



LABOR SITUATION

Office of Research
Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

September 2020 Data
CT Unemployment Rate = 7.8%*
US Unemployment Rate = 7.9%

17,000 payroll jobs added in September as unemployment rate decline continued

WETHERSFIELD, October 19, 2020 – Connecticut recouped 17,000 more nonfarm payroll jobs in September 2020 (up 1.1%) after a revised 21,900 increase in August. Over the year, nonfarm employment in the state has dropped by 103,200 (-6.1%) positions and now holds at 1,585,100 seasonally adjusted. The preliminary August 2020 job gain of 20,400 was revised higher by 1,500 jobs. These are nonfarm job estimates from the business survey administered by the US Bureau of Labor Statistics (BLS).

“Even with overall job gains slower than in the previous four months, Connecticut has now recovered more than 60% of the 291,300 jobs lost during the March-April 2020 onset of the Covid-19 pandemic. Wholesale trade and retail trade are more than 90% and 70% recovered respectively,” said Patrick Flaherty, Acting Director of the Office of Research at the Connecticut Department of Labor.

Nonfarm Jobs Detail (business establishment survey)

Private sector employment increased by 14,700 (1.1%) to 1,359,600 jobs over the month in September and are now down by 90,900 (-6.3%) jobs since September 2019. The **government supersector** added 2,300 net jobs in September (1.0%) to a total of 225,500 but is lower by 12,300 jobs (-5.2%) over the year. Local government (8,300) strength offset decreasing federal government employment from a winding down of Census (-300) and a big loss in state government (-5,700) in September. The **government supersector** includes all federal, state and local employment, including public education and Native American casino employment located on tribal land.

Seven of the ten major industry supersectors had employment gains in September.

Increasing Sectors			
Industry Sector	Amount of Increase	Percent Change	September 2020 Employment
Leisure & Hospitality	+6,900	5.7%	127,900
Professional & Business Services	+4,300	2.1%	212,300
Government	+2,300	1.0%	225,500
Trade, Transportation & Utilities	+2,000	0.7%	278,000
Manufacturing	+1,500	1.0%	155,900
Education and Health	+1,300	0.4%	322,500
Information	+600	2.1%	29,600

Three industry supersectors experienced declines.

Decreasing Sectors			
Industry Sector	Amount of Decrease	Percent Change	September 2020 Employment
Other Services	-700	-1.2%	56,300
Financial Activities	-700	-0.6%	119,400
Construction and Mining	-500	-0.9%	57,700

Connecticut Labor Market Areas (LMAs): Four of six **LMAs** seasonally adjusted by the Bureau of Labor Statistics experienced employment increases in September 2020, while the **Danbury LMA** (-0.7%, 72,500) declined by 500 and the **Waterbury LMA** was unchanged at 61,400 positions. The **Bridgeport-Stamford-Norwalk LMA** (1.7%, 365,300) led *absolute* and *percentage* monthly gains, tallying 6,000 jobs. The **Hartford LMA** (0.7%, 552,800) grew by 3,600 jobs, while the **New Haven LMA** (0.8%, 277,000) added 2,100 positions. The **Norwich–New London–Westerly LMA** (0.8%, 114,500) reclaimed 900 nonfarm positions.

Note: The six major Connecticut LMAs are estimated independently from the statewide data by the BLS and cover more than 90% of the nonfarm employment in the state. Thus, estimates will not fully sum to the statewide total.

Hours and Earnings: The **private sector** workweek, not seasonally adjusted, averaged 34.1 hours in September 2020, down two-tenths of an hour from the same month a year ago (-0.6%). Average hourly earnings at \$33.61, not seasonally adjusted, were up \$0.23 (0.7%) from the September 2019 estimate (\$33.38). The resulting average private sector weekly pay amounted to \$1,146.10, up just \$1.17 from a year ago (0.1%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in September 2020 was 1.4%. Information for the manufacturing production workweek and earnings can be found in the table section of this release under the “Hours and Earnings” data category. *Current all-employee private sector hours and earnings estimates can be volatile due to fluctuating sample responses.*

Labor Force Data (residential household survey)

The September 2020 official unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 7.8% (seasonally adjusted), down 0.3 percentage points from the revised August level of 8.1%. The US jobless rate in September 2020 was 7.9%, down 0.5 percentage points from August’s rate of 8.4%.

The Connecticut unemployment rate continues to be underestimated due to challenges encountered in the collection of data for the September Current Population Survey (CPS) which is the foundation of the statistical model used to determine all states’ unemployment rates. In addition to a poor response rate in an already small sample size in Connecticut, key questions continue to be misinterpreted and misclassified. Specifically, a significant number of respondents who should have been classified as *temporarily out of work and therefore unemployed* were instead classified as *employed*, but away from work (e.g., sick). To see the BLS explanation of this issue follow the following link to the September employment situation press release and see the Coronavirus (COVID-19) impact notes at the end of the release. <https://www.bls.gov/news.release/empsit.nr0.htm>

The Office of Research estimates the unemployment rate to be in the range of 12% - 13% for the Mid-September period (same time frame as the BLS estimate). This estimate was made using Connecticut residential unemployment insurance claims adding in a factor for the unemployed self-employed and estimating the size of the labor force.

September 2020 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut were down 1,887 from August (-20.1%) but higher by 4,212 claims (129%) from the September 2019 level of 3,279.

***NOTE:** *Although consistent with prior Bureau of Labor Statistics (BLS) methodology, Connecticut’s official unemployment rate for September produced by the Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) program continues to be impacted by collection and classification challenges imposed by the COVID-19 pandemic. Data collection and misclassification issues in the Current Population Survey (CPS), the foundation of the state’s household-based labor force statistics, caused unemployment to be underestimated. The effect of the CPS misclassification problem on Connecticut’s LAUS unemployment rate has declined since April and is now estimated to be in line with the misclassification at the national level. The BLS continues to work to overcome these problems as quickly as possible.*

The nonfarm employment estimate, derived from a survey of businesses, is a measure of jobs in the state; the unemployment rate and labor force estimates are based on a household survey, and measure the work status of people who live in Connecticut. Overall, as the national and state economies recover, volatility in monthly numbers can be expected. Job and employment estimates are best understood in the context of their movement over several months rather than observed changes in a single month’s value.

Next Connecticut Labor Situation release: Thursday, November 19, 2020 (October 2020, preliminary data)

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Labor Market Information is available at: www1.ctdol.state.ct.us/lmi
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NONFARM EMPLOYMENT

Jobs - by Place of Work

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	September 2020 P	August 2020 R	July 2020	June 2020	September 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,585,100	1,568,100	1,546,200	1,513,900	1,688,300	17,000	1.1%	-103,200	-6.1%
Total Private	1,359,600	1,344,900	1,327,800	1,295,700	1,450,500	14,700	1.1%	-90,900	-6.3%
Goods Producing Industries									
Mining	600	600	600	500	600	0	0.0%	0	0.0%
Construction	57,100	57,600	57,200	56,400	59,400	-500	-0.9%	-2,300	-3.9%
Manufacturing	155,900	154,400	156,200	155,200	162,200	1,500	1.0%	-6,300	-3.9%
Durable Goods	122,300	121,400	122,900	122,500	127,400	900	0.7%	-5,100	-4.0%
Nondurable Goods	33,600	33,000	33,300	32,700	34,800	600	1.8%	-1,200	-3.4%
Service Providing Industries									
Trade, Transportation & Utilities	278,000	276,000	272,300	264,500	292,200	2,000	0.7%	-14,200	-4.9%
Wholesale	58,800	58,300	58,900	58,000	59,500	500	0.9%	-700	-1.2%
Retail	161,700	158,200	156,200	151,800	174,000	3,500	2.2%	-12,300	-7.1%
Transp, Warehousing & Utilities	57,500	59,500	57,200	54,700	58,700	-2,000	-3.4%	-1,200	-2.0%
Information	29,600	29,000	29,000	29,200	31,500	600	2.1%	-1,900	-6.0%
Financial Activities	119,400	120,100	118,700	118,200	123,800	-700	-0.6%	-4,400	-3.6%
Finance & Insurance	100,900	101,400	100,500	100,300	103,500	-500	-0.5%	-2,600	-2.5%
Real Estate, Rental & Leasing	18,500	18,700	18,200	17,900	20,300	-200	-1.1%	-1,800	-8.9%
Professional & Business Services	212,300	208,000	206,500	202,500	219,200	4,300	2.1%	-6,900	-3.1%
Prof, Scientific & Tech Services	94,300	93,400	92,200	92,000	95,500	900	1.0%	-1,200	-1.3%
Management of Companies	32,900	32,800	32,600	32,300	33,100	100	0.3%	-200	-0.6%
Admn & Support & Waste Mgt Serv	85,100	81,800	81,700	78,200	90,600	3,300	4.0%	-5,500	-6.1%
Educational & Health Services	322,500	321,200	313,500	312,800	339,600	1,300	0.4%	-17,100	-5.0%
Educational Services	63,700	61,700	60,600	62,100	66,800	2,000	3.2%	-3,100	-4.6%
Health Care & Social Assistance	258,800	259,500	252,900	250,700	272,800	-700	-0.3%	-14,000	-5.1%
Leisure and Hospitality	127,900	121,000	117,000	104,100	157,100	6,900	5.7%	-29,200	-18.6%
Arts, Entertainment & Recreation	22,400	20,300	19,700	15,800	28,500	2,100	10.3%	-6,100	-21.4%
Accommodation & Food Services	105,500	100,700	97,300	88,300	128,600	4,800	4.8%	-23,100	-18.0%
Other Services	56,300	57,000	56,800	52,300	64,900	-700	-1.2%	-8,600	-13.3%
Government**	225,500	223,200	218,400	218,200	237,800	2,300	1.0%	-12,300	-5.2%
UNITED STATES	141,720,000	141,059,000	139,570,000	137,809,000	151,368,000	661,000	0.5%	-9,648,000	-6.4%

