



# State of Delaware Business Employment Dynamics

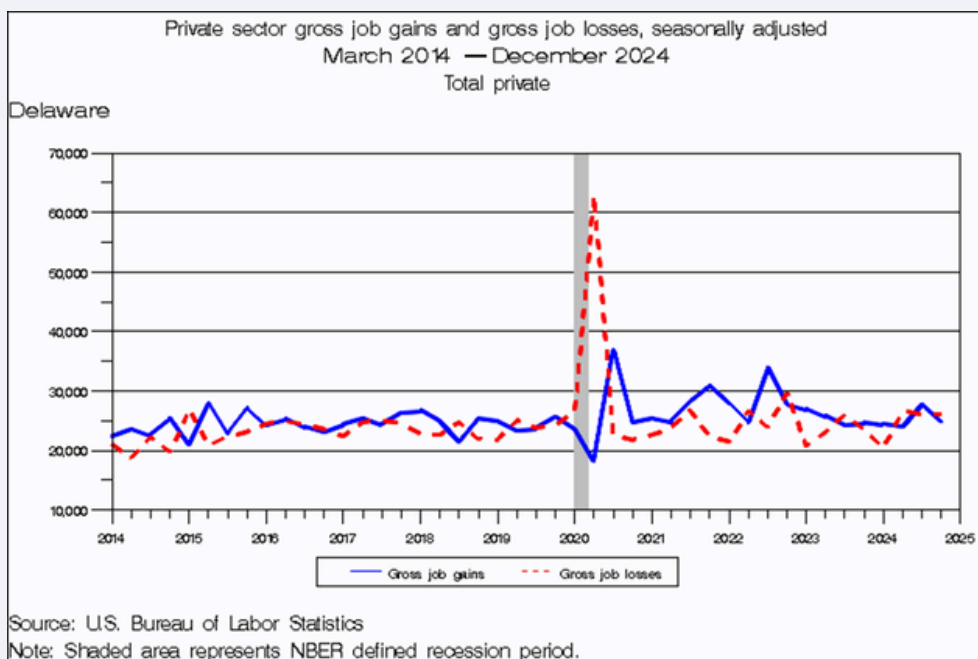
Business Employment Dynamics (BED) measures the gross job gains and gross job losses at privately-owned businesses in the economy on a quarterly basis. Gross job gains are increases in employment from expanding and opening establishments and gross job losses are decreases in employment from contracting and closing establishments. The net change in employment is the difference between gross job gains and gross job losses. BED allows a look at the dynamic flows in the labor market which underlay the more commonly reported net job change. While there are typically still gross job gains even during recessions and gross job losses during expansions, the net job change is typically negative in recessions and positive in expansions.

BED also measures the number of establishments with gross job gains at either expanding or opening establishments and the number of establishments with gross job losses at either contracting or closing establishments. An establishment is defined as an economic unit that produces goods or services, while a firm or company may consist of one establishment or multiple establishments at several locations.

BED data are derived from the Quarterly Census of Employment and Wages (QCEW) program, linking administrative Unemployment Insurance establishment data across time. The employment changes in the BED are measured from the third month of each quarter. All the data referenced in this article are seasonally adjusted.

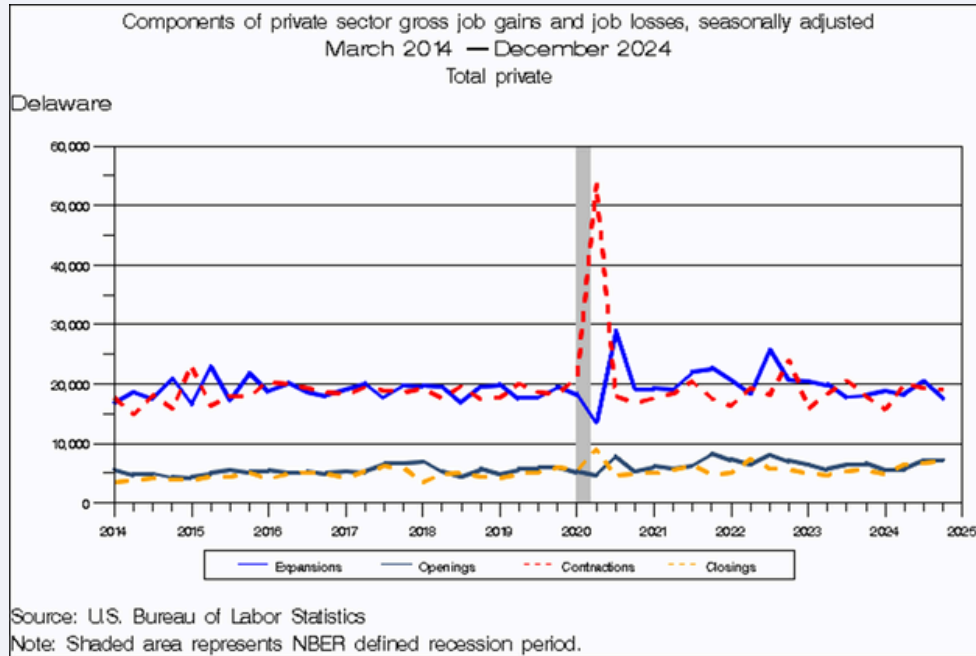
## Delaware Business Employment Dynamics – 4th Quarter, 2024

In the fourth quarter of 2024 there were 24,900 gross job gains at opening and expanding establishments in Delaware. At the same time, there were 26,076 job losses from closing and contracting establishments. Expanding and contracting establishments accounted for most of the jobs gained and lost. The net job change, i.e., the difference between total gross job gains and total gross job losses, decreased -1,176.



