

LABOR SITUATION

Office of Research Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

December 2020 Data CT Unemployment Rate = 8.0% US Unemployment Rate = 6.7%

Connecticut payroll jobs fall 3,400 in December with unemployment rate down to 8.0%

WETHERSFIELD, January 25, 2021 – Connecticut payroll employment declined by another 3,400 jobs in December 2020 (-0.2%) after a revised 3,400 decrease in November. This is the second monthly drop after six consecutive increases. Statewide employment is now 102,700 (-6.1%) positions lower than a year ago at 1,590,800 jobs. The preliminary estimated November 2020 job loss of 1,600 was revised lower by 1,800. Nonfarm industry job estimates are from the business establishment survey conducted by the US Bureau of Labor Statistics (BLS) from the Current Employment Statistics (CES) program.

"While the second month of job declines is disappointing, the details reveal underlying resilience in the economy" said Patrick Flaherty, Acting Director of the Office of Research at the Connecticut Department of Labor. "The largest December declines were in industries directly affected by the COVID-19 pandemic such as accommodation and food service. On the other hand, manufacturing, construction and finance each increased in December."

Private sector employment fell by 1,000 jobs (-0.1%) to 1,372,900 in December 2020 and is lower by 84,200 (-5.8%) jobs since December 2019 while the **government** *supersector* dropped 2,400 jobs (-1.1%) to a level of 217,900 and is now down by 18,500 jobs (-7.8%) over the year. The **government** *supersector* includes all federal, state and local employment, including public education and Native American casino employment located on tribal land. *Goods producing sectors* are stronger (3,000, manufacturing and construction/mining) again this month while *service providing sectors* (-6,400, the rest) are still weaker — reflecting the effects of the COVID-19 pandemic. Unusual seasonal patterns may also be affecting the December numbers. For example, delivery services saw a smaller hiring increase than usual during December because they had increased staff earlier in the year as demand for delivery services was strong throughout most of 2020. This made December look relatively weaker.

Five of the ten major industry supersectors had employment gains in December.

| Increasing Sectors | | | | | | |
|----------------------------------|--------------------|-------------------|-----------------------------|--|--|--|
| Industry Sector | Amount of Increase | Percent Change | December 2020 Employment | | | |
| Manufacturing | +1,900 | 1.2% | 158,200 | | | |
| Construction and Mining | +1,100 | 1.9% | 58,000 | | | |
| Professional & Business Services | +600 | 0.3% | 214,200 | | | |
| Financial Activities | +500 | 0.4% | 120,300 | | | |
| Information | +100 | 0.3% | 30,400 | | | |

Five industry supersectors had December 2020 declines.

| Declining Sectors | | | | | | |
|------------------------------------|-----------|---------|---------------|--|--|--|
| Industry Sector | Amount of | Percent | December 2020 | | | |
| - | Decrease | Change | Employment | | | |
| Leisure & Hospitality | -3,200 | -2.5% | 125,200 | | | |
| Government | -2,400 | -1.1% | 217,900 | | | |
| Trade, Transportation, & Utilities | -1,200 | -0.4% | 286,300 | | | |
| Education and Health Services | -700 | -0.2% | 322,800 | | | |
| Other Services | -100 | -0.2% | 57,500 | | | |

Connecticut Labor Market Areas (LMAs): Four of the six *LMAs* seasonally adjusted by the Bureau of Labor Statistics posted small employment gains in December 2020, while two *LMAs* declined. The *Norwich–New London–Westerly LMA* (0.8%, 116,800) led all regional labor markets in December, increasing by 900 positions. The *New Haven LMA* (0.3%, 277,000) was next adding 800 jobs in December 2020. The *Hartford LMA* (0.1%, 558,700) added 700 jobs while the *Waterbury LMA* (0.8%, 61,700) also chipped in 500 positions. The *Bridgeport-Stamford-Norwalk LMA* (-0.3%, 367,500) was lower in December, losing 1,200 positions. And the *Danbury LMA* (-1.0%, 72,300) decreased by 700 jobs.

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

Hours and Earnings: The **private sector** workweek, not seasonally adjusted, averaged 34.2 hours in December 2020, up one-tenth of an hour from December 2019 (0.3%). Average hourly earnings at \$34.39, not seasonally adjusted, were up \$0.57 (1.7%) from the December 2019 estimate (\$33.82). Average private sector weekly pay tallied \$1,176.14, up \$22.88 from a year ago (2.0%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in December 2020 was 1.4%. *Current all-employee private sector hours and earnings estimates can be volatile due to fluctuating sample responses.*

<u>Labor Force Data (residential household survey)</u>

The official December 2020 unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 8.0% (seasonally adjusted), lower by 0.2 percentage points from the November 2020 level of 8.2%. The Connecticut unemployment rate was 3.8% in December 2019. The US jobless rate in December 2020 was 6.7%, unchanged from November's rate. The US rate was 3.6% a year ago.

Data users must be cautious about trying to compare or reconcile UI claims data with the official unemployment figures derived from the household survey. For additional insight into the Connecticut labor market during the COVID-19 pandemic please see the analysis linked here: https://www1.ctdol.state.ct.us/lmi/claimsdata.asp Please note that there are conceptual, coverage, and scope differences between the two data sources.

Unemployment claims for first-time filers in Connecticut were an average of 5,408 per week in December 2020, down 1,330 from the November 2020 (-19.7%) level but higher by 1,262 claims (30.4%) from the average weekly level of 4,146 in December 2019.

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: Friday, March 12, 2021 (preliminary January 2021 and revised 2020 data on the new benchmark)

Contact:
Juliet Manalan
Communications Director, CT Department of Labor
Juliet.Manalan@ct.gov

Labor Market Information is available at: www.ctworkforce.info
200 Folly Brook Boulevard, Wethersfield, CT 06109-1114 www.ct.gov/dol
An Equal Opportunity/Affirmative Action Employer

NONFARM EMPLOYMENT

Jobs - by Place of Work

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

| | December 2020 P | November 2020 R | October 2020 | September 2020 | December 2019 | Over Change | Month Rate | Over Y Change | 'ear Rate |
|-----------------------------------|--------------------|--------------------|-----------------|----------------|---------------|----------------|---------------|------------------|--------------|
| CONNECTICUT | 1,590,800 | 1,594,200 | 1,597,600 | 1,586,100 | 1,693,500 | -3,400 | -0.2% | -102,700 | -6.1% |
| Total Private | 1,372,900 | 1,373,900 | 1,376,500 | 1,365,200 | 1,457,100 | -1,000 | -0.1% | -84,200 | -5.8% |
| Goods Producing Industries | | | | | | | | | |
| Mining | 500 | 500 | 500 | 600 | 500 | 0 | 0.0% | 0 | 0.0% |
| Construction | 57,500 | 56,400 | 57,000 | 57,400 | 60,500 | 1,100 | 2.0% | -3,000 | -5.0% |
| Manufacturing | 158,200 | 156,300 | 156,300 | 155,900 | 161,200 | 1,900 | 1.2% | -3,000 | -1.9% |
| Durable Goods | 124,200 | 122,500 | 122,700 | 122,400 | 126,600 | 1,700 | 1.4% | -2,400 | -1.9% |
| Nondurable Goods | 34,000 | 33,800 | 33,600 | 33,500 | 34,600 | 200 | 0.6% | -600 | -1.7% |
| Service Providing Industries | | | | | | | | | |
| Trade, Transportation & Utilities | 286,300 | 287,500 | 284,000 | 278,500 | 292,900 | -1,200 | -0.4% | -6,600 | -2.3% |
| Wholesale | 58,700 | 59,000 | 59,300 | 58,700 | 59,000 | -300 | -0.5% | -300 | -0.5% |
| Retail | 163,900 | 163,200 | 163,600 | 161,800 | 172,200 | 700 | 0.4% | -8,300 | -4.8% |
| Transp, Warehousing & Utilities | 63,700 | 65,300 | 61,100 | 58,000 | 61,700 | -1,600 | -2.5% | 2,000 | 3.2% |
| Information | 30,400 | 30,300 | 30,100 | 29,600 | 31,600 | 100 | 0.3% | -1,200 | -3.8% |
| Financial Activities | 120,300 | 119,800 | 120,300 | 119,500 | 124,200 | 500 | 0.4% | -3,900 | -3.1% |
| Finance & Insurance | 101,000 | 100,800 | 100,900 | 100,900 | 103,600 | 200 | 0.2% | -2,600 | -2.5% |
| Real Estate, Rental & Leasing | 19,300 | 19,000 | 19,400 | 18,600 | 20,600 | 300 | 1.6% | -1,300 | -6.3% |
| Professional & Business Services | 214,200 | 213,600 | 214,400 | 213,700 | 223,100 | 600 | 0.3% | -8,900 | -4.0% |
| Prof, Scientific & Tech Services | 95,000 | 93,900 | 94,900 | 94,500 | 97,400 | 1,100 | 1.2% | -2,400 | -2.5% |
| Management of Companies | 33,100 | 32,600 | 32,500 | 33,200 | 33,800 | 500 | 1.5% | -700 | -2.1% |
| Admn & Support & Waste Mgt Serv | 86,100 | 87,100 | 87,000 | 86,000 | 91,900 | -1,000 | -1.1% | -5,800 | -6.3% |
| Educational & Health Services | 322,800 | 323,500 | 324,500 | 325,200 | 342,600 | -700 | -0.2% | -19,800 | -5.8% |
| Educational Services | 60,700 | 62,100 | 61,700 | 63,000 | 68,000 | -1,400 | -2.3% | -7,300 | -10.7% |
| Health Care & Social Assistance | 262,100 | 261,400 | 262,800 | 262,200 | 274,600 | 700 | 0.3% | -12,500 | -4.6% |
| Leisure and Hospitality | 125,200 | 128,400 | 131,900 | 128,500 | 155,900 | -3,200 | -2.5% | -30,700 | -19.7% |
| Arts, Entertainment & Recreation | 19,700 | 21,000 | 21,700 | 22,200 | 27,700 | -1,300 | -6.2% | -8,000 | -28.9% |
| Accommodation & Food Services | 105,500 | 107,400 | 110,200 | 106,300 | 128,200 | -1,900 | -1.8% | -22,700 | -17.7% |
| Other Services | 57,500 | 57,600 | 57,500 | 56,300 | 64,600 | -100 | -0.2% | -7,100 | -11.0% |
| Government** | 217,900 | 220,300 | 221,100 | 220,900 | 236,400 | -2,400 | -1.1% | -18,500 | -7.8% |
| UNITED STATES | 142,624,000 | 142,764,000 | 142,428,000 | 141,774,000 | 151,998,000 | -140,000 | -0.1% | -9,374,000 | -6.2% |

LABOR MARKET AREAS (LMA)

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

| | December | November | October | September | December | Over | Month | Over Y | ear |
|------------------------------------|---------------|---------------|-------------|-----------|----------|--------|-------|---------|-------|
| Seasonally Adjusted data | 2020 P | 2020 R | 2020 | 2020 | 2019 | Change | Rate | Change | Rate |
| Bridgeport-Stamford-Norwalk | 367,500 | 368,700 | 368,800 | 366,500 | 407,200 | -1,200 | -0.3% | -39,700 | -9.7% |
| Danbury | 72,300 | 73,000 | 72,300 | 72,800 | 77,600 | -700 | -1.0% | -5,300 | -6.8% |
| Hartford | 558,700 | 558,000 | 556,400 | 554,900 | 585,900 | 700 | 0.1% | -27,200 | -4.6% |
| New Haven | 277,000 | 276,200 | 277,600 | 272,900 | 291,000 | 800 | 0.3% | -14,000 | -4.8% |
| Norwich-New London-Westerly, RI | 116,800 | 115,900 | 116,300 | 114,800 | 129,300 | 900 | 0.8% | -12,500 | -9.7% |
| Waterbury | 61,700 | 61,200 | 61,300 | 61,200 | 68,300 | 500 | 0.8% | -6,600 | -9.7% |
| Not Seasonally Adjusted data (Non- | -Classified A | reas, State e | stimated no | t BLS) | | | | | |
| Enfield | 43,000 | 43,000 | 42,700 | 42,600 | 45,000 | 0 | 0.0% | -2,000 | -4.4% |
| Torrington-Northwest | 30,900 | 31,000 | 31,200 | 30,900 | 33,200 | -100 | -0.3% | -2,300 | -6.9% |
| Danielson-Northeast | 26,100 | 26,200 | 26,200 | 26,200 | 27,600 | -100 | -0.4% | -1,500 | -5.4% |

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:

Connecticut Labor Situation

P = Preliminary

R = Revised

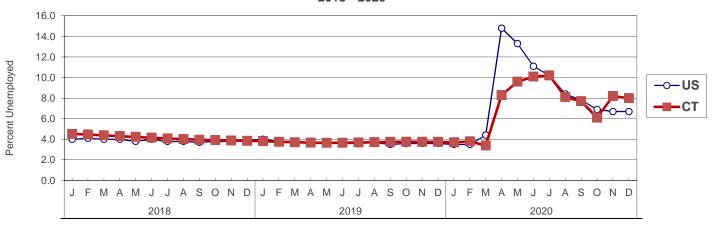
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

| | Dec 2020 | Р | Dec 2019 R | | Change | | Nov 2020 R | |
|---------------|-------------|------|-------------|------|------------|--------|-------------|------|
| | Number | Rate | Number | Rate | Number | Points | Number | Rate |
| CONNECTICUT | | | | | | | | |
| Unemployed | 150,400 | 8.0 | 72,300 | 3.8 | 78,100 | 4.2 | 154,700 | 8.2 |
| Labor Force | 1,879,200 | | 1,926,300 | | -47,100 | | 1,882,600 | |
| UNITED STATES | | | | | | | | |
| Unemployed | 10,736,000 | 6.7 | 5,844,000 | 3.6 | 4,892,000 | 3.1 | 10,728,000 | 6.7 |
| Labor Force | 160,567,000 | | 164,579,000 | | -4.012.000 | | 160.536.000 | |

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2018 - 2020



LABOR MARKET AREAS - Not Seasonally Adjusted

| | Dec 2020 P | | Dec 2019 | R | Chang | ie | Nov 2020 R | |
|------------------------|------------|------|-----------|------|-----------|--------|------------|------|
| | Number | Rate | Number | Rate | Number | Points | Number | Rate |
| Bridgeport-Stamford | 34,000 | 7.6 | 15,000 | 3.2 | 19,000 | 4.4 | 36,200 | 8.0 |
| Danbury | 6,600 | 6.4 | 2,900 | 2.7 | 3,700 | 3.7 | 6,900 | 6.6 |
| Danielson-Northeast* | 3,000 | 7.1 | 1,500 | 3.3 | 1,500 | 3.8 | 3,100 | 7.1 |
| Worcester NECTA | 2,900 | 7.2 | 1,400 | 3.4 | 1,500 | 3.8 | 3,000 | 7.2 |
| Hampton | 100 | 5.3 | 100 | 2.6 | 0 | 2.7 | 100 | 4.9 |
| Enfield | 3,300 | 7.1 | 1,600 | 3.2 | 1,700 | 3.9 | 3,400 | 7.1 |
| Hartford | 46,200 | 7.4 | 20,700 | 3.3 | 25,500 | 4.1 | 47,400 | 7.5 |
| New Haven | 23,300 | 7.1 | 10,100 | 3.0 | 13,200 | 4.1 | 24,400 | 7.4 |
| Norwich-New London | 11,600 | 8.5 | 4,500 | 3.2 | 7,100 | 5.3 | 12,000 | 8.7 |
| Torrington-Northwest** | 3,200 | 6.9 | 1,400 | 3.0 | 1,800 | 3.9 | 3,200 | 6.8 |
| Torrington NECTA | 2,100 | 8.2 | 900 | 3.5 | 1,200 | 4.7 | 2,100 | 8.1 |
| Litchfield | 1,100 | 5.3 | 500 | 2.3 | 600 | 3.0 | 1,100 | 5.2 |
| Waterbury | 9,900 | 9.1 | 4,600 | 4.1 | 5,300 | 5.0 | 10,000 | 9.1 |
| CONNECTICUT | 139,900 | 7.5 | 61,800 | 3.2 | 78,100 | 4.3 | 145,500 | 7.7 |
| UNITED STATES | 10,404,000 | 6.5 | 5,503,000 | 3.4 | 4,901,000 | 3.1 | 10,264,000 | 6.4 |

