



LABOR SITUATION

Office of Research
Kurt Westby, Commissioner

FOR IMMEDIATE RELEASE

August 2020 Data
CT Unemployment Rate = 8.1%*
US Unemployment Rate = 8.4%

Nonfarm jobs increased by 20,400 in August paired with unemployment rate decline.

WETHERSFIELD, September 17, 2020 – Connecticut gained 20,400 net payroll jobs in August 2020 (up 1.3%) after a revised 32,300 July increase. Over the year, employment in the state fell by 118,700 (-7.0%) and now stands at 1,566,600 seasonally adjusted. The preliminary July 2020 job gain of 26,500 was revised higher by 5,800 jobs. These are nonfarm job estimates from the establishment survey administered by the US Bureau of Labor Statistics (BLS).

“Connecticut job gains topped 20,000 for the third month in a row,” said Patrick Flaherty, Acting Director of the Office of Research at the Connecticut Department of Labor. “However, the pace of gains has slowed after the 77,300 June increase. The largest August job gains were in Health Care & Social Assistance, Leisure & Hospitality, and Trade & Transportation. Federal Government also gained due to the decennial Census.”

Nonfarm Jobs Detail (business establishment survey)

Private sector employment improved by 16,700 (1.3%) to 1,344,500 jobs over the month in August and are now down by 105,600 (-7.3%) jobs since August 2019. The **government supersector** increased by 3,700 jobs in August (1.7%) to a total of 222,100, but is down by 13,100 jobs (-5.6%) over the year. The federal government (1,900) experienced its biggest Census-related employment pickup so far this year in August. 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 had employment gains in August.

Increasing Sectors			
Sector	Amount of Increase	Percent Change	August 2020 Employment
Education and Health	+8,600	2.7%	322,100
Leisure & Hospitality	+4,200	3.6%	121,200
Government	+3,700	1.7%	222,100
Trade, Transportation & Utilities	+2,500	0.9%	274,800
Professional & Business Services	+1,400	0.7%	207,900
Financial Activities	+1,100	0.9%	119,800
Other Services	+200	0.4%	57,000
Construction & Mining	+200	0.3%	58,000

One industry supersector experienced a decrease and one was unchanged.

Decreasing Sector and Sector with No Change			
Sector	Amount of Decrease	Percent Change	August 2020 Employment
Manufacturing	-1,500	-1.0%	154,700
Information	0	0.0%	29,000

Connecticut Labor Market Areas (LMAs): All six **LMAs** seasonally adjusted by the Bureau of Labor Statistics experienced employment increases in August 2020. The **Hartford LMA** (1.8%, 548,500) led *absolute* monthly gains, adding 9,500 jobs. The **New Haven LMA** (2.3%, 274,900) grew by 6,200 net jobs, while the **Bridgeport-Stamford-Norwalk LMA** (1.4%, 359,700) added 5,100. The **Waterbury LMA** (3.7%, 62,000) picked up 2,200 net jobs for the largest monthly *percentage* gain. The **Danbury LMA** (2.2%, 73,200) gained 1,600 positions while the **Norwich – New London - Westerly LMA** (1.1%, 113,600) increased by 1,200 positions.

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 34.4 hours in August 2020, up four-tenths of an hour from the same month a year ago (1.5%). Average hourly earnings at \$33.81, not seasonally adjusted, were up \$1.32 (4.1%) from the August 2019 estimate (\$32.49). The resultant average private sector weekly pay amounted to \$1,163.06, up \$61.65 from a year ago (5.6%). The 12-month percentage change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in August 2020 was 1.7%. 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 August 2020 official unemployment rate for Connecticut was estimated by the BLS Local Area Unemployment Statistics program (LAUS) to be 8.1% (seasonally adjusted), down 2.1 percentage points from the revised July level of 10.2%. The US jobless rate in August 2020 was 8.4%, down 1.8 percentage points from July’s rate of 10.2%.

The Connecticut unemployment rate continues to be underestimated due to challenges encountered in the collection of data for the August 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 August employment situation press release and see the Coronavirus (COVID-19) impact 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 14% - 15% for the Mid-August period (same time frame as the BLS estimate). This estimate was made using Connecticut residential unemployment insurance claims adding in a factor for the unemployed self-employed, and estimating the size of the labor force.

August 2020 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut were 9,378, down 1,790 from July (-16.0%) but higher by 6,098 claims (186%) from the August 2019 level of 3,280).

***NOTE:** *Although consistent with prior Bureau of Labor Statistics (BLS) methodology, Connecticut’s official unemployment rate for August produced by the Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) program continues to be impacted by collection and classification challenges imposed by the COVID-19 pandemic. Data collection and misclassification issues in the Current Population Survey (CPS), the foundation of the state’s household-based labor force statistics, caused unemployment to be underestimated. The effect of the CPS misclassification problem on Connecticut’s LAUS unemployment rate has declined since April and is now estimated to be in line with the misclassification at the national level. The BLS continues to work to overcome these problems as quickly as possible.*

*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: Monday, October 19, 2020 (September 2020, preliminary 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

	August 2020 P	July 2020 R	June 2020	May 2020	August 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,566,600	1,546,200	1,513,900	1,436,600	1,685,300	20,400	1.3%	-118,700	-7.0%
Total Private	1,344,500	1,327,800	1,295,700	1,229,000	1,450,100	16,700	1.3%	-105,600	-7.3%
Goods Producing Industries									
Mining	600	600	500	500	600	0	0.0%	0	0.0%
Construction	57,400	57,200	56,400	53,500	59,400	200	0.3%	-2,000	-3.4%
Manufacturing	154,700	156,200	155,200	153,200	162,000	-1,500	-1.0%	-7,300	-4.5%
Durable Goods	121,700	122,900	122,500	120,700	127,300	-1,200	-1.0%	-5,600	-4.4%
Nondurable Goods	33,000	33,300	32,700	32,500	34,700	-300	-0.9%	-1,700	-4.9%
Service Providing Industries									
Trade, Transportation & Utilities	274,800	272,300	264,500	246,800	292,400	2,500	0.9%	-17,600	-6.0%
Wholesale	57,800	58,900	58,000	57,200	59,700	-1,100	-1.9%	-1,900	-3.2%
Retail	157,900	156,200	151,800	137,200	174,400	1,700	1.1%	-16,500	-9.5%
Transp, Warehousing & Utilities	59,100	57,200	54,700	52,400	58,300	1,900	3.3%	800	1.4%
Information	29,000	29,000	29,200	28,400	31,600	0	0.0%	-2,600	-8.2%
Financial Activities	119,800	118,700	118,200	118,700	123,800	1,100	0.9%	-4,000	-3.2%
Finance & Insurance	101,200	100,500	100,300	100,400	103,700	700	0.7%	-2,500	-2.4%
Real Estate, Rental & Leasing	18,600	18,200	17,900	18,300	20,100	400	2.2%	-1,500	-7.5%
Professional & Business Services	207,900	206,500	202,500	200,300	219,600	1,400	0.7%	-11,700	-5.3%
Prof, Scientific & Tech Services	93,300	92,200	92,000	89,800	95,900	1,100	1.2%	-2,600	-2.7%
Management of Companies	32,800	32,600	32,300	32,600	33,000	200	0.6%	-200	-0.6%
Admn & Support & Waste Mgt Serv	81,800	81,700	78,200	77,900	90,700	100	0.1%	-8,900	-9.8%
Educational & Health Services	322,100	313,500	312,800	299,700	338,400	8,600	2.7%	-16,300	-4.8%
Educational Services	62,000	60,600	62,100	61,600	65,900	1,400	2.3%	-3,900	-5.9%
Health Care & Social Assistance	260,100	252,900	250,700	238,100	272,500	7,200	2.8%	-12,400	-4.6%
Leisure and Hospitality	121,200	117,000	104,100	82,400	157,200	4,200	3.6%	-36,000	-22.9%
Arts, Entertainment & Recreation	20,700	19,700	15,800	12,200	28,400	1,000	5.1%	-7,700	-27.1%
Accommodation & Food Services	100,500	97,300	88,300	70,200	128,800	3,200	3.3%	-28,300	-22.0%
Other Services	57,000	56,800	52,300	45,500	65,100	200	0.4%	-8,100	-12.4%
Government**	222,100	218,400	218,200	207,600	235,200	3,700	1.7%	-13,100	-5.6%
UNITED STATES	140,914,000	139,543,000	137,809,000	133,028,000	151,160,000	1,371,000	1.0%	-10,246,000	-6.8%

LABOR MARKET AREAS (LMA)

