



LABOR SITUATION

Office of Research

Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

June 2020 Data

CT Unemployment Rate = 9.8%*

US Unemployment Rate = 11.1%

Nonfarm jobs grow sharply by 73,300 in June.

***NOTE: Connecticut's official unemployment rate for June produced by the Bureau of Labor Statistics Local Area Unemployment Statistics program (LAUS) continues to be impacted by pandemic-related survey data problems. Data collection and misclassification issues in the Census Bureau's Current Population Survey, the foundation of the state's residential labor force statistics, caused residential unemployment to be significantly underestimated. Connecticut's official unemployment rate is not accurate (see below). The Bureau of Labor Statistics is actively working to overcome this problem as quickly as possible.**

WETHERSFIELD, July 16, 2020 – Preliminary Connecticut nonfarm job estimates from the business payroll survey administered by the US Bureau of Labor Statistics (BLS) show the state gained 73,300 net jobs (5.1%) in June 2020, to a level of 1,509,900 seasonally adjusted. However, over the year, nonagricultural employment in the state fell by 172,700 (-10.3%) seasonally adjusted. The May 2020 job gain of 25,800 was revised up by 2,600 jobs. The change in payroll job estimates is considered statistically significant.

"Connecticut saw the largest single month gain in jobs on record in June," 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 the COVID-19 pandemic. The largest job gains in June were seen in those industries most impacted by pandemic closures – Leisure & Hospitality, Trade, and Education & Healthcare."

Nonfarm Jobs Detail (business establishment survey)

Private sector employment recovered by 68,200 (5.5%) to 1,297,200 jobs over the month in June and are now down by 150,800 (-10.4%) seasonally-adjusted jobs over June 2019. The **government supersector** grew by 5,100 jobs in June to a total of 212,700 and is down by 21,900 jobs (-9.3%) 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* employment gains in June. Improving *supersectors* included:

- Leisure & Hospitality – (21,900 gained, 26.6% change, 104,300 total jobs)
- Trade, Transportation & Utilities – (19,100, 7.7%, 265,900)
- Education & Health – (16,300, 5.4%, 316,000)
- Other Services – (6,800, 14.9%, 52,300)
- Government – (5,100, 2.5%, 212,700)
- Construction & Mining – (2,800, 5.2%, 56,800)
- Manufacturing – (1,100, 0.7%, 154,300)
- Professional & Business services – (600, 0.3%, 200,900)

One *supersector* saw declines:

- Financial Activities – (-400, -0.3%, 118,300)

The Information *supersector* (28,400) was unchanged.

Connecticut Labor Market Areas (LMAs): All six **LMAs** seasonally adjusted by the Bureau of Labor Statistics saw employment gains in June 2020. The **Bridgeport - Stamford - Norwalk LMA** (5.2%, 348,600) led gains, adding 17,300 jobs. The **Hartford LMA** (2.5%, 526,900) grew by 12,900 net jobs, while the **New Haven** (4.9%, 263,000) added 12,200. The **Norwich - New London - Westerly LMA** (12.0%, 108,400) gained 11,600 positions while the

Danbury LMA (7.0%, 70,300) grew by 4,600 positions. The **Waterbury LMA** (4.5%, 58,600) picked up 2,500 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 34.6 hours in June 2020, up seven-tenths of an hour from the same month a year ago. Average hourly earnings at \$33.72, not seasonally adjusted, were up \$0.93 (2.8%) from the June 2019 estimate (\$32.79). The resultant average private sector weekly pay amounted to \$1,166.71, up \$55.13 from a year ago (5.0%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in June 2020 was 0.6%. 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 June 2020 official unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 9.8% (seasonally adjusted). The US jobless rate in June 2020 was 11.1%, down 2.2 points from May.

The Connecticut unemployment rate continues to be underestimated due to challenges encountered in the collection of data for the June 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 June 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 16 - 17% for the Mid-June period (same time frame as the BLS estimate). We estimate that the employment rate declined from May. This estimate was made using Connecticut residential unemployment insurance claims and adding similar factor for the unemployed self-employed.

June 2020 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut was 9,986, down from May by 19,772 claims and up by 6,331 claims (173%) from the June 2019 level of 3,655.

