*2020 Unemployment Rate by Town*

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In 2020, the annual average statewide unemployment rate was 7.9%, up from 3.6% in 2019. Due to the COVID-19 pandemic, all 169 municipalities experienced an increase in their unemployment rate last year.

**2019 to 2020**

 The unemployment rate in all 169 cities and towns in the state rose in 2020. Sharon had the lowest unemployment rate of 4.4%, while the residents of Norwich experienced the highest rate of 14.0% last year (see table on page 3 for the complete town data). Overall, a total of 127 cities and towns had jobless rates below the 2020 statewide figure of 7.9%, 40 had rates above it, and 2 had rates equal to it. By comparison, 126 cities and towns had rates below the 2019 statewide average of 3.6%, 31 above it, and 12 were the same.

 Of the five largest cities in the state with a 2010 Census population of 100,000 or more, Stamford had the lowest unemployment rate of 8.1% in 2020. Hartford posted the highest jobless rate among the large cities at 13.3%. All five cities experienced over-the-year unemployment rate increases.

**Town Unemployment Rate Diffusion Index**

 The Town Unemployment Rate Diffusion Index is calculated by subtracting the share of towns that experienced increases in their unemployment rates from the share that had rate decreases over the year.

 As expected, during 2009-2010, the index values were negative, when Connecticut was in an economic recession. And after nine consecutive years of positive values, last year’s diffusion index value plunged to -100, as all 169 cities and towns experienced an increase in unemployment rate from the impact of the pandemic (chart). However, as the pandemic comes to an end and most of the economy recover, 2021’s index is expected to show a positive value. n