



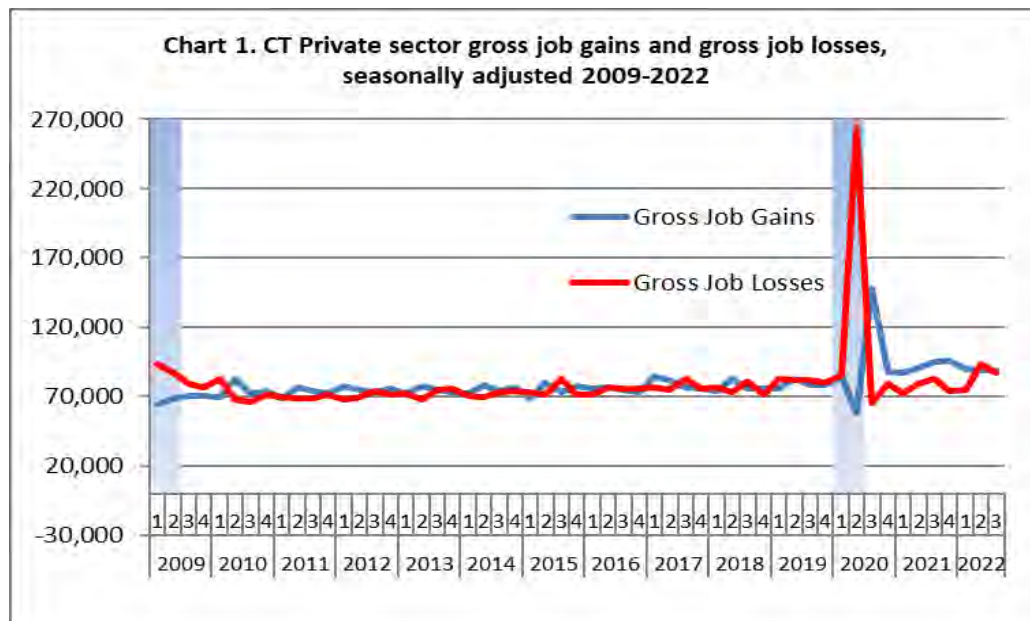
Third Quarter 2022

WETHERSFIELD, April 26th, 2023 - 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 2022 to September 2022, **gross job gains** from opening and expanding private sector establishments in Connecticut was 89,467, an increase of 14 jobs from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 87,560, a decrease of 5,551 jobs from the previous quarter.

During the third quarter of 2022, the difference between gross job gains and gross job losses yielded a **net employment gain** of 1,907 jobs in the private sector. This net increase follows a 3,658 net decrease during the second quarter of 2022.

Net employment change reached a low of -204,996 during the second quarter of 2020. The combined net change for the nine quarters of subsequent data through the third quarter of 2022 is 165,111 jobs.

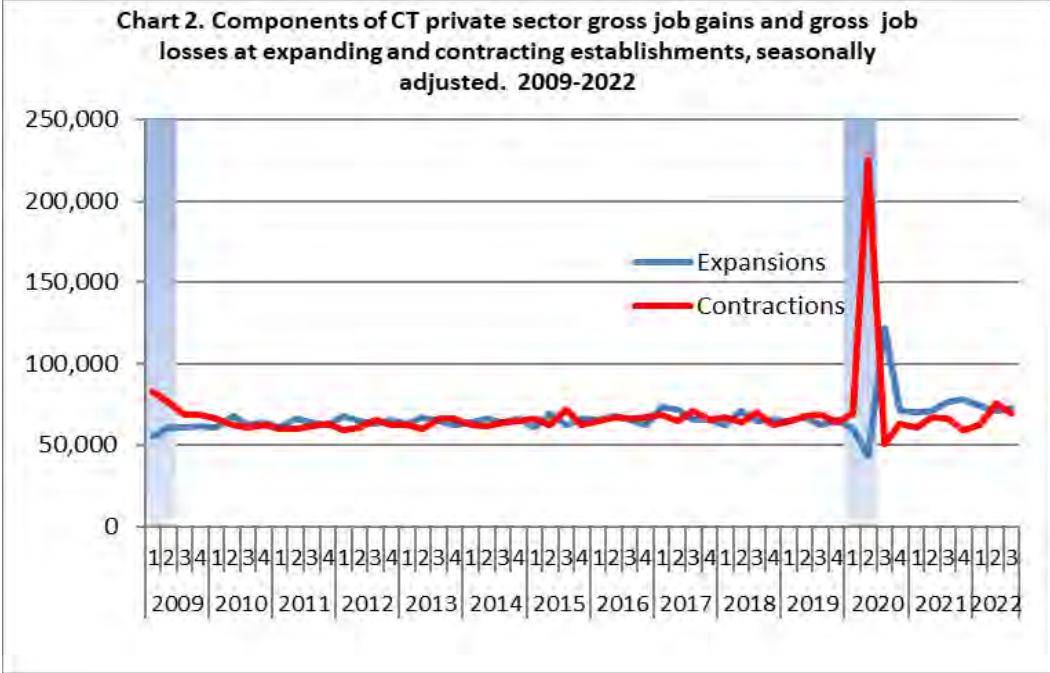


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third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

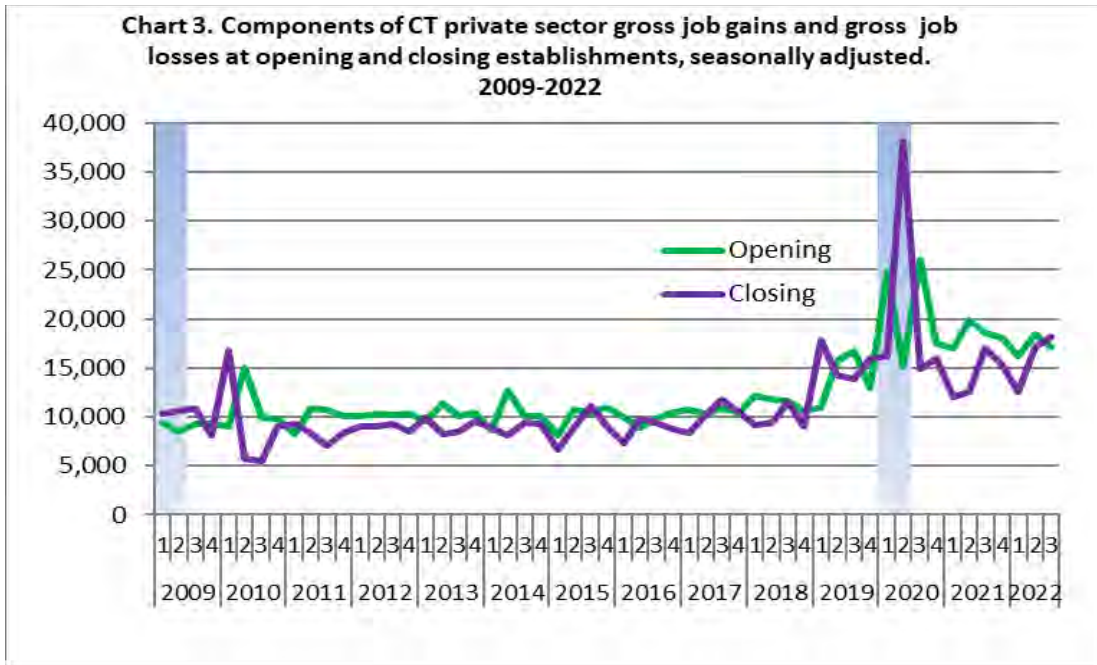
Gross job gains at **expanding** establishments totaled 72,354 in the third quarter of 2022, an increase of 1,301 from the previous quarter.

Opening establishments accounted for 17,113 jobs gained in the third quarter of 2022, a decrease of 1,287 jobs from the previous quarter.



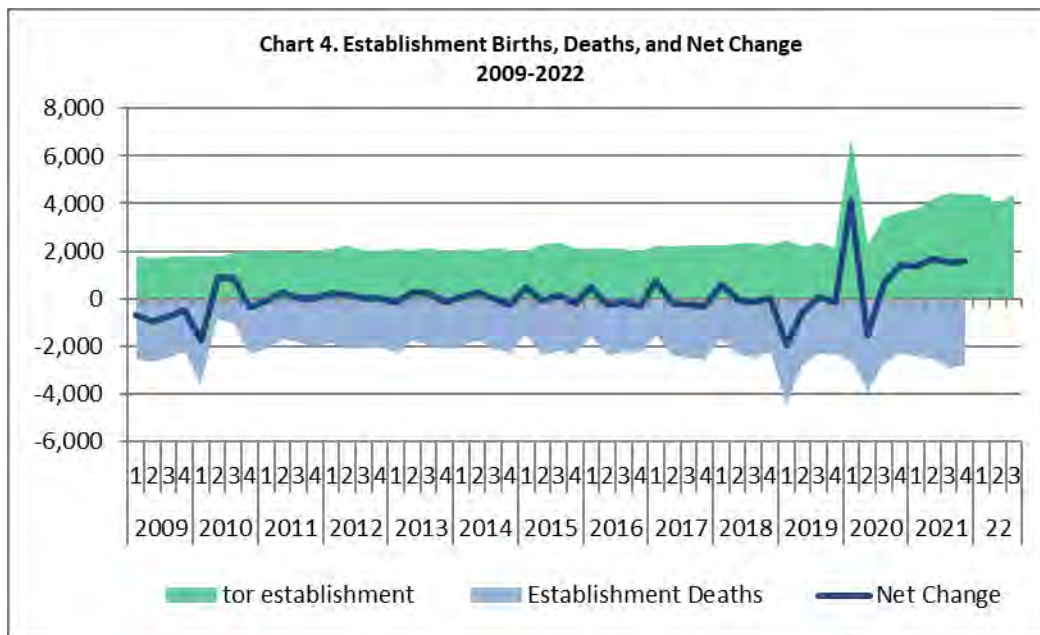
Contracting establishments lost 69,330 jobs in the third quarter of 2022, a decrease of 6,639 from the prior quarter.

In the third quarter of 2022, **closing** establishments lost 18,230 jobs, an increase of 1,088 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 2022, employment change at openings and closings resulted in a 1,117 net employment decrease during the third quarter of 2022. This follows a 1,258 net increase during the second quarter of 2022.



In the third quarter of 2022, there were 4,345 **establishment births** (a subset of the openings data). These new establishments accounted for 11,198 jobs, 895 more than the previous quarter.

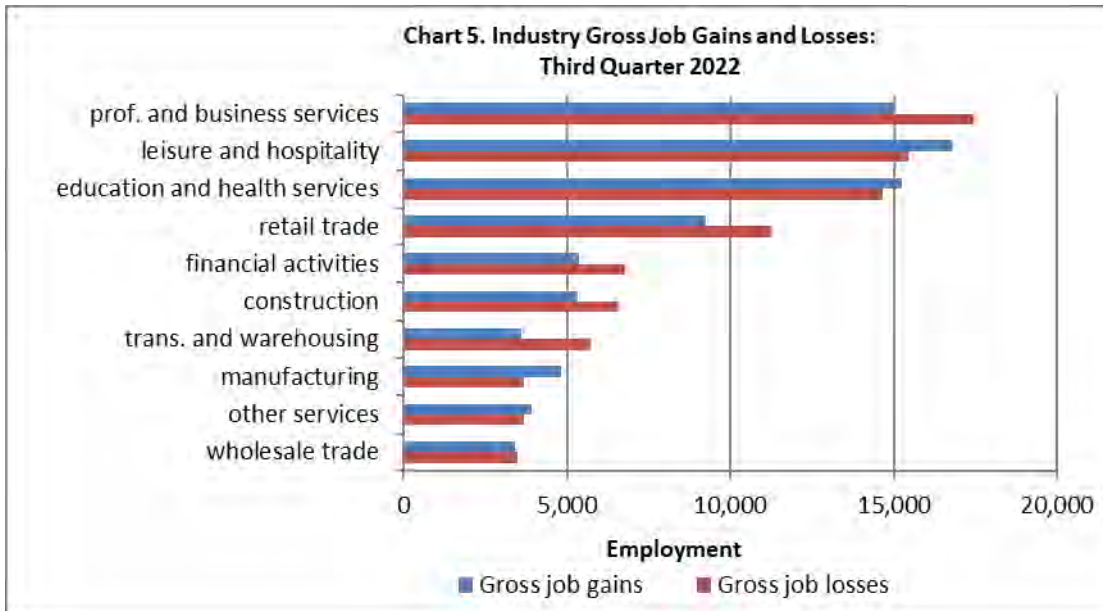
Data for **establishment deaths** (a subset of the closings data) are available through the fourth quarter of 2021, where 7,559 jobs were lost at 2,823 establishment deaths. In the prior quarter, 8,652 jobs were lost at 2,484 establishment deaths.



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 1,945 establishments in the first quarter and 552 in the second. It recovered to a 63 establishment increase in the third quarter and fell by 159 in the fourth quarter of 2019. During the first quarter of 2020, net establishment births and deaths was up 4,119 and fell 1,559 during the second quarter of 2020. After the 2020 recession, net establishment change averaged a gain of 1,377 per quarter from the third quarter of 2020 through the fourth quarter of 2021. During the fourth quarter of 2021 (the most recent quarter available), net gains were 1,577.

During the third quarter of 2022, **gross job losses** exceeded **gross job gains** in 6 of 10 industries. The largest net decreases occurred in Professional & Business Services (-2,446 jobs), Transportation & Warehousing (-2,106 jobs), and Retail Trade (-1,982 jobs). Among the four net increasing industries, the largest were Leisure & Hospitality (+1,356 jobs) and Manufacturing (1,122 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)						
	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022	June 2022	Sept. 2022	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022	June 2022	Sept. 2022
Total Private														
Gross job gains	87,276	91,231	95,258	96,011	90,157	89,453	89,467	6.5	6.7	6.9	6.9	6.3	6.3	6.3
at expanding establishments	70,305	71,380	76,663	77,958	73,947	71,053	72,354	5.2	5.2	5.6	5.6	5.2	5.0	5.1
at opening establishments	16,971	19,851	18,595	18,053	16,210	18,400	17,113	1.3	1.5	1.3	1.3	1.1	1.3	1.2
Gross job losses	72,583	79,366	82,955	74,432	74,954	93,111	87,560	5.4	5.8	6.0	5.3	5.3	6.5	6.2
at contracting establishments	60,595	66,770	66,001	59,142	62,398	75,969	69,330	4.5	4.9	4.8	4.2	4.4	5.3	4.9
at closing establishments	11,988	12,596	16,954	15,290	12,556	17,142	18,230	0.9	0.9	1.2	1.1	0.9	1.2	1.3
Net employment change	14,693	11,865	12,303	21,579	15,203	-3,658	1,907	1.1	0.9	0.9	1.6	1.0	-0.2	0.1
Construction														
Gross job gains	6,275	5,966	6,285	6,120	6,969	5,326	5,005	10.5	10.0	10.6	10.3	11.3	8.6	8.3
at expanding establishments	4,647	4,597	4,494	4,926	5,720	4,146	4,044	7.8	7.7	7.6	8.3	9.3	6.7	6.7
at opening establishments	1,628	1,369	1,791	1,194	1,249	1,180	961	2.7	2.3	3.0	2.0	2.0	1.9	1.6
Gross job losses	5,574	6,000	5,604	5,992	5,068	6,572	5,543	9.5	10.1	9.5	10.1	8.2	10.7	9.2
at contracting establishments	4,478	4,959	4,415	4,459	3,935	5,343	4,383	7.6	8.3	7.5	7.5	6.4	8.7	7.3
at closing establishments	1,096	1,041	1,189	1,533	1,133	1,229	1,160	1.9	1.8	2.0	2.6	1.8	2.0	1.9
Net employment change	701	-34	681	128	1,901	-1,246	-538	1.0	-0.1	1.1	0.2	3.1	-2.1	-0.9
Manufacturing														
Gross job gains	4,450	4,121	4,615	4,480	4,375	4,797	4,453	2.9	2.7	3.0	2.9	2.8	3.1	2.8
at expanding establishments	4,012	3,718	4,190	4,045	4,078	4,496	3,988	2.6	2.4	2.7	2.6	2.6	2.9	2.5
at opening establishments	438	403	425	435	297	301	465	0.3	0.3	0.3	0.3	0.2	0.2	0.3
Gross job losses	3,481	4,298	4,114	3,237	3,391	3,675	4,150	2.3	2.8	2.7	2.1	2.2	2.4	2.7
at contracting establishments	3,154	3,952	3,352	2,578	3,038	3,274	3,401	2.1	2.6	2.2	1.7	2.0	2.1	2.2
at closing establishments	327	346	762	659	353	401	749	0.2	0.2	0.5	0.4	0.2	0.3	0.5
Net employment change	969	-177	501	1,243	984	1,122	303	0.6	-0.1	0.3	0.8	0.6	0.7	0.1
Wholesale Trade														
Gross job gains	2,929	3,332	3,631	3,445	3,249	3,403	3,202	5.3	5.9	6.4	5.9	5.6	5.7	5.3
at expanding establishments	2,226	2,635	2,683	2,557	2,553	2,735	2,704	4.0	4.7	4.7	4.4	4.4	4.6	4.5
at opening establishments	703	697	948	888	696	668	498	1.3	1.2	1.7	1.5	1.2	1.1	0.8
Gross job losses	2,246	3,064	2,774	2,559	2,224	3,466	2,845	4.0	5.4	4.9	4.4	3.8	5.9	4.7
at contracting establishments	1,664	2,391	1,930	1,878	1,607	2,282	2,031	3.0	4.2	3.4	3.2	2.7	3.9	3.4
at closing establishments	582	673	844	681	617	1,184	814	1.0	1.2	1.5	1.2	1.1	2.0	1.3
Net employment change	683	268	857	886	1,025	-63	357	1.3	0.5	1.5	1.5	1.8	-0.2	0.6
Retail Trade														
Gross job gains	11,186	10,465	10,160	9,964	10,618	9,243	10,566	6.7	6.2	6.1	6.0	6.4	5.5	6.3
at expanding establishments	10,180	8,880	8,668	8,859	9,661	8,290	9,171	6.1	5.3	5.2	5.3	5.8	4.9	5.5
at opening establishments	1,006	1,585	1,492	1,105	957	953	1,395	0.6	0.9	0.9	0.7	0.6	0.6	0.8
Gross job losses	9,444	10,411	12,389	9,240	8,388	11,225	10,806	5.7	6.1	7.4	5.6	5.0	6.7	6.4
at contracting establishments	7,955	9,519	10,625	7,963	7,386	9,934	9,411	4.8	5.6	6.3	4.8	4.4	5.9	5.6
at closing establishments	1,489	892	1,764	1,277	1,002	1,291	1,395	0.9	0.5	1.1	0.8	0.6	0.8	0.8
Net employment change	1,742	54	-2,229	724	2,230	-1,982	-240	1.0	0.1	-1.3	0.4	1.4	-1.2	-0.1
Transportation and Warehousing														
Gross job gains	3,318	2,980	5,929	5,910	3,958	3,592	3,006	5.4	5.0	9.9	9.3	6.0	5.5	4.7
at expanding establishments	2,692	2,437	5,505	5,251	3,605	3,319	2,666	4.4	4.1	9.2	8.3	5.5	5.1	4.2
at opening establishments	626	543	424	659	353	273	340	1.0	0.9	0.7	1.0	0.5	0.4	0.5
Gross job losses	5,097	4,249	3,352	2,689	3,437	5,698	5,017	8.4	7.1	5.6	4.2	5.2	8.7	7.9
at contracting establishments	4,750	3,881	3,049	2,289	3,158	5,376	4,724	7.8	6.5	5.1	3.6	4.8	8.2	7.4
at closing establishments	347	368	303	400	279	322	293	0.6	0.6	0.5	0.6	0.4	0.5	0.5
Net employment change	-1,779	-1,269	2,577	3,221	521	-2,106	-2,011	-3.0	-2.1	4.3	5.1	0.8	-3.2	-3.2
Financial Activities														
Gross job gains	3,865	4,572	5,254	6,937	5,100	5,374	5,600	3.3	3.9	4.5	6.0	4.3	4.7	4.8
at expanding establishments	2,826	3,374	4,172	5,589	4,347	4,371	4,462	2.4	2.9	3.6	4.8	3.7	3.8	3.8
at opening establishments	1,039	1,198	1,082	1,348	753	1,003	1,138	0.9	1.0	0.9	1.2	0.6	0.9	1.0
Gross job losses	3,902	5,628	6,150	5,428	4,725	6,780	5,872	3.3	4.8	5.3	4.6	4.0	5.8	5.1
at contracting establishments	3,191	4,533	4,788	4,337	3,901	5,365	4,537	2.7	3.9	4.1	3.7	3.3	4.6	3.9
at closing establishments	711	1,095	1,362	1,091	824	1,415	1,335	0.6	0.9	1.2	0.9	0.7	1.2	1.2
Net employment change	-37	-1,056	-896	1,509	375	-1,406	-272	0.0	-0.9	-0.8	1.4	0.3	-1.1	-0.3

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. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022	June 2022	Sept. 2022	Mar. 2021	June 2021	Sept. 2021	Dec. 2021	Mar. 2022	June 2022	Sept. 2022
Professional Business Services														
Gross job gains	15,504	16,853	16,245	17,772	16,363	14,993	14,821	7.4	8.0	7.6	8.2	7.4	6.8	6.7
at expanding establishments	12,190	12,167	12,661	13,857	13,246	11,321	11,811	5.8	5.8	5.9	6.4	6.0	5.1	5.3
at opening establishments	3,314	4,686	3,584	3,915	3,117	3,672	3,010	1.6	2.2	1.7	1.8	1.4	1.7	1.4
Gross job losses	14,012	14,486	15,587	13,370	13,151	17,439	16,317	6.7	6.8	7.3	6.2	6.0	7.9	7.3
at contracting establishments	11,354	11,694	11,821	9,537	9,912	14,043	12,269	5.4	5.5	5.5	4.4	4.5	6.4	5.5
at closing establishments	2,658	2,792	3,766	3,833	3,239	3,396	4,048	1.3	1.3	1.8	1.8	1.5	1.5	1.8
Net employment change	1,492	2,367	658	4,402	3,212	-2,446	-1,496	0.7	1.2	0.3	2.0	1.4	-1.1	-0.6
Education and Health Services														
Gross job gains	14,398	14,599	14,947	16,062	13,444	15,242	17,275	4.4	4.5	4.5	4.9	4.1	4.6	5.2
at expanding establishments	11,782	12,138	12,519	13,164	11,404	12,495	14,426	3.6	3.7	3.8	4.0	3.5	3.8	4.3
at opening establishments	2,616	2,461	2,428	2,898	2,040	2,747	2,849	0.8	0.8	0.7	0.9	0.6	0.8	0.9
Gross job losses	12,663	13,535	13,471	12,126	14,587	14,666	13,019	3.9	4.1	4.1	3.6	4.5	4.5	3.9
at contracting establishments	10,453	11,445	10,483	10,321	12,403	15,196	10,196	3.2	3.5	3.2	3.1	3.8	3.5	3.1
at closing establishments	2,210	2,090	2,988	1,805	2,184	3,138	2,823	0.7	0.6	0.9	0.5	0.7	1.0	0.8
Net employment change	1,735	1,064	1,476	3,936	-1,143	576	4,256	0.5	0.4	0.4	1.3	-0.4	0.1	1.3
Leisure and Hospitality														
Gross job gains	18,915	20,201	19,808	16,842	16,261	16,780	16,059	15.8	15.6	14.2	11.8	11.3	11.4	10.7
at expanding establishments	15,285	15,939	16,023	13,819	13,579	13,536	13,189	12.8	12.3	11.5	9.7	9.4	9.2	8.8
at opening establishments	3,630	4,262	3,785	3,023	2,682	3,244	2,870	3.0	3.3	2.7	2.1	1.9	2.2	1.9
Gross job losses	10,438	11,671	13,451	14,000	13,253	15,424	16,865	8.7	9.0	9.7	9.8	9.2	10.4	11.2
at contracting establishments	8,952	9,733	11,505	11,416	11,513	13,017	13,835	7.5	7.5	8.3	8.0	8.0	8.8	9.2
at closing establishments	1,486	1,938	1,946	2,584	1,740	2,407	3,030	1.2	1.5	1.4	1.8	1.2	1.6	2.0
Net employment change	8,477	8,530	6,357	2,842	3,008	1,356	-806	7.1	6.6	4.5	2.0	2.1	1.0	-0.5
Other														
Gross job gains	3,491	4,169	4,531	3,973	3,928	3,896	3,797	8.0	9.3	9.8	8.4	8.3	8.1	7.8
at expanding establishments	2,712	3,275	3,462	2,935	3,187	3,197	3,086	6.2	7.3	7.5	6.2	6.7	6.6	6.3
at opening establishments	779	894	1,069	1,038	741	699	711	1.8	2.0	2.3	2.2	1.6	1.5	1.5
Gross job losses	3,168	2,847	3,503	3,229	3,309	3,663	3,783	7.2	6.4	7.6	6.8	7.0	7.6	7.7
at contracting establishments	2,558	2,101	2,399	2,553	2,660	2,519	2,615	5.8	4.7	5.2	5.4	5.6	5.2	5.3
at closing establishments	610	746	1,104	676	649	1,144	1,168	1.4	1.7	2.4	1.4	1.4	2.4	2.4
Net employment change	323	1,322	1,028	744	619	233	14	0.8	2.9	2.2	1.6	1.3	0.5	0.1

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.