

Census: 2nd year for businesses to hire fewer people

In 2009, businesses with paid employees numbered 7.4 million, a decline of 168,000 establishments from 2008, marking the second consecutive year of decline, according to the U.S. Census Bureau.

Further, between 2008 and 2009 employment dropped 5.3 percent, a decrease of more than 6 million employees, for a total of 114,509,626.

In 2008, the number of establishments decreased by about 104,000, although the number of employees increased by almost 300,000.

These findings are from County Business Patterns: 2009, which provides the only detailed annual information on the number of establishments, employees, and first-quarter and annual payroll for most of the 1,100 industries covered at the national, state and county levels.

The statistics are broken down according to employment-size classes (for example, number of establishments with one to four employees) and legal form of organization (for example, corporations and partnerships).

“During the early years of the decade, the nation saw steady, if moderate growth in the number of establishments year to year,” William Bostic Jr., associate director for economic programs at the U.S. Census Bureau, said in a statement. “In contrast, the years 2008 and 2009 coincided with the recession and showed declines. In 2009, we also saw a drop in the number of employees.”

Between 2008 and 2009, all states showed declines in the number of establishments, led by Arizona, which lost 6,000 establishments (4.3 percent) and more than 200,000 employees (9.1 percent). Only Alaska (1.8 percent) and the District of Columbia (0.1 percent) gained employees from 2008.

Retail trade was the sector with the largest number of establishments (1.1 million). Next were professional, scientific and technical services (842,566 establishments); health care and social assistance (799,271); other services (except public administration) (722,701); construction (712,977); and accommodation and food services (635,239).

All five of these sectors showed declines, led by construction with a 7.8 percent decline in the number of establishments and a 15.3 percent decline in the number of employees.

County Business Patterns excludes those who were self-employed, employees of private households, railroad employees, agriculture production workers and most government employees.