



# BUSINESS EMPLOYMENT DYNAMICS

Office of Research

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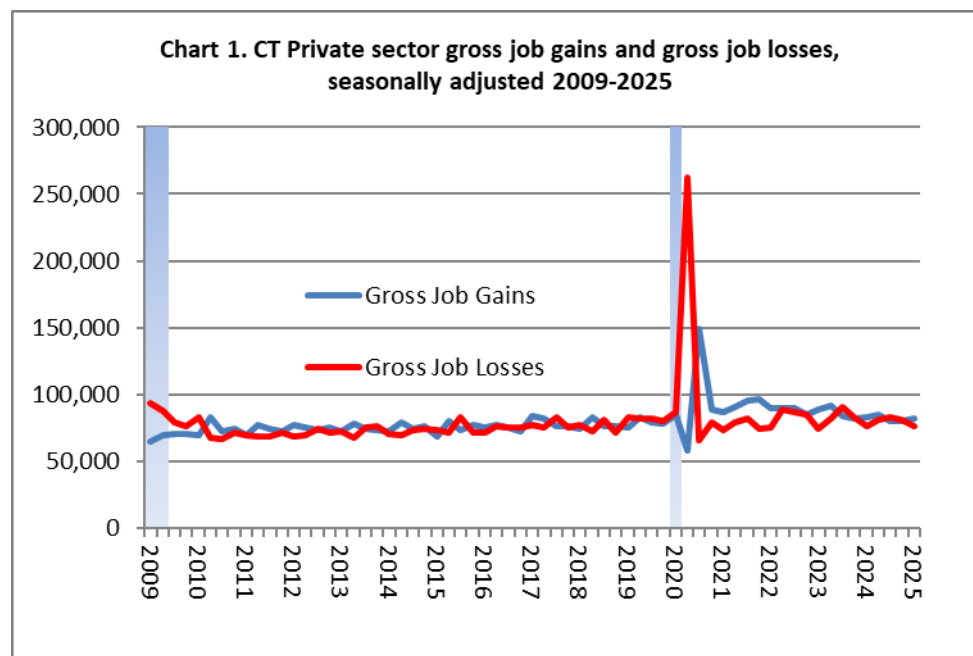
## First Quarter 2025

WETHERSFIELD, December 17<sup>th</sup>, 2025 - 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 January 2025 to March 2025, **gross job gains** from opening and expanding private sector establishments in Connecticut was 82,000, a 1,892 job increase from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 76,626, a level 4,382 jobs lower than the previous quarter.

During the first quarter of 2025, the difference between gross job gains and gross job losses yielded a **net employment increase** of 5,374 jobs in the private sector. This net increase follows a 900 net decrease during the fourth quarter of 2024.

Net employment change reached a low of -204,261 during the second quarter of 2020. The combined net change for the nineteen quarters of subsequent data through the first quarter of 2025 is 202,312 jobs.

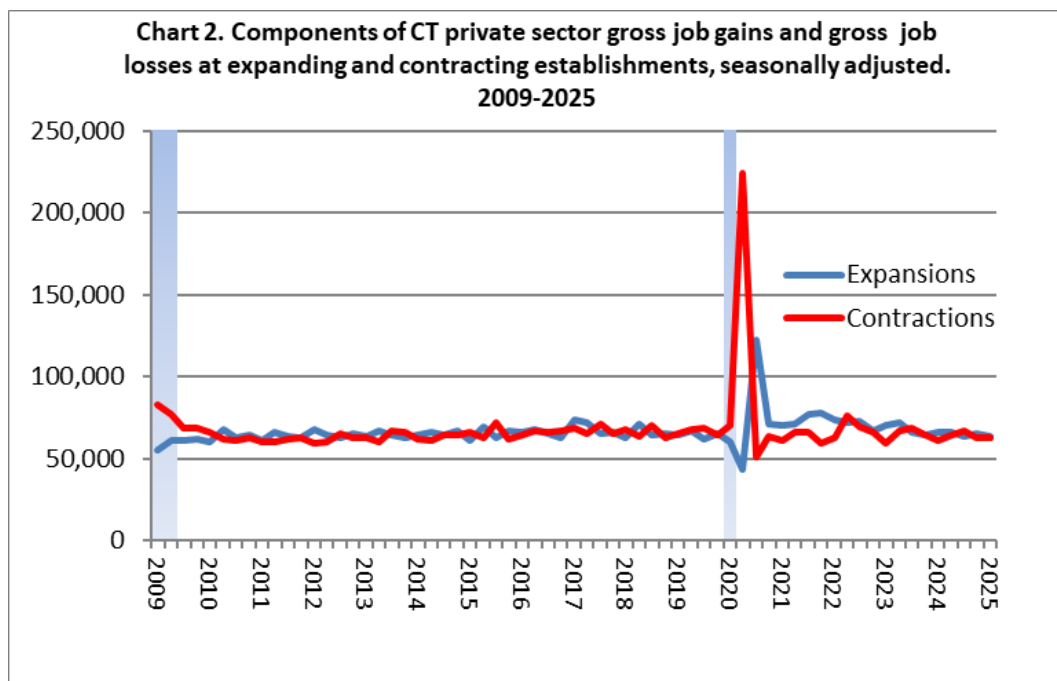


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third 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.

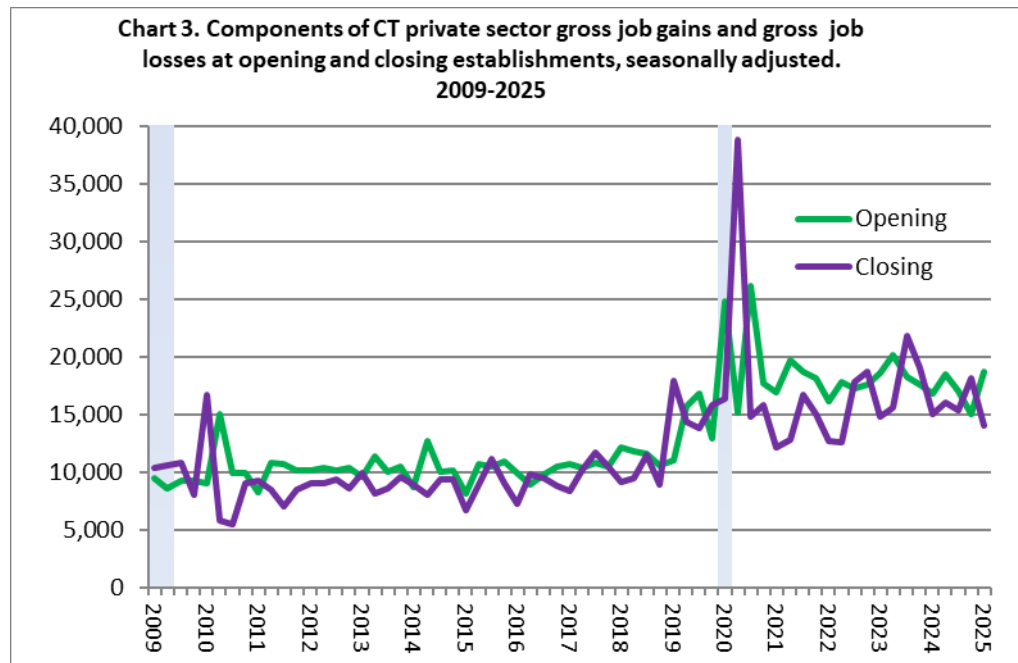
Gross job gains at **expanding** establishments totaled 63,293 in the first quarter of 2025, this gain was 1,809 jobs lower than the previous quarter.

**Opening** establishments accounted for 18,707 jobs gained in the first quarter of 2025, this gain was 3,701 jobs higher than the previous quarter.



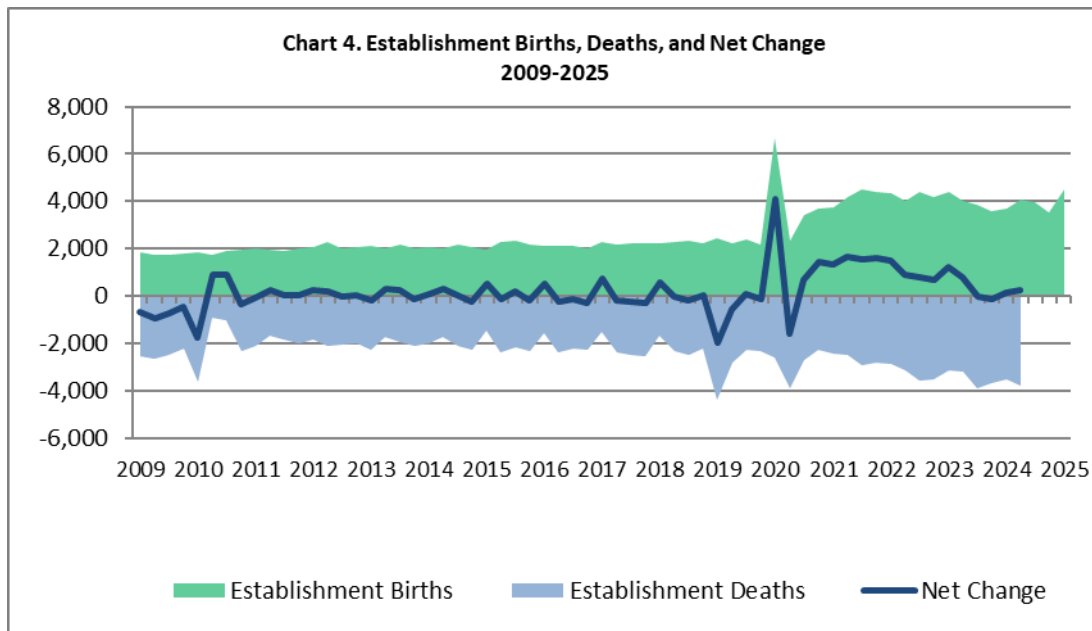
**Contracting** establishments lost 62,611 jobs in the first quarter of 2025, this job loss was 274 jobs lower than the prior quarter.

In the first quarter of 2025, **closing** establishments lost 18,032 jobs, an increase of 1,789 jobs 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. From 2020Q3 onward, openings have exceeded closings for 14 of 19 quarters.



In the first quarter of 2025, there were 4,501 **establishment births** (a subset of the openings data). These new establishments accounted for 11,001 jobs, 1,719 more jobs than the previous quarter.

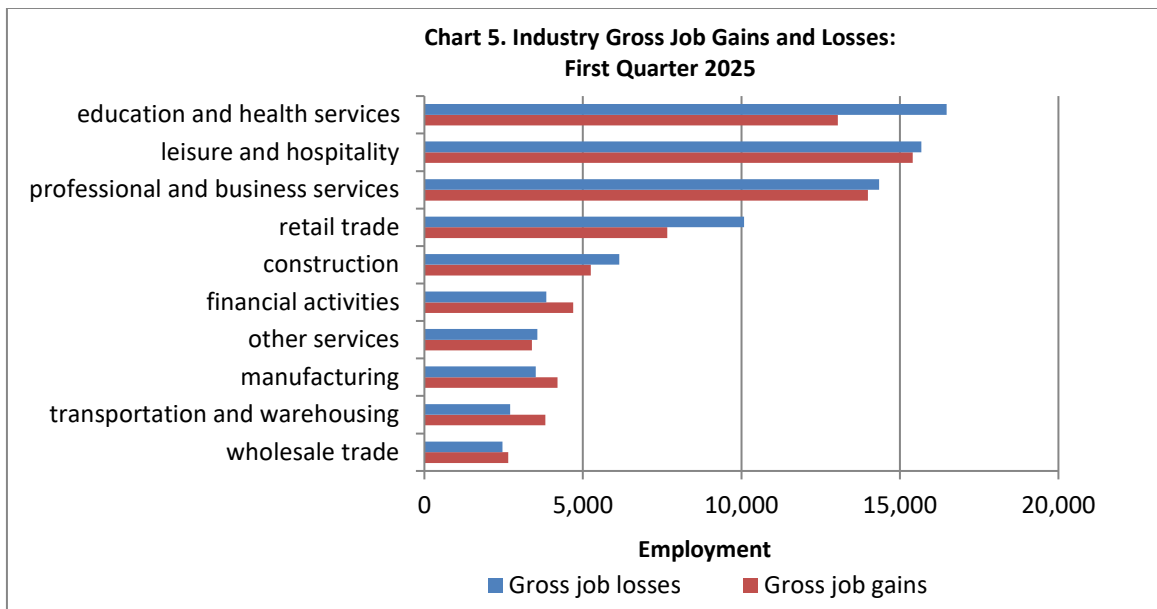
Data for **establishment deaths** (a subset of the closings data) are available through the second quarter of 2024, where 9,292 jobs were lost at 3,803 establishment deaths. In the prior quarter, 8,627 jobs were lost at 3,544 establishment deaths.



The **net change of establishment births and deaths** went consistently negative during the Great Recession in Connecticut from the first quarter of 2008 through the first quarter of 2010. During those 9 quarters of net decline, Connecticut averaged a net decrease of 640 establishments per quarter, with the largest net establishment decline occurring at the end of the recession, down 1,784 in the first quarter of 2010. From 2010Q2-2018Q4, it ranged between -354 and +903 quarter-to-quarter change.

During the first half of 2019, net change fell by 1,956 establishments in the first quarter and 564 in the second. It recovered to a 76 establishment increase in the third quarter and fell by 142 in the fourth quarter of 2019. During the first quarter of 2020, net establishment births and deaths was up 4,089 and fell 1,599 during the second quarter of 2020. After the 2020 recession, net establishment change averaged a gain of 842 per quarter from the third quarter of 2020 through the second quarter of 2024. During the second quarter of 2024 (the most recent quarter available), the establishment net gain was 248 jobs.

During the first quarter of 2025, **gross job gains** exceeded **gross job losses** in 6 of 10 industries. The largest net increases occurred in Education & Health Services (+3,436) and Retail Trade (+2,426). The largest net decreasing industries were Transportation & Warehousing (-1,104 jobs) and Financial Activities (-839 jobs).



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)						
	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	Mar. 2024	June 2024	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	Mar. 2024	June 2024
<b>Total Private</b>														
Gross job gains	84,485	88,900	91,954	84,094	81,927	82,391	84,522	5.9	6.2	6.4	5.8	5.6	5.6	5.8
at expanding establishments	66,979	70,231	71,821	65,932	64,405	65,871	66,074	4.7	4.9	5.0	4.5	4.4	4.5	4.5
at opening establishments	17,506	18,669	20,133	18,162	17,522	16,520	18,448	1.2	1.3	1.4	1.3	1.2	1.1	1.3
Gross job losses	84,858	74,141	82,001	90,637	83,179	75,630	81,499	5.9	5.1	5.7	6.2	5.7	5.2	5.6
at contracting establishments	65,998	59,358	66,456	68,812	63,976	60,509	64,415	4.6	4.1	4.6	4.7	4.4	4.2	4.4
at closing establishments	18,860	14,783	15,545	21,825	19,203	15,121	17,084	1.3	1.0	1.1	1.5	1.3	1.0	1.2
Net employment change	-373	14,759	9,953	-6,543	-1,252	6,761	3,023	0.0	1.1	0.7	-0.4	-0.1	0.4	0.2
<b>Construction</b>														
Gross job gains	5,317	6,725	6,010	5,352	5,977	6,285	5,802	8.8	10.9	9.6	8.7	9.8	9.9	9.0
at expanding establishments	4,185	5,245	4,447	4,052	4,646	5,061	4,499	6.9	8.5	7.1	6.6	7.6	8.0	7.0
at opening establishments	1,132	1,480	1,563	1,300	1,331	1,224	1,303	1.9	2.4	2.5	2.1	2.2	1.9	2.0
Gross job losses	5,836	5,006	5,926	6,286	5,891	5,073	5,383	9.6	8.1	9.5	10.2	9.6	8.0	8.4
at contracting establishments	4,243	3,886	4,669	4,852	3,947	3,892	4,396	7.0	6.3	7.5	7.9	6.4	6.1	6.9
at closing establishments	1,593	1,120	1,257	1,434	1,944	1,181	987	2.6	1.8	2.0	2.3	3.2	1.9	1.5
Net employment change	-519	1,719	84	-934	86	1,212	419	-0.8	2.8	0.1	-1.5	0.2	1.9	0.6
<b>Manufacturing</b>														
Gross job gains	4,478	3,645	4,742	4,213	4,213	4,216	4,040	2.9	2.3	3.0	2.7	2.7	2.7	2.5
at expanding establishments	3,889	3,225	4,011	3,596	3,559	3,442	3,507	2.5	2.0	2.5	2.3	2.3	2.2	2.2
at opening establishments	589	420	731	617	654	774	533	0.4	0.3	0.5	0.4	0.4	0.5	0.3
Gross job losses	4,128	3,810	4,557	4,947	5,329	4,136	5,029	2.6	2.4	2.9	3.1	3.4	2.7	3.2
at contracting establishments	3,499	3,377	3,908	4,254	4,031	3,524	4,590	2.2	2.1	2.5	2.7	2.6	2.3	2.9
at closing establishments	629	433	649	693	1,298	612	439	0.4	0.3	0.4	0.4	0.8	0.4	0.3
Net employment change	350	-165	185	-734	-1,116	80	-989	0.3	-0.1	0.1	-0.4	-0.7	0.0	-0.7
<b>Wholesale Trade</b>														
Gross job gains	2,926	2,808	2,926	2,900	2,501	2,588	2,761	4.8	4.6	4.8	4.8	4.1	4.3	4.6
at expanding establishments	2,300	2,180	2,353	2,356	1,881	2,064	2,245	3.8	3.6	3.9	3.9	3.1	3.4	3.7
at opening establishments	626	628	573	544	620	524	516	1.0	1.0	0.9	0.9	1.0	0.9	0.9
Gross job losses	3,198	2,523	2,843	2,689	3,201	2,680	3,176	5.3	4.1	4.7	4.4	5.3	4.4	5.2
at contracting establishments	2,120	1,886	2,187	2,102	2,228	2,002	2,362	3.5	3.1	3.6	3.4	3.7	3.3	3.9
at closing establishments	1,078	637	656	587	973	678	814	1.8	1.0	1.1	1.0	1.6	1.1	1.3
Net employment change	-272	285	83	211	-700	-92	-415	-0.5	0.5	0.1	0.4	-1.2	-0.1	-0.6
<b>Retail Trade</b>														
Gross job gains	9,349	9,925	9,805	9,315	8,745	9,494	8,392	5.7	5.9	5.8	5.5	5.3	5.7	5.0
at expanding establishments	7,588	8,562	8,306	8,097	7,047	8,482	7,148	4.6	5.1	4.9	4.8	4.3	5.1	4.3
at opening establishments	1,761	1,363	1,499	1,218	1,698	1,012	1,244	1.1	0.8	0.9	0.7	1.0	0.6	0.7
Gross job losses	10,665	8,206	10,425	10,781	9,813	7,923	9,655	6.4	4.9	6.2	6.4	5.9	4.8	5.8
at contracting establishments	9,533	7,248	9,117	8,862	8,455	6,654	8,704	5.7	4.3	5.4	5.3	5.1	4.0	5.2
at closing establishments	1,132	958	1,308	1,919	1,358	1,269	951	0.7	0.6	0.8	1.1	0.8	0.8	0.6
Net employment change	-1,316	1,719	-620	-1,466	-1,068	1,571	-1,263	-0.7	1.0	-0.4	-0.9	-0.6	0.9	-0.8
<b>Transportation and Warehousing</b>														
Gross job gains	5,822	3,489	4,010	4,387	6,030	2,938	3,154	9.0	5.3	6.2	6.7	8.8	4.3	4.7
at expanding establishments	5,505	2,980	3,606	3,996	5,616	2,755	2,861	8.5	4.5	5.6	6.1	8.2	4.0	4.3
at opening establishments	317	509	404	391	414	183	293	0.5	0.8	0.6	0.6	0.6	0.3	0.4
Gross job losses	3,060	5,063	3,623	2,374	3,920	5,185	3,437	4.7	7.7	5.6	3.6	5.7	7.6	5.2
at contracting establishments	2,666	4,774	3,124	2,200	3,483	4,803	3,129	4.1	7.3	4.8	3.3	5.1	7.0	4.7
at closing establishments	394	289	499	174	437	382	308	0.6	0.4	0.8	0.3	0.6	0.6	0.5
Net employment change	2,762	-1,574	387	2,013	2,110	-2,247	-283	4.3	-2.4	0.6	3.1	3.1	-3.3	-0.5
<b>Financial Activities</b>														
Gross job gains	5,514	4,321	5,723	5,235	4,539	3,985	4,938	4.7	3.8	4.9	4.5	3.9	3.4	4.3
at expanding establishments	4,325	3,197	4,466	4,019	3,354	2,937	3,813	3.7	2.8	3.8	3.5	2.9	2.5	3.3
at opening establishments	1,189	1,124	1,257	1,216	1,185	1,048	1,125	1.0	1.0	1.1	1.0	1.0	0.9	1.0
Gross job losses	5,976	4,507	5,260	5,892	4,680	4,512	4,472	5.1	3.9	4.5	5.0	4.0	3.9	3.9
at contracting establishments	4,547	3,489	4,295	4,205	3,260	3,671	3,213	3.9	3.0	3.7	3.6	2.8	3.2	2.8
at closing establishments	1,429	1,018	965	1,687	1,420	841	1,259	1.2	0.9	0.8	1.4	1.2	0.7	1.1
Net employment change	-462	-186	463	-657	-141	-527	466	-0.4	-0.1	0.4	-0.5	-0.1	-0.5	0.4

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Category	Gross job gains and losses (3 months ending)							Gross job gains and losses as a percent of employment (3 months ending)						
	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	Mar. 2024	June 2024	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	Mar. 2024	June 2024
<b>Professional Business Services</b>														
Gross job gains	14,770	15,046	14,854	13,408	12,121	13,555	14,998	6.7	6.8	6.7	6.0	5.5	6.2	6.8
at expanding establishments	11,268	11,258	10,936	9,348	8,658	10,052	11,252	5.1	5.1	4.9	4.2	3.9	4.6	5.1
at opening establishments	3,502	3,788	3,918	4,060	3,463	3,503	3,746	1.6	1.7	1.8	1.8	1.6	1.6	1.7
Gross job losses	16,036	13,856	15,162	15,739	15,735	13,553	13,453	7.3	6.2	6.8	7.1	7.1	6.2	6.1
at contracting establishments	11,456	10,432	11,830	11,216	11,668	10,147	10,371	5.2	4.7	5.3	5.1	5.3	4.6	4.7
at closing establishments	4,580	3,424	3,332	4,523	4,067	3,406	3,082	2.1	1.5	1.5	2.0	1.8	1.6	1.4
Net employment change	-1,266	1,190	-308	-2,331	-3,614	2	1,545	-0.6	0.6	-0.1	-1.1	-1.6	0.0	0.7
<b>Education and Health Services</b>														
Gross job gains	13,715	16,600	18,824	17,102	14,605	15,109	17,183	4.1	4.9	5.5	4.9	4.1	4.3	4.9
at expanding establishments	11,304	13,579	15,380	14,721	12,395	12,980	13,433	3.4	4.0	4.5	4.2	3.5	3.7	3.8
at opening establishments	2,411	3,021	3,444	2,381	2,210	2,129	3,750	0.7	0.9	1.0	0.7	0.6	0.6	1.1
Gross job losses	13,286	11,854	12,331	15,593	12,759	11,315	15,876	4.0	3.5	3.6	4.5	3.7	3.2	4.5
at contracting establishments	10,657	9,265	9,948	11,167	10,465	9,065	10,710	3.2	2.7	2.9	3.2	3.0	2.6	3.0
at closing establishments	2,629	2,589	2,383	4,426	2,294	2,250	5,166	0.8	0.8	0.7	1.3	0.7	0.6	1.5
Net employment change	429	4,746	6,493	1,509	1,846	3,794	1,307	0.1	1.4	1.9	0.4	0.4	1.1	0.4
<b>Leisure and Hospitality</b>														
Gross job gains	14,957	17,951	17,267	14,048	16,246	16,261	16,059	10.0	11.9	11.2	9.1	10.6	10.6	10.3
at expanding establishments	11,718	14,521	13,524	10,593	12,143	12,580	12,260	7.8	9.6	8.8	6.9	7.9	8.2	7.9
at opening establishments	3,239	3,430	3,743	3,455	4,103	3,681	3,799	2.2	2.3	2.4	2.2	2.7	2.4	2.4
Gross job losses	15,027	13,326	15,084	18,877	14,986	14,555	14,102	10.1	8.8	9.7	12.3	9.8	9.4	9.0
at contracting establishments	12,066	10,627	12,385	15,237	11,672	11,717	11,920	8.1	7.0	8.0	9.9	7.6	7.6	7.6
at closing establishments	2,961	2,699	2,699	3,640	3,314	2,838	2,182	2.0	1.8	1.7	2.4	2.2	1.8	1.4
Net employment change	-70	4,625	2,183	-4,829	1,260	1,706	1,957	-0.1	3.1	1.5	-3.2	0.8	1.2	1.3
<b>Other</b>														
Gross job gains	3,556	4,297	3,762	4,112	3,680	4,024	4,080	7.3	8.7	7.6	8.2	7.3	7.9	7.9
at expanding establishments	2,582	3,051	2,826	3,030	2,724	3,091	3,235	5.3	6.2	5.7	6.0	5.4	6.1	6.3
at opening establishments	974	1,246	936	1,082	956	933	845	2.0	2.5	1.9	2.2	1.9	1.8	1.6
Gross job losses	4,055	3,122	3,297	3,908	3,646	3,534	3,668	8.2	6.3	6.6	7.7	7.3	6.9	7.2
at contracting establishments	2,910	2,263	2,401	2,634	2,708	2,675	2,660	5.9	4.6	4.8	5.2	5.4	5.2	5.2
at closing establishments	1,145	859	896	1,274	938	859	1,008	2.3	1.7	1.8	2.5	1.9	1.7	2.0
Net employment change	-499	1,175	465	204	34	490	412	-0.9	2.4	1.0	0.5	0.0	1.0	0.7

**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](mailto:Matthew.Krzyzek@ct.gov).