*2021 Unemployment Rate by Town*

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In 2021, the annual average statewide unemployment rate was 6.3%, down from 7.8% in 2020. As the labor force bounced back from the impact of the COVID-19 pandemic, all 169 municipalities experienced a decrease in their unemployment rate last year.

**2020 to 2021**

The unemployment rate in all 169 cities and towns in the state fell in 2021. Cornwall had the lowest unemployment rate of 3.7%, while the residents of Hartford experienced the highest rate of 11.0% last year (see table on page 3 for the complete town data). Overall, a total of 134 cities and towns had jobless rates below the 2021 statewide figure of 6.3%, 31 had rates above it, and 4 had rates equal to it. By comparison, 127 cities and towns had rates below the 2020 statewide average of 7.8%, 39 above it, and 3 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 5.7% in 2021. Hartford posted the highest jobless rate among the large cities at 11.0%. 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 completely last year with +100, reflecting a strong labor market recovery (chart). To date, this robust momentum has continued as the statewide unemployment rate continues to fall in first months of 2022. n