*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, August 20, 2020 (July 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

	June 2020 P	May 2020 R	April 2020	March 2020	June 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,509,900	1,436,600	1,408,200	1,677,400	1,682,600	73,300	5.1%	-172,700	-10.3%
Total Private	1,297,200	1,229,000	1,195,700	1,442,300	1,448,000	68,200	5.5%	-150,800	-10.4%
Goods Producing Industries									
Mining	500	500	500	600	500	0	0.0%	0	0.0%
Construction	56,300	53,500	50,200	60,200	59,600	2,800	5.2%	-3,300	-5.5%
Manufacturing	154,300	153,200	151,000	162,800	162,200	1,100	0.7%	-7,900	-4.9%
Durable Goods	121,500	120,700	119,300	128,200	127,600	800	0.7%	-6,100	-4.8%
Nondurable Goods	32,800	32,500	31,700	34,600	34,600	300	0.9%	-1,800	-5.2%
Service Providing Industries									
Trade, Transportation & Utilities	265,900	246,800	240,900	291,800	290,000	19,100	7.7%	-24,100	-8.3%
Wholesale	58,200	57,200	56,600	59,000	59,900	1,000	1.7%	-1,700	-2.8%
Retail	152,700	137,200	133,400	171,900	174,900	15,500	11.3%	-22,200	-12.7%
Transp, Warehousing & Utilities	55,000	52,400	50,900	60,900	55,200	2,600	5.0%	-200	-0.4%
Information	28,400	28,400	29,700	31,400	31,500	0	0.0%	-3,100	-9.8%
Financial Activities	118,300	118,700	119,800	123,000	123,400	-400	-0.3%	-5,100	-4.1%
Finance & Insurance	100,300	100,400	101,300	102,500	103,200	-100	-0.1%	-2,900	-2.8%
Real Estate, Rental & Leasing	18,000	18,300	18,500	20,500	20,200	-300	-1.6%	-2,200	-10.9%
Professional & Business Services	200,900	200,300	196,200	224,100	219,300	600	0.3%	-18,400	-8.4%
Prof, Scientific & Tech Services	90,600	89,800	89,000	97,000	95,700	800	0.9%	-5,100	-5.3%
Management of Companies	32,100	32,600	32,300	34,100	33,000	-500	-1.5%	-900	-2.7%
Admn & Support & Waste Mgt Serv	78,200	77,900	74,900	93,000	90,600	300	0.4%	-12,400	-13.7%
Educational & Health Services	316,000	299,700	296,700	339,300	338,000	16,300	5.4%	-22,000	-6.5%
Educational Services	62,700	61,600	61,300	67,200	66,100	1,100	1.8%	-3,400	-5.1%
Health Care & Social Assistance	253,300	238,100	235,400	272,100	271,900	15,200	6.4%	-18,600	-6.8%
Leisure and Hospitality	104,300	82,400	70,000	144,600	158,100	21,900	26.6%	-53,800	-34.0%
Arts, Entertainment & Recreation	15,200	12,200	11,500	27,200	28,700	3,000	24.6%	-13,500	-47.0%
Accommodation & Food Services	89,100	70,200	58,500	117,400	129,400	18,900	26.9%	-40,300	-31.1%
Other Services	52,300	45,500	40,700	64,500	65,400	6,800	14.9%	-13,100	-20.0%
Government**	212,700	207,600	212,500	235,100	234,600	5,100	2.5%	-21,900	-9.3%
UNITED STATES	137,802,000	133,002,000	130,303,000	151,090,000	150,759,000	4,800,000	3.6%	-12,957,000	-8.6%

LABOR MARKET AREAS (LMA)

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

Seasonally Adjusted data	June 2020 P	May 2020 R	April 2020	March 2020	June 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
Bridgeport-Stamford-Norwalk	348,600	331,300	327,700	401,900	405,800	17,300	5.2%	-57,200	-14.1%
Danbury	70,300	65,700	62,800	76,700	77,700	4,600	7.0%	-7,400	-9.5%
Hartford	526,900	514,000	504,800	583,100	582,900	12,900	2.5%	-56,000	-9.6%
New Haven	263,000	250,800	246,800	290,000	287,200	12,200	4.9%	-24,200	-8.4%
Norwich-New London-Westerly, RI	108,400	96,800	92,900	127,900	128,800	11,600	12.0%	-20,400	-15.8%
Waterbury	58,600	56,100	56,900	68,000	67,800	2,500	4.5%	-9,200	-13.6%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	41,700	39,200	37,600	43,200	44,900	2,500	6.4%	-3,200	-7.1%
Torrington-Northwest	30,300	28,100	26,800	31,600	33,800	2,200	7.8%	-3,500	-10.4%
Danielson-Northeast	25,500	24,100	22,700	26,500	27,500	1,400	5.8%	-2,000	-7.3%

* 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.

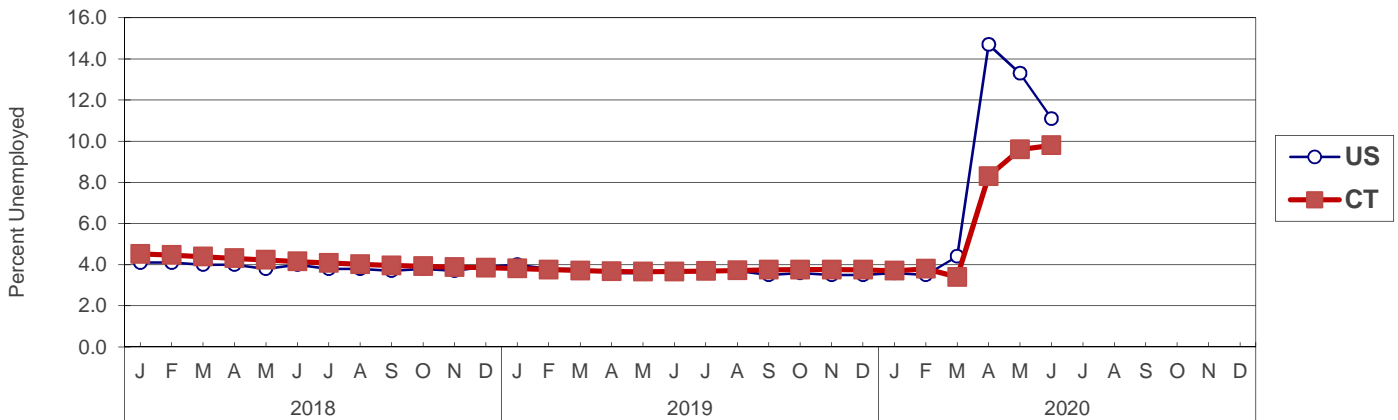
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Jun 2020 P		Jun 2019 R		Change		May 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	183,200	9.8	69,800	3.7	113,400	6.1	170,300	9.6
Labor Force	1,869,800		1,906,100		-36,300		1,777,000	
UNITED STATES								
Unemployed	17,750,000	11.1	5,985,000	3.7	11,765,000	7.4	20,985,000	13.3
Labor Force	159,932,000		163,133,000		-3,201,000		158,227,000	

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



LABOR MARKET AREAS - Not Seasonally Adjusted

	Jun 2020 P		Jun 2019 R		Change		May 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	188,500	10.0	74,200	3.9	114,300	6.1	167,700	9.4
UNITED STATES	18,072,000	11.2	6,292,000	3.8	11,780,000	7.4	20,514,000	13.0

Release of the June 2020 sub-state labor force data is restricted by the U.S. Bureau of Labor Statistics until Friday, July 17, 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

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<http://www1.ctdol.state.ct.us/lmi/laborsit.pdf>.

HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	June 2020 P	June 2019	Change over Yr.	May 2020 R	June 2020 P	June 2019	Change over Yr.	May 2020 R	June 2020 P	June 2019	Change over Yr.	May 2020 R
Private Industry All Employees	\$1,166.71	\$1,111.58	\$55.13	\$1,198.19	34.6	33.9	0.7	34.7	\$33.72	\$32.79	\$0.93	\$34.53
Manufacturing*												
Production Workers	\$1,172.41	\$1,121.23	\$51.18	\$1,188.44	40.4	42.6	-2.2	40.7	\$29.02	\$26.32	\$2.70	\$29.20

* 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

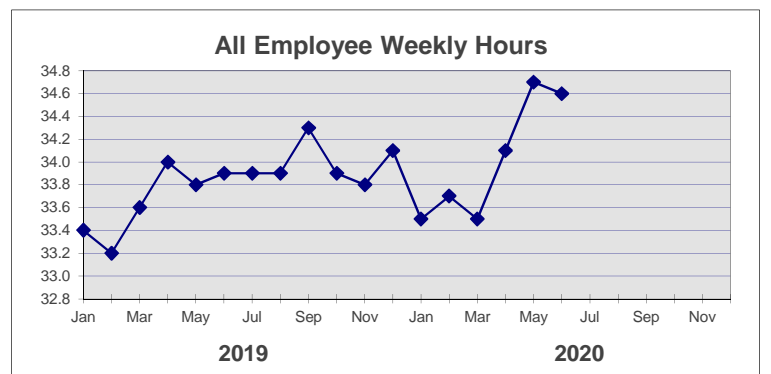
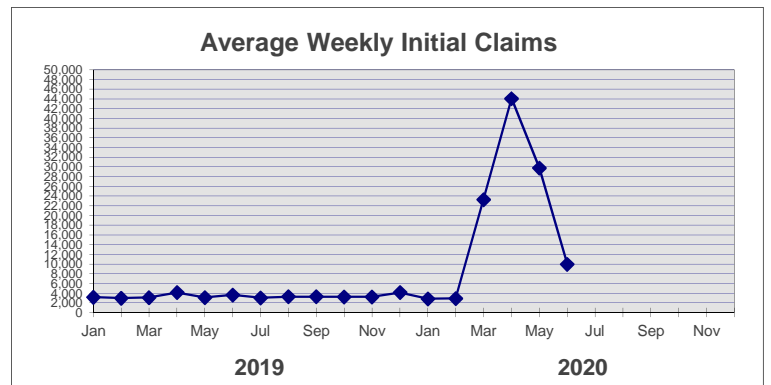
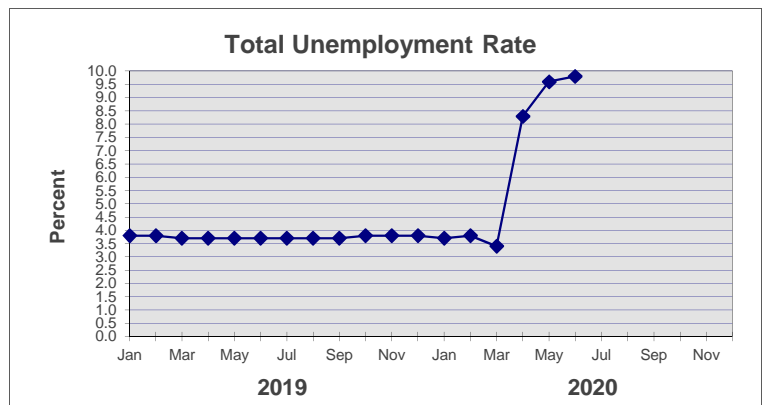
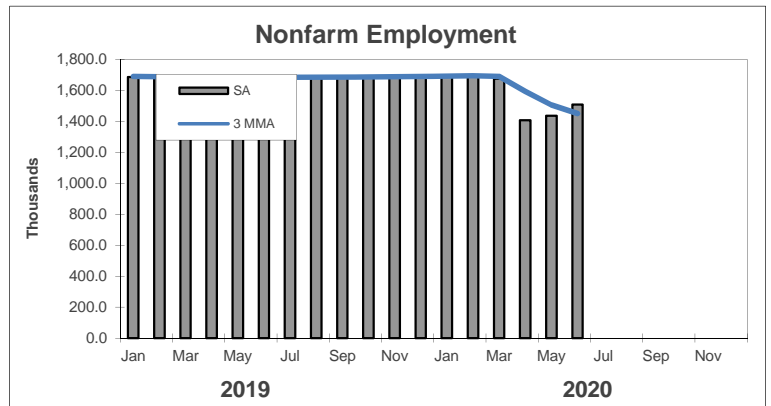
Seasonally Adjusted

	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 R	9.6 R
Jun	1,509.9 P	9.8 P
Jul		
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 R
Jun	9,986	34.6 P
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

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** Labor-management dispute