



LABOR SITUATION

Office of Research

Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

July 2020 Data

CT Unemployment Rate = 10.2%*

US Unemployment Rate = 10.2%

Nonfarm jobs grow sharply by 26,500 in July.

***NOTE:** *Although consistent with prior Bureau of Labor Statistics (BLS) methodology, Connecticut's official unemployment rate for July 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 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.*

WETHERSFIELD, August 20, 2020 – Preliminary Connecticut nonfarm job estimates from the business payroll survey administered by the US Bureau of Labor Statistics (BLS) show the state gained 26,500 net jobs (1.8%) in July 2020, to a level of 1,540,400 seasonally adjusted. However, over the year, nonagricultural employment in the state fell by 146,300 (-8.7%) seasonally adjusted. The June 2020 job gain of 73,300 was revised up by 4,000 jobs. The change in payroll job estimates is considered statistically significant.

“Connecticut saw another large job gain in July,” said Andy Condon, Director of the Office of Research at the Connecticut Department of Labor. “However, this gain has to be viewed from the perspective of the unprecedented job losses caused by public health concerns as a result of the COVID-19 pandemic. The largest job gains in July were seen in Leisure & Hospitality, Trade, and Other services – sectors heavily impacted by pandemic closures. Professional & Business series also made a strong showing after several months of weakness.”

Nonfarm Jobs Detail (business establishment survey)

Private sector employment recovered by 29,100 (2.2%) to 1,324,800 jobs over the month in July and are now down by 126,100 (-8.7%) seasonally-adjusted jobs over July 2019. The **government supersector** declined by 2,600 jobs in July to a total of 215,600 and is down by 20,200 jobs (-8.6%) over the year. The **government supersector** includes all federal, state and local employment, including public education and Native American casino employment located on tribal land.

Eight of the ten major industry *supersectors* had employment gains in July. Improving *supersectors* included:

- Leisure & Hospitality – (11,600 gained, 11.1% change, 115,700 total jobs)
- Trade, Transportation & Utilities – (7,800, 2.9%, 272,300)
- Other Services – (4,300, 8.2%, 56,600)
- Professional & Business Services – (3,000, 1.5%, 205,500)
- Construction & Mining – (1,100, 1.9%, 58,000)
- Education & Health – (600, 0.2%, 313,400)
- Manufacturing – (600, 0.4%, 155,800)
- Financial Activities – (300, 0.3%, 118,500)

Two *supersectors* saw declines:

- Government – (-2,600, -1.2%, 215,600)
- Information – (-200, -0.7%, 29,000)

Connecticut Labor Market Areas (LMAs): All six **LMAs** seasonally adjusted by the Bureau of Labor Statistics saw employment gains in July 2020. The **Hartford LMA** (2.3%, 538,800) led gains, adding 12,300 jobs. The **Bridgeport-Stamford-Norwalk LMA** (2.7%, 354,300) grew by 9,200 net jobs, while the **New Haven** (1.9%, 267,400) added 5,100. The **Norwich – New London - Westerly LMA** (2.9%, 111,400) gained 3,100 positions while the **Danbury LMA** (4.2%, 71,900) grew by 2,900 positions. The **Waterbury LMA** (1.4%, 60,000) picked up

800 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 34.3 hours in July 2020, up four-tenths of an hour from the same month a year ago. Average hourly earnings at \$33.50, not seasonally adjusted, were up \$1.16 (3.6%) from the July 2019 estimate (\$32.34). The resultant average private sector weekly pay amounted to \$1,149.05, up \$52.72 from a year ago (4.8%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in July 2020 was 1.0%. 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 July 2020 official unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 10.2% (seasonally adjusted), up one-tenth of a point from the revised June level. The US jobless rate in July 2020 was also 10.2%, down 0.9 points from June.

The Connecticut unemployment rate continues to be underestimated due to challenges encountered in the collection of data for the July 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 July employment situation press release and see the COVID – 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 15% for the Mid-July period (same time frame as the BLS estimate). We estimate that the employment rate declined from June. This estimate was made using Connecticut residential unemployment insurance claims adding similar factor for the unemployed self-employed, and estimating the size of the labor force.

