



LABOR SITUATION

Office of Research

Danté Bartolomeo, Commissioner

FOR IMMEDIATE RELEASE

January 2023 Data

CT Unemployment Rate = 3.9%

US Unemployment Rate = 3.4%

Connecticut January 2023 payrolls rise 8,700 as the unemployment rate dips to 3.9%

WETHERSFIELD, March 10, 2023 – Nonfarm payroll jobs increased by 8,700 (0.5%) in January 2023 to 1,681,800 while Connecticut’s unemployment rate dropped to 3.9% (preliminary, seasonally adjusted). Statewide nonfarm industry employment is now 35,300 (2.1%) positions higher than the January 2022 level. The Constitution State has now recovered **94.6%** (273,400) of the 289,100 jobs lost during the 2020 COVID lockdown (*this is all newly benchmarked data, pg.3*). Warm weather supported services employment to start the year. Connecticut’s jobless rate was down one-tenth of a percent from the recently revised December rate (4.0%) and is lower by nine-tenths of a percentage point from the 4.8% rate a year ago. The CT Labor Situation presents labor data developed from two surveys (businesses and households) conducted by the U.S. Bureau of Labor Statistics (BLS) in association with the states.

“Benchmark revisions show there were more jobs in the Connecticut economy than previously estimated,” said Patrick Flaherty, Director of the Office of Research at the Connecticut Department of Labor. “Many industries have now exceeded their pre-pandemic employment and the unemployment rate is back to its February 2020 level. While we caution not to over-emphasize one month’s data, January numbers suggest Connecticut got off to a great start in 2023.”

Connecticut’s private sector employment (86.4% of total nonfarm jobs) increased by 8,400 (0.6%) positions in January 2023 to 1,452,600 and is now higher by 32,700 positions (2.3%) from the January 2022 level. The state’s private sector is now 96.9% recovered from the April 2020 COVID employment trough. The **government supersector** was also slightly higher by 300 jobs (0.1%) to a level of 229,200. Public sector employment in the state is just 2,600 positions (1.1%) above year-ago levels and the total government is only 67.5% recovered from the COVID April 2020 job low. The state’s government *supersector* includes all federal, state, local, and tribal government employment, including public education and Native American casino jobs located on federally recognized reservation lands.

Seven of the ten major industry *supersectors* augmented jobs in January 2023, while three declined.

The seven Connecticut industry *supersectors* that increased employment in January 2023 (below)

Increasing Sectors			
Industry Sector	Amount of Increase	Percent Change	January 2023 Employment
Professional & Business Services	+3,700	1.7%	222,300
Education & Health Services	+2,300	0.7%	349,900
Construction & Mining	+1,400	2.3%	62,300
Trade, Transportation, & Utilities	+1,300	0.4%	297,000
Leisure & Hospitality	+700	0.5%	153,700
Other Services	+500	0.8%	62,100
Government	+300	0.1%	229,200

The three industry *supersectors* that declined in jobs in January 2023 (below)

Decreasing Sectors			
Industry Sector	Amount of Decrease	Percent Change	January 2023 Employment
Financial Activities	-1,000	-0.9%	115,600
Manufacturing	-300	-0.2%	158,800
Information	-200	-0.6%	30,900

Connecticut Labor Market Areas (LMAs): All six of the major Connecticut **LMAs**, that are seasonally adjusted by the BLS, put forth nonfarm employment gains in January 2023. The **Bridgeport-Stamford-Norwalk LMA** (0.8%, 404,300) led all in regional employment gains by adding 3,200 positions. The **New Haven LMA** (0.7%, 301,900) produced 2,000 jobs and the **Hartford LMA** (0.3%, 575,600) increased 1,900 payrolls. The **Waterbury LMA** (0.6%, 67,100) also added 400 positions as the **Norwich-New London-Westerly LMA** (0.2%, 124,500) improved 300 jobs. The **Danbury LMA** (0.3%, 76,800) added 200 jobs.

