establishments	5,277	6,489	7,239	6,400	5,479	4.6	5.7	6.2	5.4	4.6
At opening establishments	526	880	754	695	584	0.5	0.8	0.6	0.6	0.5
Gross job losses	6,440	5,020	5,759	6,314	6,378	5.7	4.3	4.9	5.3	5.4
At contracting establishments	5,782	4,176	4,941	5,807	5,774	5.1	3.6	4.2	4.9	4.9
At closing establishments	658	844	818	507	604	0.6	0.7	0.7	0.4	0.5
Net employment change [2]	-637	2,349	2,234	781	-315	-0.6	2.2	1.9	0.7	-0.3
Information										
Gross job gains	3,682	3,232	3,041	3,072	2,904	6.4	5.6	5.4	5.4	5.1
At expanding establishments	3,001	2,435	2,258	2,277	2,334	5.2	4.2	4.0	4.0	4.1
At opening establishments	681	797	783	795	570	1.2	1.4	1.4	1.4	1.0
Gross job losses	2,964	3,111	4,347	2,493	3,339	5.2	5.4	7.6	4.4	5.8

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Michigan, 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	2,234	2,345	3,641	1,806	2,519	3.9	4.1	6.4	3.2	4.4
At closing establishments	730	766	706	687	820	1.3	1.3	1.2	1.2	1.4
Net employment change [2]	718	121	-1,306	579	-435	1.2	0.2	-2.2	1.0	-0.7
Financial activities										
Gross job gains	9,500	9,009	8,813	8,868	9,436	4.9	4.5	4.4	4.5	4.6
At expanding establishments	7,983	7,567	7,382	7,358	8,131	4.1	3.8	3.7	3.7	4.0
At opening establishments	1,517	1,442	1,431	1,510	1,305	0.8	0.7	0.7	0.8	0.6
Gross job losses	7,447	7,701	7,772	7,926	7,211	3.7	3.9	3.9	3.9	3.6
At contracting establishments	5,801	6,009	5,835	6,647	5,391	2.9	3.0	2.9	3.3	2.7
At closing establishments	1,646	1,692	1,937	1,279	1,820	0.8	0.9	1.0	0.6	0.9
Net employment change [2]	2,053	1,308	1,041	942	2,225	1.2	0.6	0.5	0.6	1.0
Professional and business services										
Gross job gains	43,053	41,093	40,768	33,990	39,223	6.7	6.3	6.3	5.2	6.0
At expanding establishments	38,063	33,769	33,914	28,586	34,355	5.9	5.2	5.2	4.4	5.3
At opening establishments	4,990	7,324	6,854	5,404	4,868	0.8	1.1	1.1	0.8	0.7
Gross job losses	43,320	39,079	37,596	33,218	38,609	6.7	6.0	5.8	5.1	5.9
At contracting establishments	35,025	31,685	30,526	29,082	31,848	5.4	4.9	4.7	4.5	4.9
At closing establishments	8,295	7,394	7,070	4,136	6,761	1.3	1.1	1.1	0.6	1.0
Net employment change [2]	-267	2,014	3,172	772	614	0.0	0.3	0.5	0.1	0.1
Education and health services										
Gross job gains	23,656	25,603	24,548	20,801	23,461	3.6	3.9	3.7	3.2	3.5
At expanding establishments	20,945	22,853	21,834	18,297	20,526	3.2	3.5	3.3	2.8	3.1
At opening establishments	2,711	2,750	2,714	2,504	2,935	0.4	0.4	0.4	0.4	0.4
Gross job losses	20,561	20,728	22,122	23,239	21,513	3.2	3.2	3.3	3.5	3.3
At contracting establishments	17,420	17,540	18,545	20,452	18,073	2.7	2.7	2.8	3.1	2.8
At closing establishments	3,141	3,188	3,577	2,787	3,440	0.5	0.5	0.5	0.4	0.5
Net employment change [2]	3,095	4,875	2,426	-2,438	1,948	0.4	0.7	0.4	-0.3	0.2
Leisure and hospitality										
Gross job gains	38,896	36,162	37,140	39,258	39,773	9.2	8.5	8.8	9.1	9.2
At expanding establishments	32,647	27,279	29,221	28,767	34,655	7.7	6.4	6.9	6.7	8.0
At opening establishments	6,249	8,883	7,919	10,491	5,118	1.5	2.1	1.9	2.4	1.2
Gross job losses	35,113	38,961	37,093	31,691	38,740	8.3	9.1	8.7	7.4	8.9
At contracting establishments	29,350	32,938	30,345	26,990	31,052	6.9	7.7	7.1	6.3	7.1
At closing establishments	5,763	6,023	6,748	4,701	7,688	1.4	1.4	1.6	1.1	1.8
Net employment change [2]	3,783	-2,799	47	7,567	1,033	0.9	-0.6	0.1	1.7	0.3
Other services [3]										
Gross job gains	9,925	8,769	8,217	8,576	9,737	8.0	7.0	6.6	7.0	7.8
At expanding establishments	8,037	7,164	6,716	6,512	8,238	6.5	5.7	5.4	5.3	6.6
At opening establishments	1,888	1,605	1,501	2,064	1,499	1.5	1.3	1.2	1.7	1.2
Gross job losses	7,948	8,568	9,337	8,434	8,746	6.4	6.8	7.5	6.8	7.0
At contracting establishments	6,360	6,665	7,578	6,892	6,652	5.1	5.3	6.1	5.6	5.3
At closing establishments	1,588	1,903	1,759	1,542	2,094	1.3	1.5	1.4	1.2	1.7
Net employment change [2]	1,977	201	-1,120	142	991	1.6	0.2	-0.9	0.2	0.8

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.