July 2020 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut was 11,168, up 1,182 from June and up by 8,122 claims (267%) from the July 2019 level. The increase in July initial claims is largely due to the PUA program which permits self-employed to apply for benefits.

*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, September 17, 2020 (August Preliminary 2020 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

	July 2020 P	June 2020 R	May 2020	April 2020	July 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,540,400	1,513,900	1,436,600	1,408,200	1,686,700	26,500	1.8%	-146,300	-8.7%
Total Private	1,324,800	1,295,700	1,229,000	1,195,700	1,450,900	29,100	2.2%	-126,100	-8.7%
Goods Producing Industries									
Mining	600	500	500	500	600	100	20.0%	0	0.0%
Construction	57,400	56,400	53,500	50,200	59,700	1,000	1.8%	-2,300	-3.9%
Manufacturing	155,800	155,200	153,200	151,000	162,400	600	0.4%	-6,600	-4.1%
Durable Goods	122,500	122,500	120,700	119,300	127,700	0	0.0%	-5,200	-4.1%
Nondurable Goods	33,300	32,700	32,500	31,700	34,700	600	1.8%	-1,400	-4.0%
Service Providing Industries									
Trade, Transportation & Utilities	272,300	264,500	246,800	240,900	291,800	7,800	2.9%	-19,500	-6.7%
Wholesale	59,000	58,000	57,200	56,600	59,900	1,000	1.7%	-900	-1.5%
Retail	156,300	151,800	137,200	133,400	175,000	4,500	3.0%	-18,700	-10.7%
Transp, Warehousing & Utilities	57,000	54,700	52,400	50,900	56,900	2,300	4.2%	100	0.2%
Information	29,000	29,200	28,400	29,700	31,700	-200	-0.7%	-2,700	-8.5%
Financial Activities	118,500	118,200	118,700	119,800	124,100	300	0.3%	-5,600	-4.5%
Finance & Insurance	100,400	100,300	100,400	101,300	103,900	100	0.1%	-3,500	-3.4%
Real Estate, Rental & Leasing	18,100	17,900	18,300	18,500	20,200	200	1.1%	-2,100	-10.4%
Professional & Business Services	205,500	202,500	200,300	196,200	219,600	3,000	1.5%	-14,100	-6.4%
Prof, Scientific & Tech Services	92,200	92,000	89,800	89,000	95,800	200	0.2%	-3,600	-3.8%
Management of Companies	32,600	32,300	32,600	32,300	33,000	300	0.9%	-400	-1.2%
Admn & Support & Waste Mgt Serv	80,700	78,200	77,900	74,900	90,800	2,500	3.2%	-10,100	-11.1%
Educational & Health Services	313,400	312,800	299,700	296,700	338,000	600	0.2%	-24,600	-7.3%
Educational Services	61,300	62,100	61,600	61,300	66,400	-800	-1.3%	-5,100	-7.7%
Health Care & Social Assistance	252,100	250,700	238,100	235,400	271,600	1,400	0.6%	-19,500	-7.2%
Leisure and Hospitality	115,700	104,100	82,400	70,000	157,800	11,600	11.1%	-42,100	-26.7%
Arts, Entertainment & Recreation	19,600	15,800	12,200	11,500	28,700	3,800	24.1%	-9,100	-31.7%
Accommodation & Food Services	96,100	88,300	70,200	58,500	129,100	7,800	8.8%	-33,000	-25.6%
Other Services	56,600	52,300	45,500	40,700	65,200	4,300	8.2%	-8,600	-13.2%
Government**	215,600	218,200	207,600	212,500	235,800	-2,600	-1.2%	-20,200	-8.6%
UNITED STATES	139,582,000	137,819,000	133,028,000	130,303,000	150,953,000	1,763,000	1.3%	-11,371,000	-7.5%

LABOR MARKET AREAS (LMA)

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

Seasonally Adjusted data	July 2020 P	June 2020 R	May 2020	April 2020	July 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
Bridgeport-Stamford-Norwalk	354,300	345,100	331,300	327,700	405,400	9,200	2.7%	-51,100	-12.6%
Danbury	71,900	69,000	65,700	62,800	77,700	2,900	4.2%	-5,800	-7.5%
Hartford	538,800	526,500	514,000	504,800	584,700	12,300	2.3%	-45,900	-7.9%
New Haven	267,400	262,300	250,800	246,800	289,700	5,100	1.9%	-22,300	-7.7%
Norwich-New London-Westerly, RI	111,400	108,300	96,800	92,900	128,700	3,100	2.9%	-17,300	-13.4%
Waterbury	60,000	59,200	56,100	56,900	68,000	800	1.4%	-8,000	-11.8%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	42,500	41,800	39,200	37,600	44,700	700	1.7%	-2,200	-4.9%
Torrington-Northwest	30,800	30,300	28,100	26,800	33,900	500	1.7%	-3,100	-9.1%
Danielson-Northeast	26,000	25,500	24,100	22,700	27,400	500	2.0%	-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.

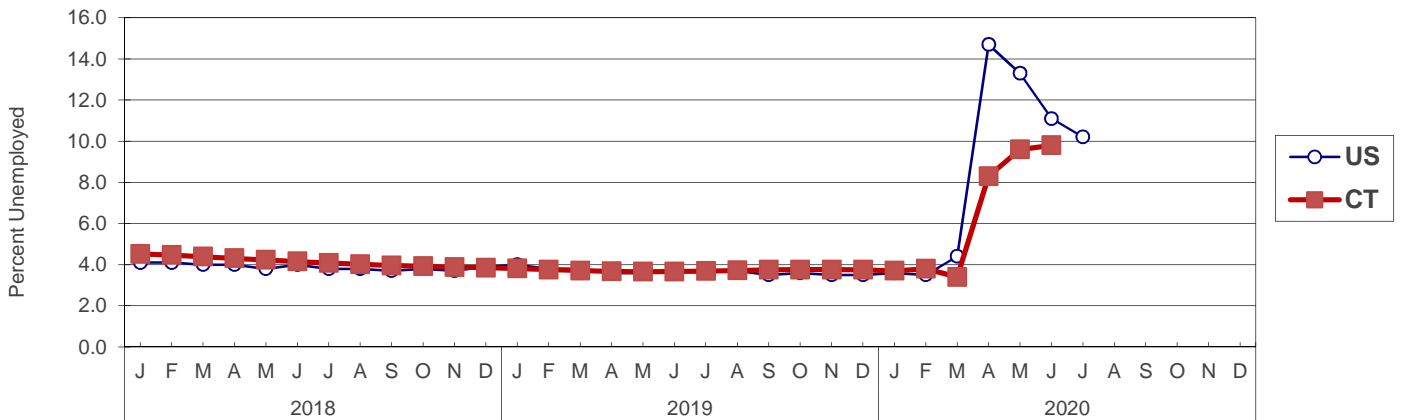
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Jul 2020 P		Jul 2019 R		Change		Jun 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	193,000	10.2	70,600	3.7	122,400	6.5	189,100	10.1
Labor Force	1,895,200		1,911,700		-16,500		1,879,800	
UNITED STATES								
Unemployed	16,338,000	10.2	6,027,000	3.7	10,311,000	6.5	17,750,000	11.1
Labor Force	159,870,000		163,373,000		-3,503,000		159,932,000	

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



LABOR MARKET AREAS - Not Seasonally Adjusted

	Jul 2020 P		Jul 2019 R		Change		Jun 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford								
Danbury								
Danielson-Northeast*								
Worcester NECTA								
Hampton								
Enfield								
Hartford								
New Haven								
Norwich-New London								
Torrington-Northwest**								
Torrington NECTA								
Litchfield								
Waterbury								
CONNECTICUT	198,500	10.3	75,800	3.9	122,700	6.4	192,900	10.2
UNITED STATES	16,882,000	10.5	6,556,000	4.0	10,326,000	6.5	18,072,000	11.2

Release of the July 2020 sub-state labor force data is restricted by the U.S. Bureau of Labor Statistics until Friday, August 21, 2020. An updated *Connecticut Labor Situation* with these data will be available on our website at that time at: <http://www1.ctdol.state.ct.us/lmi/laborsit.pdf>.

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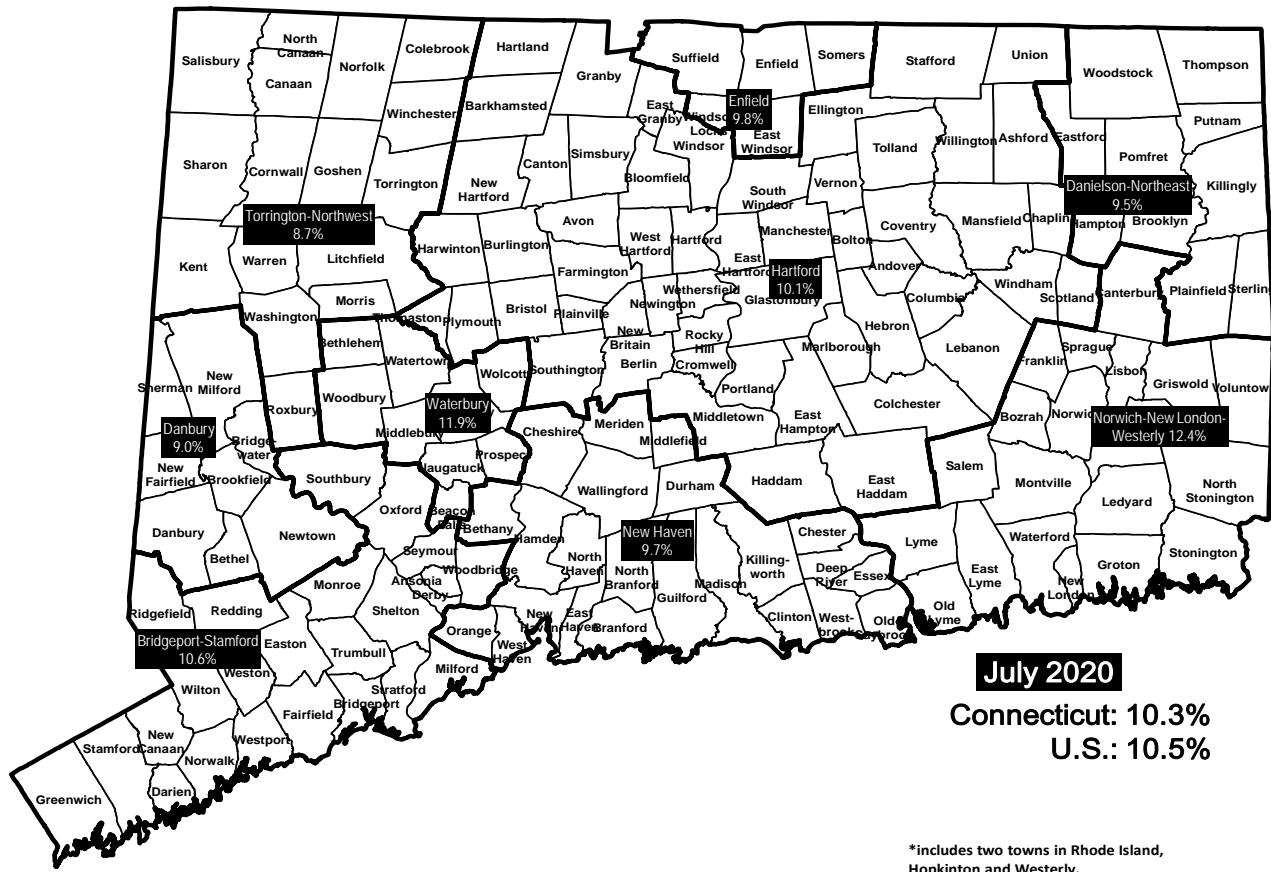
Labor force data included in this publication are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

* 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			
	July 2020 P	July 2019	Change over Yr.	June 2020 R	July 2020 P	July 2019	Change over Yr.	June 2020 R	July 2020 P	July 2019	Change over Yr.	June 2020 R
Private Industry All Employees	\$1,149.05	\$1,096.33	\$52.72	\$1,170.17	34.3	33.9	0.4	34.6	\$33.50	\$32.34	\$1.16	\$33.82
Manufacturing*												
Production Workers	\$1,181.48	\$1,131.06	\$50.42	\$1,191.53	40.2	42.0	-1.8	40.8	\$29.39	\$26.93	\$2.46	\$29.64

* 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

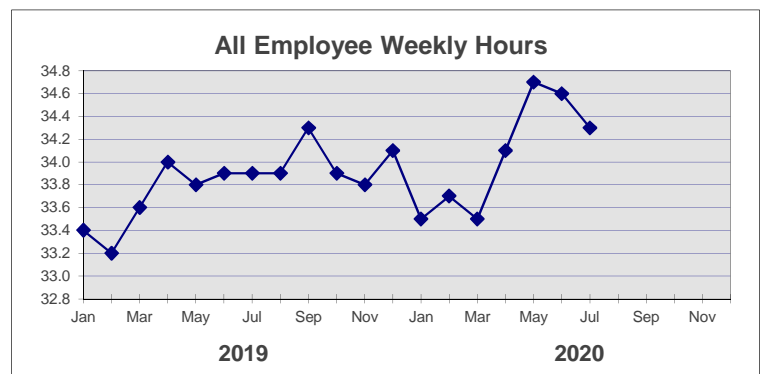
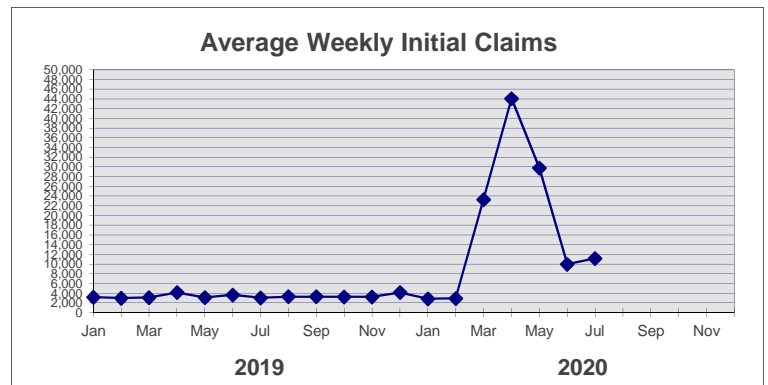
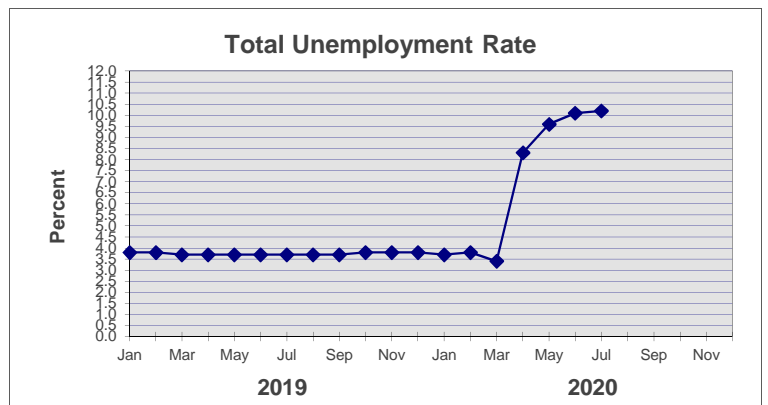
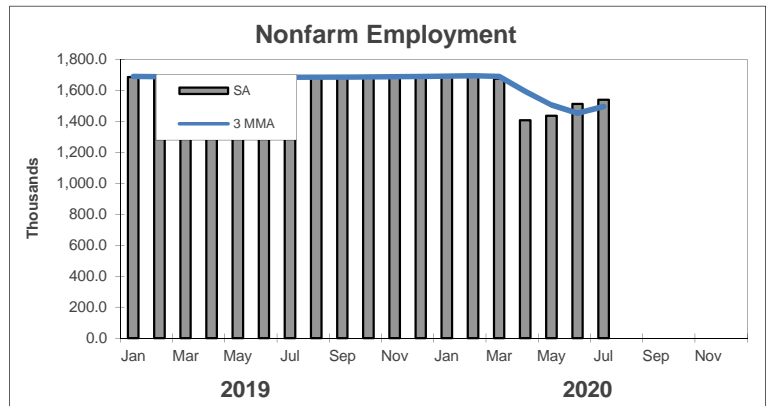
Seasonally Adjusted

	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 R	10.1 R
Jul	1,540.4 P	10.2 P
Aug		
Sep		
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 R
Jul	11,168	34.3 P
Aug		
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute