



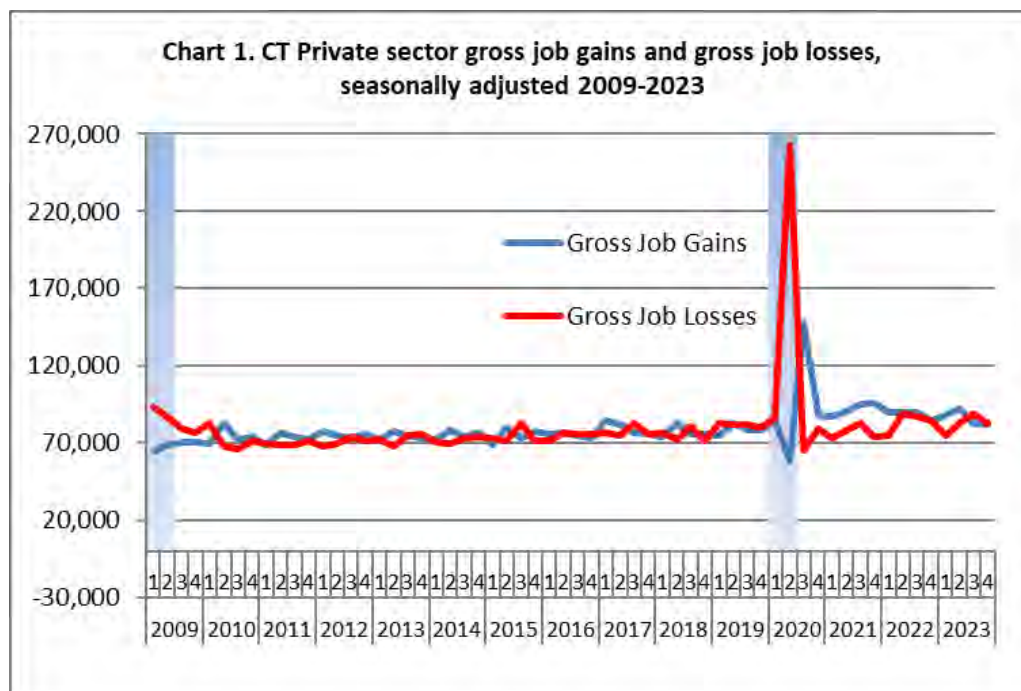
## Fourth Quarter 2023

WETHERSFIELD, July 23, 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 October 2023 to December 2023, **gross job gains** from opening and expanding private sector establishments in Connecticut was 81,715, a 1,190 job decrease from the previous quarter. Over this period, **gross job losses** from closing and contracting private sector establishments was 82,942, a decrease of 6,483 from the previous quarter.

During the fourth quarter of 2023, the difference between gross job gains and gross job losses yielded a **net employment decrease** of 1,227 jobs in the private sector. This net decrease follows a 6,520 net decrease during the third quarter of 2023.

Net employment change reached a low of -203,916 during the second quarter of 2020. The combined net change for the fourteen quarters of subsequent data through the first quarter of 2023 is 184,584 jobs.

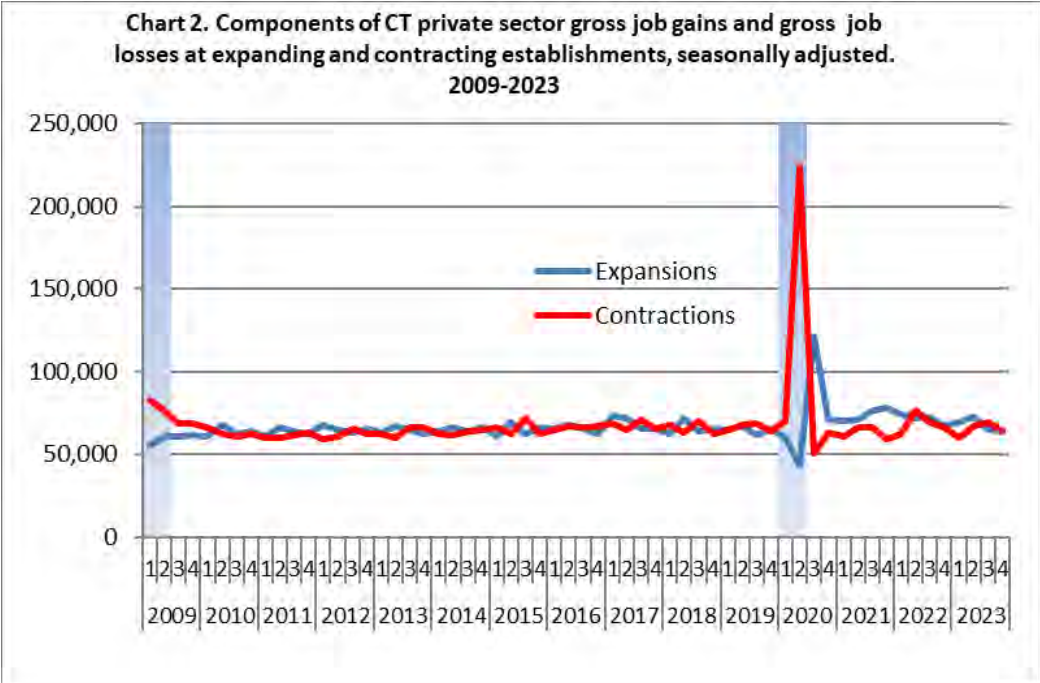


The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business units from the third month of one quarter to the third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

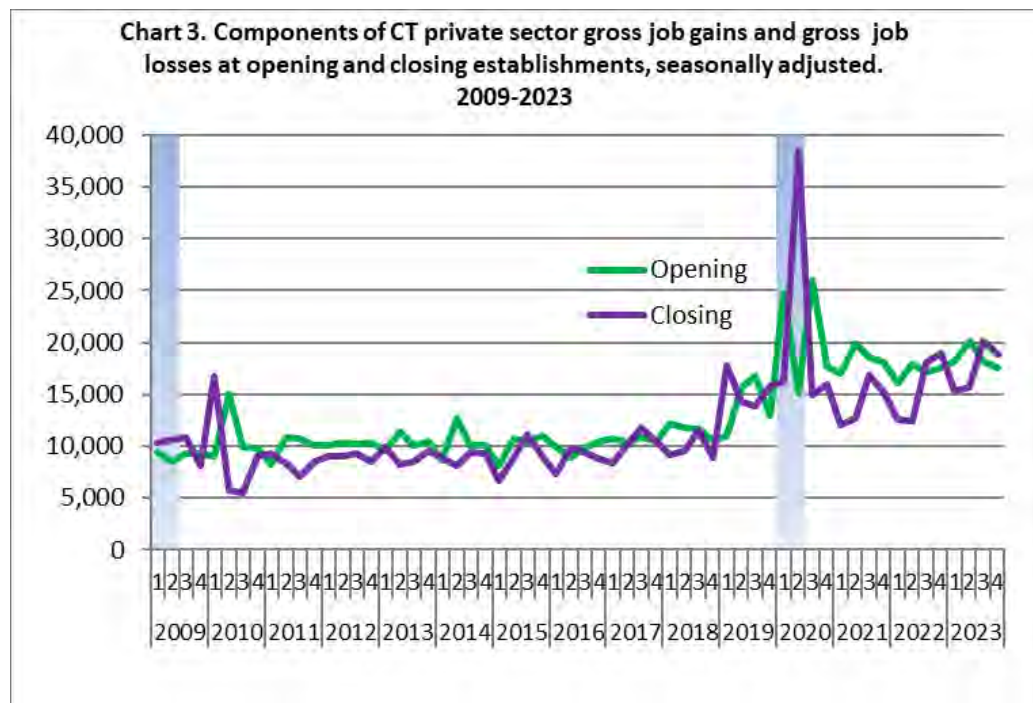
Gross job gains at **expanding** establishments totaled 64,254 in the fourth quarter of 2023, a decrease of 7,795 from the previous quarter.

**Opening** establishments accounted for 17,461 jobs gained in the fourth quarter of 2023, a decrease of 713 jobs from the previous quarter.



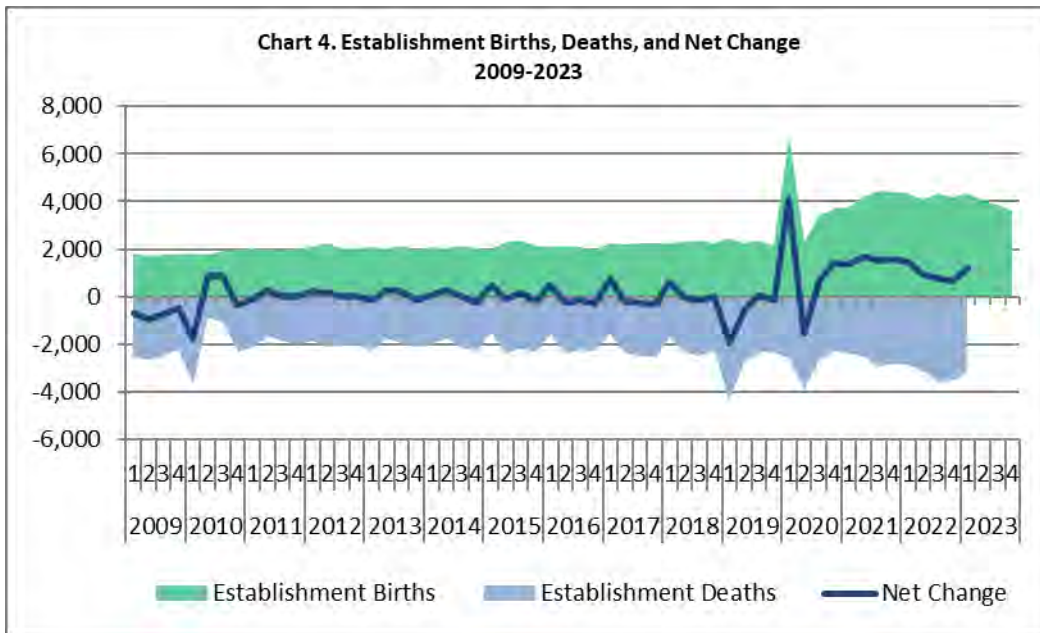
**Contracting** establishments lost 64,051 jobs in the fourth quarter of 2023, a decrease of 5,191 from the prior quarter.

In the fourth quarter of 2023, **closing** establishments lost 18,891 jobs, a decrease of 1,292 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 2023, employment change at openings and closings resulted in a 1,430 net employment decrease during the fourth quarter of 2023. This follows a 2,009 net decrease during the third quarter of 2023.



In the fourth quarter of 2023, there were 3,590 **establishment births** (a subset of the openings data). These new establishments accounted for 10,671 jobs, 201 more than the previous quarter.

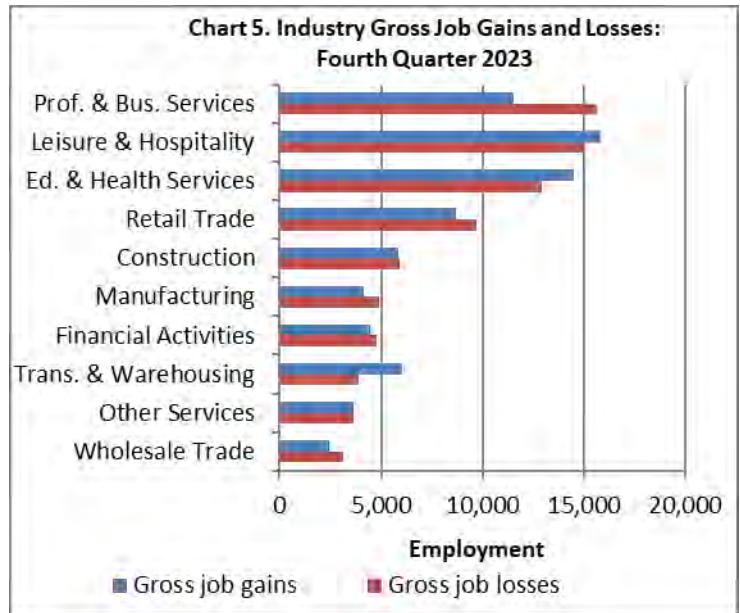
Data for **establishment deaths** (a subset of the closings data) are available through the first quarter of 2023, where 8,108 jobs were lost at 1,191 establishment deaths. In the prior quarter, 10,000 jobs were lost at 667 establishment deaths.



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 544 in the second. It recovered to a 57 establishment increase in the third quarter and fell by 153 in the fourth quarter of 2019. During the first quarter of 2020, net establishment births and deaths was up 4,111 and fell 1,565 during the second quarter of 2020. After the 2020 recession, net establishment change averaged a gain of 1,211 per quarter from the third quarter of 2020 through the first quarter of 2023. During the first quarter of 2023 (the most recent quarter available), net gains were 1,191.

During the fourth quarter of 2023, **gross job losses** exceeded **gross job gains** in 6 of 10 industries. The largest net decreases occurred in Professional & Business Services (-4,125) and Retail Trade (-983 jobs). The largest net increasing industries were Transportation & Warehousing (+2,201 jobs) and Education & Health Services (+1,591 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 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	June 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023
	<b>Total Private</b>													
Gross job gains	89,906	89,510	84,396	87,749	92,604	82,905	81,715	6.4	6.3	5.9	6.1	6.4	5.8	5.6
at expanding establishments	72,012	72,324	66,905	69,509	72,526	64,731	64,254	5.1	5.1	4.7	4.8	5.0	4.5	4.4
at opening establishments	17,894	17,186	17,491	18,240	20,078	18,174	17,461	1.3	1.2	1.2	1.3	1.4	1.3	1.2
Gross job losses	88,645	87,391	84,879	75,054	82,681	89,425	82,942	6.3	6.2	5.9	5.3	5.7	6.2	5.7
at contracting establishments	76,185	69,315	65,976	59,747	66,980	69,242	64,051	5.4	4.9	4.6	4.2	4.6	4.8	4.4
at closing establishments	12,460	18,076	18,903	15,307	15,701	20,183	18,891	0.9	1.3	1.3	1.1	1.1	1.4	1.3
Net employment change	1,261	2,119	-483	12,695	9,923	-6,520	-1,227	0.1	0.1	0.0	0.8	0.7	-0.4	-0.1
<b>Construction</b>														
Gross job gains	5,458	5,206	5,322	6,603	5,968	5,344	5,851	8.9	8.7	8.9	10.7	9.5	8.7	9.6
at expanding establishments	4,235	4,147	4,191	5,243	4,447	4,044	4,593	6.9	6.9	7.0	8.5	7.1	6.6	7.5
at opening establishments	1,223	1,059	1,131	1,360	1,521	1,300	1,258	2.0	1.8	1.9	2.2	2.4	2.1	2.1
Gross job losses	6,304	5,524	5,846	4,954	5,835	6,311	5,944	10.2	9.2	9.7	8.1	9.3	10.3	9.7
at contracting establishments	5,386	4,445	4,232	3,871	4,665	4,838	3,969	8.7	7.4	7.0	6.3	7.4	7.9	6.5
at closing establishments	918	1,079	1,614	1,083	1,170	1,473	1,975	1.5	1.8	2.7	1.8	1.9	2.4	3.2
Net employment change	-846	-318	-524	1,649	133	-967	-93	-1.3	-0.5	-0.8	2.6	0.2	-1.6	-0.1
<b>Manufacturing</b>														
Gross job gains	4,940	4,484	4,467	3,613	4,777	4,055	4,131	3.2	2.8	2.9	2.3	3.0	2.6	2.6
at expanding establishments	4,540	3,978	3,884	3,205	4,014	3,610	3,481	2.9	2.5	2.5	2.0	2.5	2.3	2.2
at opening establishments	400	506	583	408	763	445	650	0.3	0.3	0.4	0.3	0.5	0.3	0.4
Gross job losses	3,636	4,022	4,146	3,701	4,407	5,006	4,919	2.3	2.6	2.6	2.4	2.8	3.1	3.1
at contracting establishments	3,317	3,428	3,500	3,251	3,975	4,176	4,086	2.1	2.2	2.2	2.1	2.5	2.6	2.6
at closing establishments	319	594	646	450	432	830	833	0.2	0.4	0.4	0.3	0.3	0.5	0.5
Net employment change	1,304	462	321	-88	370	-951	-788	0.9	0.2	0.3	-0.1	0.2	-0.5	-0.5
<b>Wholesale Trade</b>														
Gross job gains	3,514	3,307	2,920	2,720	2,881	2,773	2,435	5.9	5.4	4.8	4.5	4.8	4.6	4.0
at expanding establishments	2,768	2,738	2,291	2,125	2,350	2,232	1,874	4.6	4.5	3.8	3.5	3.9	3.7	3.1
at opening establishments	746	569	629	595	531	541	561	1.3	0.9	1.0	1.0	0.9	0.9	0.9
Gross job losses	2,912	2,909	3,212	2,464	2,870	2,759	3,137	4.9	4.8	5.3	4.1	4.7	4.6	5.2
at contracting establishments	2,304	2,067	2,124	1,869	2,181	2,058	2,237	3.9	3.4	3.5	3.1	3.6	3.4	3.7
at closing establishments	608	842	1,088	595	689	701	900	1.0	1.4	1.8	1.0	1.1	1.2	1.5
Net employment change	602	398	-292	256	11	14	-702	1.0	0.6	-0.5	0.4	0.1	0.0	-1.2
<b>Retail Trade</b>														
Gross job gains	9,555	10,547	9,313	9,554	9,797	9,359	8,717	5.6	6.3	5.6	5.8	5.8	5.6	5.3
at expanding establishments	8,514	9,076	7,546	8,269	8,287	8,151	7,047	5.0	5.4	4.5	5.0	4.9	4.9	4.3
at opening establishments	1,041	1,471	1,767	1,285	1,510	1,208	1,670	0.6	0.9	1.1	0.8	0.9	0.7	1.0
Gross job losses	11,092	11,007	10,704	8,163	10,373	10,718	9,700	6.6	6.5	6.5	4.9	6.1	6.4	5.9
at contracting establishments	10,147	9,457	9,572	7,202	9,124	8,841	8,352	6.0	5.6	5.8	4.3	5.4	5.3	5.1
at closing establishments	945	1,550	1,132	961	1,249	1,877	1,348	0.6	0.9	0.7	0.6	0.7	1.1	0.8
Net employment change	-1,537	-460	-1,391	1,391	-576	-1,359	-983	-1.0	-0.2	-0.9	0.9	-0.3	-0.8	-0.6
<b>Transportation and Warehousing</b>														
Gross job gains	3,694	3,041	5,886	3,394	4,587	4,303	6,064	5.6	4.7	9.0	5.2	7.1	6.5	8.9
at expanding establishments	3,365	2,689	5,565	2,919	4,202	3,967	5,665	5.1	4.2	8.5	4.5	6.5	6.0	8.3
at opening establishments	329	352	321	475	385	336	399	0.5	0.5	0.5	0.7	0.6	0.5	0.6
Gross job losses	5,611	5,017	3,060	5,433	3,805	2,387	3,863	8.6	7.9	4.7	8.3	6.0	3.6	5.6
at contracting establishments	5,367	4,724	2,665	5,150	3,245	2,188	3,431	8.2	7.4	4.1	7.9	5.1	3.3	5.0
at closing establishments	244	293	395	283	560	199	432	0.4	0.5	0.6	0.4	0.9	0.3	0.6
Net employment change	-1,917	-1,976	2,826	-2,039	782	1,916	2,201	-3.0	-3.2	4.3	-3.1	1.1	2.9	3.3
<b>Financial Activities</b>														
Gross job gains	5,523	5,813	5,488	4,129	5,681	5,377	4,451	4.7	5.0	4.7	3.5	4.9	4.7	3.9
at expanding establishments	4,333	4,543	4,303	3,177	4,482	4,138	3,347	3.7	3.9	3.7	2.7	3.9	3.6	2.9
at opening establishments	1,190	1,270	1,185	952	1,199	1,239	1,104	1.0	1.1	1.0	0.8	1.0	1.1	1.0
Gross job losses	6,407	5,921	5,958	4,480	5,334	5,938	4,760	5.5	5.1	5.1	3.8	4.6	5.1	4.1
at contracting establishments	5,444	4,543	4,511	3,497	4,378	4,198	3,297	4.7	3.9	3.9	3.0	3.8	3.6	2.8
at closing establishments	963	1,378	1,447	983	956	1,740	1,463	0.8	1.2	1.2	0.8	0.8	1.5	1.3
Net employment change	-884	-108	-470	-351	347	-561	-309	-0.8	-0.1	-0.4	-0.3	0.3	-0.4	-0.2

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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)						
	June 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023	June 2022	Sept. 2022	Dec. 2022	Mar. 2023	June 2023	Sept. 2023	Dec. 2023
<b>Professional Business Services</b>														
Gross job gains	15,620	15,619	14,711	14,459	14,516	13,503	11,521	7.0	7.0	6.7	6.5	6.6	6.1	5.2
at expanding establishments	11,574	12,048	11,228	11,143	10,995	9,359	8,589	5.2	5.4	5.1	5.0	5.0	4.2	3.9
at opening establishments	4,046	3,571	3,483	3,316	3,521	4,144	2,932	1.8	1.6	1.6	1.5	1.6	1.9	1.3
Gross job losses	16,562	16,378	16,075	14,115	15,738	15,351	15,646	7.5	7.4	7.3	6.4	7.1	6.9	7.1
at contracting establishments	14,156	12,271	11,469	10,660	12,400	11,497	11,600	6.4	5.5	5.2	4.8	5.6	5.2	5.3
at closing establishments	2,406	4,107	4,606	3,455	3,338	3,854	4,046	1.1	1.9	2.1	1.6	1.5	1.7	1.8
Net employment change	-942	-759	-1,364	344	-1,222	-1,848	-4,125	-0.5	-0.4	-0.6	0.1	-0.5	-0.8	-1.9
<b>Education and Health Services</b>														
Gross job gains	15,217	17,000	13,672	16,011	18,492	15,892	14,516	4.6	5.1	4.0	4.7	5.3	4.6	4.1
at expanding establishments	12,785	14,262	11,268	13,311	15,237	13,509	12,261	3.9	4.3	3.3	3.9	4.4	3.9	3.5
at opening establishments	2,432	2,738	2,404	2,700	3,255	2,383	2,255	0.7	0.8	0.7	0.8	0.9	0.7	0.6
Gross job losses	14,222	12,613	13,296	12,192	12,690	14,668	12,925	4.3	3.8	4.0	3.6	3.7	4.2	3.7
at contracting establishments	11,844	9,954	10,675	9,226	9,814	11,486	10,548	3.6	3.0	3.2	2.7	2.9	3.3	3.0
at closing establishments	2,378	2,659	2,621	2,966	2,876	3,182	2,377	0.7	0.8	0.8	0.9	0.8	0.9	0.7
Net employment change	995	4,387	376	3,819	5,802	1,224	1,591	0.3	1.3	0.0	1.1	1.6	0.4	0.4
<b>Leisure and Hospitality</b>														
Gross job gains	17,263	15,932	14,964	17,603	17,095	14,037	15,858	11.7	10.6	10.0	11.7	11.1	9.1	10.4
at expanding establishments	13,775	13,061	11,714	14,465	13,549	10,538	12,101	9.3	8.7	7.8	9.6	8.8	6.8	7.9
at opening establishments	3,488	2,871	3,250	3,138	3,546	3,499	3,757	2.4	1.9	2.2	2.1	2.3	2.3	2.5
Gross job losses	14,399	16,993	14,995	13,357	14,848	18,839	15,029	9.7	11.4	10.0	8.9	9.7	12.2	9.8
at contracting establishments	12,467	13,899	12,022	10,550	12,266	15,250	11,676	8.4	9.3	8.0	7.0	8.0	9.9	7.6
at closing establishments	1,932	3,094	2,973	2,807	2,582	3,589	3,353	1.3	2.1	2.0	1.9	1.7	2.3	2.2
Net employment change	2,864	-1,061	-31	4,246	2,247	-4,802	829	2.0	-0.8	0.0	2.8	1.4	-3.1	0.6
<b>Other</b>														
Gross job gains	4,033	3,986	3,547	4,257	3,720	4,120	3,629	8.3	8.1	7.3	8.6	7.5	8.2	7.2
at expanding establishments	3,247	3,130	2,574	3,061	2,821	3,034	2,707	6.7	6.4	5.3	6.2	5.7	6.0	5.4
at opening establishments	786	856	973	1,196	899	1,086	922	1.6	1.7	2.0	2.4	1.8	2.2	1.8
Gross job losses	3,340	3,766	4,054	3,132	3,257	3,915	3,626	6.9	7.7	8.2	6.4	6.5	7.8	7.2
at contracting establishments	2,532	2,633	2,912	2,259	2,386	2,631	2,702	5.2	5.4	5.9	4.6	4.8	5.2	5.4
at closing establishments	808	1,133	1,142	873	871	1,284	924	1.7	2.3	2.3	1.8	1.7	2.6	1.8
Net employment change	693	220	-507	1,125	463	205	3	1.4	0.4	-0.9	2.2	1.0	0.4	0.0

**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).