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

Seasonally Adjusted data	August 2020 P	July 2020 R	June 2020	May 2020	August 2019	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
Bridgeport-Stamford-Norwalk	359,700	354,600	345,100	331,300	404,400	5,100	1.4%	-44,700	-11.1%
Danbury	73,200	71,600	69,000	65,700	77,800	1,600	2.2%	-4,600	-5.9%
Hartford	548,500	539,000	526,500	514,000	583,800	9,500	1.8%	-35,300	-6.0%
New Haven	274,900	268,700	262,300	250,800	291,300	6,200	2.3%	-16,400	-5.6%
Norwich-New London-Westerly, RI	113,600	112,400	108,300	96,800	128,700	1,200	1.1%	-15,100	-11.7%
Waterbury	62,000	59,800	59,200	56,100	67,900	2,200	3.7%	-5,900	-8.7%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	42,800	42,500	41,800	39,200	44,800	300	0.7%	-2,000	-4.5%
Torrington-Northwest	30,900	30,800	30,300	28,100	33,400	100	0.3%	-2,500	-7.5%
Danielson-Northeast	26,100	26,000	25,500	24,100	27,600	100	0.4%	-1,500	-5.4%

* 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.

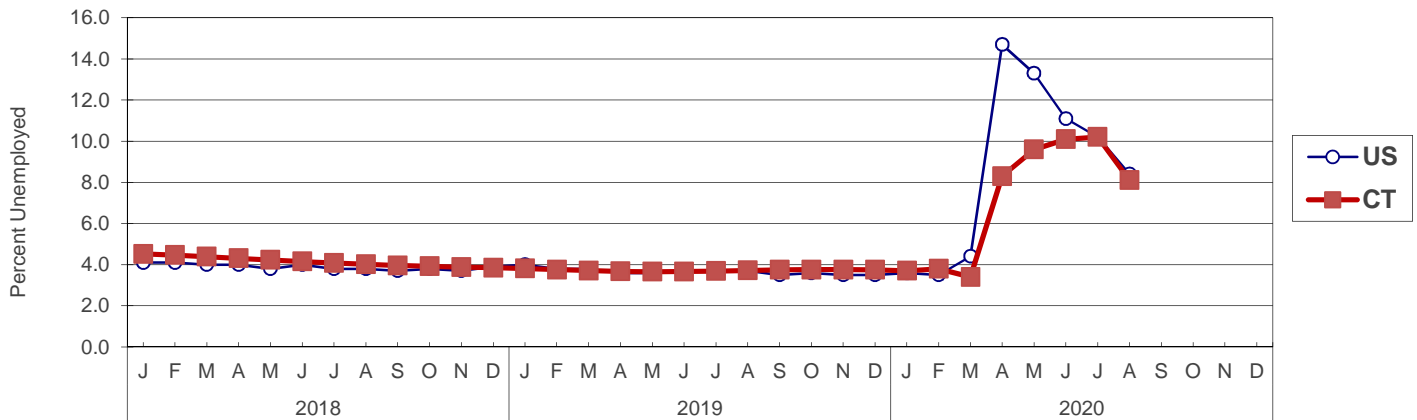
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	Aug 2020 P		Aug 2019 R		Change		Jul 2020 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	150,900	8.1	71,400	3.7	79,500	4.4	194,300	10.2
Labor Force	1,866,900		1,917,700		-50,800		1,900,500	
UNITED STATES								
Unemployed	13,550,000	8.4	5,999,000	3.7	7,551,000	4.7	16,338,000	10.2
Labor Force	160,838,000		163,894,000		-3,056,000		159,870,000	

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



LABOR MARKET AREAS - Not Seasonally Adjusted

	Aug 2020 P		Aug 2019 R		Change		Jul 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	153,300	8.2	73,100	3.8	80,200	4.4	200,000	10.3
UNITED STATES	13,742,000	8.5	6,203,000	3.8	7,539,000	4.7	16,882,000	10.5

Release of the August 2020 sub-state labor force data is restricted by the U.S. Bureau of Labor Statistics until Friday, September 18, 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 Metropolitan 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			
	Aug. 2020 P	Aug. 2019	Change over Yr.	Jul. 2020 R	Aug. 2020 P	Aug. 2019	Change over Yr.	Jul. 2020 R	Aug. 2020 P	Aug. 2019	Change over Yr.	Jul. 2020 R
Private Industry All Employees	\$1,163.06	\$1,101.41	\$61.65	\$1,152.48	34.4	33.9	0.5	34.3	\$33.81	\$32.49	\$1.32	\$33.60
Manufacturing*												
Production Workers	\$1,183.24	\$1,126.53	\$56.71	\$1,189.25	40.9	41.6	-0.7	40.3	\$28.93	\$27.08	\$1.85	\$29.51

* 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

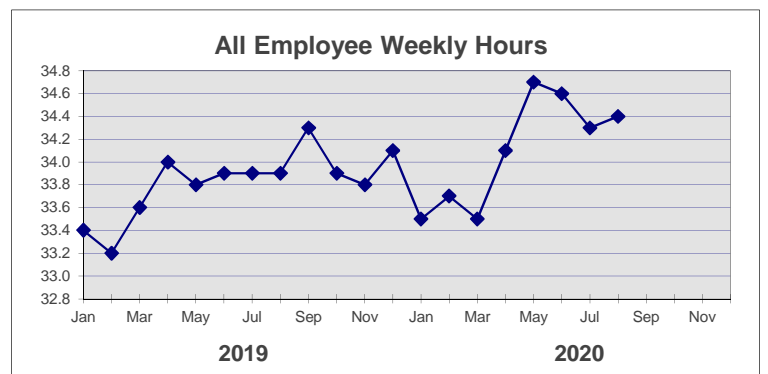
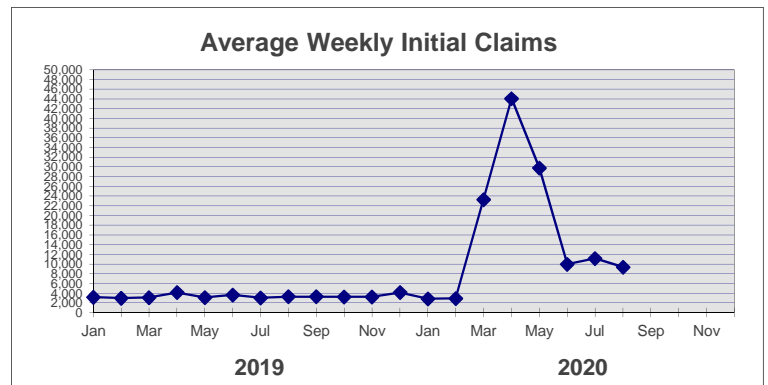
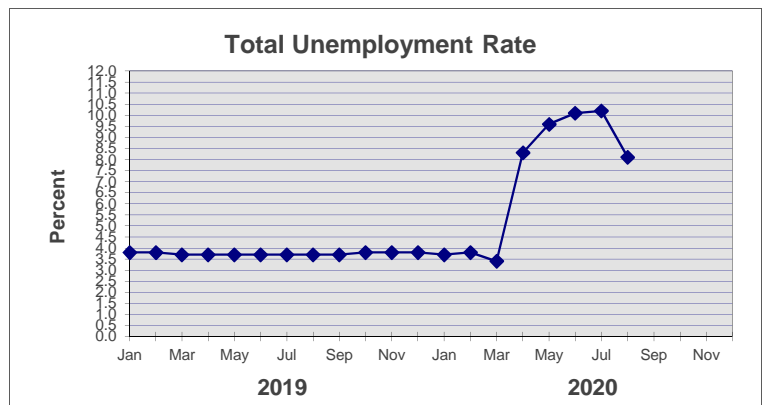
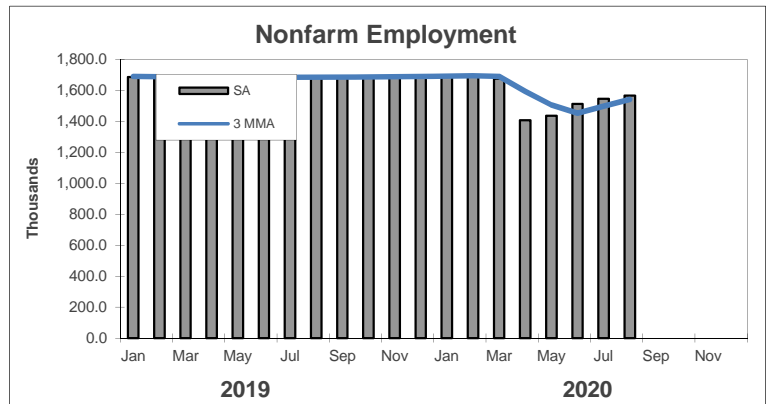
Seasonally Adjusted

	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	9.6
Jun	1,513.9	10.1
Jul	1,546.2 R	10.2 R
Aug	1,566.6 P	8.1 P
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
Jun	9,986	34.6
Jul	11,168	34.3 R
Aug	9,378	34.4 P
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

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** Labor-management dispute