## Trends in Gross Job Gains and Job Losses

Opening and expanding private sector business establishments in Delaware gained 24,900 jobs in the fourth quarter of 2024, or 2,903 less than in the third quarter of 2024. In the fourth quarter of 2024, expanding establishments added 17,606 jobs, while opening establishments added 7,294. Gross job gains were smaller than in the previous quarter at expanding establishments but larger at opening establishments.



Gross job losses totaled 26,076 in the fourth quarter of 2024, down by 40 from the third quarter, 2024. In the fourth quarter of 2024, contracting establishments lost 19,180 jobs, while closing establishments accounted for a loss of 6,896 jobs. Gross job losses were smaller than in the previous quarter at contracting establishments but larger at closing establishments.

**Table A. Delaware 3-month private sector gross job gains and losses, seasonally adjusted**

Category	3 months ended				
	Dec. 2023	Mar. 2024	Jun. 2024	Sept. 2024	Dec. 2024
	<b>Levels</b>				
Gross job gains .....	24,771	24,458	24,091	27,803	24,900
At expanding establishments .....	18,128	18,825	18,352	20,582	17,606
At opening establishments .....	6,643	5,633	5,739	7,221	7,294
Gross job losses .....	23,563	20,535	26,580	26,116	26,076
At contracting establishments .....	17,932	15,700	20,051	19,299	19,180
At closing establishments .....	5,631	4,835	6,529	6,817	6,896
Net employment change <sup>1</sup> .....	1,208	3,923	-2,489	1,687	-1,176

<sup>1</sup> The net employment change is the difference between total gross job gains and total gross job losses.

## Rates of Gross Job Gains and Gross Job Losses

In the fourth quarter of 2024, Delaware's gross job gains represented 6.1 percent of private sector employment. This was more than the national rate of gross job gains of 5.8 percent. Delaware's gross job gains at expanding establishments represented 4.3 percent of private sector employment, and gross job gains at opening establishments represented 1.8 percent. Nationally this quarter, gross job gains at expanding establishment represented 4.6 percent of private sector employment, and at opening establishments represented 1.2 percent.

In the fourth quarter of 2024, Delaware's gross job losses represented 6.4 percent of private sector employment. This was the larger than the national rate of gross job losses of 5.7 percent. Delaware's gross job losses at contracting establishments represented 4.7 percent of private sector employment, which was greater than the national rate at contracting establishments of 4.5 percent. The rate of gross job losses at closing establishments was 1.7 percent for Delaware, while the nation had 1.2 percent gross job losses at closing establishments. The rates of gross job gains and losses provide a picture of the amount of "job churning" that occurs in the labor market.

**Table B. Delaware and U.S. 3-month private sector gross job gains and losses as a percent of employment, seasonally adjusted**

Category	3 months ended				
	Dec. 2023	Mar. 2024	Jun. 2024	Sep. 2024	Dec. 2024
<b>Rates (percent)</b>					
<b>Total Private for State of Delaware</b>					
Gross job gains.....	6.1	6	5.9	6.8	6.1
At expanding establishments.....	4.5	4.6	4.5	5	4.3
At opening establishments.....	1.6	1.4	1.4	1.8	1.8
Gross job losses.....	5.8	5.1	6.5	6.4	6.4
At contracting establishments.....	4.4	3.9	4.9	4.7	4.7
At closing establishments.....	1.4	1.2	1.6	1.7	1.7
Net employment change <sup>1</sup> .....	0.3	0.9	-0.6	0.4	-0.3
<b>Rates (percent)</b>					
<b>Total Private for United States as a whole</b>					
Gross job gains.....	6.0	5.7	5.8	5.8	5.8
At expanding establishments.....	4.8	4.6	4.6	4.6	4.6
At opening establishments.....	1.2	1.1	1.2	1.2	1.2
Gross job losses.....	5.7	5.4	5.9	5.8	5.7
At contracting establishments.....	4.6	4.3	4.7	4.6	4.5
At closing establishments.....	1.1	1.1	1.2	1.2	1.2
Net employment change <sup>1</sup> .....	0.3	0.3	-0.1	0.0	0.1

<sup>1</sup> The net employment change is the difference between total gross job gains and total gross job losses.

## Number of Establishments Gaining and Losing Employment

Another way to observe the dynamics of employment change is to count the number of establishments that opened, closed, expanded, or contracted during the quarter. Out of 45,169 active private sector establishments, a total of 6,961 establishments gained jobs in the fourth quarter of 2024. (See table C.) Of these, 4,949 were expanding establishments and 2,012 were opening establishments. During the fourth quarter of 2024, 7,098 establishments lost jobs. Of these, 5,061 were contracting establishments and 2,037 were closing establishments.

The statistics from tables A and C indicate that the average expanding establishment added 3.6 jobs during the quarter and the average contracting establishment lost 3.8 jobs during the quarter.

**Table C. Delaware's number of private sector establishments by direction of employment change, seasonally adjusted**

Category	3 months ended				
	Dec. 2023	Mar. 2024	Jun. 2024	Sep. 2024	Dec. 2024
Establishments gaining jobs.....	7,115	6,249	6,947	6,900	6,961
Expanding establishments.....	5,180	4,639	5,143	4,957	4,949
Opening establishments.....	1,935	1,610	1,804	1,943	2,012
Establishments losing jobs.....	6,746	6,622	7,452	7,381	7,098
Contracting establishments.....	5,022	5,367	5,494	5,230	5,061
Closing establishments.....	1,724	1,255	1,958	2,151	2,037
Net establishment change <sup>1</sup> .....	211	355	-154	-208	-25

<sup>1</sup> The net establishment change is the difference between the number of opening establishments and the number of closing establishments.