Most Towns Experienced Decreases in the Unemployment Rate in 2023

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In 2023, the annual average statewide unemployment rate was 3.8%, down from 4.1% in 2022. As the labor force bounced back for the third year from the impact of the COVID-19 pandemic, most of the municipalities continued to experience a decrease in their unemployment rate last year.

2022 to 2023

The unemployment rate in 89% of the cities and towns in the state fell in 2023. Washington had the lowest unemployment rate of 2.3%, while the residents of Waterbury experienced the highest rate of 5.9% last year (see table on page 3 for the complete town data). Overall, a total of 131 cities and towns had jobless rates below the 2023 statewide figure of 3.8%, 30 had rates above it, and 8 had rates equal to it. By comparison, 125 cities and towns had rates below the 2022 statewide average of 4.1%, 38 above it, and 6 were the same.
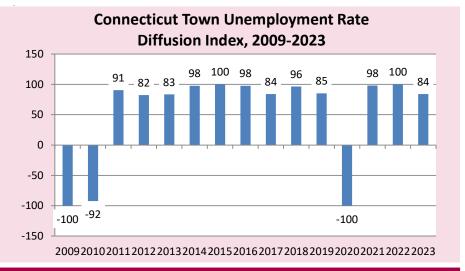
Of the five largest cities in the state with a population of 100,000 or more, Stamford had the lowest unemployment rate of 3.5% in 2023. Waterbury posted the highest jobless rate among the large cities at 5.9%. All five cities experienced over-the-year unemployment rate decreases.

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, the 2020 diffusion index value plunged to -100, as all 169 cities and towns experienced an increase in unemployment rate from the impact of the pandemic. However, the index bounced back in 2021 and completely in 2022 with +100, reflecting a strong labor market recovery. Last year the index fell to +84 (chart) as a few towns experienced a rise in the unemployment rate. In the first months of 2024 the statewide unemployment rate started to creep up as well. New entrants into the labor force often start out as unemployed and there is some evidence that unemployed workers are spending more time searching for work in hopes of finding a better position instead of accepting the first job offered. Both of these factors would put upward pressure on the unemployment rate. Even with the uncertainties regarding inflation, the national economy, and international crises, the unemployment rate remains quite low by historic standards even after recent small increases. ■

Connecticut Town Unemployment Rate Diffusion Index, 2009-2023

Annual Average Unemployment Rate by Town, 2019-2023

Town/City	2019	2020	2021	2022	2023	Town/City	2019	2020	2021	2022	2023	Town/City	2019	2020	2021	2022	2023
Andover	3.1	6.8	4.9	3.2	3.3	Griswold	4.0	10.2	7.7	4.7	4.0	Prospect	3.2	6.0	5.0	3.6	3.3
Ansonia	5.1	11.1	9.6	5.9	5.1	Groton	3.1	8.8	6.5	3.7	3.2	Putnam	3.8	8.5	6.5	4.6	4.0
Ashford	3.1	6.2	5.0	3.6	3.2	Guilford	2.4	5.1	3.8	2.8	2.7	Redding	2.9	6.2	4.8	3.7	3.5
Avon	2.4	5.3	4.3	3.2	3.1	Haddam	2.5	5.7	4.5	3.0	2.8	Ridgefield	2.9	5.7	4.8	3.4	3.4
Barkhamsted	3.1	6.3	5.2	3.1	2.7	Hamden	3.3	6.9	5.5	3.7	3.4	Rocky Hill	2.7	6.1	4.9	3.4	3.0
Beacon Falls	3.4	6.8	5.4	3.7	3.6	Hampton	3.3	5.8	5.4	3.4	3.2	Roxbury	2.0	4.6	4.2	2.5	2.3
Berlin	3.1	6.3	5.2	3.4	3.2	Hartford	6.4	13.4	11.2	6.4	5.8	Salem	3.1	8.4	5.8	4.1	3.5
Bethany	2.8	5.7	4.2	3.3	3.0	Hartland	3.2	5.5	4.9	3.5	3.3	Salisbury	2.4	4.7	4.4	3.3	2.8
Bethel	3.1	7.5	5.3	3.7	3.4	Harwinton	3.0	5.4	4.2	3.6	3.0	Scotland	3.5	6.6	5.8	3.3	2.9
Bethlehem	3.5	6.3	5.3	4.3	3.8	Hebron	2.8	5.9	4.9	3.1	2.8	Seymour	3.8	8.2	6.5	4.7	4.1
Bloomfield	3.8	8.2	6.8	4.5	3.7	Kent	2.8	5.4	4.0	3.4	2.7	Sharon	2.2	4.4	3.8	2.6	2.5
Bolton	2.6	5.2	4.7	3.1	2.8	Killingly	3.9	7.9	6.4	4.1	4.0	Shelton	3.6	7.9	6.3	4.2	4.0
Bozrah	3.1	7.9	5.9	3.3	2.8	Killingworth	2.3	5.1	4.5	2.9	2.5	Sherman	2.8	6.5	4.8	3.5	3.4
Branford	3.2	6.9	5.4	3.5	3.3	Lebanon	3.4	7.1	6.1	3.8	3.4	Simsbury	2.5	5.3	4.3	3.0	3.0
Bridgeport	5.3	12.0	10.0	5.8	5.2	Ledyard	2.9	9.3	6.1	3.8	3.0	Somers	3.2	6.6	5.0	3.8	3.4
Bridgewater	3.1	6.4	5.0	4.0	3.0	Lisbon	3.6	9.0	7.1	4.9	3.7	South Windsor	3.0	6.4	4.8	3.3	3.1
Bristol	4.1	8.7	7.3	4.6	4.2	Litchfield	2.9	5.6	4.9	3.4	2.9	Southbury	3.3	7.3	5.8	4.2	3.7
Brookfield	3.2	7.3	5.5	3.5	3.5	Lyme	2.5	5.3	4.8	3.6	3.1	Southington	3.0	6.5	5.1	3.6	3.3
Brooklyn	3.6	7.4	5.8	4.2	3.8	Madison	2.6	5.6	4.4	3.2	3.1	Sprague	4.0	9.6	7.7	4.7	3.9
Burlington	2.7	5.6	5.0	3.3	2.9	Manchester	3.6	8.5	6.5	4.0	3.6	Stafford	3.6	7.1	6.0	4.2	3.6
Canaan	2.1	6.0	4.7	3.0	3.2	Mansfield	3.6	4.9	5.0	4.3	4.1	Stamford	3.2	8.1	5.8	3.9	3.7
Canterbury	3.1	7.4	5.9	3.9	3.4	Marlborough	2.8	5.6	4.7	3.2	3.0	Sterling	4.5	8.2	6.5	4.7	4.3
Canton	2.8	5.7	4.9	3.4	3.0	Meriden	4.3	8.9	7.7	4.6	4.2	Stonington	2.9	7.3	5.3	3.5	3.3
Chaplin	3.6	7.8	7.0	4.0	3.7	Middlebury	2.8	6.4	4.9	3.5	3.4	Stratford	4.2	9.4	7.6	4.8	4.5
Cheshire	2.4	5.2	4.2	3.0	2.8	Middlefield	3.4	6.4	4.9	3.4	3.1	Suffield	3.1	6.3	5.1	3.6	3.3
Chester	2.9	6.3	4.7	3.0	2.8	Middletown	3.5	7.4	6.3	4.1	3.7	Thomaston	3.3	6.6	5.2	3.6	3.5
Clinton	3.1	6.8	5.0	3.3	3.0	Milford	3.3	7.6	6.0	3.6	3.5	Thompson	3.7	6.9	6.0	4.1	3.9
Colchester	3.0	6.3	4.9	3.3	3.0	Monroe	3.5	7.0	5.6	4.0	3.8	Tolland	2.7	5.4	4.7	3.3	2.9
Colebrook	3.6	6.1	5.3	4.4	3.7	Montville	3.6	10.2	6.6	4.3	3.6	Torrington	4.1	8.4	7.1	4.5	4.0
Columbia	3.1	5.9	4.8	3.4	2.9	Morris	2.8	5.6	3.9	3.4	2.9	Trumbull	3.3	7.2	5.6	3.8	3.8
Cornwall	2.4	5.8	3.9	3.2	2.6	Naugatuck	4.0	8.6	6.9	4.6	4.4	Union	2.7	5.2	5.1	3.8	3.2
Coventry	2.8	5.9	5.0	3.6	3.1	New Britain	5.1	10.9	9.8	5.6	4.9	Vernon	3.4	7.8	6.1	3.9	3.5
Cromwell	3.0	6.8	5.2	3.7	3.4	New Canaan	3.0	5.7	4.5	3.6	3.7	Voluntown	3.9	8.6	7.3	4.3	3.4
Danbury	3.1	7.3	5.5	3.6	3.3	New Fairfield	3.1	7.1	5.5	4.1	3.5	Wallingford	3.0	6.6	5.1	3.5	3.1
Darien	3.1	5.5	4.8	3.5	3.8	New Hartford	2.8	5.9	4.9	3.1	3.0	Warren	2.6	5.4	5.4	3.7	3.0
Deep River	2.6	5.9	4.5	3.1	2.7	New Haven	4.2	8.8	7.9	4.7	4.2	Washington	2.1	5.1	4.5	3.0	2.3
Derby	4.3	9.9	8.2	5.0	4.6	New London	4.8	13.3	10.2	5.6	4.8	Waterbury	5.7	11.8	10.3	6.2	5.9
Durham	2.6	5.2	3.8	2.8	2.6	New Milford	3.1	7.5	5.9	3.7	3.3	Waterford	3.3	8.3	6.1	4.0	3.4
East Granby	2.8	6.1	5.0	3.1	2.9	Newington	3.2	7.4	5.5	3.6	3.2	Watertown	3.3	6.7	5.3	3.6	3.6
East Haddam	3.2	6.7	5.3	3.5	3.3	Newtown	2.9	6.4	5.2	3.5	3.4	West Hartford	2.7	6.0	4.7	3.2	2.9
East Hampton	2.9	6.2	5.3	3.6	2.9	Norfolk	3.0	5.9	4.4	3.2	2.9	West Haven	3.9	8.7	6.9	4.3	3.8
East Hartford	4.5	10.5	8.6	5.0	4.4	North Branford	3.0	6.0	5.0	3.6	3.1	Westbrook	3.2	6.7	5.5	3.6	3.4
East Haven	4.0	8.4	6.8	4.3	4.0	North Canaan	3.3	6.5	5.2	3.5	3.2	Weston	3.1	6.5	5.2	3.6	3.9
East Lyme	3.4	8.0	6.2	3.9	3.3	North Haven	3.1	6.8	5.0	3.5	3.3	Westport	2.8	5.6	4.3	3.3	3.4
East Windsor	3.6	7.4	5.9	4.1	3.5	North Stonington	3.1	7.0	5.5	3.7	3.2	Wethersfield	3.1	7.3	6.0	3.9	3.4
Eastford	3.0	5.7	4.6	3.7	3.1	Norwalk	3.2	8.2	5.9	3.8	3.7	Willington	2.7	6.1	5.3	3.3	3.0
Easton	2.8	6.1	5.0	3.5	3.4	Norwich	3.9	14.2	9.0	4.7	4.3	Wilton	3.1	5.9	4.8	3.4	3.4
Ellington	3.0	5.8	5.0	3.5	3.1	Old Lyme	3.1	6.9	5.8	3.9	3.4	Winchester	4.0	7.9	6.4	4.3	3.9
Enfield	3.5	7.6	5.9	4.0	3.5	Old Saybrook	3.0	6.6	5.3	3.8	3.3	Windham	4.7	9.1	8.1	5.3	4.5
Essex	2.9	6.1	4.4	3.1	3.1	Orange	2.8	6.2	4.4	3.0	2.9	Windsor	3.7	8.0	6.6	3.9	3.6
Fairfield	3.3	6.8	5.2	3.7	3.8	Oxford	3.0	6.4	5.5	3.7	3.2	Windsor Locks	3.6	8.1	6.2	3.9	3.6
Farmington	2.7	5.8	4.6	3.3	2.9	Plainfield	4.2	8.6	6.3	3.9	3.8	Wolcott	3.1	6.8	5.4	3.6	3.7
Franklin	3.7	7.5	5.9	3.7	3.2	Plainville	3.4	7.8	6.4	4.0	3.6	Woodbridge	2.6	5.5	4.1	3.1	2.8
Glastonbury	2.5	5.6	4.2	3.0	2.8	Plymouth	4.3	8.1	6.5	4.7	4.1	Woodbury	3.1	6.4	5.2	3.7	3.2
Goshen	2.9	5.3	4.8	3.5	2.8	Pomfret	2.7	4.9	4.3	2.8	2.9	Woodstock	3.6	7.2	5.5	4.2	3.7
Granby	2.4	5.1	4.4	2.8	2.8	Portland	3.1	6.5	5.0	3.6	3.3						
Greenwich	2.8	5.9	4.6	3.4	3.4	Preston	3.6	9.9	6.9	4.5	3.9	CONNECTICUT	3.6	8.0	6.4	4.1	3.8

Source: U.S. Bureau of Labor Statistics and Connecticut Department of Labor, Office of Research