Note: The six major Connecticut LMAs are independently estimated from the statewide data by the BLS and cover around 90% of the nonfarm employment in the state. Thus, estimates will not exactly sum to the statewide total.

Hours and Earnings: The January 2023 **private sector** workweek, *not seasonally adjusted*, averaged 33.4 hours. This is lower by seven-tenths of an hour (-2.1%) than the January 2022 average of 34.1 hours. Average hourly earnings at \$35.94 last month, *not seasonally adjusted*, were up by \$1.24 (3.6%) from the January 2022 estimate of \$34.70. The accompanying January 2023 private sector weekly wage averaged \$1,200.40 - higher by \$17.13 from a year ago (1.5%, \$1,183.27). The Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in January 2023 was up 6.4% from a year ago. *Current all-employee private sector hours and earnings estimates can be volatile due to fluctuating sample responses.*

Labor Force Data (residential household survey)

The January 2023 unemployment rate for Connecticut was calculated by the BLS Local Area Unemployment Statistics program (LAUS) to be **3.9%** (seasonally adjusted). This is down from the revised December 2022 level of 4.0%. The Connecticut unemployment rate was 4.8% in January 2022. The statewide jobless rate was 3.9% in February 2020, just before the COVID lockdown, and got this low in August 2022 (3.9%, after annual re-processing). The U.S. unemployment rate for January 2023 was calculated at 3.4%, down from the revised December 2022 rate (3.5%) and lower than the January 2022 jobless rate of 4.0% (seasonally adjusted).

Average weekly initial unemployment claims for first-time filers (AWIC) in Connecticut in January were 4,215 *not seasonally adjusted*. The twelve-month moving average was 3,819 per week through January 2023, down by 75 (-1.9%) from the twelve months ending December 2022 and lower by 1,013 (-21.0%) than the average weekly count of 4,832 for the twelve months ending in January 2022.

*The nonfarm employment estimate, derived from a survey of businesses, is a measure of jobs in the state; the unemployment rate and labor force estimates are based on a household survey, and measure the work status of people who live in Connecticut. Overall, as the national and state economies recover, volatility in monthly numbers can be expected. **Job and employment estimates are best understood in the context of their movement over several months rather than observed changes in a single month's value.***

*Next Connecticut Labor Situation release: Thursday, March 23, 2023
(Preliminary February 2023 data on the newly updated benchmark)*

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Notes on Labor Data – Connecticut Labor Statistic Revisions, 2022 Benchmark Announcement

2022 Benchmark Revisions to Connecticut's Establishment Survey Data (Total Nonfarm Industry Employment Time Series – CES - Current Employment Statistics)

The workplace payroll survey data released today have been benchmarked to reflect more complete counts of nonfarm industry employment in the state. This annual protocol replaces the preliminary monthly *not seasonally adjusted* employment sample estimates with *actual* census job counts derived from unemployment insurance (UI) tax records through March 2022 - considered the official benchmark month. Preliminary second and third quarter monthly UI tax records also replace the sampled job estimates through September 2022. The industry survey data are then re-estimated monthly from October 2022 to December 2022 with better collected random probability samples from the preliminary benchmarked September 2022 levels.

Monthly **seasonally adjusted data** from January 2018 forward (5 years back) are also subject to revision due to varying concurrent seasonal components in the seasonal adjustment factor process. Covid pandemic measures, demographics, and ever-changing weather dynamics have evolved that have influenced monthly employment seasonality over the years. And these seasonal factors get re-formulated and updated statistically as well. Also released in the data today was an important update to the North American Industry Classification System (NAICS) from NAICS 2017 to NAICS 2022. This represented some classification changes within some industry sectors, however, most movement associated with the NAICS 2022 update impacted lower levels of industry detail that are not published by the Current Employment Statistics (CES) State and Area program. No industry changes/movement due to this occurred prior to April 2020 and all NAICS changes are incorporated in the industry sector data now with this 2022 Annual Benchmark Revision and the January 2023 Connecticut Labor Situation release.

Connecticut's total nonfarm employment level for March 2022 (the official benchmark month) was revised **upward** by 20,400 jobs from the initially published estimate of 1,645,500 to 1,665,900, or +1.2% *seasonally adjusted*. Going forward, the monthly benchmark revision changes to Connecticut's December 2022 *seasonally adjusted* nonfarm employment monthly levels were also revised higher by 5,200, from 1,667,900 to 1,673,100 (+0.3%). Some of the underestimation in March 2022 (+20,400) was lessened by September 2022 and only amounted to 5,700 positions (+0.3%). With the release of January 2023 newly benchmarked nonfarm employment level at 1,681,800 SA, Connecticut has now recovered 273,400 or 94.6% of the jobs lost in the Covid lockdown.

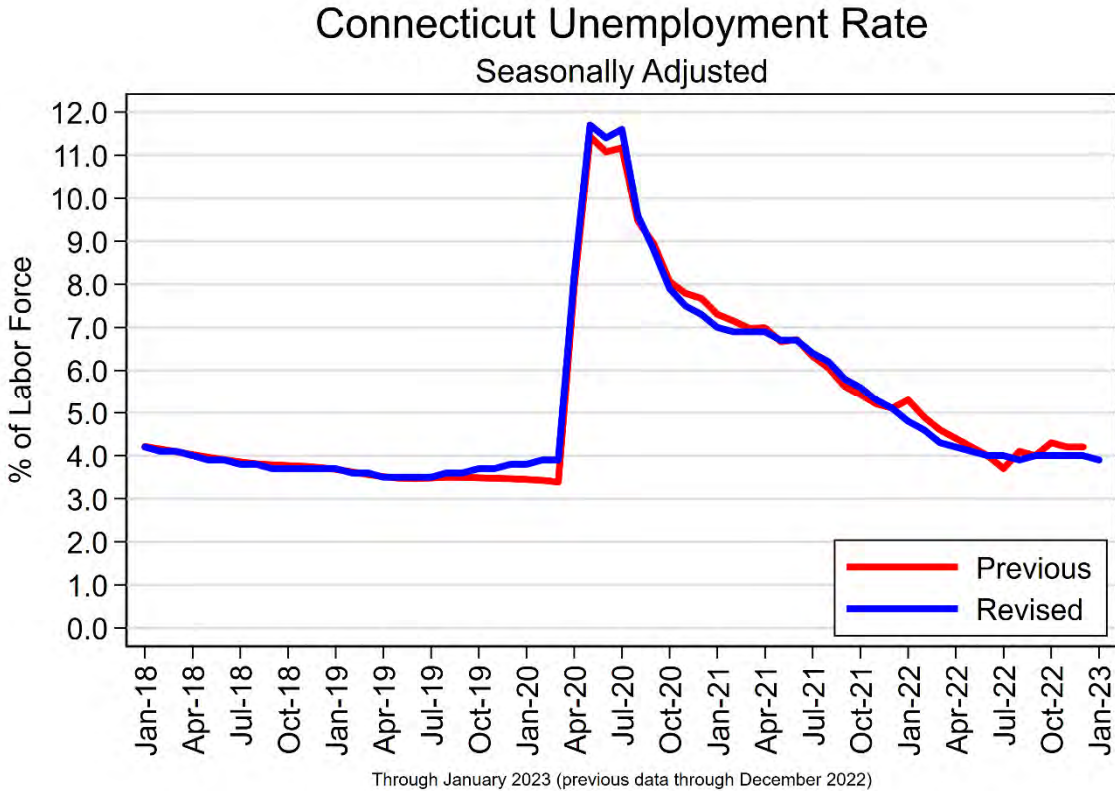
Local Area Unemployment Statistics (LAUS) 2022 Annual Processing

As is done every year, the whole history of statewide Local Area Unemployment Statistics (LAUS) was revised from 1976 to 2022. Detailed information describing this change is available at <https://www.bls.gov/lau/gen-5-changes-in-2021.htm>. On an annual average basis, the revised Connecticut unemployment rate fell from 6.3% in 2021 to 4.2% in 2022.

All revised nonfarm employment and unemployment data for Connecticut are available on Connecticut's Department of Labor's website under Labor Market Information www.ctworkforce.info.



Connecticut Nonfarm Employment Benchmark Revisions – 2018-2023 Seasonally Adjusted (blue is newly revised data)



Through January 2023 (previous data through December 2022)

NONFARM EMPLOYMENT

Jobs - by Place of Work

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	January 2023 P	December 2022 R	November 2022	October 2022	January 2022	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,681,800	1,673,100	1,674,600	1,669,400	1,646,500	8,700	0.5%	35,300	2.1%
Total Private	1,452,600	1,444,200	1,445,100	1,442,900	1,419,900	8,400	0.6%	32,700	2.3%
Goods Producing Industries									
Mining	400	500	500	500	400	-100	-20.0%	0	0.0%
Construction	61,900	60,400	61,500	61,200	60,500	1,500	2.5%	1,400	2.3%
Manufacturing	158,800	159,100	158,800	159,100	154,300	-300	-0.2%	4,500	2.9%
Durable Goods	123,800	124,200	124,100	124,300	120,700	-400	-0.3%	3,100	2.6%
Nondurable Goods	35,000	34,900	34,700	34,800	33,600	100	0.3%	1,400	4.2%
Service Providing Industries									
Trade, Transportation & Utilities	297,000	295,700	294,700	294,500	293,400	1,300	0.4%	3,600	1.2%
Wholesale	62,000	61,000	60,700	59,500	59,000	1,000	1.6%	3,000	5.1%
Retail	165,900	165,500	166,000	167,000	166,400	400	0.2%	-500	-0.3%
Transp, Warehousing & Utilities	69,100	69,200	68,000	68,000	68,000	-100	-0.1%	1,100	1.6%
Information	30,900	31,100	31,500	31,200	31,000	-200	-0.6%	-100	-0.3%
Financial Activities	115,600	116,600	117,200	118,100	118,500	-1,000	-0.9%	-2,900	-2.4%
Finance & Insurance	96,200	97,200	97,700	98,500	99,400	-1,000	-1.0%	-3,200	-3.2%
Real Estate, Rental & Leasing	19,400	19,400	19,500	19,600	19,100	0	0.0%	300	1.6%
Professional & Business Services	222,300	218,600	220,900	219,400	219,800	3,700	1.7%	2,500	1.1%
Prof, Scientific & Tech Services	101,900	100,100	101,100	100,100	98,100	1,800	1.8%	3,800	3.9%
Management of Companies	30,900	30,900	30,800	30,800	30,400	0	0.0%	500	1.6%
Admn & Support & Waste Mgt Serv	89,500	87,600	89,000	88,500	91,300	1,900	2.2%	-1,800	-2.0%
Educational & Health Services	349,900	347,600	346,100	345,200	337,500	2,300	0.7%	12,400	3.7%
Educational Services	71,800	70,600	70,300	70,600	66,700	1,200	1.7%	5,100	7.6%
Health Care & Social Assistance	278,100	277,000	275,800	274,600	270,800	1,100	0.4%	7,300	2.7%
Leisure and Hospitality	153,700	153,000	152,200	151,800	144,200	700	0.5%	9,500	6.6%
Arts, Entertainment & Recreation	28,300	27,300	27,300	27,000	25,000	1,000	3.7%	3,300	13.2%
Accommodation & Food Services	125,400	125,700	124,900	124,800	119,200	-300	-0.2%	6,200	5.2%
Other Services	62,100	61,600	61,700	61,900	60,300	500	0.8%	1,800	3.0%
Government**	229,200	228,900	229,500	226,500	226,600	300	0.1%	2,600	1.1%
UNITED STATES	155,073,000	154,556,000	154,296,000	154,006,000	150,106,000	517,000	0.3%	4,967,000	3.3%

LABOR MARKET AREAS (LMA)

Labor Market Area employment estimates are made independently of Statewide estimates.

	January 2023 P	December 2022 R	November 2022	October 2022	January 2022	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford-Norwalk	404,300	401,100	401,400	401,800	396,500	3,200	0.8%	7,800	2.0%
Danbury	76,800	76,600	76,900	76,500	75,300	200	0.3%	1,500	2.0%
Hartford	575,600	573,700	573,900	572,900	567,900	1,900	0.3%	7,700	1.4%
New Haven	301,900	299,900	299,700	297,900	294,900	2,000	0.7%	7,000	2.4%
Norwich-New London-Westerly, RI	124,500	124,200	124,700	124,000	121,400	300	0.2%	3,100	2.6%
Waterbury	67,100	66,700	66,600	66,600	65,700	400	0.6%	1,400	2.1%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated - not BLS)</i>									
Enfield	41,900	42,700	42,700	42,600	40,700	-800	-1.9%	1,200	2.9%
Torrington-Northwest	32,200	32,900	33,100	33,200	31,500	-700	-2.1%	700	2.2%
Danielson-Northeast	26,900	27,300	27,400	27,200	26,200	-400	-1.5%	700	2.7%

* Less than 0.05%

** Includes Native American tribal government employment

P = Preliminary

R = Revised

Starting with March, 2011, our monthly statewide and major LMA nonfarm job estimates have been taken over by the US Department of Labor Bureau of Labor Statistics. This is the final phase of transition in this program, which began in 2008. As a result of changes in the estimation procedures, you are likely to see more variability in month-to-month estimates of job counts. Caution should be used in interpreting any single month's estimate. The data are best interpreted to identify trends and cycles over several months and quarters. If you have any questions about these changes, please email us at: dol.lmi@ct.gov.

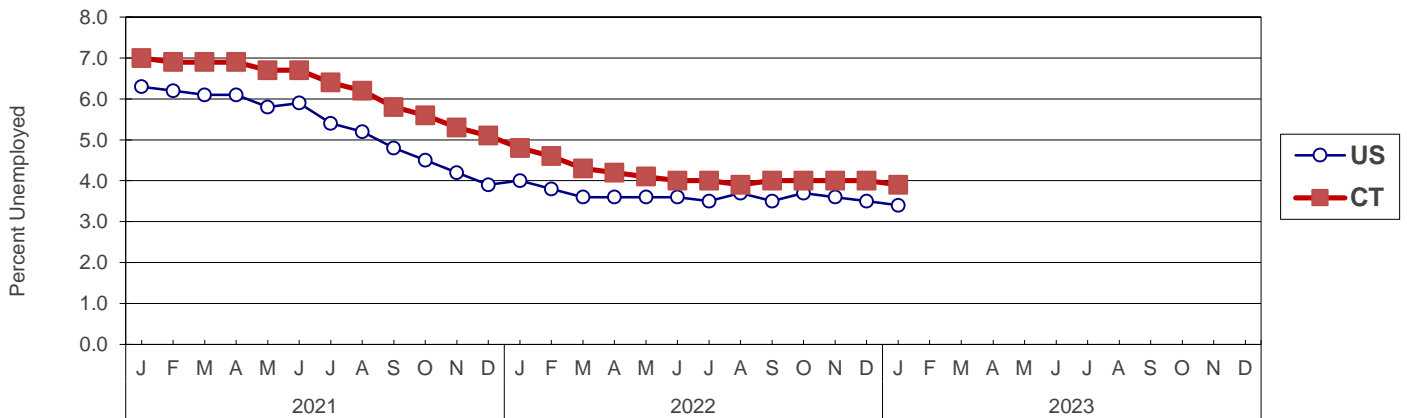
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Jan 2023 P		Jan 2022 R		Change		Dec 2022 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	75,500	3.9	94,600	4.8	-19,100	-0.9	76,200	4.0
Labor Force	1,912,800		1,956,700		-43,900		1,914,300	
UNITED STATES								
Unemployed	5,694,000	3.4	6,511,000	4.0	-817,000	-0.6	5,722,000	3.5
Labor Force	165,832,000		163,633,000		2,199,000		164,966,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2021 - 2023



LABOR MARKET AREAS - Not Seasonally Adjusted

	Jan 2023 P		Jan 2022 R		Change		Dec 2022 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	20,100	4.3	25,800	5.4	-5,700	-1.1	15,500	3.3
Danbury	4,100	3.8	5,300	4.9	-1,200	-1.1	3,000	2.9
Danielson-Northeast*	1,900	4.3	2,500	5.5	-600	-1.2	1,400	3.2
Worcester NECTA	1,800	4.4	2,400	5.5	-600	-1.1	1,400	3.2
Hampton	100	3.7	100	4.5	0	-0.8	100	3.0
Enfield	2,000	4.1	2,700	5.2	-700	-1.1	1,600	3.2
Hartford	25,800	4.1	34,500	5.4	-8,700	-1.3	19,800	3.2
New Haven	13,200	3.9	17,500	5.1	-4,300	-1.2	10,100	3.0
Norwich-New London	5,700	4.1	8,000	5.7	-2,300	-1.6	4,200	3.1
Torrington-Northwest**	2,000	4.3	2,600	5.4	-600	-1.1	1,400	3.0
Torrington NECTA	1,300	4.8	1,600	6.1	-300	-1.3	900	3.5
Litchfield	800	3.6	1,000	4.6	-200	-1.0	500	2.5
Waterbury	5,700	5.1	7,500	6.6	-1,800	-1.5	4,400	4.0
CONNECTICUT	79,900	4.2	105,500	5.4	-25,600	-1.2	61,300	3.2
UNITED STATES	6,378,000	3.9	7,207,000	4.4	-829,000	-0.5	5,352,000	3.3

P = Preliminary

R = Revised

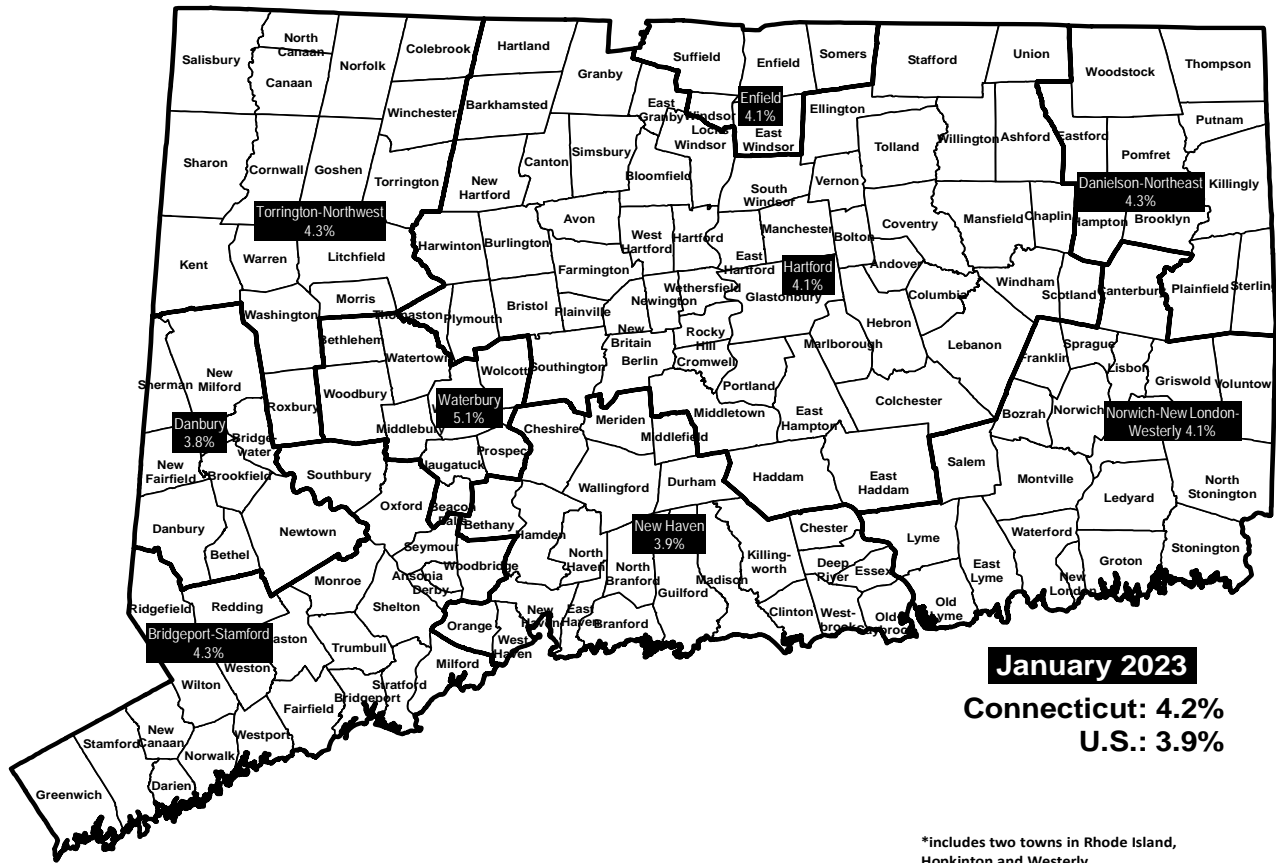
Labor force data included in this publication are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

* Worcester NECTA, CT part and Hampton LMA are combined ** Torrington Micropolitan NECTA and Litchfield LMA are combined

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS



HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	Jan. 2023 P	Jan. 2022	Change over Yr.	Dec. 2022 R	Jan. 2023 P	Jan. 2022	Change over Yr.	Dec. 2022 R	Jan. 2023 P	Jan. 2022	Change over Yr.	Dec. 2022 R
Private Industry All Employees	\$1,200.40	\$1,183.27	\$17.13	\$1,183.22	33.4	34.1	-0.7	33.5	\$35.94	\$34.70	\$1.24	\$35.32
Manufacturing* Production Workers	\$1,159.43	\$1,090.45	\$68.98	\$1,183.63	40.3	38.6	1.7	41.4	\$28.77	\$28.25	\$0.52	\$28.59

* Production worker data have been impacted by the loss of a large, high-paying manufacturer from the monthly sample.

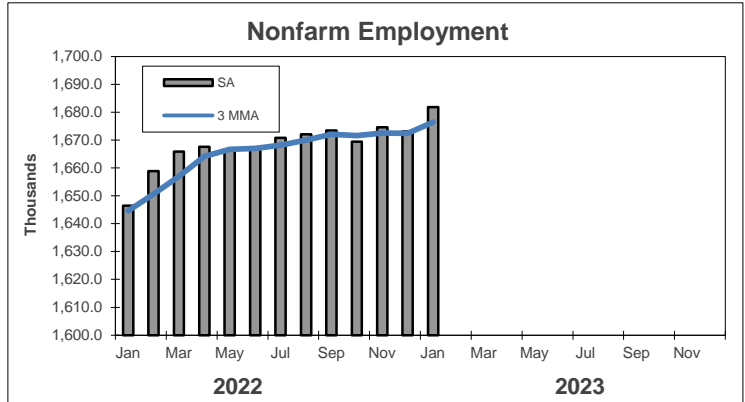
P = Preliminary R = Revised

Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: www1.ctdol.state.ct.us/lmi

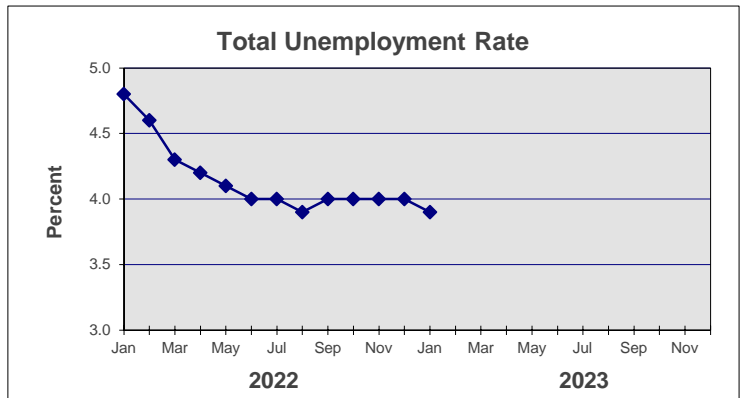
TRENDS

Seasonally Adjusted

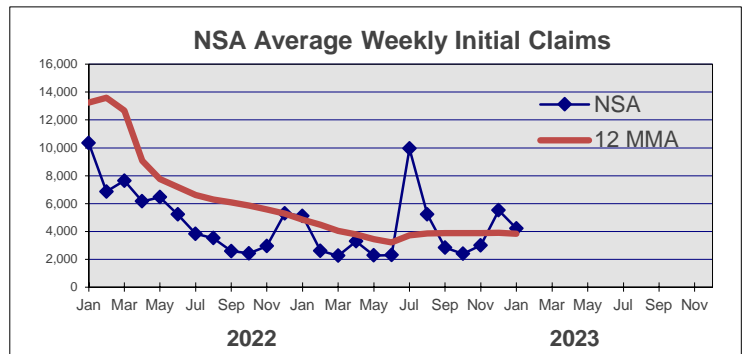
	Nonfarm Employment (000s)	Total Unemployment Rate
2022		
Jan	1,646.5	4.8
Feb	1,658.8	4.6
Mar	1,665.9	4.3
Apr	1,667.6	4.2
May	1,666.6	4.1
Jun	1,666.9	4.0
Jul	1,670.8	4.0
Aug	1,672.1	3.9
Sep	1,673.4	4.0
Oct	1,669.4	4.0
Nov	1,674.6	4.0
Dec	1,673.1 R	4.0 R



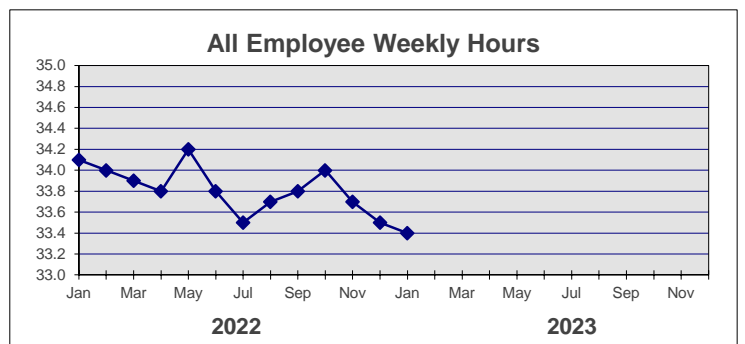
2023		
Jan	1,681.8 P	3.9 P
Feb		
Mar		
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



	NSA Avg Weekly Initial Claims	All Employee Weekly Hours*
2022		
Jan	5,111	34.1
Feb	2,611	34.0
Mar	2,247	33.9
Apr	3,283	33.8
May	2,277	34.2
Jun	2,294	33.8
Jul	9,947	33.5
Aug	5,218	33.7
Sep	2,838	33.8
Oct	2,389	34.0
Nov	3,001	33.7
Dec	5,508	33.5 R



2023		
Jan	4,215	33.4 P
Feb		
Mar		
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute