

Annual Unemployment Rate by Town, 2012-2016

By Jungmin Charles Joo, DOL

By looking at the unemployment rates, we can see that Connecticut has experienced six years of economic recovery. Unemployment rates come from the Local Area Unemployment Statistics (LAUS) program. There are total of 169 cities and towns in Connecticut for which labor force estimates are produced monthly by the Connecticut Department of Labor in cooperation with the U.S. Bureau of Labor Statistics (BLS). For a brief explanation of the methodology of LAUS, see “*Labor Force Estimates*” on page 23. In the June 2016 Digest, 2011-2015 annual average town unemployment rate estimates were published. This year, revised 2012-2016 data are analyzed.

2015 to 2016

Reflecting a continued economic recovery (see “*Connecticut Economic Recovery Continues in 2016*,” March 2017 issue), unemployment rates in Connecticut improved further last year, though showing a sign of slowing down. Unemployment rates were lower in 2016 than a

year earlier in 166 of the 169 cities and towns, higher in 2 towns, and unchanged in one town. Whereas, all 169 cities and towns experienced a decline in the rate from 2014 to 2015.

Waterbury and Sterling had the largest decrease (-1.3 percentage points). The annual average statewide unemployment rate in 2016 was 5.1%, down from 5.7% in 2015. Cornwall had the lowest unemployment rate of 2.9%, while the residents of Hartford experienced the highest rate of 9.4% last year (See table on page 4 for the complete town data). Overall, a total of 131 cities and towns had jobless rates below the statewide figure of 5.1%, 34 had rates above it, and one had rate equal to it last year. In 2015, there were 132 cities and towns that had rates below statewide average of 5.7%, 36 above it, and one 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 4.2% in 2016. Hartford posted the highest jobless rate among the large cities at 9.4%. All five cities

had over-the-year unemployment rate decreases, the largest of which occurred in Waterbury (-1.3 percentage points).

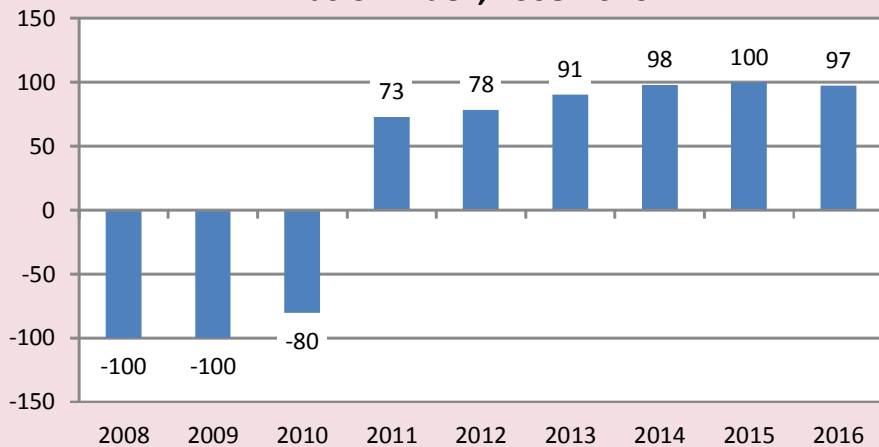
Town Unemployment Rate Diffusion Index

One way to measure aggregate performance of unemployment rates of 169 cities and towns in Connecticut is to use a diffusion index. For each town, the movement is up, down, or unchanged over the year. It is calculated by subtracting the share of towns that experienced increase in their unemployment rates from the share that had rate decreases over the year.

For example, unemployment rates in 13 cities and towns went down (8%), 149 (88%) went up, and 7 stayed the same in 2010. The diffusion index is then calculated by subtracting 88 from 8, equaling -80. Therefore, if all 169 unemployment rates fall from a prior year, then the index becomes 100, and if all rise, then -100. If unemployment rate diffusion index is positive, then that is generally interpreted as an expansion in labor market (because fewer persons living in their towns are unemployed), while negative values would mean a contraction (because more are unemployed).

As expected, during the 2008-2010, the index values were negative, when Connecticut was in an economic recession. Thus, last year’s index value of +97 suggests a 6th year of economic recovery, when almost all towns experienced a decrease in the unemployment rate. However, as shown in the chart, last year’s index number was the first to decline, though slightly, after having risen higher for four consecutive years. ■

Connecticut Town Unemployment Rate Diffusion Index, 2008-2016



Annual Average Unemployment Rate by Town, 2012-2016

Town/City	2012	2013	2014	2015	2016	Town/City	2012	2013	2014	2015	2016	Town/City	2012	2013	2014	2015	2016
Andover	6.6	6.4	5.6	4.5	4.1	Griswold	10.0	9.4	8.1	7.0	6.2	Prospect	6.9	5.9	5.2	4.8	4.0
Ansonia	11.5	10.9	9.3	8.1	7.0	Groton	8.0	7.4	6.0	5.3	4.5	Putnam	10.0	9.5	7.6	6.9	5.8
Ashford	7.7	6.8	5.5	4.5	4.4	Guilford	5.5	5.3	4.6	3.9	3.4	Redding	6.1	5.9	4.9	4.3	4.0
Avon	5.4	5.0	4.3	3.7	3.4	Haddam	6.0	5.5	4.8	4.1	3.5	Ridgefield	5.8	5.5	4.8	3.9	3.6
Barkhamsted	7.6	6.4	5.3	4.6	4.4	Hamden	7.5	6.8	5.8	5.1	4.6	Rocky Hill	6.1	5.7	4.9	4.2	3.9
Beacon Falls	7.4	6.4	6.0	5.2	4.6	Hampton	10.0	9.3	6.2	5.3	5.0	Roxbury	5.2	5.2	3.8	3.3	3.2
Bethlehem	6.5	5.7	5.4	4.6	4.4	Hartford	15.1	14.3	12.2	10.6	9.4	Salem	8.2	7.5	6.2	5.4	4.7
Berlin	6.7	6.0	5.2	4.7	4.1	Hartland	6.3	5.7	5.1	4.7	4.0	Salisbury	5.5	4.9	4.0	3.5	3.1
Bethany	6.1	5.6	5.3	4.4	3.9	Harwinton	6.6	5.8	5.1	4.3	4.1	Scotland	4.9	4.6	5.6	5.2	4.6
Bethel	6.9	6.5	5.4	4.7	4.3	Hebron	5.9	5.3	4.8	4.0	3.5	Seymour	8.6	8.0	7.1	6.1	5.5
Bloomfield	9.0	8.4	7.1	6.3	5.5	Kent	6.3	5.7	4.4	4.2	3.9	Sharon	5.4	5.3	4.3	3.5	3.2
Bolton	5.7	5.5	4.5	3.9	3.6	Killingly	10.4	9.5	7.9	7.0	6.0	Shelton	7.9	7.3	6.3	5.5	4.9
Bozrah	7.9	7.6	6.6	5.4	4.6	Killingworth	5.8	5.6	4.7	3.9	3.4	Sherman	6.3	5.9	4.9	4.1	4.0
Branford	7.5	6.7	5.7	5.1	4.5	Lebanon	8.0	6.9	5.8	4.9	4.5	Simsbury	5.4	5.0	4.3	3.7	3.4
Bridgeport	12.6	11.9	10.2	8.8	7.7	Ledyard	7.3	6.8	5.6	5.0	4.2	Somers	6.9	6.3	5.5	4.8	4.4
Bridgewater	5.7	6.0	5.8	4.5	3.4	Lisbon	8.1	7.3	6.7	6.1	5.5	South Windsor	6.3	5.8	5.1	4.5	4.1
Bristol	9.2	8.5	7.3	6.6	5.7	Litchfield	6.1	5.7	5.0	4.2	4.0	Southbury	7.0	6.7	5.7	5.2	4.8
Brookfield	6.6	6.2	5.2	4.4	4.1	Lyme	5.4	5.5	4.7	4.1	3.4	Southington	7.1	6.4	5.5	4.6	4.2
Brooklyn	8.6	7.9	7.0	6.0	5.1	Madison	6.1	5.7	4.8	4.1	3.7	Sprague	11.0	9.6	7.8	6.7	5.7
Burlington	6.2	5.5	4.5	4.3	4.1	Manchester	8.3	7.6	6.5	5.6	5.0	Stafford	8.5	7.9	6.8	6.1	5.4
Canaan	8.5	7.2	5.5	3.7	3.0	Mansfield	8.1	7.7	6.2	5.2	4.8	Stamford	7.0	6.4	5.5	4.7	4.2
Canterbury	8.5	7.6	6.6	5.9	5.0	Marlborough	6.3	5.7	5.1	4.5	3.8	Sterling	10.5	9.5	8.6	7.4	6.1
Canton	5.6	5.3	4.7	3.9	3.6	Meriden	10.3	9.8	8.5	7.2	6.2	Stonington	6.2	5.9	5.7	4.9	4.0
Chaplin	7.8	7.1	6.6	6.1	5.4	Middlebury	6.7	5.8	5.1	4.4	3.9	Stratford	9.3	8.8	7.5	6.5	5.9
Cheshire	5.5	5.2	4.5	3.8	3.5	Middlefield	6.5	6.0	5.5	4.5	4.4	Suffield	6.8	6.2	5.4	4.5	4.1
Chester	5.6	5.3	4.6	3.9	3.6	Middletown	7.9	7.4	6.5	5.7	5.1	Thomaston	7.6	7.1	6.0	5.0	4.3
Clinton	7.2	6.5	5.6	4.8	4.1	Milford	7.3	6.6	5.7	5.0	4.5	Thompson	8.6	7.7	6.1	5.3	5.1
Colchester	7.0	6.3	5.2	4.5	4.1	Monroe	7.2	6.4	5.7	5.1	4.5	Tolland	5.6	5.4	4.5	3.8	3.5
Colebrook	4.9	4.9	5.3	4.4	4.5	Montville	8.9	8.2	6.9	6.3	5.1	Torrington	9.1	8.4	7.2	6.3	5.9
Columbia	6.5	6.1	5.3	4.8	4.1	Morris	6.2	5.6	5.0	4.5	3.9	Trumbull	6.8	6.3	5.4	4.7	4.2
Cornwall	5.6	5.6	3.7	3.4	2.9	Naugatuck	9.4	8.8	7.6	6.6	5.8	Union	6.1	5.8	5.2	4.8	4.3
Coventry	7.0	6.2	5.2	4.5	4.0	New Britain	11.9	11.2	9.5	8.2	7.2	Vernon	8.0	7.4	6.4	5.5	4.9
Cromwell	6.8	6.3	5.5	4.8	4.3	New Canaan	6.1	5.8	5.0	4.3	3.8	Voluntown	10.2	9.0	6.9	5.9	5.0
Danbury	6.8	6.1	5.2	4.6	4.2	New Fairfield	7.2	6.5	5.2	4.7	4.3	Wallingford	7.2	6.6	5.7	4.8	4.3
Darien	6.7	6.1	5.1	4.3	4.1	New Hartford	6.3	6.4	5.7	4.7	4.3	Warren	6.2	6.2	5.4	4.9	4.2
Deep River	6.1	5.7	5.2	4.6	3.8	New Haven	11.6	10.8	9.0	7.6	6.6	Washington	5.6	5.3	4.7	3.9	3.2
Derby	9.8	9.2	8.1	7.0	6.4	New London	12.6	11.9	9.8	8.4	7.2	Waterbury	12.9	12.3	10.7	9.4	8.1
Durham	5.8	5.3	4.7	3.9	3.5	New Milford	7.1	6.6	5.6	4.8	4.3	Waterford	7.8	7.3	5.9	5.1	4.6
East Granby	5.7	5.5	4.9	3.9	3.9	Newington	7.1	6.4	5.4	4.8	4.4	Watertown	7.0	6.3	5.5	4.9	4.4
East Haddam	7.0	6.5	5.8	5.0	4.6	Newtown	6.1	5.7	4.9	4.4	4.3	West Hartford	6.0	5.5	4.7	4.1	3.7
East Hampton	6.9	6.2	5.0	4.4	4.2	North Branford	6.9	6.0	5.2	4.7	4.2	West Haven	10.3	9.5	8.1	6.9	6.0
East Hartford	10.7	10.0	8.5	7.4	6.6	North Canaan	7.1	6.2	5.3	4.6	4.7	Westbrook	7.2	6.5	5.6	4.9	4.6
East Haven	9.5	8.8	7.5	6.4	5.7	North Haven	7.2	6.4	5.5	4.8	4.3	Weston	6.1	5.9	5.0	4.3	4.0
East Lyme	7.9	7.0	5.9	5.2	4.6	North Stonington	7.3	7.1	6.1	4.8	4.0	Westport	6.2	5.9	5.0	4.2	3.7
East Windsor	8.7	8.0	6.7	5.8	5.4	Norfolk	6.7	7.2	6.1	4.9	4.4	Wethersfield	7.1	6.5	5.7	4.9	4.5
Eastford	6.4	6.4	5.6	3.9	3.6	Norwalk	7.0	6.4	5.6	4.9	4.4	Willington	6.4	5.7	5.2	4.3	3.9
Easton	5.8	5.5	4.7	4.0	3.6	Norwich	10.1	9.7	8.4	7.3	6.1	Wilton	5.9	5.6	4.6	4.1	3.9
Ellington	6.4	6.1	5.1	4.8	4.2	Old Lyme	6.8	6.1	5.3	4.5	3.7	Winchester	9.2	8.7	7.2	6.0	5.3
Enfield	8.1	7.5	6.4	5.6	5.5	Old Saybrook	7.0	6.3	5.3	4.7	4.3	Windham	10.6	10.0	8.4	7.1	6.1
Essex	6.7	6.1	5.2	4.8	4.0	Orange	6.0	5.7	4.9	4.2	3.9	Windsor	8.1	7.6	6.4	5.5	4.9
Fairfield	7.1	6.5	5.4	4.7	4.3	Oxford	6.6	6.1	5.4	4.8	4.2	Windsor Locks	8.0	7.4	6.3	5.5	5.2
Farmington	5.8	5.4	4.6	3.9	3.6	Plainfield	10.2	9.6	8.3	7.2	6.0	Wolcott	7.5	6.6	5.4	4.7	4.3
Franklin	6.6	6.6	6.3	5.4	4.4	Plainville	8.1	7.5	6.3	5.3	4.8	Woodbridge	4.9	5.0	4.2	3.9	3.4
Glastonbury	5.4	5.1	4.5	3.8	3.5	Plymouth	9.7	9.1	7.9	6.9	6.0	Woodbury	6.2	6.0	5.1	4.3	3.9
Goshen	7.1	5.8	5.1	4.6	4.2	Pomfret	6.3	5.6	4.8	4.2	3.4	Woodstock	7.4	6.7	5.6	4.8	4.3
Granby	5.6	5.2	4.6	4.0	3.6	Portland	6.7	6.2	5.4	4.8	4.6						
Greenwich	6.2	5.7	4.8	4.1	3.8	Preston	8.4	7.8	6.8	5.6	4.9	CONNECTICUT	8.3	7.8	6.6	5.7	5.1

Source: Connecticut Department of Labor, Office of Research