



LABOR SITUATION

Office of Research

Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

January 2021 Data

CT Unemployment Rate = 8.1%

US Unemployment Rate = 6.3%

Payroll jobs post slight January 2021 decline (-100): unemployment rate at 8.1% on newly benchmarked data

WETHERSFIELD, March 12, 2021 – Connecticut payroll employment was essentially unchanged in January 2021, dropping just 100 jobs (-0.01%) after a revised 4,600 (-0.3%) decrease in December 2020. This is the third monthly job loss after six consecutive seasonally adjusted monthly jobs gains. Statewide employment is now 127,300 (-7.5%) positions lower than a year ago at 1,570,700 jobs. Connecticut has now recovered 166,800 nonfarm jobs (57.0%) of the 292,400 jobs lost in March and April 2020 due to the COVID-19 lockdown. These nonfarm industry employment estimates are from the business establishment survey conducted by the U.S. Bureau of Labor Statistics (BLS) from the Current Employment Statistics (CES) program. This data is being released under the newly implemented benchmark. January data are preliminary.

“Connecticut employment sprinted out of the lockdown in the middle of 2020, but growth stalled as infection rates rose at the end of the year” said Patrick Flaherty, Acting Director of the Office of Research at the Connecticut Department of Labor. “Private sector employment increased in January led by retail trade, education, and other services. The unemployment rate is now 3.3% points below the peak reached in the late spring of 2020.”

Private sector employment increased by 400 positions (0.03%) to 1,350,100 in January 2021 and is now down by 111,700 (-7.6%) jobs since January 2020. The **government supersector** declined 500 jobs (-0.2%) to a level of 220,600 and is now lower by 15,600 jobs (-6.6%) over the year. The **government supersector** includes all federal, state and local employment, including public education and Native American casino employment located on tribal reservation land.

Three of the ten major industry *supersectors* had employment gains in January 2021.

Increasing Sectors			
Industry Sector	Amount of Increase	Percent Change	January 2021 Employment
Trade, Transportation, & Utilities	+2,400	0.8%	289,900
Education and Health Services	+1,200	0.4%	324,200
Other Services	+500	0.9%	58,100

Seven industry *supersectors* had January 2021 declines.

Declining Sectors			
Industry Sector	Amount of Decrease	Percent Change	January 2021 Employment
Information	-1,400	-4.8%	27,800
Construction and Mining	-700	-1.2%	56,500
Professional & Business Services	-700	-0.3%	202,900
Government	-500	-0.2%	220,600
Leisure & Hospitality	-400	-0.3%	118,500
Financial Activities	-300	-0.3%	119,500
Manufacturing	-200	-0.1%	152,700

Connecticut Labor Market Areas (LMAs): Just two of the six Connecticut **LMAs**, seasonally adjusted by the Bureau of Labor Statistics (BLS), indicated employment gains in January 2021, while four regional **LMAs** declined. The **Waterbury LMA** (0.5%, 64,300) and the **Bridgeport-Stamford-Norwalk LMA** (0.1%, 370,700) both were higher by 300 positions in January 2021. The **New Haven LMA** (-0.3%, 281,700) lost 900 jobs, while the **Hartford LMA** (-0.1%, 548,700) decreased 400 positions. The **Danbury LMA** (-0.4%, 70,700) and the **Norwich–New London–Westerly LMA** (-0.3%, 114,400) each shed 300 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 34.2 hours in January 2021, up eight-tenths of an hour from January 2020 (2.4%). Average hourly earnings at \$34.23, not seasonally adjusted, were up \$0.74 (2.2%) from the January 2020 estimate (\$33.49). Average private sector weekly paychecks totaled \$1,170.67, up \$52.10 from a year ago (4.7%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in January 2021 was 1.4%. *Current all-employee private sector hours and earnings estimates can be volatile due to fluctuating sample responses.*

Labor Force Data (residential household survey)

The official January 2021 unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 8.1% (seasonally adjusted), lower by 0.1 percentage point from the December 2020 level of 8.2%. The Connecticut unemployment rate was 3.7% in January 2020. The US jobless rate in January 2021 was 6.3%, down 0.4 percentage points from December's rate (6.7%). The US rate was 3.5% a year ago.

