



# LABOR SITUATION

Office of Research

Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

May 2020 Data

CT Unemployment Rate = 9.4%\*

US Unemployment Rate = 13.3%

## Nonfarm jobs recover by 25,800 in May.

**\*NOTE: Connecticut's official unemployment rate for May produced by the Bureau of Labor Statistics Local Area Unemployment Statistics program (LAUS) continues to be impacted by pandemic related survey data problems. Data collection and misclassification issues in the Census Bureau's Current Population Survey, the foundation of the state's residential labor force statistics, caused residential unemployment to be severely underestimated. Connecticut's official unemployment rate is not accurate (see below). The Bureau of Labor Statistics is actively working to overcome this problem as quickly as possible.**

WETHERSFIELD, June 18, 2020 – Preliminary Connecticut nonfarm job estimates from the business payroll survey administered by the US Bureau of Labor Statistics (BLS) show the state gained 25,800 net jobs (1.8%) in May 2020, to a level of 1,434,000 seasonally adjusted. Over the year, nonagricultural employment in the state fell by 251,400 (-14.9%) seasonally adjusted. The April 2020 historic job loss of 266,300 was revised down to a loss of 269,200 jobs. The change in payroll job estimates is considered statistically significant.

"Connecticut saw the beginnings of recovery of the historic job losses in April caused by the COVID-19 pandemic," said Andy Condon, Director of the Office of Research at the Connecticut Department of Labor. "Leisure & hospitality, retail trade, and education & health services remain the hardest hit industries. The process of recovery may quicken as Connecticut implements its phased response to the slowing spread of the virus."

### Nonfarm Jobs Detail (business establishment survey)

**Private sector** employment recovered by 30,500 (2.6%) to 1,226,200 jobs over the month in May and are now down by 223,300 (-15.4%) seasonally-adjusted jobs over May 2019. The **government supersector** fell by 4,700 jobs in May to a total of 207,800 and is down by 28,100 jobs (-11.9%) over the year. 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* employment gains in May. Improving *supersectors* included:

- Leisure & Hospitality – (9,400 gained, 13.4% change, 79,400 total jobs)
- Trade, Transportation & Utilities – (5,100, 2.1%, 246,000)
- Other Services – (4,700, 11.5%, 45,400)
- Education & Health – (4,600, 1.6%, 301,300)
- Professional & Business services – (3,400, 1.7%, 199,600)
- Construction & Mining – (3,300, 6.5%, 54,000)
- Manufacturing – (2,400, 1.6%, 153,400)

Three *supersectors* saw declines including:

- Government – (-4,700, -2.2%, 207,800)
- Information – (-1,300, -4.4%, 28,400)
- Financial Activities – (-1,100, -0.9%, 118,700)

Connecticut Labor Market Areas (LMAs): Five of the six **LMAs** seasonally adjusted by the Bureau of Labor Statistics saw employment gains in May 2020. The **Hartford LMA** (1.8%, 514,000) led gains, adding 9,200 jobs. The **Danbury LMA** (5.1%, 66,000) grew by 3,200 net jobs, while the **Norwich, New London, Westerly, RI LMA** (3.2%, 95,900) added 3,000. The **New Haven LMA** (1.1%, 249,400) gained 2,600 positions while the **Bridgeport - Stamford - Norwalk LMA** (0.6%, 329,800) grew by 2,100 positions. Only the **Waterbury LMA** (-0.4%, 56,700)

continued to see declines, dropping 200 net jobs.

*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 34.8 hours in May 2020, up one hour from the same month a year ago. Average hourly earnings at \$34.26, not seasonally adjusted, were up \$1.69 (5.2%) from the May 2019 estimate (\$32.57). The resultant average private sector weekly pay amounted to \$1,192.25, up \$91.38 from a year ago (8.3%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in May 2020 was 0.1%. 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 May 2020 official unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 9.4% (seasonally adjusted). The US jobless rate in May 2020 was 13.3%, down 1.4 points from April.

The Connecticut unemployment rate appears severely underestimated due to challenges encountered in the collection of data for the May 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).

**The Office of Research estimates the unemployment rate to be in the range of 19% for the Mid-May period (same time frame as the BLS estimate).** This estimate was made using Connecticut residential unemployment insurance claims and adding similar factor for the unemployed self-employed.

May 2020 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut was 29,758, down from April by 14,317 claims and up by 26,644 claims (856%) from the May 2019 level of 3,114.

*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, July 16, 2020 (June Preliminary 2020 data)

Contact:  
Juliet Manalan  
Communications Director, CT Department of Labor  
Juliet.Manalan(at)ct.gov

Labor Market Information is available at: [www1.ctdol.state.ct.us/lmi](http://www1.ctdol.state.ct.us/lmi)  
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# NONFARM EMPLOYMENT

## Jobs - by Place of Work

### CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	May 2020 P	April 2020 R	March 2020	February 2020	May 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<b>CONNECTICUT</b>	<b>1,434,000</b>	<b>1,408,200</b>	<b>1,677,400</b>	<b>1,699,500</b>	<b>1,685,400</b>	<b>25,800</b>	<b>1.8%</b>	<b>-251,400</b>	<b>-14.9%</b>
<b>Total Private</b>	<b>1,226,200</b>	<b>1,195,700</b>	<b>1,442,300</b>	<b>1,462,200</b>	<b>1,449,500</b>	<b>30,500</b>	<b>2.6%</b>	<b>-223,300</b>	<b>-15.4%</b>
<b>Goods Producing Industries</b>									
Mining	600	500	600	600	500	100	20.0%	100	20.0%
Construction	53,400	50,200	60,200	60,500	59,800	3,200	6.4%	-6,400	-10.7%
Manufacturing	153,400	151,000	162,800	162,500	162,200	2,400	1.6%	-8,800	-5.4%
Durable Goods	121,200	119,300	128,200	127,800	127,600	1,900	1.6%	-6,400	-5.0%
Nondurable Goods	32,200	31,700	34,600	34,700	34,600	500	1.6%	-2,400	-6.9%
<b>Service Providing Industries</b>									
Trade, Transportation & Utilities	246,000	240,900	291,800	293,700	291,000	5,100	2.1%	-45,000	-15.5%
Wholesale	57,300	56,600	59,000	59,000	59,900	700	1.2%	-2,600	-4.3%
Retail	136,300	133,400	171,900	173,500	175,700	2,900	2.2%	-39,400	-22.4%
Transp, Warehousing & Utilities	52,400	50,900	60,900	61,200	55,400	1,500	2.9%	-3,000	-5.4%
Information	28,400	29,700	31,400	31,500	31,400	-1,300	-4.4%	-3,000	-9.6%
Financial Activities	118,700	119,800	123,000	124,300	123,600	-1,100	-0.9%	-4,900	-4.0%
Finance & Insurance	100,500	101,300	102,500	103,200	103,500	-800	-0.8%	-3,000	-2.9%
Real Estate, Rental & Leasing	18,200	18,500	20,500	21,100	20,100	-300	-1.6%	-1,900	-9.5%
Professional & Business Services	199,600	196,200	224,100	222,500	219,200	3,400	1.7%	-19,600	-8.9%
Prof, Scientific & Tech Services	88,800	89,000	97,000	96,800	95,900	-200	-0.2%	-7,100	-7.4%
Management of Companies	32,600	32,300	34,100	34,000	33,000	300	0.9%	-400	-1.2%
Admn & Support & Waste Mgt Serv	78,200	74,900	93,000	91,700	90,300	3,300	4.4%	-12,100	-13.4%
Educational & Health Services	301,300	296,700	339,300	344,000	338,100	4,600	1.6%	-36,800	-10.9%
Educational Services	63,400	61,300	67,200	68,900	66,600	2,100	3.4%	-3,200	-4.8%
Health Care & Social Assistance	237,900	235,400	272,100	275,100	271,500	2,500	1.1%	-33,600	-12.4%
Leisure and Hospitality	79,400	70,000	144,600	157,900	158,300	9,400	13.4%	-78,900	-49.8%
Arts, Entertainment & Recreation	12,500	11,500	27,200	27,900	28,600	1,000	8.7%	-16,100	-56.3%
Accommodation & Food Services	66,900	58,500	117,400	130,000	129,700	8,400	14.4%	-62,800	-48.4%
Other Services	45,400	40,700	64,500	64,700	65,400	4,700	11.5%	-20,000	-30.6%
Government**	207,800	212,500	235,100	237,300	235,900	-4,700	-2.2%	-28,100	-11.9%
<b>UNITED STATES</b>	<b>132,912,000</b>	<b>130,403,000</b>	<b>151,090,000</b>	<b>152,463,000</b>	<b>150,577,000</b>	<b>2,509,000</b>	<b>1.9%</b>	<b>-17,665,000</b>	<b>-11.7%</b>

### LABOR MARKET AREAS (LMA)

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

Seasonally Adjusted data	May 2020 P	April 2020 R	March 2020	February 2020	May 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<b>Bridgeport-Stamford-Norwalk</b>	329,800	327,700	401,900	406,400	406,700	2,100	0.6%	-76,900	-18.9%
<b>Danbury</b>	66,000	62,800	76,700	77,700	77,800	3,200	5.1%	-11,800	-15.2%
<b>Hartford</b>	514,000	504,800	583,100	589,900	583,600	9,200	1.8%	-69,600	-11.9%
<b>New Haven</b>	249,400	246,800	290,000	294,000	288,200	2,600	1.1%	-38,800	-13.5%
<b>Norwich-New London-Westerly, RI</b>	95,900	92,900	127,900	129,600	129,400	3,000	3.2%	-33,500	-25.9%
<b>Waterbury</b>	56,700	56,900	68,000	68,500	67,900	-200	-0.4%	-11,200	-16.5%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
<b>Enfield</b>	38,900	37,600	43,200	43,300	44,500	1,300	3.5%	-5,600	-12.6%
<b>Torrington-Northwest</b>	27,800	26,800	31,600	31,900	32,900	1,000	3.7%	-5,100	-15.5%
<b>Danielson-Northeast</b>	23,500	22,700	26,500	26,700	27,300	800	3.5%	-3,800	-13.9%

\* 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: [dol.lmi@ct.gov](mailto:dol.lmi@ct.gov). Danbury and Waterbury LMA's are now back to being seasonally adjusted.

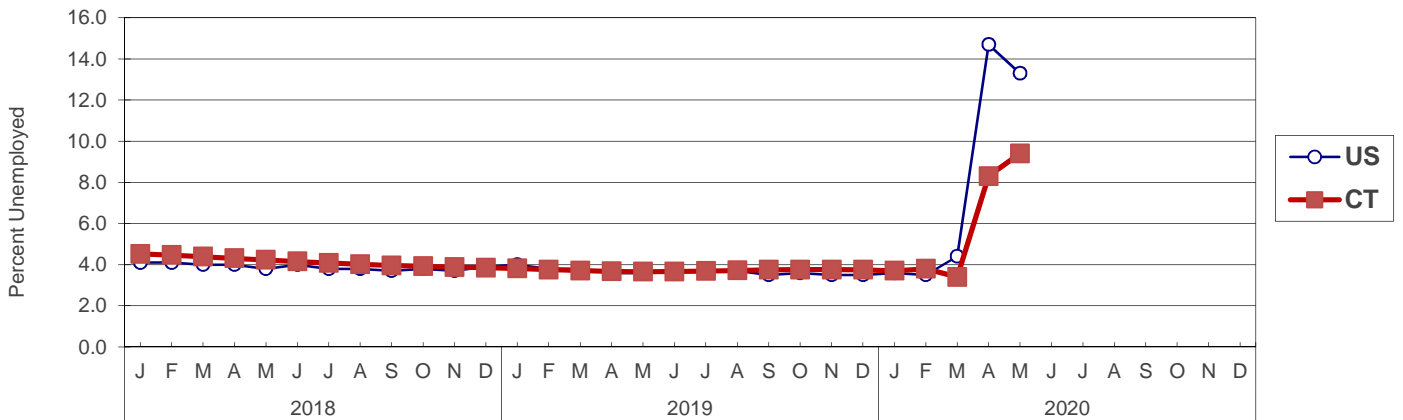
# UNEMPLOYMENT

## Persons Unemployed - by Place of Residence

### CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	May 2020 P		May 2019 R		Change		Apr 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
<b>CONNECTICUT</b>								
Unemployed	166,300	9.4	69,600	3.7	96,700	5.7	147,300	8.3
Labor Force	1,770,600		1,902,600		-132,000		1,776,600	
<b>UNITED STATES</b>								
Unemployed	20,985,000	13.3	5,938,000	3.6	15,047,000	9.7	23,078,000	14.7
Labor Force	158,227,000		162,782,000		-4,555,000		156,481,000	

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



### LABOR MARKET AREAS - Not Seasonally Adjusted

	May 2020 P		May 2019 R		Change		Apr 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	40,100	9.5	16,900	3.6	23,200	5.9	33,700	8.0
Danbury	8,500	8.6	3,100	2.9	5,400	5.7	7,600	7.9
Danielson-Northeast*	3,700	9.2	1,700	3.8	2,000	5.4	3,300	8.2
Worcester NECTA	3,600	9.3	1,600	3.8	2,000	5.5	3,200	8.3
Hampton	100	6.6	100	3.0	0	3.6	100	6.1
Enfield	4,000	8.8	1,700	3.3	2,300	5.5	3,600	7.9
Hartford	52,300	8.7	22,300	3.6	30,000	5.1	45,100	7.6
New Haven	25,700	8.4	11,400	3.5	14,300	4.9	22,100	7.2
Norwich-New London	18,700	14.8	4,900	3.5	13,800	11.3	17,100	13.8
Torrington-Northwest**	3,300	7.5	1,500	3.2	1,800	4.3	3,100	7.1
Torrington NECTA	2,200	8.8	1,000	3.8	1,200	5.0	2,000	8.2
Litchfield	1,100	5.8	500	2.5	600	3.3	1,100	5.7
Waterbury	10,500	10.2	4,900	4.4	5,600	5.8	9,300	9.0
<b>CONNECTICUT</b>	<b>164,200</b>	<b>9.3</b>	<b>67,900</b>	<b>3.6</b>	<b>96,300</b>	<b>5.7</b>	<b>141,700</b>	<b>8.0</b>
<b>UNITED STATES</b>	<b>20,514,000</b>	<b>13.0</b>	<b>5,503,000</b>	<b>3.4</b>	<b>15,011,000</b>	<b>9.6</b>	<b>22,504,000</b>	<b>14.4</b>

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.

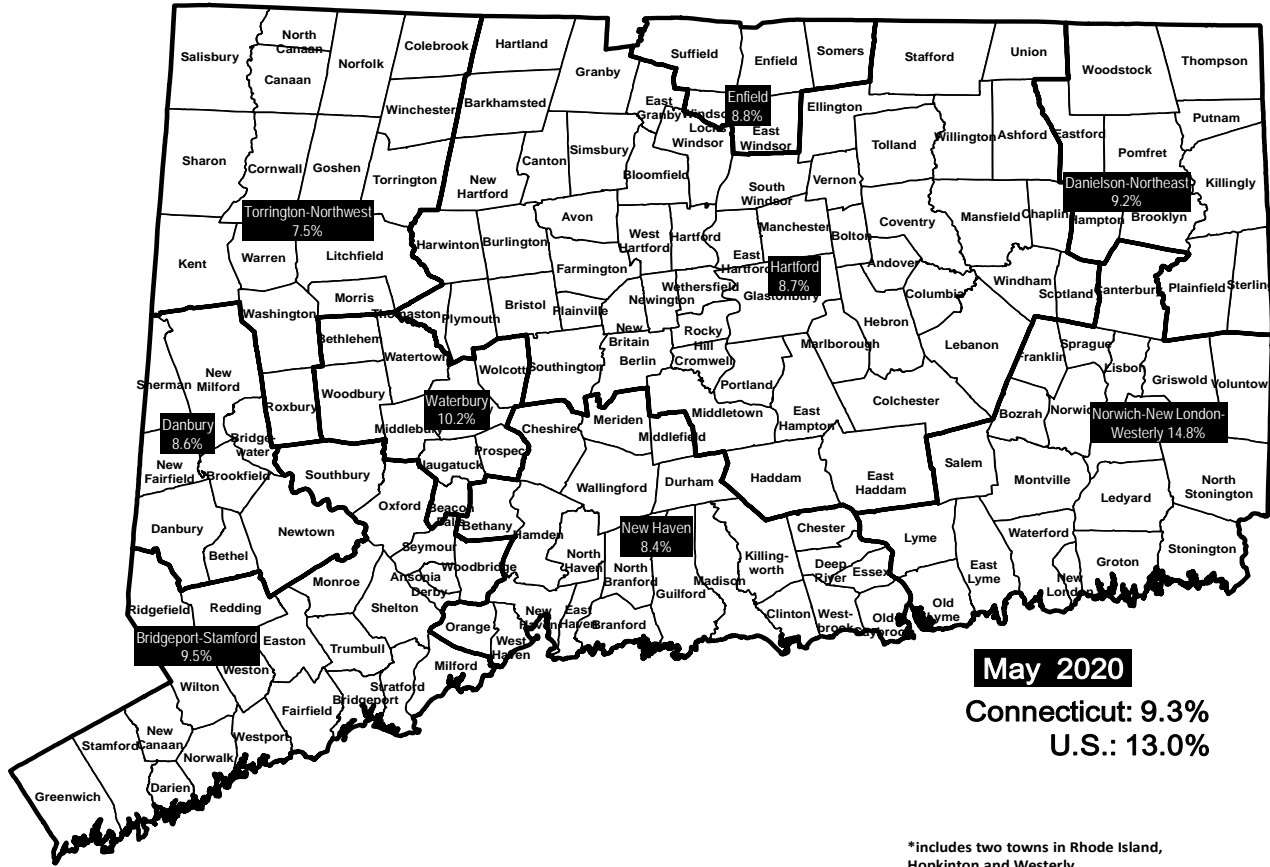
\* Worcester NECTA, CT part and Hampton LMA are combined

\*\* Torrington Micropolitan NECTA and Litchfield LMA are combined

# UNEMPLOYMENT RATES

Not Seasonally Adjusted

## LABOR MARKET AREAS



# HOURS AND EARNINGS

## CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	May 2020 P	May 2019	Change over Yr.	April 2020 R	May 2020 P	May 2019	Change over Yr.	April 2020 R	May 2020 P	May 2019	Change over Yr.	April 2020 R
<b>Private Industry All Employees</b>	\$1,192.25	\$1,100.87	\$91.38	\$1,192.82	34.8	33.8	1.0	34.1	\$34.26	\$32.57	\$1.69	\$34.98
<b>Manufacturing*</b>												
<b>Production Workers</b>	\$1,170.14	\$1,124.13	\$46.01	\$1,164.63	40.8	42.5	-1.7	39.2	\$28.68	\$26.45	\$2.23	\$29.71

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

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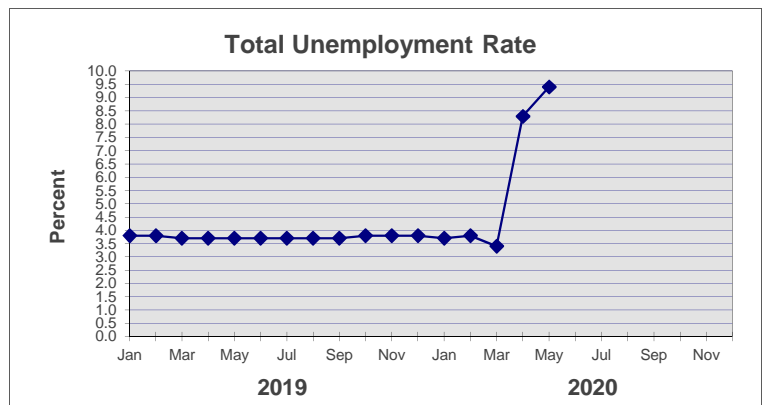
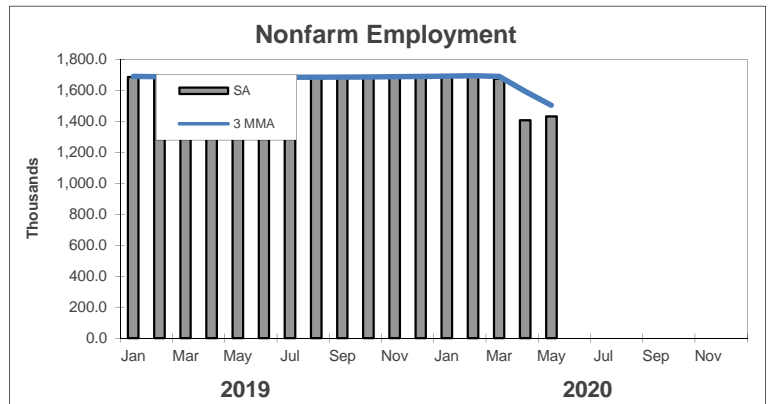
Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: [www1.ctdol.state.ct.us/lmi](http://www1.ctdol.state.ct.us/lmi)

# TRENDS

## Seasonally Adjusted

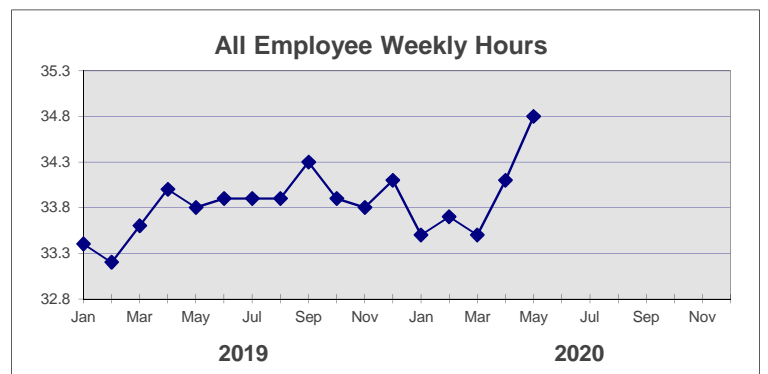
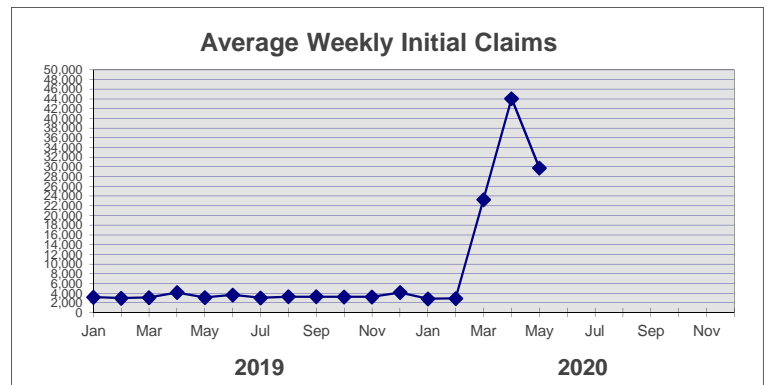
	Nonfarm Employment (000s)	Total Unemployment Rate
<b>2019</b>		
Jan	1,688.3	3.8
Feb	1,687.5	3.8
Mar	1,686.6	3.7
Apr	1,687.9	3.7
May	1,685.4	3.7
Jun	1,682.6	3.7
Jul	1,686.7	3.7
Aug	1,685.3	3.7
Sep	1,688.3	3.7
Oct	1,690.0	3.8
Nov	1,692.5	3.8
Dec	1,693.5	3.8

<b>2020</b>		
Jan	1,696.8	3.7
Feb	1,699.5	3.8
Mar	1,677.4	3.4
Apr	1,408.2 R	8.3 R
May	1,434.0 P	9.4 P
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



	Avg Weekly Initial Claims	All Employee Weekly Hours*
<b>2019</b>		
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

<b>2020</b>		
Jan	2,854	33.5
Feb	2,927	33.7
Mar	23,264	33.5
Apr	44,075	34.1 R
May	29,758	34.8 P
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



\* Not seasonally adjusted

P = Preliminary

R = Revised

\*\* Labor-management dispute