



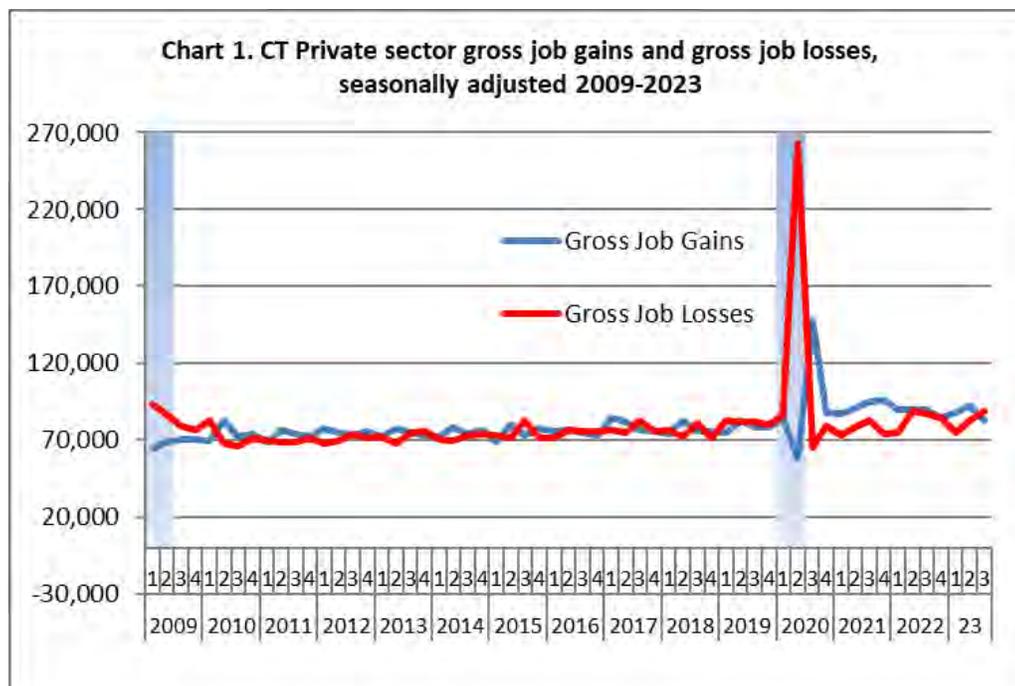
Third Quarter 2023

WETHERSFIELD, April 24, 2024 - Business Employment Dynamics (BED) data published quarterly by the Bureau of Labor Statistics tracks employment change at the establishment level and reveals the underlying dynamics of net employment change. The data include gross employment change, business expansion/contraction, establishment birth/death, and is available at sector level.

From July 2023 to September 2023, **gross job gains** from opening and expanding private sector establishments in Connecticut was 82,905, a 9,699 job decrease from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 89,425, an increase of 6,744 from the previous quarter.

During the third quarter of 2023, the difference between gross job gains and gross job losses yielded a **net employment decrease** of 6,520 jobs in the private sector. This net decrease follows a 8,823 net increase during the second quarter of 2023.

Net employment change reached a low of -203,916 during the second quarter of 2020. The combined net change for the thirteen quarters of subsequent data through the first quarter of 2023 is 185,811 jobs.

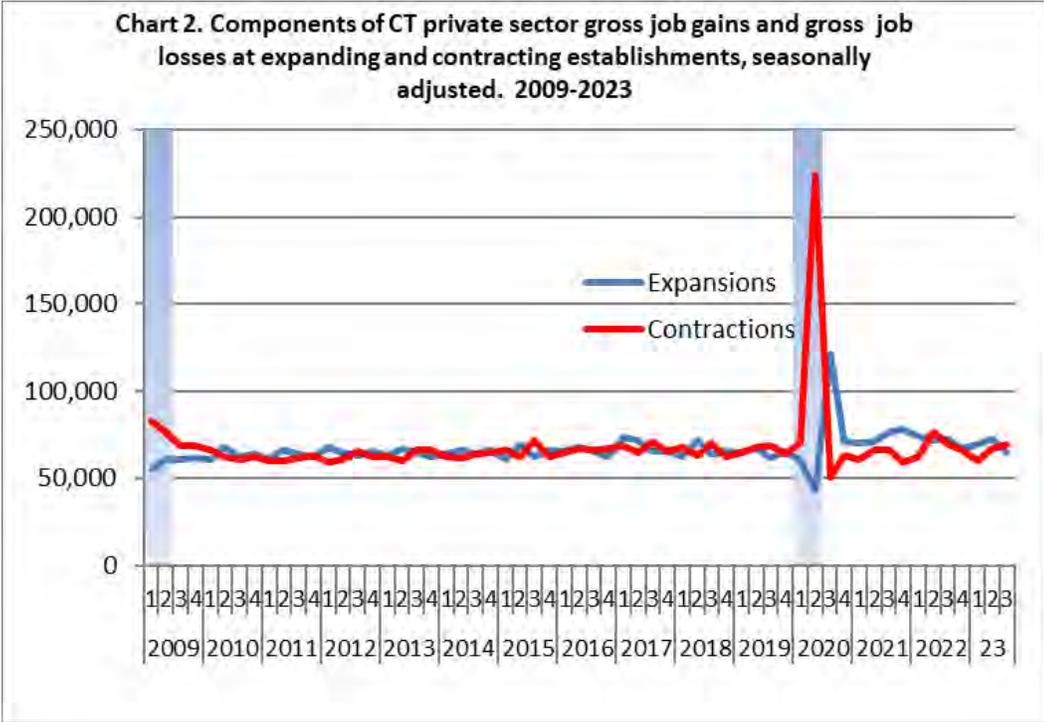


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing units and the addition of new jobs at opening units. Gross job losses are the result of contractions in employment at existing units and the loss of jobs at closing units. The difference between the number of gross job gains and the number of gross job losses is the net change in employment.

The BED data series includes gross job gains and gross job losses at the establishment level by industry subsector and for the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands, as well as annual gross job gains and annual gross job losses at the firm level by employer size class.

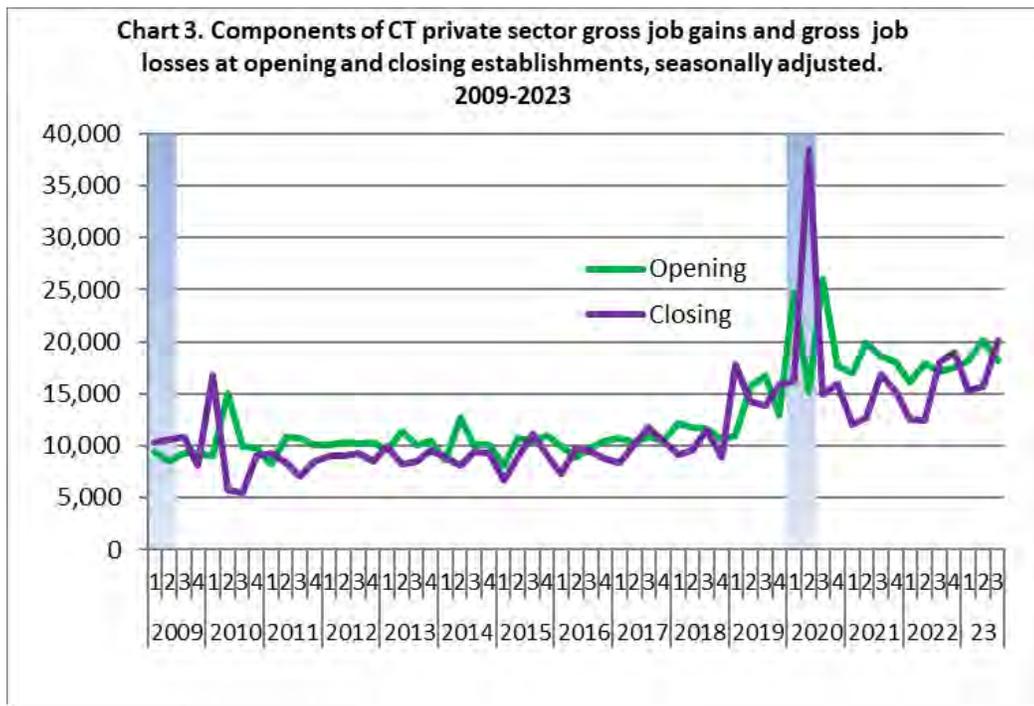
Gross job gains at **expanding** establishments totaled 64,731 in the third quarter of 2023, a decrease of 7,795 from the previous quarter.

Opening establishments accounted for 18,174 jobs gained in the third quarter of 2023, a decrease of 1,904 jobs from the previous quarter.



Contracting establishments lost 69,242 jobs in the third quarter of 2023, an increase of 2,262 from the prior quarter.

In the third quarter of 2023, **closing** establishments lost 20,183 jobs, an increase of 4,482 from the previous quarter. Chart 3 shows the relationship between opening and closing-derived job change. Beginning in 2019, opening and closing-derived job change was above 2011-18 levels. During 2020Q2, the impact of the recession is illustrated by the large uptick in closing job losses and the large uptick in openings the following quarter. In the third quarter of 2023, employment change at openings and closings resulted in a 2,009 net employment decrease during the third quarter of 2023. This follows a 4,377 net increase during the second quarter of 2023.



In the third quarter of 2023, there were 3,843 **establishment births** (a subset of the openings data). These new establishments accounted for 10,470 jobs, 1,084 less than the previous quarter.

Data for **establishment deaths** (a subset of the closings data) are available through the fourth quarter of 2022, where 10,000 jobs were lost at 667 establishment deaths. In the prior quarter, 10,644 jobs were lost at 790 establishment deaths.



Additional Information on Business Employment Dynamics, including data for the United States, 50 states, and US territories can be found at: <http://www.bls.gov/bdm/>.

Table A: Connecticut Private Sector gross job gains and losses by industry, seasonally adjusted

Category	Gross job gains and losses (3 months ending)							Gross job gains and losses as a percent of employment (3 months ending)						
	Mar. 2022	June 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Mar. 2022	June 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023
Total Private														
Gross job gains	90,078	89,906	89,510	84,396	87,749	92,604	82,905	6.3	6.4	6.3	5.9	6.1	6.4	5.8
at expanding establishments	73,936	72,012	72,324	66,905	69,509	72,526	64,731	5.2	5.1	5.1	4.7	4.8	5.0	4.5
at opening establishments	16,142	17,894	17,186	17,491	18,240	20,078	18,174	1.1	1.3	1.2	1.2	1.3	1.4	1.3
Gross job losses	75,266	88,645	87,391	84,879	75,054	82,681	89,425	5.3	6.3	6.2	5.9	5.3	5.7	6.2
at contracting establishments	62,680	76,185	69,315	65,976	59,747	66,980	69,242	4.4	5.4	4.9	4.6	4.2	4.6	4.8
at closing establishments	12,586	12,460	18,076	18,903	15,307	15,701	20,183	0.9	0.9	1.3	1.3	1.1	1.1	1.4
Net employment change	14,812	1,261	2,119	-483	12,695	9,923	-6,520	1.0	0.1	0.1	0.0	0.8	0.7	-0.4
Construction														
Gross job gains	6,893	5,458	5,206	5,322	6,603	5,968	5,344	11.2	8.9	8.7	8.9	10.7	9.5	8.7
at expanding establishments	5,654	4,235	4,147	4,191	5,243	4,447	4,044	9.2	6.9	6.9	7.0	8.5	7.1	6.6
at opening establishments	1,239	1,223	1,059	1,131	1,360	1,521	1,300	2.0	2.0	1.8	1.9	2.2	2.4	2.1
Gross job losses	5,094	6,304	5,524	5,846	4,954	5,835	6,311	8.4	10.2	9.2	9.7	8.1	9.3	10.3
at contracting establishments	3,958	5,386	4,445	4,232	3,871	4,665	4,838	6.5	8.7	7.4	7.0	6.3	7.4	7.9
at closing establishments	1,136	918	1,079	1,614	1,083	1,170	1,473	1.9	1.5	1.8	2.7	1.8	1.9	2.4
Net employment change	1,799	-846	-318	-524	1,649	133	-967	2.8	-1.3	-0.5	-0.8	2.6	0.2	-1.6
Manufacturing														
Gross job gains	4,399	4,940	4,484	4,467	3,613	4,777	4,055	2.8	3.2	2.8	2.9	2.3	3.0	2.6
at expanding establishments	4,101	4,540	3,978	3,884	3,205	4,014	3,610	2.6	2.9	2.5	2.5	2.0	2.5	2.3
at opening establishments	298	400	506	583	408	763	445	0.2	0.3	0.3	0.4	0.3	0.5	0.3
Gross job losses	3,401	3,636	4,022	4,146	3,701	4,407	5,006	2.2	2.3	2.6	2.6	2.4	2.8	3.1
at contracting establishments	3,047	3,317	3,428	3,500	3,251	3,975	4,176	2.0	2.1	2.2	2.2	2.1	2.5	2.6
at closing establishments	354	319	594	646	450	432	830	0.2	0.2	0.4	0.4	0.3	0.3	0.5
Net employment change	998	1,304	462	321	-88	370	-951	0.6	0.9	0.2	0.3	-0.1	0.2	-0.5
Wholesale Trade														
Gross job gains	3,262	3,514	3,307	2,920	2,720	2,881	2,773	5.6	5.9	5.4	4.8	4.5	4.8	4.6
at expanding establishments	2,565	2,768	2,738	2,291	2,125	2,350	2,232	4.4	4.6	4.5	3.8	3.5	3.9	3.7
at opening establishments	697	746	569	629	595	531	541	1.2	1.3	0.9	1.0	1.0	0.9	0.9
Gross job losses	2,227	2,912	2,909	3,212	2,464	2,870	2,759	3.7	4.9	4.8	5.3	4.1	4.7	4.6
at contracting establishments	1,612	2,304	2,067	2,124	1,869	2,181	2,058	2.7	3.9	3.4	3.5	3.1	3.6	3.4
at closing establishments	615	608	842	1,088	595	689	701	1.0	1.0	1.4	1.8	1.0	1.1	1.2
Net employment change	1,035	602	398	-292	256	11	14	1.9	1.0	0.6	-0.5	0.4	0.1	0.0
Retail Trade														
Gross job gains	10,581	9,555	10,547	9,313	9,554	9,797	9,359	6.4	5.6	6.3	5.6	5.8	5.8	5.6
at expanding establishments	9,627	8,514	9,076	7,546	8,269	8,287	8,151	5.8	5.0	5.4	4.5	5.0	4.9	4.9
at opening establishments	954	1,041	1,471	1,767	1,285	1,510	1,208	0.6	0.6	0.9	1.1	0.8	0.9	0.7
Gross job losses	8,432	11,092	11,007	10,704	8,163	10,373	10,718	5.0	6.6	6.5	6.5	4.9	6.1	6.4
at contracting establishments	7,424	10,147	9,457	9,572	7,202	9,124	8,841	4.4	6.0	5.6	5.8	4.3	5.4	5.3
at closing establishments	1,008	945	1,550	1,132	961	1,249	1,877	0.6	0.6	0.9	0.7	0.6	0.7	1.1
Net employment change	2,149	-1,537	-460	-1,391	1,391	-576	-1,359	1.4	-1.0	-0.2	-0.9	0.9	-0.3	-0.8
Transportation and Warehousing														
Gross job gains	3,986	3,694	3,041	5,886	3,394	4,587	4,303	6.0	5.6	4.7	9.0	5.2	7.1	6.5
at expanding establishments	3,637	3,365	2,689	5,565	2,919	4,202	3,967	5.5	5.1	4.2	8.5	4.5	6.5	6.0
at opening establishments	349	329	352	321	475	385	336	0.5	0.5	0.5	0.5	0.7	0.6	0.5
Gross job losses	3,447	5,611	5,017	3,060	5,433	3,805	2,387	5.2	8.6	7.9	4.7	8.3	6.0	3.6
at contracting establishments	3,168	5,367	4,724	2,665	5,150	3,245	2,188	4.8	8.2	7.4	4.1	7.9	5.1	3.3
at closing establishments	279	244	293	395	283	560	199	0.4	0.4	0.5	0.6	0.4	0.9	0.3
Net employment change	539	-1,917	-1,976	2,826	-2,039	782	1,916	0.8	-3.0	-3.2	4.3	-3.1	1.1	2.9
Financial Activities														
Gross job gains	5,154	5,523	5,813	5,488	4,129	5,681	5,377	4.4	4.7	5.0	4.7	3.5	4.9	4.7
at expanding establishments	4,398	4,333	4,543	4,303	3,177	4,482	4,138	3.8	3.7	3.9	3.7	2.7	3.9	3.6
at opening establishments	756	1,190	1,270	1,185	952	1,199	1,239	0.6	1.0	1.1	1.0	0.8	1.0	1.1
Gross job losses	4,764	6,407	5,921	5,958	4,480	5,334	5,938	4.1	5.5	5.1	5.1	3.8	4.6	5.1
at contracting establishments	3,935	5,444	4,543	4,511	3,497	4,378	4,198	3.4	4.7	3.9	3.9	3.0	3.8	3.6
at closing establishments	829	963	1,378	1,447	983	956	1,740	0.7	0.8	1.2	1.2	0.8	0.8	1.5
Net employment change	390	-884	-108	-470	-351	347	-561	0.3	-0.8	-0.1	-0.4	-0.3	0.3	-0.4

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Professional Business Services														
Gross job gains	16,353	15,620	15,619	14,711	14,459	14,516	13,503	7.4	7.0	7.0	6.7	6.5	6.6	6.1
at expanding establishments	13,224	11,574	12,048	11,228	11,143	10,995	9,359	6.0	5.2	5.4	5.1	5.0	5.0	4.2
at opening establishments	3,129	4,046	3,571	3,483	3,316	3,521	4,144	1.4	1.8	1.6	1.6	1.5	1.6	1.9
Gross job losses	13,202	16,562	16,378	16,075	14,115	15,738	15,351	6.0	7.5	7.4	7.3	6.4	7.1	6.9
at contracting establishments	9,956	14,156	12,271	11,469	10,660	12,400	11,497	4.5	6.4	5.5	5.2	4.8	5.6	5.2
at closing establishments	3,246	2,406	4,107	4,606	3,455	3,338	3,854	1.5	1.1	1.9	2.1	1.6	1.5	1.7
Net employment change	3,151	-942	-759	-1,364	344	-1,222	-1,848	1.4	-0.5	-0.4	-0.6	0.1	-0.5	-0.8
Education and Health Services														
Gross job gains	13,459	15,217	17,000	13,672	16,011	18,492	15,892	4.1	4.6	5.1	4.0	4.7	5.3	4.6
at expanding establishments	11,429	12,785	14,262	11,268	13,311	15,237	13,509	3.5	3.9	4.3	3.3	3.9	4.4	3.9
at opening establishments	2,030	2,432	2,738	2,404	2,700	3,255	2,383	0.6	0.7	0.8	0.7	0.8	0.9	0.7
Gross job losses	14,636	14,222	12,613	13,296	12,192	12,690	14,668	4.5	4.3	3.8	4.0	3.6	3.7	4.2
at contracting establishments	12,429	11,844	9,954	10,675	9,226	9,814	11,486	3.8	3.6	3.0	3.2	2.7	2.9	3.3
at closing establishments	2,207	2,378	2,659	2,621	2,966	2,876	3,182	0.7	0.7	0.8	0.8	0.9	0.8	0.9
Net employment change	-1,177	995	4,387	376	3,819	5,802	1,224	-0.4	0.3	1.3	0.0	1.1	1.6	0.4
Leisure and Hospitality														
Gross job gains	16,245	17,263	15,932	14,964	17,603	17,095	14,037	11.3	11.7	10.6	10.0	11.7	11.1	9.1
at expanding establishments	13,571	13,775	13,061	11,714	14,465	13,549	10,538	9.4	9.3	8.7	7.8	9.6	8.8	6.8
at opening establishments	2,674	3,488	2,871	3,250	3,138	3,546	3,499	1.9	2.4	1.9	2.2	2.1	2.3	2.3
Gross job losses	13,332	14,399	16,993	14,995	13,357	14,848	18,839	9.2	9.7	11.4	10.0	8.9	9.7	12.2
at contracting establishments	11,597	12,467	13,899	12,022	10,550	12,266	15,250	8.0	8.4	9.3	8.0	7.0	8.0	9.9
at closing establishments	1,735	1,932	3,094	2,973	2,807	2,582	3,589	1.2	1.3	2.1	2.0	1.9	1.7	2.3
Net employment change	2,913	2,864	-1,061	-31	4,246	2,247	-4,802	2.1	2.0	-0.8	0.0	2.8	1.4	-3.1
Other														
Gross job gains	3,921	4,033	3,986	3,547	4,257	3,720	4,120	8.2	8.3	8.1	7.3	8.6	7.5	8.2
at expanding establishments	3,185	3,247	3,130	2,574	3,061	2,821	3,034	6.7	6.7	6.4	5.3	6.2	5.7	6.0
at opening establishments	736	786	856	973	1,196	899	1,086	1.5	1.6	1.7	2.0	2.4	1.8	2.2
Gross job losses	3,310	3,340	3,766	4,054	3,132	3,257	3,915	7.0	6.9	7.7	8.2	6.4	6.5	7.8
at contracting establishments	2,657	2,532	2,633	2,912	2,259	2,386	2,631	5.6	5.2	5.4	5.9	4.6	4.8	5.2
at closing establishments	653	808	1,133	1,142	873	871	1,284	1.4	1.7	2.3	2.3	1.8	1.7	2.6
Net employment change	611	693	220	-507	1,125	463	205	1.2	1.4	0.4	-0.9	2.2	1.0	0.4

A Note About the Data:

The Business Employment Dynamics (BED) data are generated from Connecticut’s unemployment insurance (UI) records, enhanced through procedures conducted in association with the Bureau of Labor Statistics, and cover approximately 93% of all wage and salary workers in the state. The BED program links these records across quarters, providing a longitudinal history of employment for each establishment. These longitudinal records allow the identification of employment changes at expanding, opening, contracting, or closing establishments. Aggregating these changes, the BED data identify the gross job gains and losses, also known as job flows, in the state. These flows provide an understanding of the labor market dynamics that unfold over time. The job flows data scratches below the surface to expose the undercurrents that result in the net employment outcomes reported in other statistical series

The net change in employment from the Business Employment Dynamics data series will not match the net change in nonfarm employment produced from the monthly survey and reported in the Labor Situation. The monthly estimates are based on surveys from a sample of establishments, while the BED data are based on a quarterly census of administrative records. In addition, the monthly series has a different coverage, excluding the agriculture sector but including government, private households, and establishments not covered by the unemployment insurance program. Thus, the net over-the-quarter changes derived from the BED data may be different from the net employment change estimated from the monthly nonfarm employment series. The intended use of the BED statistics is to show the dynamic labor market flows that underlie the net changes in aggregate employment levels; data users who want to track net changes in aggregate employment levels over time should refer to monthly nonfarm data.

With the release of first quarter data each year, seasonally adjusted data for prior periods are revised and will therefore be different than figures shown in earlier releases. Please see <http://www.bls.gov/bdm/> for more detailed information.

This publication was prepared by Matthew Krzyzek, Economist at the Connecticut Department of Labor, Office of Research. If you have any questions regarding this publication, please call (860) 263-6287 or Matthew.Krzyzek@ct.gov.