Data users must be cautious about trying to compare or reconcile UI claims data with the official unemployment figures derived from the household survey. For additional insight into the Connecticut labor market during the COVID-19 pandemic please see the analysis linked here:

<https://www1.ctdol.state.ct.us/lmi/claimsdata.asp> Please note that there are conceptual, coverage, and scope differences between the two data sources.

Unemployment claims for first-time filers in Connecticut were an average of 8,040 per week in January 2021, up 3,547 from the December 2020 (78.9%, 4,493) level and higher by 4,961 claims (161.1%) from the average weekly level of 3,079 in January 2020.

*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, March 25, 2021
(preliminary February 2021)*

Contact:
Juliet Manalan
Communications Director, CT Department of Labor
Juliet.Manalan@ct.gov

Labor Market Information is available at: www.ctworkforce.info
200 Folly Brook Boulevard, Wethersfield, CT 06109-1114 www.ct.gov/dol
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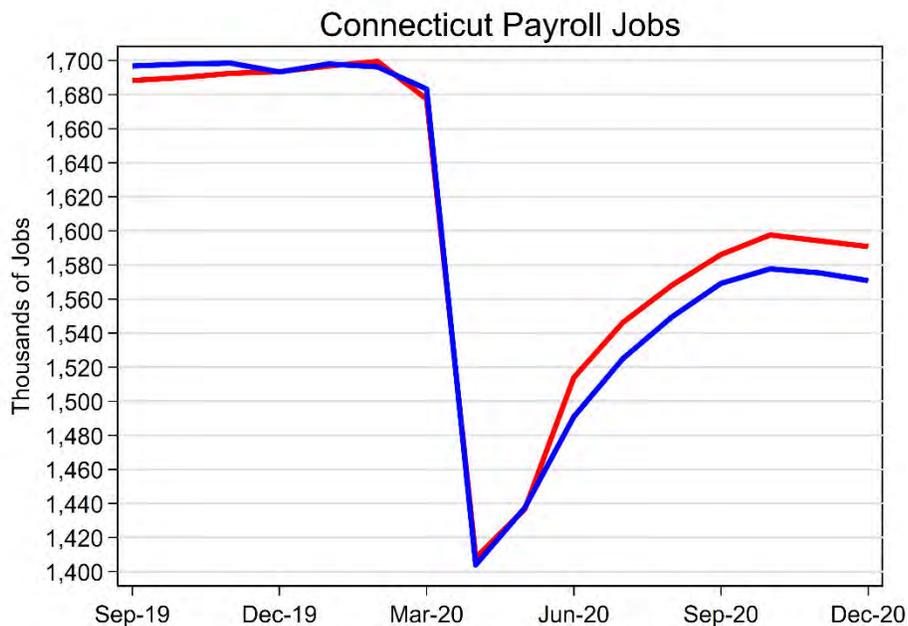
Notes on Labor Data – Connecticut Labor Statistics Revisions, 2020 Benchmark Announcement

**2020 Benchmark Revisions to Connecticut’s Establishment Survey Data
(Total Nonfarm Employment Series – CES - Current Employment Statistics)**

The establishment payroll survey data released today have been benchmarked to reflect more comprehensive counts of nonfarm payroll jobs in the state. The process replaces the original monthly sample estimates with census job counts derived from unemployment insurance (UI) tax records through March 2020 (considered the official benchmark month). Preliminary second and third quarter UI tax records also replace the sample estimates through September 2020. The survey data are then re-estimated from October 2020 to December 2020 with more complete random samples from the newly benchmarked September 2020 levels. Seasonally adjusted data from January 2019 forward are also subject to revision due to the changing concurrent seasonal factors. Additionally, data for many industry employment series prior to 2020 (some going back to 1990), both seasonally and not seasonally adjusted, may incorporate some revisions and data reconstruction due to changes in scope of industry coverage and improved information.

This year, a significant inclusion of employment scope/coverage by CES in NAICS 62 (Health Care and Social Assistance – mainly home health aides) came from NAICS 814 (domestic household employment) which traditionally was not covered by the Current Employment Statistics (CES) program and nonfarm industry statistics. This employment was measured at about 10,075 and was added to December 2019 levels and then tracked back at the UI account level to 1990. This is an industry with high turnover and movement. Consequently, Connecticut total nonfarm employment levels have been adjusted back to January 1990 reflecting this industry inclusion. Please update your historical data after this release with the revised data from our website.

Connecticut’s total nonfarm employment level for March 2020 (the official benchmark month) was revised **upward** by 5,900 from the initially published estimate of 1,677,400 to 1,683,300, or 0.3% *seasonally adjusted*. Going forward, the monthly benchmark revision changes to Connecticut’s December 2020 *seasonally adjusted* nonfarm employment monthly levels were revised down by 20,000, from 1,590,800 to 1,570,800. The COVID-19 Lockdown in March-April (a 292,400 *seasonally adjusted* job decline) was estimated to be a 291,300 decline at the time but some of the subsequent job recovery from June 2020 on to December 2020 was over-estimated. The sample seemed to perform adequately under a very volatile situation.



Connecticut Nonfarm Employment Benchmark Revisions - 2020 Seasonally Adjusted (000's, blue is newly revised data)

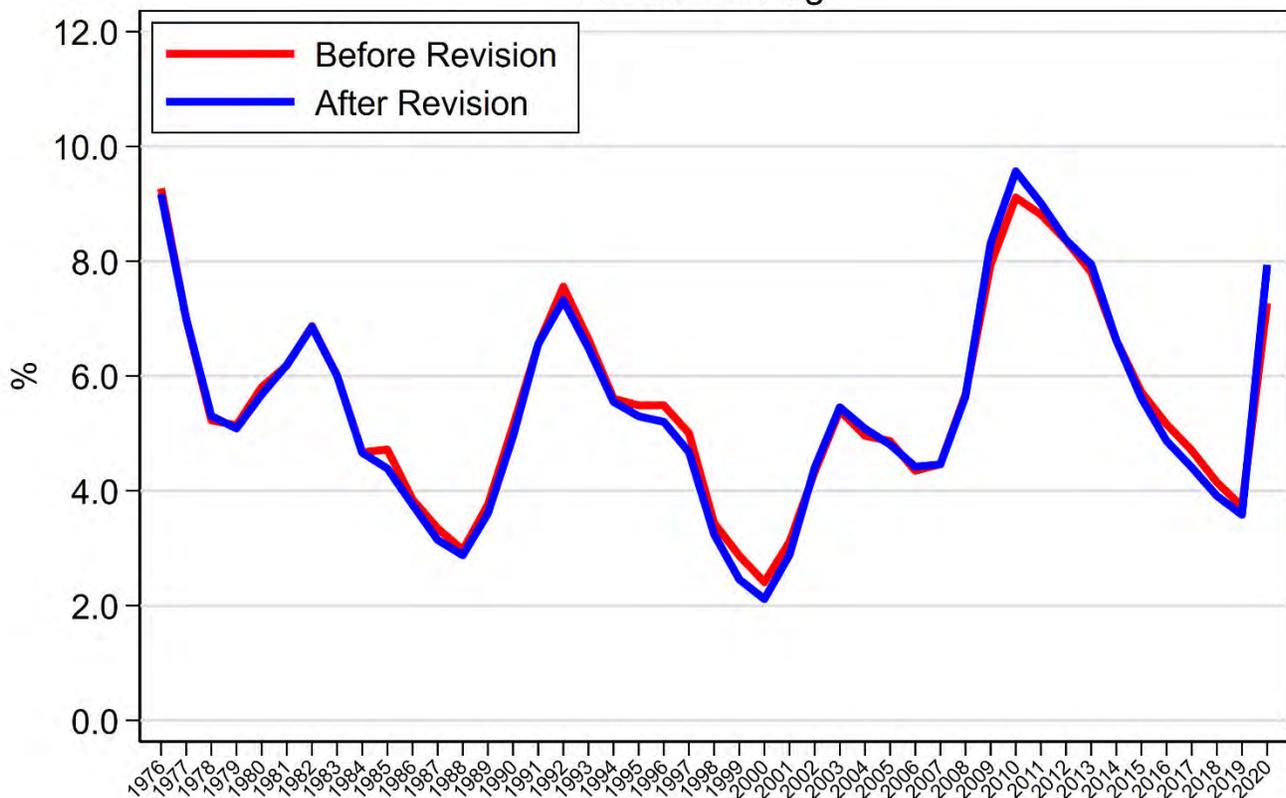
In the spring of 2020, BLS encountered pandemic-related challenges enrolling new businesses to participate in the CES survey, which required adjustments to the timing of quarterly sample rotation. In doing so, there was an unintended data processing issue beginning in July 2020 in which data from some businesses that were scheduled to be dropped from the sample were used in estimates. BLS is taking steps to resolve this issue immediately and will research the impact on CES employment, hours, and earnings.

(See <https://www.bls.gov/web/empsit/cestn.htm#section1a> for more information on the CES sample and quarterly rotation.)

Local Area Unemployment Statistics (LAUS) 2020 Annual Processing

This year, the whole history of statewide Local Area Unemployment Statistics (LAUS) were revised from 1976 to 2020 using a new improved “Gen5” model-based estimation. Detailed information describing this change is available at <https://www.bls.gov/lau/gen-5-changes-in-2021.htm>. On an annual average basis, the revised Connecticut unemployment rate rose from 3.6% in 2019 to 7.9% in 2020, highest since 2013 when it was 8.0%.

Connecticut Seasonally Adjusted Unemployment Rate Annual Average



All revised nonfarm employment and unemployment data for Connecticut should be available soon on Connecticut's Department of Labor's website under Labor Market Information www.ctworkforce.info.

NONFARM EMPLOYMENT

Jobs - by Place of Work

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	January 2021 P	December 2020 R	November 2020	October 2020	January 2020	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,570,700	1,570,800	1,575,400	1,577,700	1,698,000	-100	0.0%	-127,300	-7.5%
Total Private	1,350,100	1,349,700	1,350,200	1,352,300	1,461,800	400	0.0%	-111,700	-7.6%
Goods Producing Industries									
Mining	400	500	500	500	600	-100	-20.0%	-200	-33.3%
Construction	56,100	56,700	56,400	56,800	58,800	-600	-1.1%	-2,700	-4.6%
Manufacturing	152,700	152,900	151,600	151,400	160,800	-200	-0.1%	-8,100	-5.0%
Durable Goods	120,900	120,700	119,900	119,900	126,300	200	0.2%	-5,400	-4.3%
Nondurable Goods	31,800	32,200	31,700	31,500	34,500	-400	-1.2%	-2,700	-7.8%
Service Providing Industries									
Trade, Transportation & Utilities	289,900	287,500	288,400	287,000	293,900	2,400	0.8%	-4,000	-1.4%
Wholesale	54,500	55,400	55,800	56,100	58,900	-900	-1.6%	-4,400	-7.5%
Retail	166,600	163,500	163,500	163,900	173,800	3,100	1.9%	-7,200	-4.1%
Transp, Warehousing & Utilities	68,800	68,600	69,100	67,000	61,200	200	0.3%	7,600	12.4%
Information	27,800	29,200	29,200	29,000	31,400	-1,400	-4.8%	-3,600	-11.5%
Financial Activities	119,500	119,800	119,300	120,100	122,900	-300	-0.3%	-3,400	-2.8%
Finance & Insurance	101,200	100,900	100,800	101,300	102,700	300	0.3%	-1,500	-1.5%
Real Estate, Rental & Leasing	18,300	18,900	18,500	18,800	20,200	-600	-3.2%	-1,900	-9.4%
Professional & Business Services	202,900	203,600	204,200	203,500	219,400	-700	-0.3%	-16,500	-7.5%
Prof, Scientific & Tech Services	91,400	91,900	91,600	91,800	96,000	-500	-0.5%	-4,600	-4.8%
Management of Companies	32,000	31,800	31,700	31,500	33,200	200	0.6%	-1,200	-3.6%
Admn & Support & Waste Mgt Serv	79,500	79,900	80,900	80,200	90,200	-400	-0.5%	-10,700	-11.9%
Educational & Health Services	324,200	323,000	324,000	324,200	350,800	1,200	0.4%	-26,600	-7.6%
Educational Services	63,600	61,800	62,600	62,400	67,400	1,800	2.9%	-3,800	-5.6%
Health Care & Social Assistance	260,600	261,200	261,400	261,800	283,400	-600	-0.2%	-22,800	-8.0%
Leisure and Hospitality	118,500	118,900	119,700	121,900	157,600	-400	-0.3%	-39,100	-24.8%
Arts, Entertainment & Recreation	18,600	18,300	18,600	18,900	28,300	300	1.6%	-9,700	-34.3%
Accommodation & Food Services	99,900	100,600	101,100	103,000	129,300	-700	-0.7%	-29,400	-22.7%
Other Services	58,100	57,600	56,900	57,900	65,600	500	0.9%	-7,500	-11.4%
Government**	220,600	221,100	225,200	225,400	236,200	-500	-0.2%	-15,600	-6.6%
UNITED STATES	142,631,000	142,582,000	142,809,000	142,545,000	152,234,000	49,000	0.0%	-9,603,000	-6.3%

LABOR MARKET AREAS (LMA)

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

	January 2021 P	December 2020 R	November 2020	October 2020	January 2020	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford-Norwalk	370,700	370,400	371,000	370,700	406,000	300	0.1%	-35,300	-8.7%
Danbury	70,700	71,000	71,300	71,500	77,500	-300	-0.4%	-6,800	-8.8%
Hartford	548,700	549,100	549,400	548,500	591,900	-400	-0.1%	-43,200	-7.3%
New Haven	281,700	282,600	281,800	281,600	295,600	-900	-0.3%	-13,900	-4.7%
Norwich-New London-Westerly, RI	114,400	114,700	114,400	115,000	128,700	-300	-0.3%	-14,300	-11.1%
Waterbury	64,300	64,000	63,900	64,200	68,400	300	0.5%	-4,100	-6.0%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	41,500	42,300	42,300	41,800	44,500	-800	-1.9%	-3,000	-6.7%
Torrington-Northwest	29,800	30,500	30,600	30,800	32,400	-700	-2.3%	-2,600	-8.0%
Danielson-Northeast	25,400	25,600	25,600	25,300	27,000	-200	-0.8%	-1,600	-5.9%

* 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:

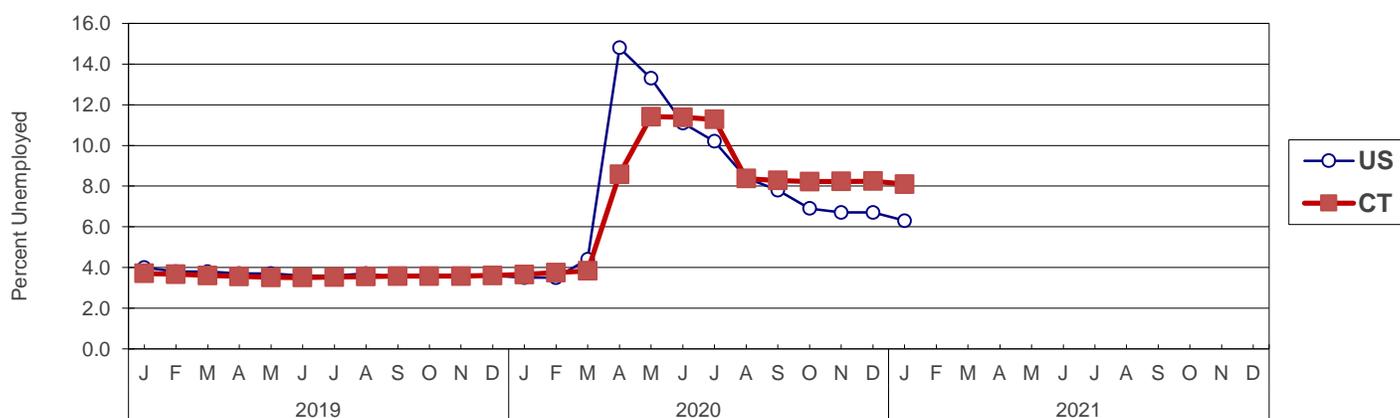
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Jan 2021 P		Jan 2020 R		Change		Dec 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	149,200	8.1	70,300	3.7	78,900	4.4	152,000	8.2
Labor Force	1,839,800		1,921,000		-81,200		1,843,000	
UNITED STATES								
Unemployed	10,130,000	6.3	5,796,000	3.5	4,334,000	2.8	10,736,000	6.7
Labor Force	160,161,000		164,455,000		-4,294,000		160,567,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2019 - 2021



LABOR MARKET AREAS - Not Seasonally Adjusted

	Jan 2021 P		Jan 2020 R		Change		Dec 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	38,100	8.7	19,900	4.3	18,200	4.4	34,800	7.9
Danbury	7,700	7.7	4,200	3.9	3,500	3.8	6,800	6.8
Danielson-Northeast*	3,400	8.1	1,900	4.4	1,500	3.7	3,000	7.3
Worcester NECTA	3,200	8.2	1,800	4.4	1,400	3.8	2,900	7.4
Hampton	100	6.6	100	3.7	0	2.9	100	5.5
Enfield	3,600	7.8	2,000	4.1	1,600	3.7	3,300	7.1
Hartford	50,400	8.3	26,700	4.2	23,700	4.1	46,200	7.6
New Haven	25,500	7.9	13,400	4.0	12,100	3.9	23,300	7.2
Norwich-New London	12,500	9.5	6,200	4.4	6,300	5.1	11,500	8.7
Torrington-Northwest**	3,700	8.2	2,100	4.3	1,600	3.9	3,200	7.2
Torrington NECTA	2,400	9.4	1,300	4.9	1,100	4.5	2,100	8.4
Litchfield	1,300	6.6	800	3.6	500	3.0	1,100	5.6
Waterbury	10,800	10.0	5,900	5.3	4,900	4.7	9,900	9.1
CONNECTICUT	154,500	8.5	81,500	4.3	73,000	4.2	141,000	7.7
UNITED STATES	10,851,000	6.8	6,504,000	4.0	4,347,000	2.8	10,404,000	6.5

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.

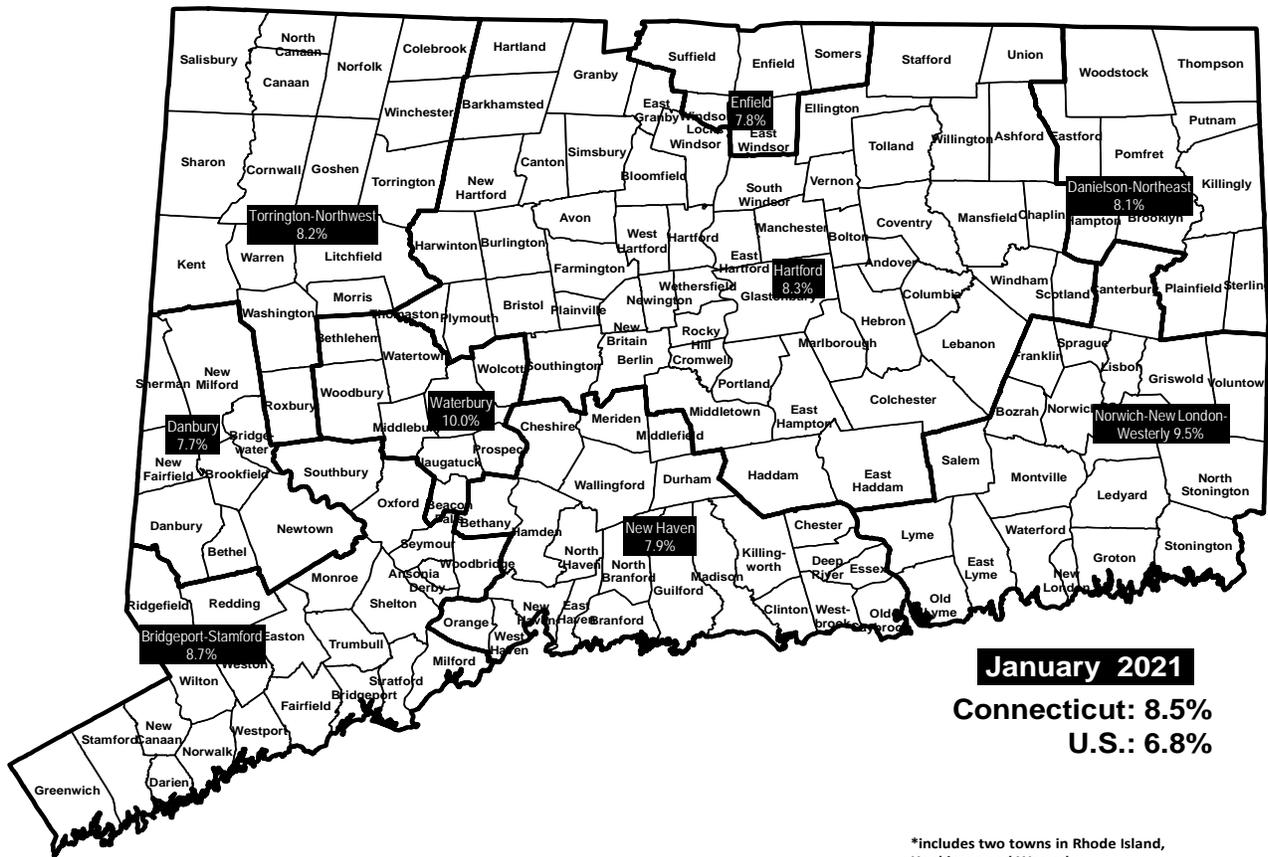
* Worcester NECTA, CT part and Hampton LMA are combined

** Torrington Micropolitan NECTA and Litchfield LMA are combined

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS



*includes two towns in Rhode Island, Hopkinton and Westerly.

HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	Jan. 2021 P	Jan. 2020	Change over Yr.	Dec. 2020 R	Jan. 2021 P	Jan. 2020	Change over Yr.	Dec. 2020 R	Jan. 2021 P	Jan. 2020	Change over Yr.	Dec. 2020 R
Private Industry All Employees	\$1,170.67	\$1,118.57	\$52.10	\$1,172.36	34.2	33.4	0.8	34.1	\$34.23	\$33.49	\$0.74	\$34.38
Manufacturing* Production Workers	\$1,141.02	\$1,163.66	-\$22.64	\$1,154.25	39.4	41.5	-2.1	40.5	\$28.96	\$28.04	\$0.92	\$28.50

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

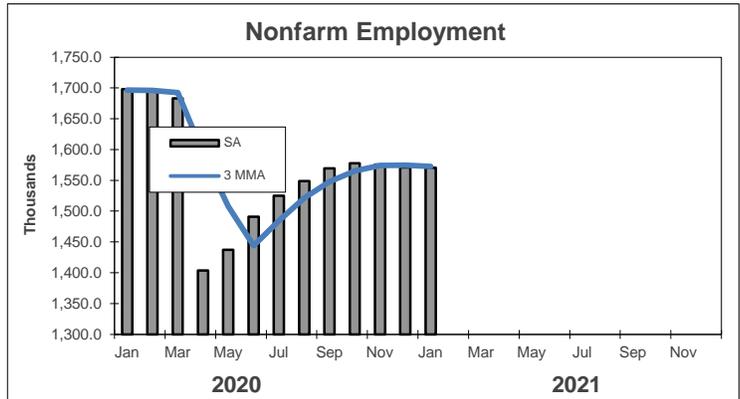
P = Preliminary R = Revised

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

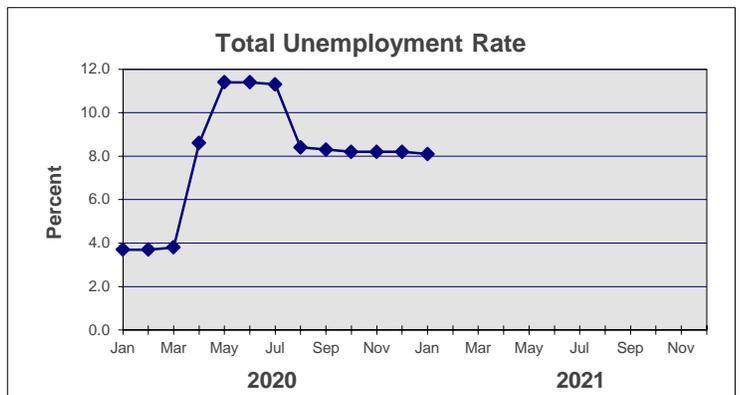
TRENDS

Seasonally Adjusted

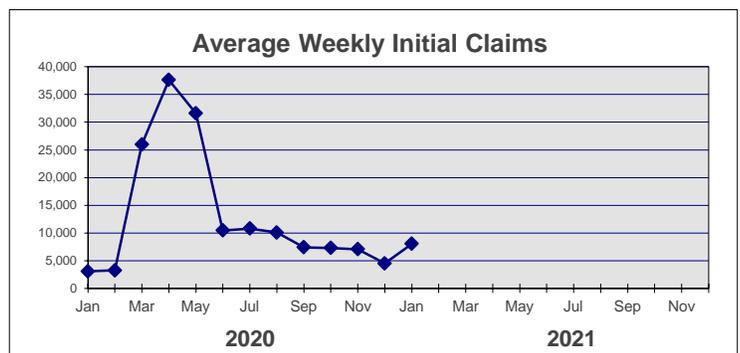
	Nonfarm Employment (000s)	Total Unemployment Rate
2020		
Jan	1,698.0	3.7
Feb	1,696.3	3.7
Mar	1,683.3	3.8
Apr	1,403.9	8.6
May	1,437.5	11.4
Jun	1,490.9	11.4
Jul	1,525.0	11.3
Aug	1,549.0	8.4
Sep	1,569.2	8.3
Oct	1,577.7	8.2
Nov	1,575.4	8.2
Dec	1,570.8 R	8.2 R



2021		
Jan	1,570.7 P	8.1 P
Feb		
Mar		
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



	Avg Weekly Initial Claims	All Employee Weekly Hours*
2020		
Jan	3,079	33.4
Feb	3,243	33.7
Mar	25,989	33.5
Apr	37,632	34.1
May	31,592	34.7
Jun	10,446	34.6
Jul	10,794	34.3
Aug	10,073	34.3
Sep	7,408	34.1
Oct	7,295	34.0
Nov	7,072	34.4
Dec	4,493	34.1 R



2021		
Jan	8,040	34.2 P
Feb		
Mar		
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute