



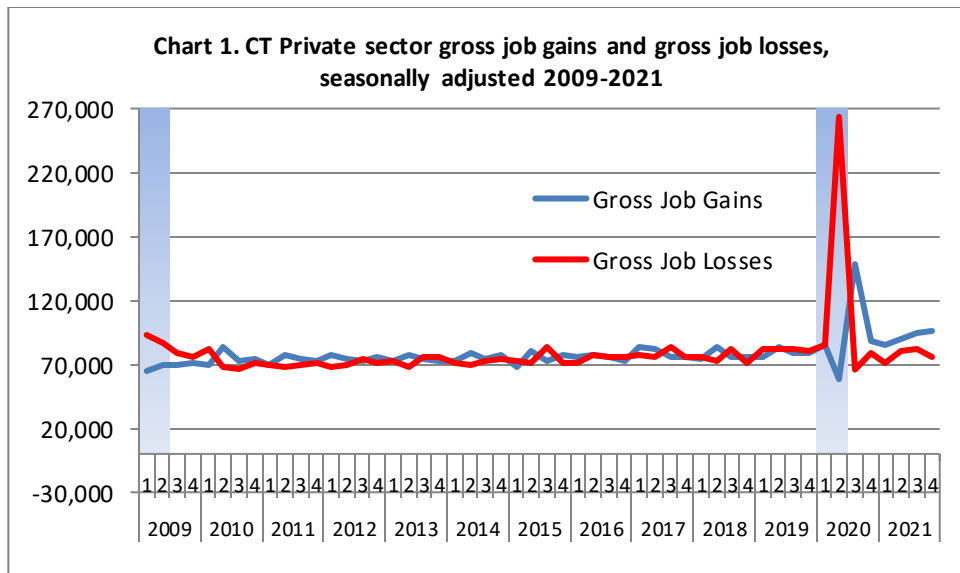
Fourth Quarter 2021

WETHERSFIELD, July 27th, 2022 - 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 October 2021 to December 2021, **gross job gains** from opening and expanding private sector establishments in Connecticut was 96,125, an increase of 2,373 jobs from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 75,282, a decrease of 7,189 jobs from the previous quarter.

During the fourth quarter of 2021, the difference between gross job gains and gross job losses yielded a **net employment gain** of 20,843 jobs in the private sector. This net increase follows a 11,281 net increase during the third quarter of 2021.

Net employment change reached a low of -205,121 during the second quarter of 2020. The combined net change for the six quarters of subsequent data through the fourth quarter of 2021 is 147,825 jobs.

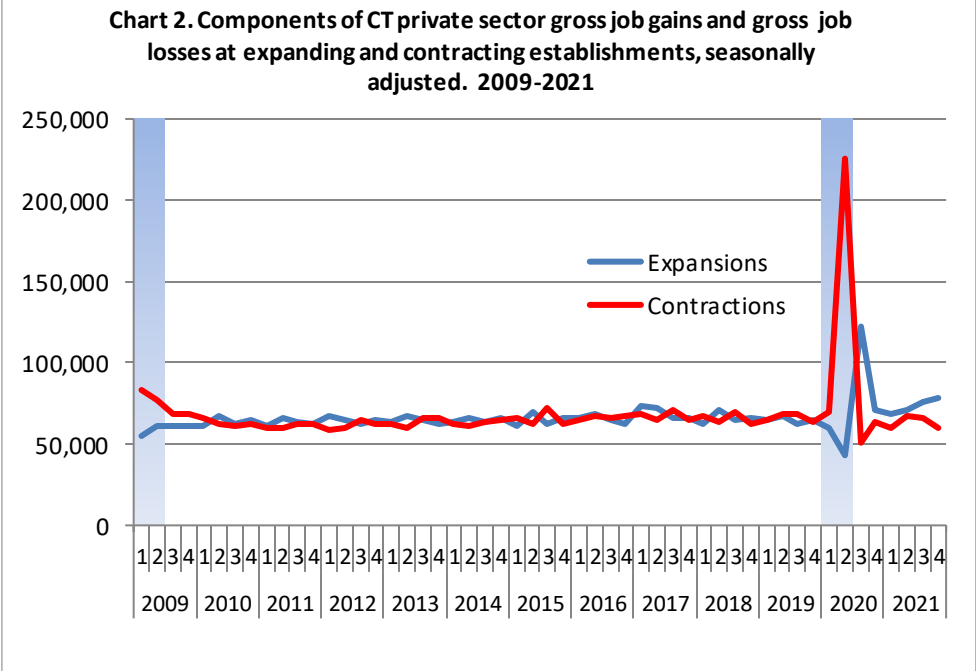


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third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

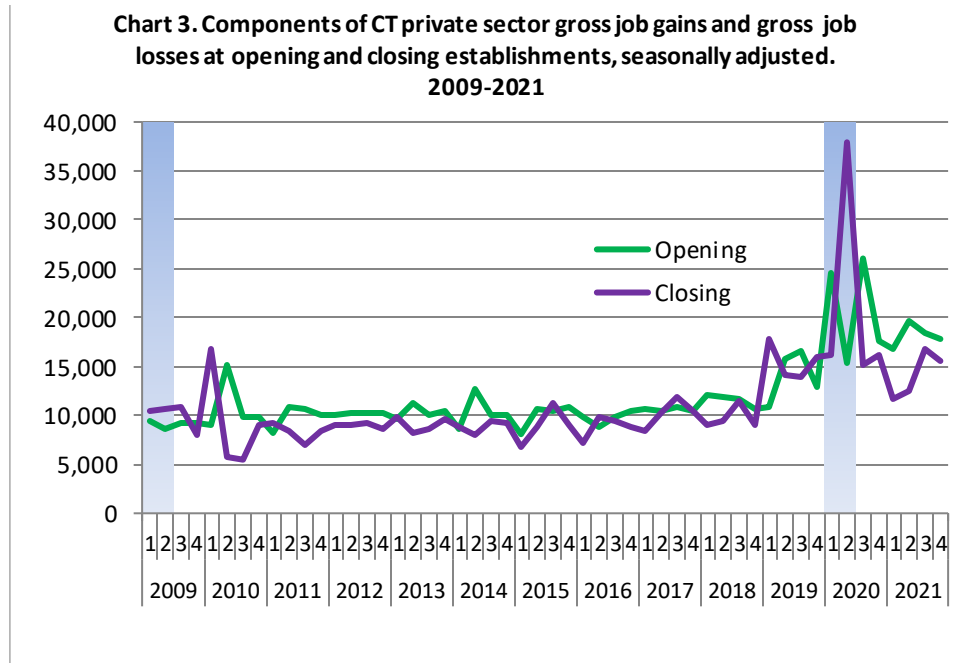
Gross job gains at **expanding** establishments totaled 78,213 in the fourth quarter of 2021, an increase of 2,852 from the previous quarter.

Opening establishments accounted for 17,912 jobs gained in the fourth quarter of 2021, a decrease of 479 jobs from the previous quarter.



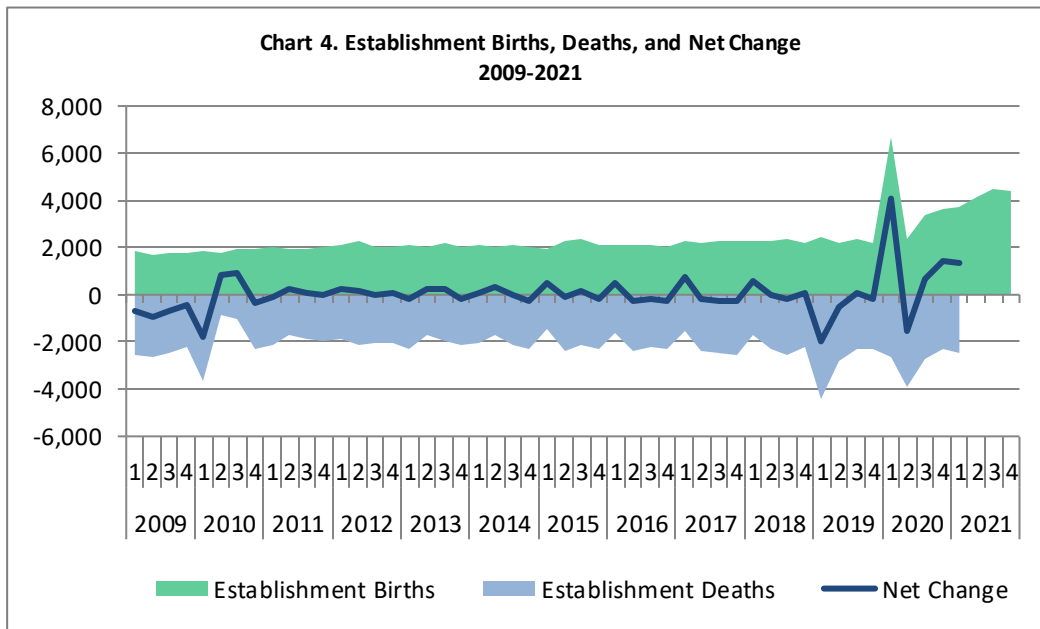
Contracting establishments lost 59,686 jobs in the fourth quarter of 2021, a decrease of from the prior quarter.

In the fourth quarter of 2021, **closing** establishments lost 15,596 jobs, a decrease of 1,202 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 fourth quarter of 2021, openings and closings converged to a 1,593 net positive after a second quarter 2021 net positive of 2,316.



In the fourth quarter of 2021, there were 4,398 **establishment births** (a subset of the openings data). These new establishments accounted for 10,151 jobs, 643 less than the previous quarter.

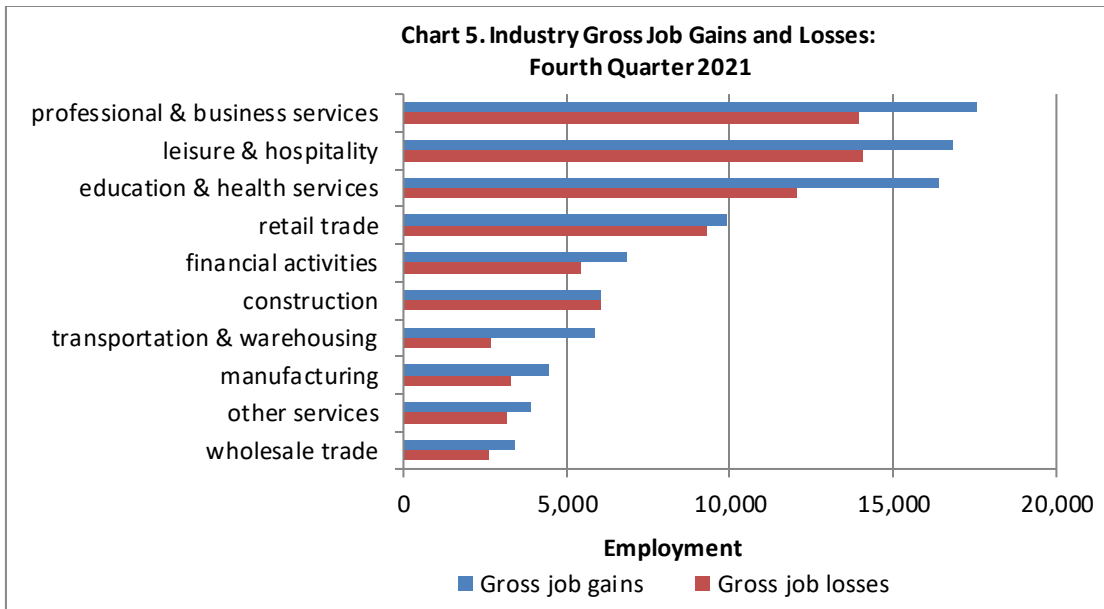
Data for **establishment deaths** (a subset of the closings data) are available through the first quarter of 2021, where 6,105 jobs were lost at 2,430 establishment deaths. In the prior quarter, 7,139 jobs were lost at 2,282 establishment deaths. The first quarter of 2021 represents the third full quarter of recovery from the 2020 recession, which lasted from February to April of that year.



The **net change of establishment births and deaths** went consistently negative during the last recession from the first quarter of 2008 through the first quarter of 2010. During those 9 quarters of recession, 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 1,975 establishments in the first quarter and 533 in the second. It recovered to a 54 establishment increase in the third quarter and fell by 144 in the fourth quarter of 2019. During the first quarter of 2020, net establishment births and deaths was up 4,079 and was down 1,546 during the second quarter of 2020. By the first quarter of 2021 (the last quarter of available data), net gains were up 1,326. These net establishment changes are heavily impacted by the 2020 recession as is shown in Chart 4.

During the fourth quarter of 2021, **gross job gains** exceeded **gross job losses** in 9 of 10 industries. Large net increases were had in Education & Health Services, Professional & Business Services, and Transportation & Warehousing. Construction was the only net negative industry, with a slight loss of 9 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)						
	June 2020	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	June 2020	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021
Total Private														
Gross job gains	58,417	148,355	88,630	85,542	90,384	93,752	96,125	4.3	11.4	6.6	6.3	6.6	6.8	6.9
at expanding establishments	43,104	122,305	71,031	68,812	70,825	75,361	78,213	3.2	9.4	5.3	5.1	5.2	5.5	5.6
at opening establishments	15,313	26,050	17,599	16,730	19,559	18,391	17,912	1.1	2.0	1.3	1.2	1.4	1.3	1.3
Gross job losses	263,538	65,898	79,517	71,646	80,149	82,471	75,282	19.5	5.1	5.9	5.3	5.9	6.0	5.4
at contracting establishments	225,614	50,836	63,410	59,955	67,695	65,673	59,686	16.7	3.9	4.7	4.4	5.0	4.8	4.3
at closing establishments	37,924	15,062	16,107	11,691	12,454	16,798	15,596	2.8	1.2	1.2	0.9	0.9	1.2	1.1
Net employment change	-205,121	82,457	9,113	13,896	10,235	11,281	20,843	-15.2	6.3	0.7	1.0	0.7	0.8	1.5
Construction														
Gross job gains	5,226	6,825	6,406	6,341	5,926	6,166	6,023	8.9	12.1	11.1	10.7	9.9	10.5	10.1
at expanding establishments	3,631	5,070	4,905	4,651	4,590	4,478	4,907	6.2	9.0	8.5	7.8	7.7	7.6	8.2
at opening establishments	1,595	1,755	1,501	1,690	1,336	1,688	1,116	2.7	3.1	2.6	2.9	2.2	2.9	1.9
Gross job losses	9,376	5,334	5,504	5,536	5,985	5,668	6,032	16.1	9.5	9.5	9.3	10.1	9.6	10.1
at contracting establishments	7,359	4,162	4,038	4,471	4,972	4,416	4,472	12.6	7.4	7.0	7.5	8.4	7.5	7.5
at closing establishments	2,017	1,172	1,466	1,065	1,013	1,252	1,560	3.5	2.1	2.5	1.8	1.7	2.1	2.6
Net employment change	-4,150	1,491	902	805	-59	498	-9	-7.2	2.6	1.6	1.4	-0.2	0.9	0.0
Manufacturing														
Gross job gains	2,488	5,418	4,356	4,294	4,071	4,604	4,475	1.6	3.5	2.8	2.8	2.6	3.0	2.9
at expanding establishments	2,169	4,943	3,865	3,860	3,709	4,183	4,058	1.4	3.2	2.5	2.5	2.4	2.7	2.6
at opening establishments	319	475	491	434	362	421	417	0.2	0.3	0.3	0.3	0.2	0.3	0.3
Gross job losses	10,925	5,364	5,322	3,224	4,237	4,140	3,285	7.0	3.5	3.5	2.1	2.8	2.7	2.2
at contracting establishments	10,027	4,878	4,641	2,945	3,966	3,374	2,588	6.4	3.2	3.1	1.9	2.6	2.2	1.7
at closing establishments	898	486	681	279	271	766	697	0.6	0.3	0.4	0.2	0.2	0.5	0.5
Net employment change	-8,437	54	-966	1,070	-166	464	1,190	-5.4	0.0	-0.7	0.7	-0.2	0.3	0.7
Wholesale Trade														
Gross job gains	2,177	3,883	2,936	2,857	3,265	3,544	3,387	3.8	7.1	5.3	5.1	5.8	6.2	5.9
at expanding establishments	1,495	2,840	2,171	2,237	2,607	2,690	2,541	2.6	5.2	3.9	4.0	4.6	4.7	4.4
at opening establishments	682	1,043	765	620	658	854	846	1.2	1.9	1.4	1.1	1.2	1.5	1.5
Gross job losses	6,778	2,805	2,480	2,239	3,001	2,701	2,639	12.0	5.1	4.4	4.0	5.3	4.7	4.6
at contracting establishments	5,893	1,894	1,785	1,646	2,383	1,903	1,889	10.4	3.4	3.2	2.9	4.2	3.3	3.3
at closing establishments	885	911	695	593	618	798	750	1.6	1.7	1.2	1.1	1.1	1.4	1.3
Net employment change	-4,601	1,078	456	618	264	843	748	-8.2	2.0	0.9	1.1	0.5	1.5	1.3
Retail Trade														
Gross job gains	7,687	20,878	11,252	10,524	10,272	10,092	9,928	4.7	13.1	6.8	6.3	6.1	6.1	6.0
at expanding establishments	6,487	19,114	9,712	9,563	8,862	8,647	8,845	4.0	12.0	5.9	5.7	5.3	5.2	5.3
at opening establishments	1,200	1,764	1,540	961	1,410	1,445	1,083	0.7	1.1	0.9	0.6	0.8	0.9	0.7
Gross job losses	35,989	7,550	9,258	9,400	10,442	12,540	9,318	21.9	4.8	5.7	5.6	6.1	7.5	5.6
at contracting establishments	33,144	6,335	7,826	8,049	9,528	10,687	8,052	20.2	4.0	4.8	4.8	5.6	6.4	4.8
at closing establishments	2,845	1,215	1,432	1,351	914	1,853	1,266	1.7	0.8	0.9	0.8	0.5	1.1	0.8
Net employment change	-28,302	13,328	1,994	1,124	-170	-2,448	610	-17.2	8.3	1.1	0.7	0.0	-1.4	0.4
Transportation and Warehousing														
Gross job gains	7,325	10,041	5,666	3,271	2,839	4,860	5,873	13.5	18.0	9.4	5.3	4.8	8.1	9.3
at expanding establishments	6,894	8,923	4,663	2,654	2,313	4,450	5,248	12.7	16.0	7.7	4.3	3.9	7.4	8.3
at opening establishments	431	1,118	1,003	617	526	410	625	0.8	2.0	1.7	1.0	0.9	0.7	1.0
Gross job losses	14,180	3,433	2,340	5,089	4,348	2,142	2,677	26.1	6.1	3.9	8.4	7.3	3.5	4.2
at contracting establishments	12,233	3,083	1,940	4,748	3,969	1,879	2,285	22.5	5.5	3.2	7.8	6.7	3.1	3.6
at closing establishments	1,947	350	400	341	379	263	392	3.6	0.6	0.7	0.6	0.6	0.4	0.6
Net employment change	-6,855	6,608	3,326	-1,818	-1,509	2,718	3,196	-12.6	11.9	5.5	-3.1	-2.5	4.6	5.1
Financial Activities														
Gross job gains	2,846	5,041	5,338	3,755	4,454	5,164	6,853	2.4	4.3	4.6	3.2	3.9	4.5	5.9
at expanding establishments	2,106	3,937	4,308	2,817	3,348	4,120	5,561	1.8	3.4	3.7	2.4	2.9	3.6	4.8
at opening establishments	740	1,104	1,030	938	1,106	1,044	1,292	0.6	0.9	0.9	0.8	1.0	0.9	1.1
Gross job losses	6,640	4,490	6,213	3,778	5,641	6,766	5,410	5.6	3.8	5.3	3.3	4.9	5.9	4.6
at contracting establishments	5,500	3,402	5,150	3,120	4,488	5,357	4,317	4.6	2.9	4.4	2.7	3.9	4.7	3.7
at closing establishments	1,140	1,088	1,063	658	1,153	1,409	1,093	1.0	0.9	0.9	0.6	1.0	1.2	0.9
Net employment change	-3,794	551	-875	-23	-1,187	-1,602	1,443	-3.2	0.5	-0.7	-0.1	-1.0	-1.4	1.3

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	June 2020	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	June 2020	Sept. 2020	Dec. 2020	Mar. 2021	June 2021	Sept. 2021	Dec. 2021
Professional Business Services														
Gross job gains	10,978	19,721	17,506	14,677	16,420	15,973	17,557	5.3	9.8	8.4	7.1	7.8	7.5	8.1
at expanding establishments	7,305	15,708	14,211	11,631	11,988	12,629	13,848	3.5	7.8	6.8	5.6	5.7	5.9	6.4
at opening establishments	3,673	4,013	3,295	3,046	4,432	3,344	3,709	1.8	2.0	1.6	1.5	2.1	1.6	1.7
Gross job losses	33,657	12,519	12,755	13,717	14,633	15,832	13,923	16.2	6.2	6.2	6.6	7.0	7.4	6.4
at contracting establishments	29,714	9,524	9,487	10,993	11,779	12,024	10,029	14.3	4.7	4.6	5.3	5.6	5.6	4.6
at closing establishments	3,943	2,995	3,268	2,724	2,854	3,808	3,894	1.9	1.5	1.6	1.3	1.4	1.8	1.8
Net employment change	-22,679	7,202	4,751	960	1,787	141	3,634	-10.9	3.6	2.2	0.5	0.8	0.1	1.7
Education and Health Services														
Gross job gains	8,705	23,664	15,354	13,929	14,321	14,866	16,374	2.6	7.5	4.8	4.3	4.4	4.5	5.0
at expanding establishments	6,299	20,118	12,876	11,435	12,008	12,513	13,432	1.9	6.4	4.0	3.5	3.7	3.8	4.1
at opening establishments	2,406	3,546	2,478	2,494	2,313	2,353	2,942	0.7	1.1	0.8	0.8	0.7	0.7	0.9
Gross job losses	43,892	11,625	12,680	12,525	14,046	13,098	12,072	13.6	3.7	4.0	3.9	4.3	4.0	3.7
at contracting establishments	38,843	8,864	10,535	10,342	11,774	10,461	10,188	12.0	2.8	3.3	3.2	3.6	3.2	3.1
at closing establishments	5,049	2,761	2,145	2,183	2,272	2,637	1,884	1.6	0.9	0.7	0.7	0.7	0.8	0.6
Net employment change	-35,187	12,039	2,674	1,404	275	1,768	4,302	-11.0	3.8	0.8	0.4	0.1	0.5	1.3
Leisure and Hospitality														
Gross job gains	7,069	41,253	12,793	18,779	20,075	19,683	16,817	5.7	38.0	10.8	15.7	15.6	14.2	11.9
at expanding establishments	4,184	34,087	9,252	15,333	15,865	15,921	13,890	3.4	31.4	7.8	12.8	12.3	11.5	9.8
at opening establishments	2,885	7,166	3,541	3,446	4,210	3,762	2,927	2.3	6.6	3.0	2.9	3.3	2.7	2.1
Gross job losses	81,715	7,086	16,847	10,404	11,861	13,481	14,101	66.3	6.6	14.1	8.7	9.2	9.7	9.9
at contracting establishments	68,666	4,531	13,504	8,935	10,242	11,530	11,488	55.7	4.2	11.3	7.5	7.9	8.3	8.1
at closing establishments	13,049	2,555	3,343	1,469	1,619	1,951	2,613	10.6	2.4	2.8	1.2	1.3	1.4	1.8
Net employment change	-74,646	34,167	-4,054	8,375	8,214	6,202	2,716	-60.6	31.4	-3.3	7.0	6.4	4.5	2.0
Other														
Gross job gains	2,207	8,128	3,498	3,382	4,097	4,425	3,914	4.8	19.5	8.0	7.6	9.1	9.5	8.3
at expanding establishments	1,466	4,924	2,608	2,660	3,254	3,435	2,922	3.2	11.8	6.0	6.0	7.2	7.4	6.2
at opening establishments	741	3,204	890	722	843	990	992	1.6	7.7	2.0	1.6	1.9	2.1	2.1
Gross job losses	15,311	3,340	3,292	3,142	2,841	3,463	3,180	33.6	8.0	7.5	7.1	6.4	7.5	6.8
at contracting establishments	10,246	2,439	2,547	2,549	2,090	2,390	2,566	22.5	5.8	5.8	5.8	4.7	5.2	5.5
at closing establishments	5,065	901	745	593	751	1,073	614	11.1	2.2	1.7	1.3	1.7	2.3	1.3
Net employment change	-13,104	4,788	206	240	1,256	962	734	-28.8	11.5	0.5	0.5	2.7	2.0	1.5

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.