LABOR MARKET AREAS (LMA)

Labor Market Area employment estimates are made independently of Statewide estimates.

Seasonally Adjusted data	September 2020 P	August 2020 R	July 2020	June 2020	September 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
Bridgeport-Stamford-Norwalk	365,300	359,300	354,600	345,100	405,200	6,000	1.7%	-39,900	-9.8%
Danbury	72,500	73,000	71,600	69,000	77,400	-500	-0.7%	-4,900	-6.3%
Hartford	552,800	549,200	539,000	526,500	584,500	3,600	0.7%	-31,700	-5.4%
New Haven	277,000	274,900	268,700	262,300	291,500	2,100	0.8%	-14,500	-5.0%
Norwich-New London-Westerly, RI	114,500	113,600	112,400	108,300	128,400	900	0.8%	-13,900	-10.8%
Waterbury	61,400	61,400	59,800	59,200	67,900	0	0.0%	-6,500	-9.6%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	42,600	42,600	42,500	41,800	44,500	0	0.0%	-1,900	-4.3%
Torrington-Northwest	30,900	30,800	30,800	30,300	33,400	100	0.3%	-2,500	-7.5%
Danielson-Northeast	26,200	26,000	26,000	25,500	27,600	200	0.8%	-1,400	-5.1%

* Less than 0.05% ** Includes Native American tribal government employment

P = Preliminary

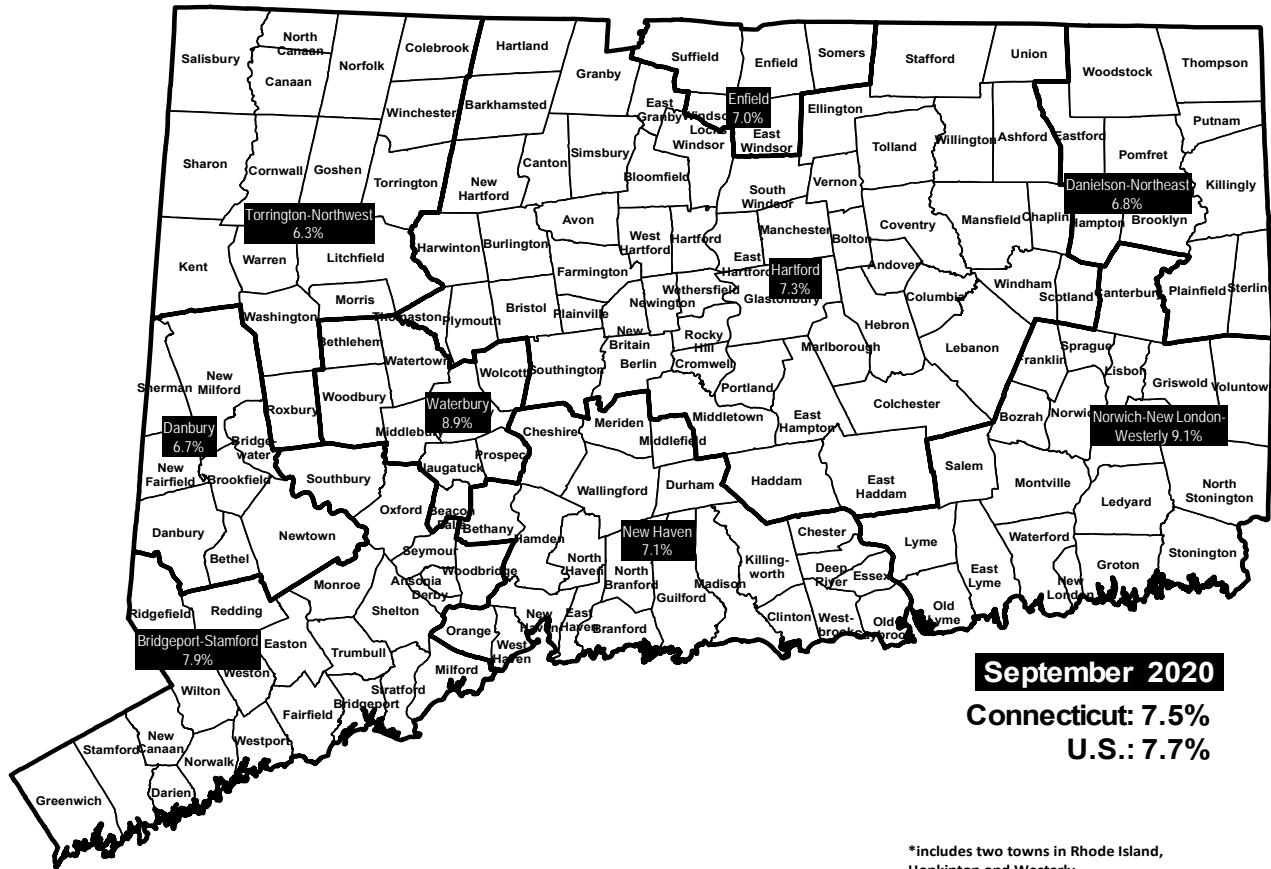
R = Revised

Starting with March, 2011, our monthly statewide and major LMA nonfarm job estimates have been taken over by the US Department of Labor Bureau of Labor Statistics. This is the final phase of transition in this program, which began in 2008. As a result of changes in the estimation procedures, you are likely to see more variability in month-to-month estimates of job counts. Caution should be used in interpreting any single month's estimate. The data are best interpreted to identify trends and cycles over several months and quarters. If you have any questions about these changes, please email us at: dol.lmi@ct.gov. Danbury and Waterbury LMA's are now back to being seasonally adjusted.

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS



HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	Sep. 2020 P	Sep. 2019	Change over Yr.	Aug. 2020 R	Sep. 2020 P	Sep. 2019	Change over Yr.	Aug. 2020 R	Sep. 2020 P	Sep. 2019	Change over Yr.	Aug. 2020 R
Private Industry All Employees	\$1,146.10	\$1,144.93	\$1.17	\$1,160.03	34.1	34.3	-0.2	34.3	\$33.61	\$33.38	\$0.23	\$33.82
Manufacturing*												
Production Workers	\$1,208.27	\$1,164.40	\$43.87	\$1,178.71	41.0	41.9	-0.9	40.8	\$29.47	\$27.79	\$1.68	\$28.89

* Production worker data have been impacted by the loss of a large, high-paying manufacturer from the monthly sample.

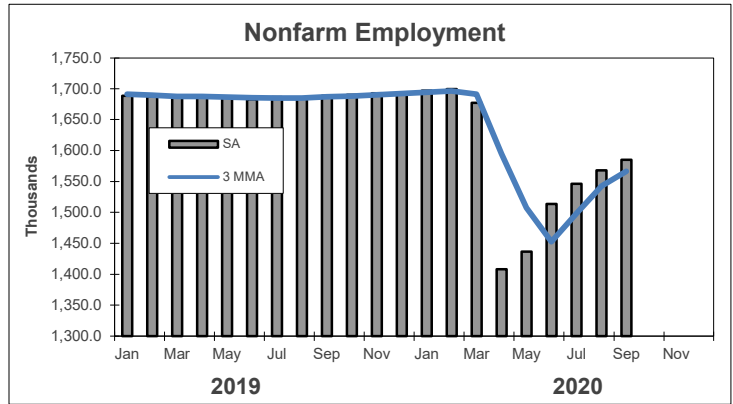
P = Preliminary R = Revised

Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: www1.ctdol.state.ct.us/lmi

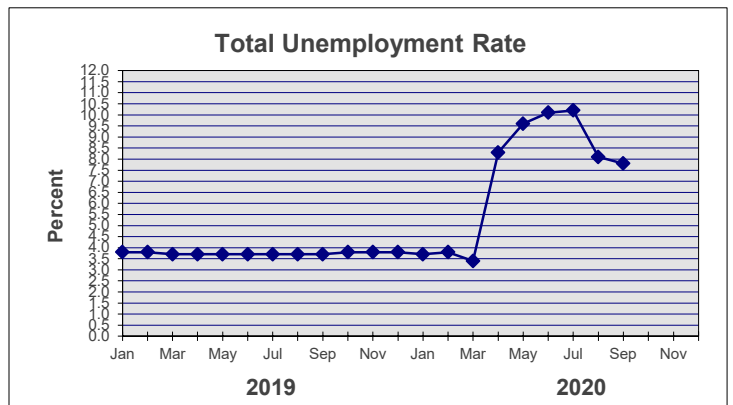
TRENDS

Seasonally Adjusted

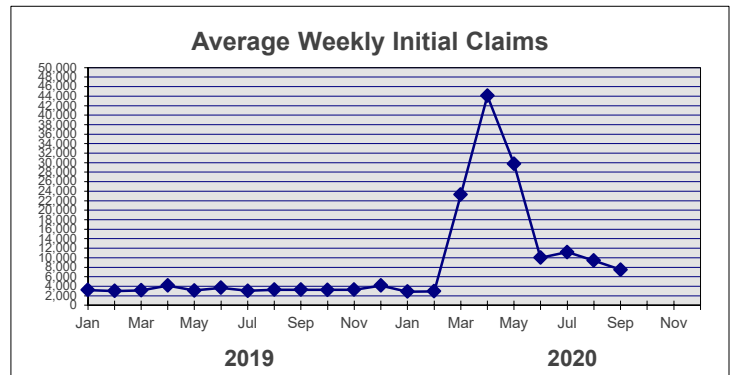
	Nonfarm Employment (000s)	Total Unemployment Rate
2019		
Jan	1,688.3	3.8
Feb	1,687.5	3.8
Mar	1,686.6	3.7
Apr	1,687.9	3.7
May	1,685.4	3.7
Jun	1,682.6	3.7
Jul	1,686.7	3.7
Aug	1,685.3	3.7
Sep	1,688.3	3.7
Oct	1,690.0	3.8
Nov	1,692.5	3.8
Dec	1,693.5	3.8



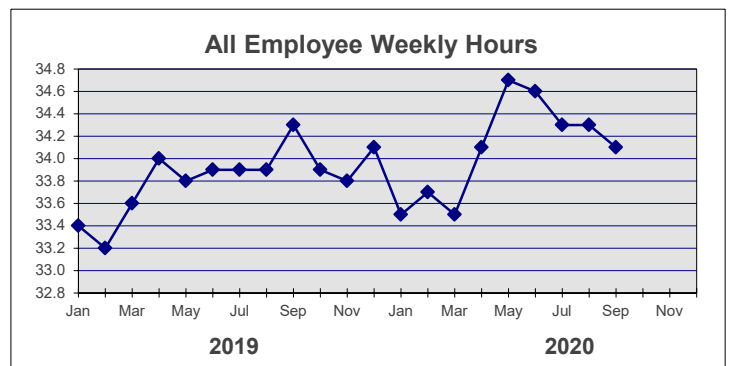
2020		
Jan	1,696.8	3.7
Feb	1,699.5	3.8
Mar	1,677.4	3.4
Apr	1,408.2	8.3
May	1,436.6	9.6
Jun	1,513.9	10.1
Jul	1,546.2	10.2
Aug	1,568.1 R	8.1 R
Sep	1,585.1 P	7.8 P
Oct		
Nov		
Dec		



	Avg Weekly Initial Claims	All Employee Weekly Hours*
2019		
Jan	3,184	33.4
Feb	2,985	33.2
Mar	3,121	33.6
Apr	4,146	34.0
May	3,114	33.8
Jun	3,655	33.9
Jul	3,046	33.9
Aug	3,280	33.9
Sep	3,279	34.3
Oct	3,238	33.9
Nov	3,254	33.8
Dec	4,146	34.1



2020		
Jan	2,854	33.5
Feb	2,927	33.7
Mar	23,264	33.5
Apr	44,075	34.1
May	29,758	34.7
Jun	9,986	34.6
Jul	11,168	34.3
Aug	9,378	34.3 R
Sep	7,491	34.1 P
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute

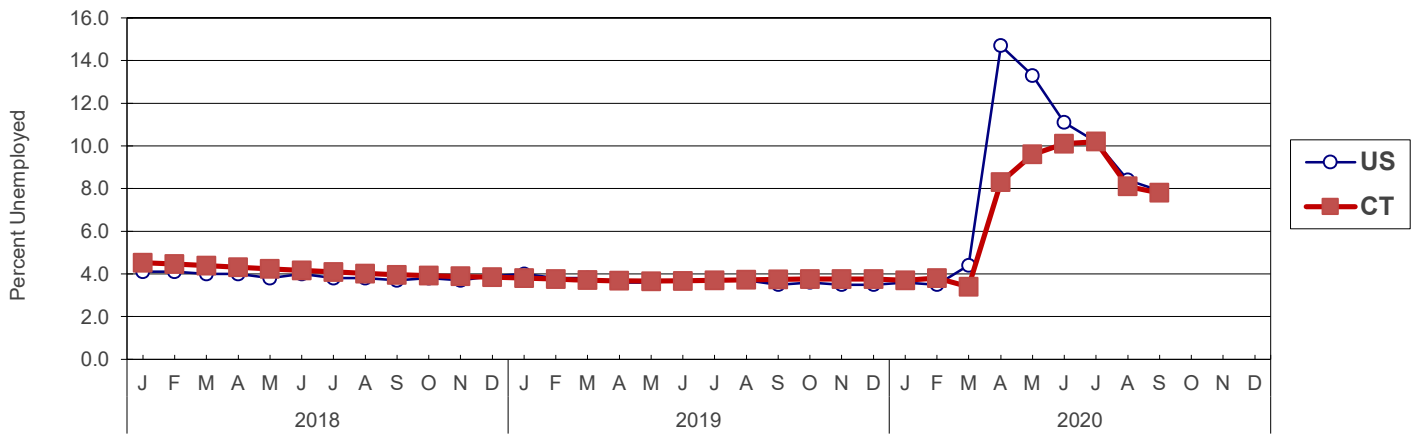
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Sep 2020 P		Sep 2019 R		Change		Aug 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	147,100	7.8	72,100	3.7	75,000	4.1	150,800	8.1
Labor Force	1,894,800		1,923,100		-28,300		1,866,400	
UNITED STATES								
Unemployed	12,580,000	7.9	5,753,000	3.5	6,827,000	4.4	13,550,000	8.4
Labor Force	160,143,000		164,051,000		-3,908,000		160,838,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2018 - 2020



LABOR MARKET AREAS - Not Seasonally Adjusted

	Sep 2020 P		Sep 2019 R		Change		Aug 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	35,700	7.9	16,400	3.5	19,300	4.4	38,200	8.5
Danbury	7,000	6.7	3,000	2.8	4,000	3.9	7,400	7.1
Danielson-Northeast*	2,900	6.8	1,500	3.5	1,400	3.3	3,200	7.4
Worcester NECTA	2,800	6.9	1,500	3.5	1,300	3.4	3,100	7.5
Hampton	100	5.1	100	3.0	0	2.1	100	5.1
Enfield	3,300	7.0	1,600	3.3	1,700	3.7	3,600	7.7
Hartford	45,900	7.3	22,200	3.5	23,700	3.8	49,800	8.0
New Haven	23,500	7.1	11,200	3.4	12,300	3.7	25,100	7.7
Norwich-New London	12,700	9.1	4,800	3.4	7,900	5.7	14,200	10.2
Torrington-Northwest**	2,900	6.3	1,400	3.0	1,500	3.3	3,200	6.8
Torrington NECTA	2,000	7.6	1,000	3.6	1,000	4.0	2,100	8.1
Litchfield	1,000	4.7	500	2.2	500	2.5	1,100	5.2
Waterbury	9,800	8.9	4,800	4.3	5,000	4.6	10,500	9.7
CONNECTICUT	142,300	7.5	66,600	3.5	75,700	4.0	153,200	8.2
UNITED STATES	12,277,000	7.7	5,465,000	3.3	6,812,000	4.4	13,742,000	8.5

P = Preliminary

R = Revised

Labor force data included in this publication are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

* Worcester NECTA, CT part and Hampton LMA are combined

** Torrington Micropolitan NECTA and Litchfield LMA are combined