## THE CONNECTICUT-

# ECONOMIC DIGEST

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in June
Nonfarm Employment
Connecticut1,616,000
Change over month0.25%
Change over year +0.5%
United States131,017,000
Change over month +0.01%
Change over year +0.8%
Jnemployment Rate
Connecticut9.1%
United States9.2%
Consumer Price Index
United States225.7
Change over year 3.6%

## Covered Employment and Wages: 2010 Annual Review

By Edward T. Doukas, Jr., Research Analyst, DOL, Edward.Doukas@ct.gov

mployment in Connecticut covered by Unemployment Insurance (UI) decreased by 1.2 percent during 2010, according to preliminary figures that recently became available through the Quarterly Census of Employment and Wages (QCEW) program. While 2010 recorded the second consecutive drop in annual average employment, the rate of decline was less than in 2009 when covered employment dropped by 4.3 percent. Total private industry employment, constituting 84.8 percent of the State's employment total, decreased by 1.1 percent, while government employment fell by 1.7 percent.

The average annual wage of all Connecticut workers increased by 2.9 percent to \$59,463 in 2010. The annual pay of private industry workers grew 3.5 percent in 2010 to \$60,395, while pay for a government sector employee was \$54,257, a decrease of 0.3 percent. While it might seem counterintuitive that average wages can increase during a recessionary period, it's important to remember we are measuring the wages of people who are still working.

The number of business establishments dropped slightly in 2010. Total business establishments totaled 111,294 at the end of 2010, compared with 111,448 at the end of 2009. Total private establishments numbered 107,652 in 2010, versus 107,783 in 2009. Government work sites equaled 3,642 in 2010, while adding up to 3,665 at the end of 2009.

#### **Employment**

Reviewing detailed annual employment shows that several industry sectors experienced job growth during 2010. The health care and social assistance sector led the way expanding by 3,123. The other industry sectors to show increased employment during 2010 were administrative and waste management, educational services, agriculture, forestry, fishing and hunting, and management of companies and enterprises. Conversely, the average annual employment figure for construction fell by 4.533, while the government sector employment number dropped by 4,262. However, the manufacturing sector had the largest employment decline, 5,585.

The Bureau of Labor Statistics (BLS) groups North American Industry Classification System (NAICS) related industry sectors to form aggregations referred to as "domains." The goods-producing domain is composed of the four NAICS sectors: agriculture, forestry, fishing, and hunting, mining, construction, and manufacturing. The service-providing domain encompasses the remaining NAICS sectors. The goods-producing domain made up 16.3 percent, while 83.7 percent of the total employment was in the service-providing domain. An even closer look highlights that the goods-producing domain's annual average employment number declined by 10,105 during 2010, while it dropped by 4,904 in the service-providing domain.

#### Wages

Average annual pay levels for Connecticut varied greatly by industry. However, the pay level among industry sectors are affected by various factors including hours worked (full or part-time), the

--Continued on page 5--

Connecticut Industry - 2009 and 2010*											
			Establishments			Employm	ent			Wages	
NAICS Description			2010	09-10	2009	2010	09-10	_	2009	2010	09-10
	Statewide	111,448	111,294	% Chg -0.1	1,615,320	1,596,050	No. -19,270	% -1.2	57,773	59,463	% Chg 2.9
	Total private	107,783	107,652	-0.1 -0.1	1,368,933	1,353,925	-15,008	-1.2 -1.1	57,773 58,378	60,395	
	Goods-producing	15,829	15,254	-3.6	230,999		-10,105	-4.4	66,439	69,080	
	Service-providing	91,954	92,398	0.5	1,137,935	1,133,031	-4,904	-0.4	56,742	58,701	3.5
	A suisculture forester, fishing and hunting	276	376	0.0	4.600	4 600	70	1.5	28.802	28,919	0.4
111	Agriculture, forestry, fishing and hunting Crop production	<b>376</b> 181	187	3.3	<b>4,629</b> 3,374	<b>4,699</b> 3,479	<b>70</b> 105	3.1	2 <b>0,802</b> 27,170	27,307	0.4
112	Animal production	100	101	1.0	909	854	-55	-6.1	33,105	34,243	
113	Forestry and logging	9	7	-22.2	3	4	1	33.3	32,299	26,778	
114	Fishing, hunting and trapping	13	14	7.7	49	50	1	2.0	52,777	55,986	
115	Agriculture and forestry support activities	73	67	-8.2	293	313	20	6.8	30,176	28,072	-7.0
21	Mining	57	63	10.5	628	572	-56	-8.9	64,749	68,397	5.6
211	Oil and gas extraction		n		n	n	n	n	n	n	n
212	Mining, except oil and gas		49	6.5	601	548	-53	-8.8	63,655	64,267	1.0
213	Support activities for mining	n	n	n	n	n	n	n	n	n	n
	Utilities	164	169	3.0	6,643	6,311	-332	-5.0	106,639	103,468	
221	Utilities	164	169	3.0	6,643	6,311	-332	-5.0	106,639	103,468	-3.0
23	Construction	10,420	9,909	-4.9	54,520	49,987	-4,533	-8.3	57,756	58,565	1.4
236	Construction of buildings	2,850	2,626		10,947	9,961	-986	-9.0	62,474	62,341	-0.2
237	Heavy and civil engineering construction	524	514	-1.9	4,947	5,332	385	7.8	72,577	73,958	
238	Specialty trade construction	7,046	6,769	-3.9	38,626	34,694	-3,932	-10.2	54,521	55,115	1.1
31-33	Manufacturing	4,976	4,906	-1.4	171,222	165,637	-5,585	-3.3	70,228	73,395	4.5
311	Food manufacturing	285	305	7.0	7,058	7,232	174	2.5	38,616		
312	Beverage and tobacco product manufacturing	42	47	11.9	831	886	55	6.6	62,930	63,639	
313 314	Textile mills Textile product mills	28 104	29 96	3.6 -7.7	758 1,072	715 1,066	-43 -6	-5.7 -0.6	44,640 38,539	49,611 40,932	11.1 6.2
315	Apparel manufacturing	20	19	-7.7 -5.0	1,072	1,000	-6	-3.9	30,385	33,242	
316	Leather and allied product manufacturing	n	n	n	n	n	n	n	n	n	
321	Wood product manufacturing	127	121	-4.7	1,167	939	-228	-19.5	43,049	39,752	-7.7
322	Paper manufacturing	84	85		3,968	3,735	-233	-5.9	59,111	62,509	
323 324	Printing and related support activities  Petroleum and coal products manufacturing	412 n	398 n	-3.4 n	6,080 n	5,756 n	-324 n	-5.3 n	52,828 n	54,293 n	2.8 n
325	Chemical manufacturing	186	187	0.5	13,120	12,592	-528	-4.0	117,649	122,781	4.4
326	Plastics and rubber products manufacturing	192	186		5,643	5,702	59	1.0	49,524	52,667	6.3
327	Nonmetallic mineral product manufacturing	159	152	-4.4	2,439	2,197	-242	-9.9	52,729	53,437	1.3
331	Primary metal manufacturing	79	78	-1.3	3,273	3,292	19	0.6	58,300		
332	Fabricated metal product manufacturing  Machinery manufacturing	1,290	1,278		29,446	28,083	-1,363	-4.6 -6.3	55,109	59,013	
333 334	Computer and electronic product manufacturing	535 321	516 323	-3.6 0.6	16,097 13,407	15,081 13,284	-1,016 -123	-0.3 -0.9	73,737 63,482	77,732 65,875	
335	Electrical equipment and appliance manufacturing	182	177		9,957	9,767	-190	-1.9	87,148		
336	Transportation equipment manufacturing	253	255	0.8	42,999	42,194	-805	-1.9	83,226	87,055	4.6
337	Furniture and related product manufacturing	306	292		2,677	2,584	-93	-3.5	44,085	46,321	5.1
339	Miscellaneous manufacturing	348	340	-2.3	10,488	9,859	-629	-6.0	57,523	60,276	4.8
42	Wholesale trade	9,743	9,665	-0.8	64,983	62,752	-2,231	-3.4	79,214	81,554	3.0
423	Merchant wholesalers, durable goods	2,804	2,778		29,181	28,624	-557	-1.9	70,800		
424	Merchant wholesalers, nondurable goods	1,342	1,309	-2.5	22,262	20,876	-1,386	-6.2	72,124	70,397	
425	Electronic markets and agents and brokers	5,597	5,578	-0.3	13,541	13,252	-289	-2.1	109,006	119,649	9.8
-	Retail trade	12,883	12,732	-1.2	178,508	178,250	-258	-0.1	30,544	30,813	
441	Motor vehicle and parts dealers	1,229	1,199	-2.4	19,190		36	0.2	46,431	47,598	
442 443	Furniture and home furnishings stores Electronics and appliance stores	805 678	765 708	-5.0 4.4	6,002 6,279	5,942 6,286	-60 7	-1.0 0.1	34,106 46,235	34,532 47,371	1.2 2.5
444	Building material and garden supply stores	935	895	-4.3	14,343	14,119	-224	-1.6	35,114	35,244	
445	Food and beverage stores	2,222	2,267	2.0	41,184	42,095	911	2.2	24,323	24,202	
446	Health and personal care stores	1,074	1,067	-0.7	13,270	13,091	-179	-1.3	35,047	35,576	
447	Gasoline stations.	1,053	1,021	-3.0	5,932	5,818	-114	-1.9	23,106	22,983	
448 451	Clothing and clothing accessories stores  Sporting goods, hobby, book and music stores	1,770 808	1,753 787	-1.0 -2.6	20,367 8,158	20,661 7,901	294 -257	1.4 -3.2	19,580 19,156	20,023 19,209	
452	General merchandise stores	340	344	1.2	25,652	25,340	-312	-1.2	21,713	21,883	
453	Miscellaneous store retailers	1,297	1,259		9,004	8,989	-15	-0.2	23,346	23,043	
454	Nonstore retailers	672	667	-0.7	9,127	8,783	-344	-3.8	69,739	71,901	3.1
48-49	Transportation and warehousing	1,917	1,913	-0.2	39,189	38,545	-644	-1.6	44,902	44,995	0.2
481	Air transportation	80	83		1,810	1,480	-330	-18.2	65,233	70,438	
482	Rail transportation	n	n		n	n	n	n	n	n	
483	Water transportation	44	43		877	904	27	3.1	101,707	97,126	
484 485	Truck transportation  Transit and ground passenger transportation	697 397	676 395		6,101 12,077	6,029 12,184	-72 107	-1.2 0.9	45,978 29,386	47,019 29,907	
486	Pipeline transportation	5	7				31	17.9			
486	ripeinte transportation	5	7	40.0	1/3	204	31	17.9	106,857	105,265	J -1.5

