



## LABOR SITUATION

Office of Research  
Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

July 2019 Data  
CT Unemployment Rate = 3.6%  
US Unemployment Rate = 3.7%

### **Nonfarm jobs drop slightly by 100 in July; unemployment rate falls to 3.6%**

WETHERSFIELD, August 15, 2019 – Preliminary Connecticut nonfarm job estimates from the business payroll survey administered by the US Bureau of Labor Statistics (BLS) show the state lost 100 net jobs (-0.01%) in July 2019, to a level of 1,692,700 seasonally adjusted. Over the year, nonagricultural employment in the state grew by 3,200 (0.2%). The June 2019 originally-released job loss of 1,400 was revised up by 600 to a loss of 800. The number of the state's unemployed residents was estimated at 69,100, seasonally adjusted, down 1,700 from June. As a result, Connecticut's July unemployment rate is at 3.6%, seasonally adjusted, down one-tenth of a point from the revised June level. Resident employment estimates include the self-employed and residents working out of state and are determined separately from the nonfarm payroll job estimates above. None of the movements in payroll job estimates are considered statistically significant. The not seasonally adjusted increase in residential employment was considered statistically significant.

"July's payroll employment was essentially flat to June's," said Andy Condon, Director of the Office of Research at the Connecticut Department of Labor. "It's important to recognize that there is plenty of hiring activity even if net growth is very small. For example, the latest available data show that during the fourth quarter of 2018 it took 76,000 hires and 71,000 separations in Connecticut to produce a net change of 5,000 jobs."

#### **Nonfarm Jobs Detail (business establishment survey)**

**Private sector employment** fell by 700 (-0.1%) to 1,457,800 jobs over the month in July, and now up by 5,600 (0.4%) seasonally-adjusted jobs over July 2018. The **government supersector** grew in July (600, 0.3%) to a total of 234,900, but remains down 2,400 jobs (-1.0%) over the year. The **government supersector** includes all federal, state and local employment, including public higher education and Native American casino employment located on tribal land.

**Six of the ten major industry supersectors** gained employment in July, while four declined. The above mentioned **government supersector** led gainers adding 600 jobs (234,900). **Information** (1.5%, 33,400) was next with a gain of 500, while **other services** (0.6%, 63,800) picked up 400 jobs. **Education and health services** added 300 net positions (0.1%, 340,800) and **financial activities** contributed 200 (0.2%, 128,000). Finally, the **trade, transportation & utilities supersector** saw a small increase of 100 jobs (0.03%, 293,400).

**Leisure & hospitality** led declines in July, dropping 1,000 positions (-0.6%, 160,700). **Manufacturing** was next with a 600 job loss (-0.4%, 160,600). **Professional & business services** (-0.1%, 219,600) and **construction & mining** (-0.5%, 57,500) both saw losses of 300 positions.

Connecticut has now recovered **79.7%** (95,900 jobs) of the 120,300 seasonally adjusted jobs lost in the "Great Recession" (3/08-1/10). The job recovery is now into its 113th month and the state needs an additional 24,400 net new jobs to reach an overall nonfarm employment expansion. The state's private sector is fully recovered at **100.4%** (112,400) of the 112,000 private sector jobs lost in that same employment downturn.

**Connecticut Labor Market Areas (LMAs):** Two of the six **LMAs** seasonally adjusted by the Bureau of Labor Statistics saw job increases in July 2019 and three saw a decline. The **Danbury LMA** (77,900) remained unchanged. The **Bridgeport-Stamford-Norwalk LMA** posted an increase of 1,100 jobs (0.3%, 409,500) while the **New Haven LMA** (0.2%, 287,800) gained 700. The **Waterbury LMA** (-0.7%, 68,300) and **Norwich-New London-Westerly, CT-RI LMA** (-0.4%, 129,700) each shed 500 jobs and the **Hartford LMA** (-0.02%, 583,600) fell by 100.

*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 33.8 hours in July 2019, down by four-tenths of an hour from the same month a year ago. Average hourly earnings at \$32.33, not seasonally adjusted, were up \$.47 (1.5%) from the July 2018 estimate (\$31.86). The resultant average private sector weekly pay amounted to \$1,092.75, up \$3.14 from a year ago (0.3%). 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 2019 was 1.8%. 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 2019 unemployment rate for Connecticut is estimated at **3.6%** (seasonally adjusted), down one-tenth of a point from the revised June 2019 figure and down four-tenths of a percentage point from a year ago when it was 4.0%. The US jobless rate in July 2019 was 3.7%, down two-tenths of a point from July 2018.

Based on the Local Area Unemployment Statistics model (LAUS - a statistical model using the CPS – Current Population Survey residential data), the number of Connecticut unemployed residents, seasonally adjusted, was down 1,700 from June at 69,100. Over the year, the number of the state’s jobless residents declined by 7,900 (-10.3%). The state’s labor force was down an estimated 1,700 over the month at 1,905,800 and is higher over the year by just 500 (0.0%). The annual growth margin in the state’s labor force has continued to shrink in recent months.

July 2019 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut was 2,896 – down from June by 927 claims and down by 480 claims (14.2%) from the July 2018 level of 3,376.

*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 19, 2019 (August 2019 data)*

Contact: Steve Jensen/Director of Communications

860-263-6537 – office/860-661-6404 - cell

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Labor market information is available on the Internet at [www.ctdol.state.ct.us/lmi](http://www.ctdol.state.ct.us/lmi)

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