

# ECONOMIC DIGEST

Vol.29 No.4 A joint publication of Connecticut Department of Labor & Connecticut Department of Economic and Community Development

## APRIL 2024

### IN THIS ISSUE...

**Exports Grew for the Third Year** ..... 1-3,5

**Connecticut's Population Gains** . 4

**Economic Indicators**

- on the Overall Economy ..... 5
- Individual Data Items ..... 6-8

**Comparative Regional Data** ..... 9

**Economic Indicator Trends** ..... 10-11

**Help Wanted OnLine** ..... 15

**Business and Employment Changes Announced in the News Media** ..... 19

**Labor Market Areas:**

- Nonfarm Employment ..... 12-17
- Sea. Adj. Nonfarm Employment ..... 14
- Labor Force ..... 18
- Hours and Earnings ..... 19

**Cities and Towns:**

- Labor Force ..... 20-21
- Housing Permits ..... 22

**Technical Notes** ..... 23

**At a Glance** ..... 24

### In February...

#### Nonfarm Employment

Connecticut ..... 1,702,500  
 Change over month ..... +0.05%  
 Change over year ..... +0.88%

United States ..... 157,808,000  
 Change over month ..... +0.17%  
 Change over year ..... +1.77%

#### Unemployment Rate

Connecticut ..... 4.5%  
 United States ..... 3.9%

#### Consumer Price Index

United States ..... 310,326  
 Change over year ..... +3.2%

## Exports Grew for the Third Year

By Laura Jaworski, Office of Business Development, DECD

**C**onnecticut exports grew for the third consecutive year in 2023. Commodity exports increased 3.13% over 2022, totaling over \$15.82 billion.<sup>1</sup>

More Connecticut companies are exporting as well. The most recent data indicates that 4,761 companies exported from Connecticut in 2021, up from 4,606 companies in 2020.<sup>2</sup> 89% of these companies were small and medium-sized enterprises (SMEs) with fewer than 500 employees.<sup>3</sup> According to the most recent data, approximately 50,705 U.S. jobs were supported by Connecticut exports.<sup>4</sup>

### Connecticut Partner Countries

In 2023, the state's top ten commodity export destinations were Germany, Canada, the Netherlands, the United Kingdom, Mexico, France, China, Singapore, South Korea, and Japan. Among the top ten destinations, except for the U.K., Mexico, and France, all experienced export growth. Exports to the U.K. dropped most significantly, down 19.59% over 2022.<sup>5</sup>

In 2023, there were decreases in many of the top ten Connecticut export commodity sectors to the United Kingdom, the largest being in the aircraft, spacecraft, and parts sector. A potential reason for this is continued regulatory challenges of Brexit and customs barriers. Higher inflation and rising energy prices in the United

Kingdom have also shifted consumer goods spending.

Among its top ten export destinations, Connecticut commodities experienced the largest percentage increase, 24.79%, to Singapore. The increase was fueled in large part due to an increase in exports of parts and accessories of arms and parts and accessories of pistols or revolvers. This defense gear-up is perhaps due to the ongoing tensions in the Asia-Pacific region.<sup>6</sup>

### Connecticut Export Composition

Last year at the two-digit Harmonized System (HS) commodity code level, Connecticut's top five export commodities were (1) aircraft, spacecraft and parts thereof; (2) industrial machinery, including computers; (3) electric machinery, sound equipment, TV equipment, parts; (4) optic, photo, medical or surgical instruments; and (5) special classification provisions, which typically consists of exports of repaired imports. Except for optic, photo, medical or surgical instruments, each of the top five export commodity sectors experienced percentage increases, ranging from 0.89% to 44.07%. The state's aerospace sector continued to register increases, growing 3.91% in 2022 and 0.89% in 2023. However, that particular commodity sector has not returned to pre-pandemic levels.<sup>7</sup>

*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.

The annual subscription is \$50. Send subscription requests to: *The Connecticut Economic Digest*, Connecticut Department of Labor, Office of Research, 200 Folly Brook Boulevard, Wethersfield, CT 06109-1114. Make checks payable to the Connecticut Department of Labor. Back issues are \$4 per copy. The Digest can be accessed free of charge from the DOL Web site. Articles from *The Connecticut Economic Digest* may be reprinted if the source is credited. Please send copies of the reprinted material to the Managing Editor. The views expressed by the authors are theirs alone and may not reflect those of the DOL or DECD.

**Managing Editor:** Jungmin Charles Joo

**Associate Editor:** Erin C. Wilkins

We would like to acknowledge the contributions of many DOL Research and DECD staff and Rob Damroth to the publication of the Digest.

## **Connecticut Department of Labor**

Danté Bartolomeo, Commissioner  
Daryle Dudzinski, Deputy Commissioner  
Mark Polzella, Deputy Commissioner

Patrick J. Flaherty, Director  
Office of Research  
200 Folly Brook Boulevard  
Wethersfield, CT 06109-1114  
Phone: (860) 263-6255  
Fax: (860) 263-6263  
E-Mail: dol.econdigest@ct.gov  
Website: <http://www.ctdol.state.ct.us/lmi>



## **Connecticut Department of Economic and Community Development**

Daniel O'Keefe, Commissioner  
Paul O. Robertson, Deputy Commissioner  
Matthew J. Pugliese, Deputy Commissioner

450 Columbus Boulevard  
Suite 5  
Hartford, CT 06103  
Phone: (860) 500-2300  
Fax: (860) 500-2440  
E-Mail: [decd@ct.gov](mailto:decd@ct.gov)  
Website: <http://www.decd.org>



### **U.S. Exports**

Between 2022 and 2023, U.S. export commodities decreased slightly (2.23%) and totaled over \$2.01 trillion. For national context, in 2023, the top five U.S. export commodities were (1) mineral fuel, oil, bituminous substances, mineral wax; (2) industrial machinery, including computers; (3) electric machinery, sound equipment, TV equipment, parts; (4) vehicles, except railway or tramway; and (5) aircraft, spacecraft, and parts. Among the top five U.S. exports, the commodity making the greatest gains was aircraft, spacecraft, and parts thereof, as it increased 20.93% over 2022, including engines, parts of planes and helicopters, and unmanned aircraft.<sup>8</sup>

The annual U.S. trade deficit fell 18.7% to the lowest level in three years. It narrowed in 2023 as the value of imported goods declined, consumer goods demand decreased, the dollar was weaker, and as the U.S. continued to grow to a major oil producer and exporter.<sup>9</sup>

Due to geographic proximity, it should come as no surprise that Canada and Mexico remained the top two destinations for U.S. exports in 2023. China, the Netherlands, and Germany rounded out the top five destinations for U.S. commodity exports. Within this top five group, U.S. exports increased to the Netherlands and Germany between 2022 and 2023, led by commodities such as crude oil, medical instruments, organic chemicals, and vehicles and parts.<sup>10</sup>

It will be interesting to monitor future U.S.-China trade and economic relations. For example, in the semiconductor industry, via the CHIPS and Science Act, the U.S. has moved to strengthen domestic industrial policy and is directing U.S. dollars

towards scientific research and U.S. production of high-tech goods. The U.S. has also introduced new trade restrictions on China, including export controls on computer chips and restrictions on U.S. investment in Chinese high-tech industries.

In 2023, Connecticut rose one place to rank 31<sup>st</sup> in the U.S. in state-by-state exports. Texas, California, Louisiana, New York, and Illinois were the top five export states in 2023, ranked in terms of export commodity dollars, marked by increases in sectors such as aircraft engines and parts.

### **New England Exports**

In 2023, the New England region's top five export commodities were (1) industrial machinery, including computers; (2) pharmaceutical products, (3) optic, photo, medical or surgical instruments, (4) electric machinery, sound equipment, TV equipment, parts; and (5) aircraft, spacecraft, and parts thereof. For the region, pharmaceutical products, including vaccines, immunological products, and cell therapy products experienced large export increases.<sup>11</sup>

In New England in 2023, only Massachusetts' exports value ranked higher than Connecticut's. As a regional trading block, New England's commodity exports totaled more than \$66.64 billion in 2023, a 3.88% increase from 2022. The top five export destinations for New England commodities were Canada, Germany, Belgium, China, and Mexico.<sup>12</sup>

### **Factors Impacting Trade**

Although there are encouraging signs of sustained growth, state commodity exports lag pre-2020 levels. Many factors influenced the 2023 global trade framework including

## Connecticut Exports by Partner Country

Rank	Description	ANNUAL 2022	ANNUAL 2023	%2022-2023
	TOTAL ALL PARTNER COUNTRIES	15,343,971,701	15,824,738,604	3.13
1	Germany	2,096,378,525	2,099,211,886	0.14
2	Canada	2,067,768,574	2,094,254,130	1.28
3	Netherlands	1,030,393,307	1,147,046,135	11.32
4	United Kingdom	1,364,269,731	1,096,949,961	-19.59
5	Mexico	1,137,208,711	1,074,024,600	-5.56
6	France	1,094,587,444	1,058,523,031	-3.29
7	China	887,996,915	991,085,983	11.61
8	Singapore	466,819,989	582,546,331	24.79
9	Korea, Republic Of	467,084,605	477,012,565	2.13
10	Japan	476,831,632	474,901,786	-0.4

## Connecticut Exports by Commodity

Rank	Description	ANNUAL 2022	ANNUAL 2023	%2022-2023
	TOTAL ALL COMMODITIES	15,343,971,701	15,824,738,604	3.13
1	Aircraft, Spacecraft, And Parts Thereof	4,704,941,485	4,746,680,272	0.89
2	Industrial Machinery, Including Computers	3,232,354,608	3,763,470,630	16.43
3	Electric Machinery Etc; Sound Equip; Tv Equip; Pts	1,288,387,318	1,527,166,956	18.53
4	Optic, Photo Etc, Medic Or Surgical Instrments Etc	1,326,696,737	1,278,636,475	-3.62
5	Special Classification Provisions, Nesoi	460,362,213	663,251,474	44.07
6	Plastics And Articles Thereof	542,721,230	542,843,506	0.02
7	Miscellaneous Chemical Products	266,480,215	218,272,376	-18.09
8	Articles Of Iron Or Steel	187,936,494	207,781,263	10.56
9	Inorg Chem; Prec & Rare-Earth Met & Radioact Compd	216,269,108	183,452,444	-15.17
10	Iron And Steel	246,191,904	181,872,377	-26.13

geopolitics and reshoring to politically aligned partners. Inflation and high interest rates continued to impact consumer spending. Other issues, such as the U.S.-China economic relationship, the ongoing war in Ukraine, and threats to the global trade system, such as supply chain vessel disruptions and diversions in critical trade and shipping routes in the Red Sea, also impacted transportation, logistics, and trade.

### State Trade Expansion Promotion (STEP) Export Grant

There are many federal and state export support resources to

help Connecticut companies take advantage of trade opportunities and navigate global issues. One example is the U.S. Small Business Administration's State Trade Expansion Promotion (STEP) grant award, which DECD administers.

The program's goals are to increase the number of small business exporters and increase export sales. In conjunction with organizations such as the local U.S. Department of Commerce Export Assistance Center (USEAC), the Small Business Development Center (SBDC) and others, DECD directs STEP funds towards small businesses for export development and training

opportunities, company participation in foreign and domestic trade shows and trade missions, website translation, and other export initiatives and events. For more information about STEP grant activities, eligibility standards, program guidelines, and application procedures, please contact Laura Jaworski at [laura.jaworski@ct.gov](mailto:laura.jaworski@ct.gov) or visit [www.stepgrant.smapply.io](http://www.stepgrant.smapply.io). ■

1 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

-continued on page 5-

# Connecticut's Population Gains

By Patrick J. Flaherty, Director of Research and Information, DOL

The latest population estimates from the U.S. Census Bureau show that Connecticut's population increased by 8,470 in 2023 with births outnumbering deaths by 2,115 and net migration from other states and countries totaling 6,248. While it will be some months before a breakdown by state and age will be available for 2023, the available data through 2022 show encouraging signs for Connecticut.