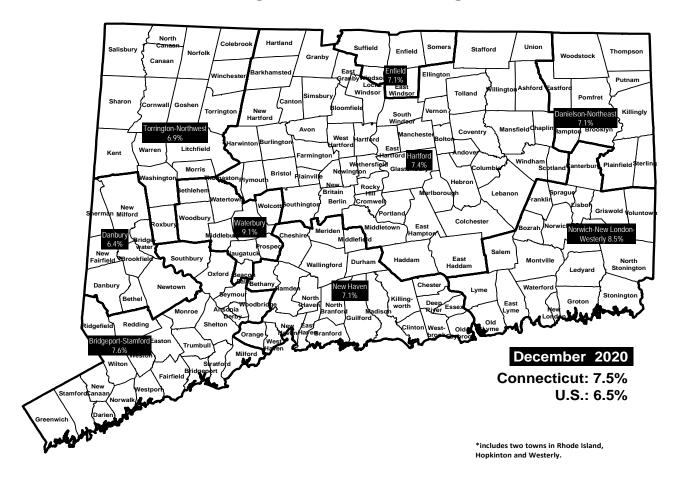
P = Preliminary R = Revised

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

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS



HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

| | Average Weekly Earnings | | | ngs | Average Weekly Hours | | | | Average Hourly Earnings | | | nings |
|---|-------------------------|--------------|-----------------|----------------|----------------------|------|-----------------|------|-------------------------|--------------|-----------------|----------------|
| | Dec. 2020 P | Dec. 2019 | Change over Yr. | Nov. 2020 R | Dec. 2020 P | | Change over Yr. | | Dec. 2020 P | Dec. 2019 | Change over Yr. | Nov. 2020 R |
| Private Industry All Employees | \$1,176.14 | \$1,153.26 | \$22.88 | \$1,192.65 | 34.2 | 34.1 | 0.1 | 34.4 | \$34.39 | \$33.82 | \$0.57 | \$34.67 |
| Manufacturing* Production Workers * Production worker data have | \$1,155.47 | | * | \$1,177.74 | 40.5 | | -2.6 | 40.5 | \$28.53 | \$28.31 | \$0.22 | \$29.08 |

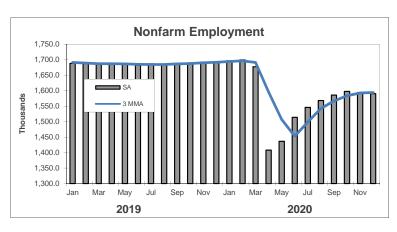
P = Preliminary R = Revised

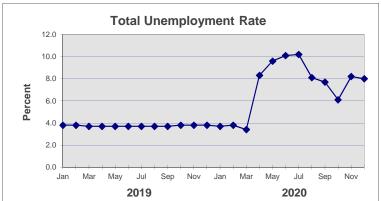
Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: www1.ctdol.state.ct.us/lmi

TRENDS

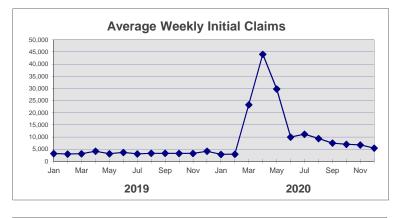
Seasonally Adjusted

| | Nonfarm Employment (000s) | Total Unemployment Rate |
|------------|------------------------------|-------------------------|
| 2019 | | |
| Jan | 1,688.3 | 3.8 |
| Feb | 1,687.5 | 3.8 |
| Mar | 1,686.6 | 3.7 |
| Apr | 1,687.9 | 3.7 |
| May | 1,685.4 | 3.7 |
| Jun | 1,682.6 | 3.7 |
| Jul | 1,686.7 | 3.7 3.7 |
| Aug Sep | 1,685.3 1,688.3 | 3.7 |
| Oct | 1,690.0 | 3.8 |
| Nov | 1,692.5 | 3.8 |
| Dec | 1,693.5 | 3.8 |
| | | |
| 2020 | | |
| Jan | 1,696.8 | 3.7 |
| Feb | 1,699.5 | 3.8 |
| Mar | 1,677.4 | 3.4 |
| Apr | 1,408.2 | 8.3 |
| May | 1,436.6 | 9.6 |
| Jun | 1,513.9 1.546.2 | 10.1 |
| Jul Aug | 1,546.2 | 10.2 8.1 |
| Sep | 1,586.1 | 7.7 |
| Oct | 1,597.6 | 6.1 |
| Nov | 1,594.2 R | 8.2 R |
| Dec | 1,590.8 P | 8.0 P |





| | Avg Weekly | All Employee |
|------|----------------|---------------|
| | Initial Claims | Weekly Hours* |
| 2019 | | |
| Jan | 3,184 | 33.4 |
| Feb | 2,985 | 33.2 |
| Mar | 3,121 | 33.6 |
| Apr | 4,146 | 34.0 |
| May | 3,114 | 33.8 |
| Jun | 3,655 | 33.9 |
| Jul | 3,046 | 33.9 |
| Aug | 3,280 | 33.9 |
| Sep | 3,279 | 34.3 |
| Oct | 3,238 | 33.9 |
| Nov | 3,254 | 33.8 |
| Dec | 4,146 | 34.1 |
| 2020 | | |
| Jan | 2,854 | 33.5 |
| Feb | 2,927 | 33.7 |
| Mar | 23,264 | 33.5 |
| | | |





Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

34.1

34.7

34.6

34.3

34.3

34.1

34.4 R

34.2 P

34.0

5,408

44,075

29,758

9,986

11,168

9,378

7,491

7,016

6,738

^{*} Not seasonally adjusted

P = Preliminary

R = Revised

^{**} Labor-management dispute