#### Connecticut Industry - 2009 and 2010\* (continued)

	Establishments		Employment			Wages				
NAICS Description	2009	2010	09-10	2009	2010	09-10 (		2009	2010	09-10
			% Chg			No.	%			% Chg
487 Scenic and sightseeing transportation		19	0.0	109	124	15	13.8	21,537	21,073	-2.2
488 Support activities for transportation		348	-1.4	3,505	3,441	-64	-1.8	74,555	70,015	-6.1
491 Postal service		n	n	n	n	n	n		n	
492 Couriers and messengers		204	12.1	6,418	6,206	-212	-3.3	,		1.8
493 Warehousing and storage	127	125	-1.6	8,074	7,920	-154	-1.9	45,978	46,686	1.5
51 Information	1,816	1,773	-2.4	34,964	31,735	-3,229	-9.2	71,256	77,196	8.3
511 Publishing industries, except Internet		453	-5.4	9,517	8,739	-778	-8.2	65,225	67,028	
512 Motion picture and sound recording industries		361	-0.3	3,236	3,246	10	0.3	58,562		
515 Broadcasting, except Internet		95	-3.1	5,322	5,378	56	1.1	84,433	91,507	
517 Telecommunications		461	-0.6	12,187	9,944	-2,243	-18.4	72,156		
518 ISPs, search portals, and data processing		149	-2.6	2,122	1,971	-151	-7.1	64,991	69,918	
519 Other information services		254	-2.3	2,582	2,457	-125	-4.8	83,129		
52 Finance and insurance	7,197	7,170	-0.4	118,362	115,608	-2,754	-2.3	130,799	144,677	10.6
521 Monetary authorities - central bank		n	n	n	n	n	n	n	n	r
522 Credit intermediation and related activities	2,399	2,294	-4.4	27,866	27,092	-774	-2.8	87,543	86,983	-0.6
523 Securities, commodity contracts, investments		2,359	1.8	21,984	22,553	569	2.6	285,772	326,240	
524 Insurance carriers and related activities	2,361	2,397	1.5	64,014	60,974	-3,040	-4.7	97,377	104,719	7.5
525 Funds, trusts, and other financial vehicles	n	n	n	n	n	n	n	n	n	r
53 Real estate and rental and leasing	3,617	3,534	-2.3	19,193	19,024	-169	-0.9	51,774	54,293	4.9
531 Real estate and rental and leasing	1 '	2,891	-1.8	13,685	, , , , , , , , , , , , , , , , , , ,	51	0.4	52,176	,	
532 Rental and leasing services		2,091 n		13,003 n	13,730 n	n	0.4 n	52,176 n	54,730	4.8
533 Lessors of nonfinancial intangible assets		n	n	n	n ''	n	n	n	"	
555 E055015 Of Hoffill affolia intalligible assets	"  "	"	"		"	"	"		"	
54 Professional and technical services	12,780	12,883	0.8	87,138	85,910	-1,228	-1.4	85,433	88,482	3.6
541 Professional and technical services	12,780	12,883	0.8	87,138	85,910	-1,228	-1.4	85,433	88,482	3.6
EE Management of companies and enterprises	746	768	2.9	27 611	27.650	47	0.2	135,787	125 522	-0.2
55 Management of companies and enterprises	_			27,611	27,658	47 47		,	135,522	
551 Management of companies and enterprises	746	768	2.9	27,611	27,658	47	0.2	135,787	135,522	-0.2
56 Administrative and waste management	6,749	6,807	0.9	75,684	77,699	2,015	2.7	38,306	39,987	4.4
561 Administrative and support activities	6,275	6,328	0.8	70,007	72,138	2,131	3.0	37,260	38,994	4.7
562 Waste management and remediation services	474	479	1.1	5,678	5,560	-118	-2.1	51,203	52,876	3.3
61 Educational services	1,489	1,556		51,888	52,882	994	1.9	52,924	53,515	
611 Educational services	1,489	1,556	4.5	51,888	52,882	994	1.9	52,924	53,515	1.1
62 Health care and social assistance	9,813	9,955	1.4	243,217	246,340	3,123	1.3	46,725	47,258	1.1
621 Ambulatory health care services	· ·	6,624	1.2	78,226	79,810	1,584	2.0	58,897	59,787	
622 Hospitals		52	6.1	60.605	61,005	400	0.7	59,444	60,320	
623 Nursing and residential care facilities		1,253	3.1	60,968	61,319	351	0.6	34,208		
624 Social assistance	1 '	2,026		43,419	,	788	1.8	24,619		
71 Arts, entertainment, and recreation	1,680	1,695	0.9	23,542	23,463	-79	-0.3	26,498	,	
711 Performing arts and spectator sports		497	-1.6	3,737	3,569	-168	-4.5	46,656	44,833	
712 Museums, historical sites, zoos, and parks		116		2,084		-8	-0.4	28,982		
713 Amusement, gambling, and recreation	1,061	1,082	2.0	17,722	17,818	96	0.5	21,955	22,053	0.4
72 Accommodation and food services	7,567	7,723	2.1	110,094	110,068	-26	0.0	18,066	18,526	2.5
721 Accommodation	1 1	475	-2.5	11,045	-,	-237	-2.1	25,191	25,498	
722 Food services and drinking places	-	7,248		99,049	, , , , , , , , , , , , , , , , , , ,	211	0.2	17,271	17,767	
81 Other services, except public administration	13,632	13,895	1.9	56,813		-176	-0.3	30,155	,	
811 Repair and maintenance		2,619		13,575		-227	-1.7	39,792		
812 Personal and laundry services		3,144	0.1	18,364	18,432	68	0.4	24,360	24,690	
813 Membership associations and organizations		2,060		15,703	, , , , , , , , , , , , , , , , , , ,	-326	-2.1	33,452		
814 Private households	5,824	6,072	4.3	9,171	9,480	309	3.4	21,853	22,108	1.2
Total government	3,665	3,642	-0.6	246,387	242,125	-4,262	-1.7	54,409	\$54,257	-0.3
Federal		566		19,265		384	2.0	,	65,263	
State		766		69,399	, , , , , , , , , , , , , , , , , , ,	-1,599	-2.3			
				,		,		,		
Local	2,302	2,310	0.3	157,723		-3,047	-1.9			

n = nondisclosable

To view additional QCEW program data on a more detailed geographic level, visit the Connecticut Department of Labor's website for labor market information at http://www.ctdol.state.cu.us/lmi.

<sup>\*</sup>These data are derived from unemployment insurance program reports supplemented by other sources. The industry employment figures will differ from the monthly sample-based nonfarm employment estimates due to the differences in employment coverages and methods used to produce the data.

## THE CONNECTICUT-

The Connecticut Economic Digest is published monthly by the Connecticut Department of Labor, Office of Research, and the Connecticut Department of Economic and Community Development. Its purpose is to regularly provide users with a comprehensive source for the most current, up-to-date data available on the workforce and economy of the state, within perspectives of the region and nation.

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composition of the workforce, and weather and seasonal influences. The highest average annual wage was earned in the finance and insurance sector, \$144,677. Workers in this industry sector earned an annual wage that was 140 percent higher than the State average for private sector employees in 2010. Within the finance and insurance sector, the highest industry wage was \$326,240 in securities, commodity contracts and investments. The next highest pay level was found in the management of companies and enterprises sector, \$135,522. Ranking third was the utilities sector, at \$103,468. Conversely, workers in the accommodation and food services sector, in which there are a high number of part-time workers, recorded the lowest pay, \$18,526. The next lowest pay was earned in the arts, entertainment, and recreation sector, \$26,128, and the agriculture, forestry, fishing and hunting sector, \$28,919. Workers in the goods-producing sectors earned \$69,080 during 2010. This represents an increase of 4.0 percent over the previous year. Goods producing workers earned an

annual wage that was 16.2 percent higher than the average for all Connecticut workers during 2010. Workers in the service-providing sectors earned \$58,701 for 2010, an increase of 3.5 percent over the previous year.

#### **Labor Market Areas**

Among Connecticut's nine Labor Market Areas (LMAs), none showed an increase in annual average employment during 2010. The Hartford area suffered the greatest decline in annual average employment during 2010, down 5,861, or 1.1 percent from the previous year. The New Haven LMA showed an employment decrease of 3,102, or 1.2 percent, while the employment figure in the Bridgeport-Stamford LMA declined 1,718, or 0.4

On a brighter note, every LMA posted increased wages during 2010. The Bridgeport-Stamford LMA had the greatest percentage increase in annual average wage, up 4.3 percent, to \$79,642. This earnings figure was the highest among all LMAs. The Enfield and Hartford LMAs had the next greatest percentage increases, 3.1 percent and 2.2 percent, respectively. ■

#### GENERAL ECONOMIC INDICATORS

	1Q	1Q	CHG	4Q
(Seasonally adjusted)	2011	2010	NO. %	2010
Employment Indexes (1992=100)*				
Leading	116.0	114.9	1.1 0.9	116.4
Coincident	102.6	101.1	1.4 1.4	102.4
General Drift Indicator (1986=100)*				
Leading	104.9	105.0	-0.1 -0.1	105.9
Coincident	107.1	105.6	1.5 1.4	107.1
Farmington Bank Business Barometer (1992=100)**	124.5	122.0	2.5 2.0	124.8
Phil. Fed's Coincident Index (July 1992=100)***	JUN	JUN		MAY
(Not seasonally adjusted)	2011	2010		2011
Connecticut	155.4	151.7	3.7 2.4	155.2
United States	152.6	149.3	3.3 2.2	152.5

Sources: \*The Connecticut Economy, University of Connecticut \*\*Farmington Bank \*\*\*Federal Reserve Bank of Philadelphia

The Connecticut Economy's General Drift Indicators are composite measures of the four-quarter change in three coincident (Connecticut Manufacturing Production Index, nonfarm employment, and real personal income) and four leading (housing permits, manufacturing average weekly hours, Hartford help-wanted advertising, and initial unemployment claims) economic variables, and are indexed so 1986 = 100.

The Farmington Bank Business Barometer is a measure of overall economic growth in the state of Connecticut that is derived from non-manufacturing employment, real disposable personal income, and manufacturing production.

The Philadelphia Fed's Coincident Index summarizes current economic condition by using four coincident variables: nonfarm payroll employment, average hours worked in manufacturing, the unemployment rate, and wage and salary disbursements deflated by the consumer price index (U.S. city average).