The American Community Survey (ACS) is conducted by the U.S. Census and surveys approximately 1% of the U.S. population each year. Both a one-year and a five-year sample are published. The five-year sample includes responses for five consecutive years, so the estimates are based on a survey of approximately 5% of the population. In general, a larger sample will make detailed estimates more reliable. The latest five-year sample (through 2022) shows that more people moved to Connecticut from other

states and countries than left Connecticut in every age group except those aged 55 to 64. For that group, the net loss was small, averaging just 220 per year. The largest net increases were in those aged 25 to 34 and 35 to 44, with over 8,000 more people aged 25 to 34 moving to Connecticut each year (on average) than leaving and 4,500 more in the 35 to 44 age group. Excluding international migration, approximately 2,000 more people in each of these age groups moved to Connecticut from other states each year than moved to other states from Connecticut. Connecticut also had a net gain of people aged 45 to 54, with more moving to Connecticut from other states than leaving Connecticut for other states. These age groups are considered "prime working age". The net losses to other states were those aged 15 to 24, 55 to 64, and age 65 and over.

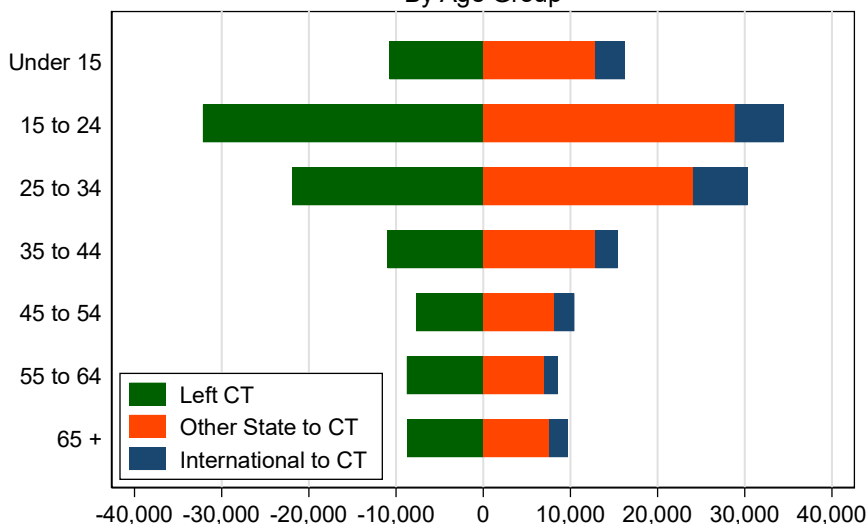
As the chart shows, those in their late teens and early

twenties move across state lines more than other groups. Tens of thousands of people in this age group move to Connecticut each year from other states and slightly more move from Connecticut to other states. When international migration is considered, Connecticut gains in this age group. Even in the age groups 55 and over, migration goes both ways. While Connecticut loses slightly more to other states in these age groups than we gain from other states (for reasons such as the weather) there are still thousands of people moving to Connecticut in these age groups each year.

The ACS migration data show that India was the country with the most immigrants to Connecticut according to the 2022 five-year sample followed by Brazil, China, Ecuador, and the United Kingdom. India and China were the top two in the 2012 five-year sample (ten years prior) followed by Jamaica, Canada, and Japan.

Recently released population figures for 2023 show that Connecticut ranked 29th in the country in population increase from April 1, 2020 to July 1, 2023. As would be expected, some much larger states had larger increases (Texas and Florida had the largest population increases). Connecticut's increase occurred even as the Northeast region lost population over this period. While 2023 details are not yet available, details through 2022 demonstrate that Connecticut is attracting residents of all age groups from other states and other countries. ■

Migration To and From Connecticut  
By Age Group



Source: American Community Survey 2022 Five Year Sample IPUMS USA, University of Minnesota, www.ipums.org.

-continued from page 3-

2 Source: “Connecticut Trade & Economy Factsheet,” U.S. Department of Commerce International Trade Administration, <https://www.trade.gov/data-visualization/state-economy-and-trade-factsheets>.

3 Source: “Connecticut Trade & Economy Factsheet,” U.S. Department of Commerce International Trade Administration, <https://www.trade.gov/data-visualization/state-economy-and-trade-factsheets>.

4 Source: “Connecticut Trade & Economy Factsheet,” U.S. Department of Commerce International Trade

Administration, <https://www.trade.gov/data-visualization/state-economy-and-trade-factsheets>.

5 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

6 Source: “The war in Ukraine unfolds alongside a military build-up in the Asia-Pacific,” International Institute for Strategic Studies, <https://www.iiss.org/online-analysis/online-analysis/2023/09/the-war-in-ukraine-unfolds-alongside-a-military-build-up-in-the-asia-pacific>.

7 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

8 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

9 Source: “U.S. trade deficit fell in 2023 to the lowest level in 3 years and boosted GDP,” MarketWatch, <https://www.marketwatch.com/story/u-s-trade-deficit-rises-0-5-in-december-to-62-2-billion-2727a6ae>.

10 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

11 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

12 Source: WISER trade data, [www.wisertrade.org](http://www.wisertrade.org)

## GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q	4Q	YoY CHG		3Q	QoQ CHG	
	2023	2022	NO.	%	2023	NO.	%
<b>General Drift Indicator (2007=100)*</b>							
<b>Leading</b>	113.3	114.0	-0.6	-0.5	113.8	-0.5	-0.4
<b>Coincident</b>	96.2	95.6	0.6	0.7	96.1	0.1	0.14
<b>Real Gross Domestic Product**</b>							
(Millions of chained 2017 dollars)							
<b>Connecticut</b>	285,871	279,764	6,107	2.2	283,694	2,177	0.8
<b>United States</b>	22,679,255	21,989,981	689,274	3.1	22,490,692	188,563	0.8
<b>New England</b>	1,175,609	1,152,106	23,503	2.0	1,166,374	9,236	0.8
<b>Per Capita Personal Income**</b>							
(Current \$, SAAR)							
<b>Connecticut</b>	88,373	84,670	3,703	4.4	87,586	787	0.9
<b>United States</b>	69,378	66,625	2,753	4.1	68,795	583	0.8
<b>New England</b>	82,910	80,531	2,379	3.0	82,146	764	0.9
<b>Philadelphia Fed's Coincident Index (2007=100)***</b>							
	<b>Feb</b>	<b>Feb</b>	<b>YoY CHG</b>		<b>Jan</b>	<b>MoM CHG</b>	
	<b>2024</b>	<b>2023</b>	<b>NO.</b>	<b>%</b>	<b>2024</b>	<b>NO.</b>	<b>%</b>
<b>Connecticut</b>	125.38	124.72	0.67	0.5	125.38	0.00	0.0
<b>United States</b>	142.19	138.24	3.95	2.9	141.95	0.24	0.2

Sources: \*Dr. Steven P. Lanza, University of Connecticut, <https://steven-lanza.uconn.edu/the-connecticut-green-sheet/>  
 \*\*U.S. Bureau of Economic Analysis \*\*\*Federal Reserve Bank of Philadelphia

**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 three leading (housing permits, manufacturing average weekly hours, and initial unemployment claims) economic variables, and are indexed so 2007 = 100.

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).