



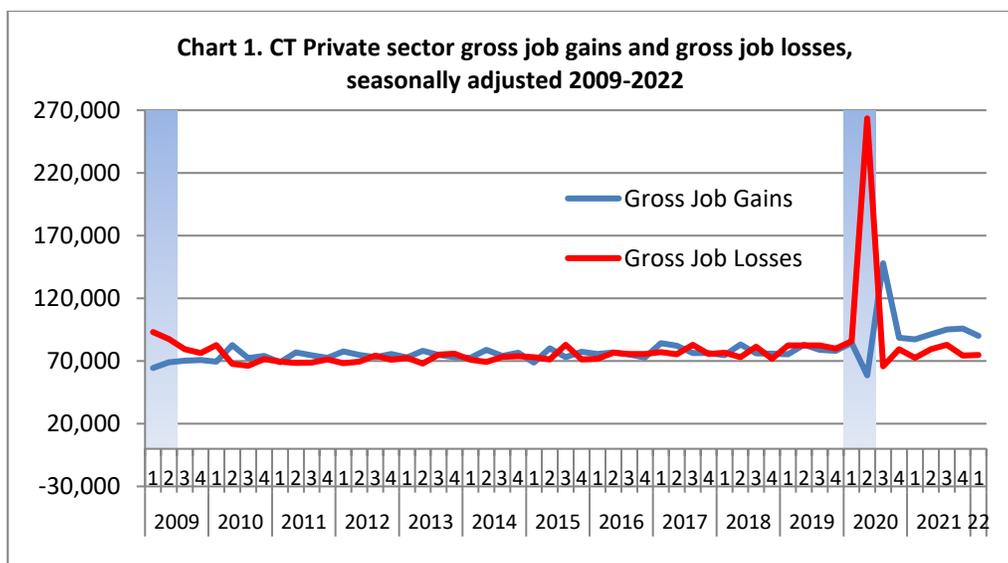
First Quarter 2022

WETHERSFIELD, October 28th, 2022 - Business Employment Dynamics (BED) data published quarterly by the Bureau of Labor Statistics tracks employment change at the establishment level and reveals the underlying dynamics of net employment change. The data include gross employment change, business expansion/contraction, establishment birth/death, and is available at sector level.

From January 2022 to March 2022, **gross job gains** from opening and expanding private sector establishments in Connecticut was 90,157, a decrease of 5,854 jobs from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 74,954, an increase of 522 jobs from the previous quarter.

During the first quarter of 2022, the difference between gross job gains and gross job losses yielded a **net employment gain** of 15,203 jobs in the private sector. This net increase follows a 21,579 net increase during the fourth quarter of 2021.

Net employment change reached a low of -204,996 during the second quarter of 2020. The combined net change for the seven quarters of subsequent data through the first quarter of 2022 is 166,862 jobs.

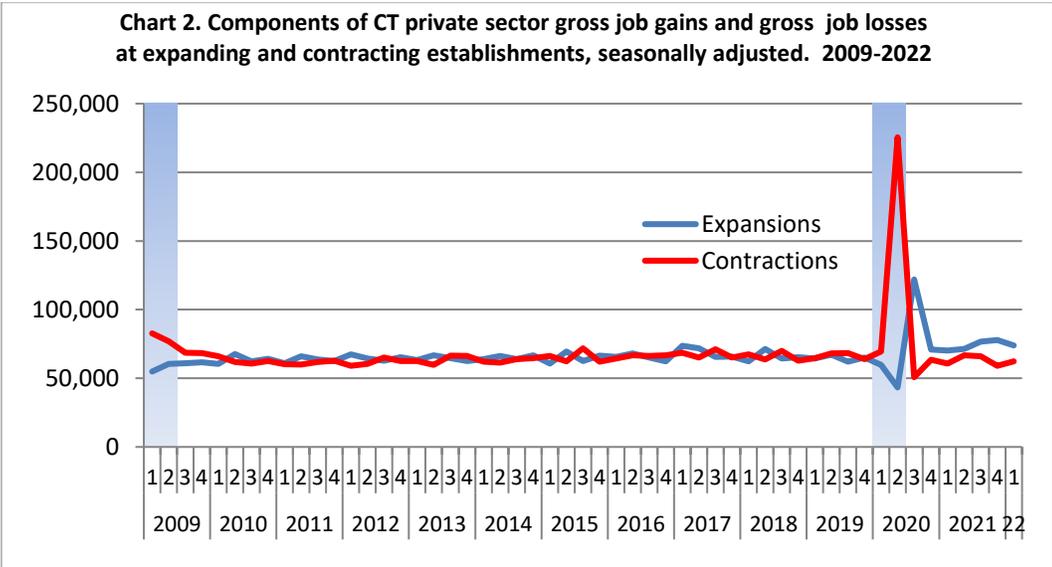


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing units and the addition of new jobs at opening units. Gross job losses are the result of contractions in employment at existing units and the loss of jobs at closing units. The difference between the number of gross job gains and the number of gross job losses is the net change in employment.

The BED data series includes gross job gains and gross job losses at the establishment level by industry subsector and for the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, as well as annual gross job gains and annual gross job losses at the firm level by employer size class.

Gross job gains at **expanding** establishments totaled 73,947 in the first quarter of 2022, a decrease of 4,011 from the previous quarter.

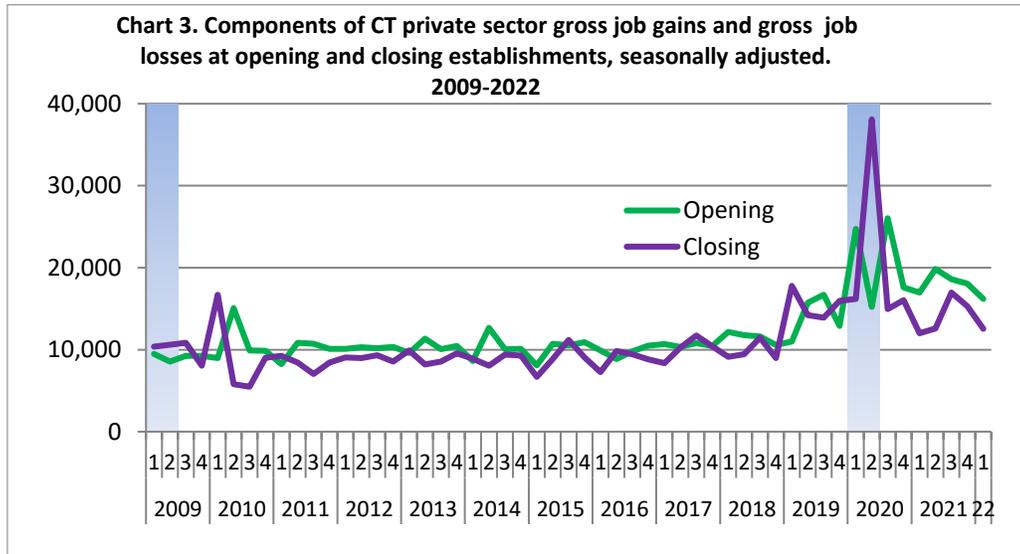
Opening establishments accounted for 16,210 jobs gained in the first quarter of 2022, a decrease of 1,843 jobs from the previous quarter.



Contracting establishments lost 62,398 jobs in the first quarter of 2022, up 3,256 from the prior quarter.

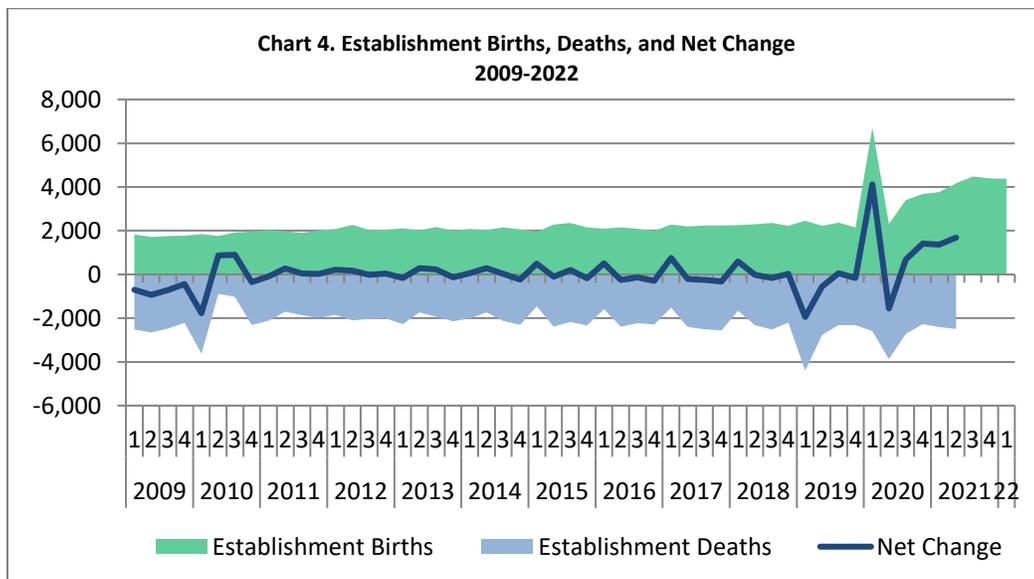
In the first quarter of 2022, **closing** establishments lost 12,5561 jobs, a decrease of 2,734 from the previous quarter. Chart 3 shows the relationship between opening and closing-derived job

change. Beginning in 2019, opening and closing-derived job change was above 2011-18 levels, by 2020Q2 the impact of the recession is illustrated by the large uptick in closing job losses and the large uptick in openings the following quarter. In the first quarter of 2022, openings and closings have shifted back to pre-recession levels.



In the first quarter of 2022, there were 4,385 **establishment births** (a subset of the openings data). These new establishments accounted for 9,879 jobs, 361 less than the previous quarter.

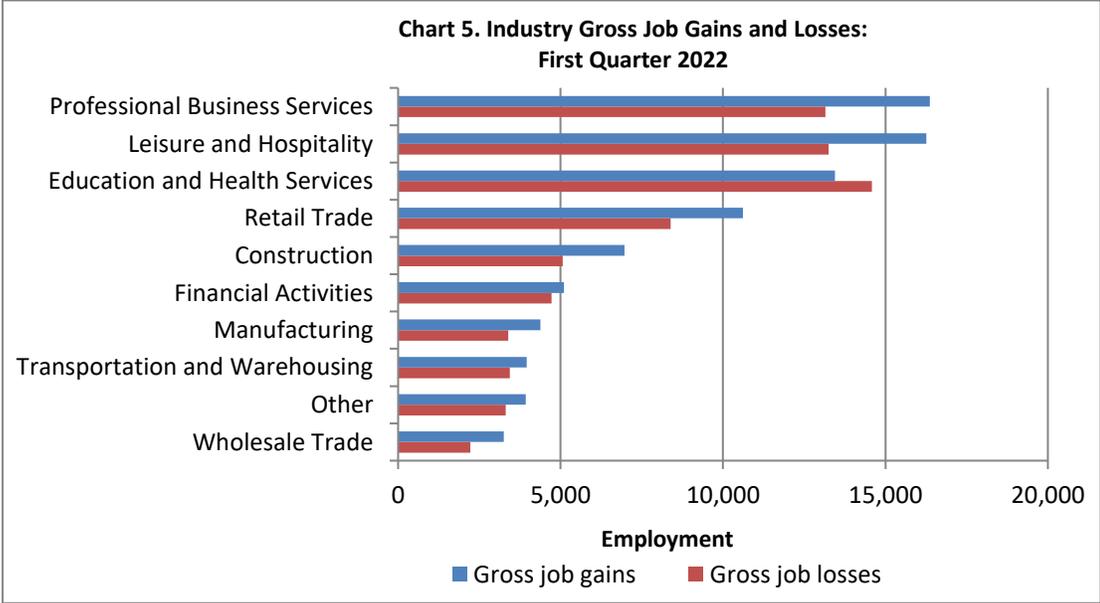
Data for **establishment deaths** (a subset of the closings data) are available through the second quarter of 2021, where 6,543 jobs were lost at 2,484 establishment deaths. In the prior quarter, 6,058 jobs were lost at 2,409 establishment deaths.



The **net change of establishment births and deaths** went consistently negative during the last recession from the first quarter of 2008 through the first quarter of 2010. During those 9 quarters of recession, Connecticut averaged a net decrease of 640 establishments per quarter, with the largest net establishment decline occurring at the end of the recession, down 1,784 in the first quarter of 2010. From 2010Q2-2018Q4, it ranged between -354 and +903 quarter to quarter change.

During the first half of 2019, net change fell by 1,945 establishments in the first quarter and 552 in the second. It recovered to a 63 establishment increase in the third quarter and fell by 159 in the fourth quarter of 2019. During the first quarter of 2020, net establishment births and deaths was up 4,119 and was down 1,559 during the second quarter of 2020. By the first quarter of 2022 (the last quarter of available data), net gains were up 1,691. These net establishment changes are heavily impacted by the 2020 recession as is shown in Chart 4.

During the first quarter of 2022, **gross job gains** exceeded **gross job losses** in 9 of 10 industries. Strong net increases were had in Professional & Business Services, Leisure & Hospitality, and Retail Trade. Education & Health Services was the only net-negative industry, down 1,143.



Additional Information on Business Employment Dynamics, including data for the United States, 50 states, and US territories can be found at: <http://www.bls.gov/bdm/>.

Table A: Connecticut Private Sector gross job gains and losses by industry, seasonally adjusted

Category	Gross job gains and losses (3 months ending)							Gross job gains and losses as a percent of employment (3 months ending)						
	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022
Total Private														
Gross job gains	147,991	88,459	87,276	91,231	95,258	96,011	90,157	11.4	6.6	6.5	6.7	6.9	6.9	6.3
at expanding establishments	121,957	70,866	70,305	71,380	76,663	77,958	73,947	9.4	5.3	5.2	5.2	5.6	5.6	5.2
at opening establishments	26,034	17,593	16,971	19,851	18,595	18,053	16,210	2.0	1.3	1.3	1.5	1.3	1.3	1.1
Gross job losses	65,740	79,491	72,583	79,366	82,955	74,432	74,954	5.0	5.9	5.4	5.8	6.0	5.3	5.3
at contracting establishments	50,777	63,466	60,595	66,770	66,001	59,142	62,398	3.9	4.7	4.5	4.9	4.8	4.2	4.4
at closing establishments	14,963	16,025	11,988	12,596	16,954	15,290	12,556	1.1	1.2	0.9	0.9	1.2	1.1	0.9
Net employment change	82,251	8,968	14,693	11,865	12,303	21,579	15,203	6.4	0.7	1.1	0.9	0.9	1.6	1.0
Construction														
Gross job gains	6,832	6,425	6,275	5,966	6,285	6,120	6,969	12.1	11.1	10.5	10.0	10.6	10.3	11.3
at expanding establishments	5,079	4,903	4,647	4,597	4,494	4,926	5,720	9.0	8.5	7.8	7.7	7.6	8.3	9.3
at opening establishments	1,753	1,522	1,628	1,369	1,791	1,194	1,249	3.1	2.6	2.7	2.3	3.0	2.0	2.0
Gross job losses	5,334	5,481	5,574	6,000	5,604	5,992	5,068	9.5	9.5	9.5	10.1	9.5	10.1	8.2
at contracting establishments	4,160	4,030	4,478	4,959	4,415	4,459	3,935	7.4	7.0	7.6	8.3	7.5	7.5	6.4
at closing establishments	1,174	1,451	1,096	1,041	1,189	1,533	1,133	2.1	2.5	1.9	1.8	2.0	2.6	1.8
Net employment change	1,498	944	701	-34	681	128	1,901	2.6	1.6	1.0	-0.1	1.1	0.2	3.1
Manufacturing														
Gross job gains	5,397	4,351	4,450	4,121	4,615	4,480	4,375	3.5	2.8	2.9	2.7	3.0	2.9	2.8
at expanding establishments	4,924	3,864	4,012	3,718	4,190	4,045	4,078	3.2	2.5	2.6	2.4	2.7	2.6	2.6
at opening establishments	473	487	438	403	425	435	297	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Gross job losses	5,365	5,354	3,481	4,298	4,114	3,237	3,391	3.5	3.5	2.3	2.8	2.7	2.1	2.2
at contracting establishments	4,893	4,684	3,154	3,952	3,352	2,578	3,038	3.2	3.1	2.1	2.6	2.2	1.7	2.0
at closing establishments	472	670	327	346	762	659	353	0.3	0.4	0.2	0.2	0.5	0.4	0.2
Net employment change	32	-1,003	969	-177	501	1,243	984	0.0	-0.7	0.6	-0.1	0.3	0.8	0.6
Wholesale Trade														
Gross job gains	3,866	2,938	2,929	3,332	3,631	3,445	3,249	7.0	5.3	5.3	5.9	6.4	5.9	5.6
at expanding establishments	2,833	2,177	2,226	2,635	2,683	2,557	2,553	5.1	3.9	4.0	4.7	4.7	4.4	4.4
at opening establishments	1,033	761	703	697	948	888	696	1.9	1.4	1.3	1.2	1.7	1.5	1.2
Gross job losses	2,797	2,482	2,246	3,064	2,774	2,559	2,224	5.0	4.4	4.0	5.4	4.9	4.4	3.8
at contracting establishments	1,896	1,787	1,664	2,391	1,930	1,878	1,607	3.4	3.2	3.0	4.2	3.4	3.2	2.7
at closing establishments	901	695	582	673	844	681	617	1.6	1.2	1.0	1.2	1.5	1.2	1.1
Net employment change	1,069	456	683	268	857	886	1,025	2.0	0.9	1.3	0.5	1.5	1.5	1.8
Retail Trade														
Gross job gains	20,890	11,283	11,186	10,465	10,160	9,964	10,618	13.1	6.8	6.7	6.2	6.1	6.0	6.4
at expanding establishments	19,137	9,724	10,180	8,880	8,668	8,859	9,661	12.0	5.9	6.1	5.3	5.2	5.3	5.8
at opening establishments	1,753	1,559	1,006	1,585	1,492	1,105	957	1.1	0.9	0.6	0.9	0.9	0.7	0.6
Gross job losses	7,470	9,286	9,444	10,411	12,389	9,240	8,388	4.7	5.7	5.7	6.1	7.4	5.6	5.0
at contracting establishments	6,272	7,856	7,955	9,519	10,625	7,963	7,386	3.9	4.8	4.8	5.6	6.3	4.8	4.4
at closing establishments	1,198	1,430	1,489	892	1,764	1,277	1,002	0.8	0.9	0.9	0.5	1.1	0.8	0.6
Net employment change	13,420	1,997	1,742	54	-2,229	724	2,230	8.4	1.1	1.0	0.1	-1.3	0.4	1.4
Transportation and Warehousing														
Gross job gains	9,883	5,620	3,318	2,980	5,929	5,910	3,958	17.7	9.3	5.4	5.0	9.9	9.3	6.0
at expanding establishments	8,754	4,622	2,692	2,437	5,505	5,251	3,605	15.7	7.6	4.4	4.1	9.2	8.3	5.5
at opening establishments	1,129	998	626	543	424	659	353	2.0	1.7	1.0	0.9	0.7	1.0	0.5
Gross job losses	3,461	2,349	5,097	4,249	3,352	2,689	3,437	6.2	3.9	8.4	7.1	5.6	4.2	5.2
at contracting establishments	3,109	1,953	4,750	3,881	3,049	2,289	3,158	5.6	3.2	7.8	6.5	5.1	3.6	4.8
at closing establishments	352	396	347	368	303	400	279	0.6	0.7	0.6	0.6	0.5	0.6	0.4
Net employment change	6,422	3,271	-1,779	-1,269	2,577	3,221	521	11.5	5.4	-3.0	-2.1	4.3	5.1	0.8
Financial Activities														
Gross job gains	5,060	5,297	3,865	4,572	5,254	6,937	5,100	4.3	4.5	3.3	3.9	4.5	6.0	4.3
at expanding establishments	3,955	4,277	2,826	3,374	4,172	5,589	4,347	3.4	3.6	2.4	2.9	3.6	4.8	3.7
at opening establishments	1,105	1,020	1,039	1,198	1,082	1,348	753	0.9	0.9	0.9	1.0	0.9	1.2	0.6
Gross job losses	4,468	6,207	3,902	5,628	6,150	5,428	4,725	3.8	5.3	3.3	4.8	5.3	4.6	4.0
at contracting establishments	3,389	5,142	3,191	4,533	4,788	4,337	3,901	2.9	4.4	2.7	3.9	4.1	3.7	3.3
at closing establishments	1,079	1,065	711	1,095	1,362	1,091	824	0.9	0.9	0.6	0.9	1.2	0.9	0.7
Net employment change	592	-910	-37	-1,056	-896	1,509	375	0.5	-0.8	0.0	-0.9	-0.8	1.4	0.3

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	Professional Business Services													
Gross job gains	19,722	17,441	15,504	16,853	16,245	17,772	16,363	9.8	8.4	7.4	8.0	7.6	8.2	7.4
at expanding establishments	15,694	14,141	12,190	12,167	12,661	13,857	13,246	7.8	6.8	5.8	5.8	5.9	6.4	6.0
at opening establishments	4,028	3,300	3,314	4,686	3,584	3,915	3,117	2.0	1.6	1.6	2.2	1.7	1.8	1.4
Gross job losses	12,491	12,763	14,012	14,486	15,587	13,370	13,151	6.2	6.2	6.7	6.8	7.3	6.2	6.0
at contracting establishments	9,508	9,519	11,354	11,694	11,821	9,537	9,912	4.7	4.6	5.4	5.5	5.5	4.4	4.5
at closing establishments	2,983	3,244	2,658	2,792	3,766	3,833	3,239	1.5	1.6	1.3	1.3	1.8	1.8	1.5
Net employment change	7,231	4,678	1,492	2,367	658	4,402	3,212	3.6	2.2	0.7	1.2	0.3	2.0	1.4
Education and Health Services														
Gross job gains	23,709	15,215	14,398	14,599	14,947	16,062	13,444	7.5	4.8	4.4	4.5	4.5	4.9	4.1
at expanding establishments	20,151	12,783	11,782	12,138	12,519	13,164	11,404	6.4	4.0	3.6	3.7	3.8	4.0	3.5
at opening establishments	3,558	2,432	2,616	2,461	2,428	2,898	2,040	1.1	0.8	0.8	0.8	0.7	0.9	0.6
Gross job losses	11,585	12,740	12,663	13,535	13,471	12,126	14,587	3.7	4.0	3.9	4.1	4.1	3.6	4.5
at contracting establishments	8,849	10,582	10,453	11,445	10,483	10,321	12,403	2.8	3.3	3.2	3.5	3.2	3.1	3.8
at closing establishments	2,736	2,158	2,210	2,090	2,988	1,805	2,184	0.9	0.7	0.7	0.6	0.9	0.5	0.7
Net employment change	12,124	2,475	1,735	1,064	1,476	3,936	-1,143	3.8	0.8	0.5	0.4	0.4	1.3	-0.4
Leisure and Hospitality														
Gross job gains	41,029	12,888	18,915	20,201	19,808	16,842	16,261	37.9	10.8	15.8	15.6	14.2	11.8	11.3
at expanding establishments	33,897	9,323	15,285	15,939	16,023	13,819	13,579	31.3	7.8	12.8	12.3	11.5	9.7	9.4
at opening establishments	7,132	3,565	3,630	4,262	3,785	3,023	2,682	6.6	3.0	3.0	3.3	2.7	2.1	1.9
Gross job losses	7,079	16,712	10,438	11,671	13,451	14,000	13,253	6.6	14.1	8.7	9.0	9.7	9.8	9.2
at contracting establishments	4,526	13,412	8,952	9,733	11,505	11,416	11,513	4.2	11.3	7.5	7.5	8.3	8.0	8.0
at closing establishments	2,553	3,300	1,486	1,938	1,946	2,584	1,740	2.4	2.8	1.2	1.5	1.4	1.8	1.2
Net employment change	33,950	-3,824	8,477	8,530	6,357	2,842	3,008	31.3	-3.3	7.1	6.6	4.5	2.0	2.1
Other														
Gross job gains	8,074	3,502	3,491	4,169	4,531	3,973	3,928	19.3	8.0	8.0	9.3	9.8	8.4	8.3
at expanding establishments	4,890	2,616	2,712	3,275	3,462	2,935	3,187	11.7	6.0	6.2	7.3	7.5	6.2	6.7
at opening establishments	3,184	886	779	894	1,069	1,038	741	7.6	2.0	1.8	2.0	2.3	2.2	1.6
Gross job losses	3,333	3,289	3,168	2,847	3,503	3,229	3,309	7.9	7.5	7.2	6.4	7.6	6.8	7.0
at contracting establishments	2,438	2,541	2,558	2,101	2,399	2,553	2,660	5.8	5.8	5.8	4.7	5.2	5.4	5.6
at closing establishments	895	748	610	746	1,104	676	649	2.1	1.7	1.4	1.7	2.4	1.4	1.4
Net employment change	4,741	213	323	1,322	1,028	744	619	11.4	0.5	0.8	2.9	2.2	1.6	1.3

A Note About the Data:

The Business Employment Dynamics (BED) data are generated from Connecticut’s unemployment insurance (UI) records, enhanced through procedures conducted in association with the Bureau of Labor Statistics, and cover approximately 93% of all wage and salary workers in the state. The BED program links these records across quarters, providing a longitudinal history of employment for each establishment. These longitudinal records allow the identification of employment changes at expanding, opening, contracting, or closing establishments. Aggregating these changes, the BED data identify the gross job gains and losses, also known as job flows, in the state. These flows provide an understanding of the labor market dynamics that unfold over time. The job flows data scratches below the surface to expose the undercurrents that result in the net employment outcomes reported in other statistical series

The net change in employment from the Business Employment Dynamics data series will not match the net change in nonfarm employment produced from the monthly survey and reported in the Labor Situation. The monthly estimates are based on surveys from a sample of establishments, while the BED data are based on a quarterly census of administrative records. In addition, the monthly series has a different coverage, excluding the agriculture sector but including government, private households, and establishments not covered by the unemployment insurance program. Thus, the net over-the-quarter changes derived from the BED data may be different from the net employment change estimated from the monthly nonfarm employment series. The intended use of the BED statistics is to show the dynamic labor market flows that underlie the net changes in aggregate employment levels; data users who want to track net changes in aggregate employment levels over time should refer to monthly nonfarm data.

With the release of first quarter data each year, seasonally adjusted data for prior periods are revised and will therefore be different than figures shown in earlier releases. Please see <http://www.bls.gov/bdm/> for more detailed information.

This publication was prepared by Matthew Krzyzek, Economist at the Connecticut Department of Labor, Office of Research. If you have any questions regarding this publication, please call (860) 263-6287 or Matthew.Krzyzek@ct.gov.