



LABOR SITUATION

Office of Research
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FOR IMMEDIATE RELEASE

December 2013 Data
CT Unemployment Rate = 7.4%
US Unemployment Rate = 6.7%

Jobs decline 3,900 even as unemployment rate falls to 7.4%

WETHERSFIELD, January 27, 2014 – Connecticut's nonfarm employment declined 3,900 (-0.2%, seasonally adjusted) to a level of 1,651,200 jobs in December, according to the federal business establishment survey. This reversed a 3,800 (0.2%, revised) job gain the state experienced in November. The private sector dropped 3,800 (-0.3%) jobs and government positions fell by 100 (-0.04%). Nonfarm employment has grown 11,500 (0.7%) jobs since December 2012 (and year to date).

Connecticut's unemployment rate continued to decline in December, dropping two-tenths of a percent to 7.4%. The state's unemployment rate is now eight-tenths of a percentage point below a year ago (8.2%). This is the fourth straight monthly decline in the unemployment rate since summer and builds on November's three-tenths of a point fall. The reduction in the number of unemployed residents in the state over the year is 17,171 (-11.2%).

"Connecticut's payroll job counts appear to have been affected by bad winter weather around the time of the survey reference week," said Andy Condon, Director of the Office of Research. "On a brighter note, the state's unemployment rate continues to fall, and for better reasons than has sometimes been the case in the recent past. Declines in the number of unemployed residents largely were the result of employment rather than individuals leaving the labor force."

Nonfarm Jobs (business establishment survey)

Preliminary December job estimates indicate that the state lost 3,900 (-0.2%) jobs, a reversal of the 3,800 jobs (0.2%) added in November. The private sector (-3,800, -0.3%) and the government *supersector* (-100, -0.04%) both lost jobs last month. Connecticut has now added 11,500 total nonfarm jobs (0.7%) since December 2012, for a seasonally adjusted total of 1,651,200. Hiring in the private sector has been better over the year, adding 12,800 positions (0.9%). Government is down 1,300 (-0.5%) positions since December 2012.

Connecticut's seasonally adjusted nonfarm job growth year-to-date through December 2013 has been 11,500 jobs (958 per month). This is more than the 8,600 jobs gained in the year-to-date through December of 2012 (717 per month). In 2011, the 12 months of the year produced 14,300 jobs (1,192 per month) and in 2010, the year the employment recovery started, the year-to-date December gain was 9,900 (825 per month).

An alternative measure of job growth, annual average nonfarm employment (using 12 months of unadjusted rounded data), ended 2013 at 1,650,500 compared to 1,639,000 for 2012 (11,500 growth, 0.7%), 1,625,200 for 2011 (13,800 growth, 0.9%), and 1,608,000 for 2010 (17,200 growth, 1.1%, Census-boosted). *Please note that this annual average of nonfarm jobs, which smoothes out month-to-month volatility over the year, is subject to the annual benchmark revision process which will be applied to January's Labor Situation statistics scheduled for release on Friday, March 14, 2014. The month delay in releasing the January 2014 Labor Situation occurs because of the normal extra workload involved in the benchmark revision process.*

Just two industry *supersectors* added jobs in December, while seven *supersectors* exhibited declines. **Leisure & hospitality** was unchanged. On the plus side were **other services** (900, 1.5%) and **financial activities** (300, 0.2%). Note that this is the second consecutive month of job growth in the strategic finance and insurance Industry which had previously shed jobs throughout the recession / recovery cycle to date. The seven declining industry *supersectors* may have been weather impacted to some degree and were led lower by the **professional business services** (-2,600, -1.3%). In this grouping, much of the weakness came from **administrative and support services** (-3,400, -3.9%), more specifically from **services to building and dwellings** which can be affected by the weather. **Trade, transportation, & utilities** also lost jobs (-1,300, -0.4%) with most of the decline coming from **transportation and utilities** (-1,200, -2.3%) and a slight drop from **retail trade** (-100, -0.05%). **Wholesale trade** was unchanged. The combined **construction and mining** (-300, -0.5%) industry *supersector* was lower as well. **Manufacturing** lost jobs (-300, -0.2%), with the more capital intensive **durable goods** component (-300, -0.2%)

weaker. The **nondurable goods** segment went unchanged. The **education and health services supersector** (-300, -0.1%) also posted a small decline. **Education** (-1,300, -1.9%) was decidedly lower with weakness from **private colleges and universities**, while a **health services** gain (1,000, 0.4%, strike accounted for here) could not offset the overall *supersector* decline. The **information supersector** (-200, -0.7%) was lower last month as well. **Government employment** continued to decline (-100, -0.04%) with the entire monthly drop associated with **local government** (-200, -0.1%).

Connecticut's Ten Industry Supersector Performance (YTD December 2013: 5 up, 5 down, before revisions)

- | | |
|---|---|
| 1.) Education and Health Services (7,900, 2.5%) | 6.) Information (-600, -1.9%) |
| 2.) Construction and Mining (5,800, 11.4%, combined) | 7.) Government (-1,300, -0.5%) |
| 3.) Trade, Transportation, and Utilities (4,200, 1.4%) | 8.) Financial Activities (-1,300, -1.0%) |
| 4.) Professional and Business Services (1,400, 0.7%) | 9.) Other Services (-1,400, -2.2%) |
| 5.) Leisure and Hospitality (800, 0.6%) | 10.) Manufacturing (-4,000, -2.5%) |

Recession recovery: Connecticut has now recovered 59,400 positions, or 49.0% of the 121,200 seasonally adjusted **total nonfarm** jobs that were lost in the state in the March 2008 - February 2010 employment recession. Connecticut's jobs recovery is now 46 months old and is averaging approximately 1,291 jobs per month since February 2010. The **private sector** has recovered a little faster and has now regained 67,600 (59.3%, 1,470 per month) of the 114,000 private jobs that were lost during the same period. Now at 1,651,200 nonfarm jobs in December, the state needs to reach the 1,713,000 level to achieve an employment expansion. This will require an additional 61,800 jobs.

Labor Market Areas (LMAs): For December 2013, four of the six major Connecticut Labor Market Areas (Bureau of Labor Statistics recognized LMAs) posted job losses, while the **Waterbury LMA** (200, 0.3%) posted a small gain. The **Danbury LMA** was unchanged. The **New Haven LMA** (-2,100, -0.8%) came up with the largest job loss in magnitude and percentage terms. The **Bridgeport-Stamford-Norwalk LMA** (-1,700, -0.4%) also had a weak monthly showing as did the **Hartford LMA** (-700, -0.1%). A smaller job loss was estimated in the **Norwich-New London LMA** (-300, -0.2%).

Note: The major Connecticut LMAs are estimated and seasonally adjusted independently from the statewide numbers by the BLS and cover about 90% of the nonfarm employment in the state, so they will not sum to the statewide total.

Major Connecticut LMA Year-to-Date Performance (4 up, 2 down, in magnitude, before revisions)

- | | |
|--|---|
| 1.) Hartford LMA (7,200, 1.3%) | 4.) Danbury LMA (900, 1.3%) |
| 2.) Bridgeport-Stamford-Norwalk LMA (6,200, 1.5%) | 5.) Waterbury LMA (-300, -0.5%) |
| 3.) New Haven LMA (1,700, 0.6%) | 6.) Norwich-New London LMA (-900, -0.7%) |

Hours and Earnings: The **private sector** workweek, not seasonally adjusted, averaged 33.6 hours in December 2013, down six-tenths of an hour from the December 2012 figure (34.2, -1.8%). Average hourly earnings at \$28.00, not seasonally adjusted, were down 31 cents, or -1.1% from the December 2012 hourly private sector pay estimate. The resulting average **private sector** weekly pay was calculated at \$940.80, down \$27.40, or -2.8% over the year. The year-to-year change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average) in December 2013 was 1.5%. 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.

Labor Force Data (residential household survey)

Connecticut's unemployment rate was estimated at **7.4%** for December 2013. This is down two-tenths of a percentage point from November 2013, and down eight-tenths of a percentage point from the December 2012 unemployment rate of 8.2%. After eight months of hovering between 8.0% and 8.1% at the start of 2013, we have now seen four consecutive months of unemployment rate declines since the end of summer. Last month's two-tenths point decline builds on the three-tenth point drop experienced in November. The unemployment rate in Connecticut has not been this low since February 2009 (7.4%).

Unemployment: Based on the household survey, the number of unemployed, seasonally adjusted, decreased by 3,769 (-2.7%) over the month to 136,499 in December 2013. The state's number of unemployed workers has declined by 17,171 (-11.2%) since December 2012. The preliminary December United States unemployment rate was 6.7%, down three-tenths of a percentage point from the November 2013 rate (7.0%), and lower by one and two-tenths of a percentage point from the December 2012 rate when it was estimated at 7.9%.

Annual Average Unemployment Rates since the Recovery began (These data are subject to annual processing before the release of the January 2014 state data, scheduled to be issued March 14, 2014, and could change to some extent.)

2013 - 7.9%

2012 - 8.4%

2011 - 8.9%

2010 - 9.3%

The December 2013 average weekly initial unemployment claims for first-time Connecticut filers (seasonally adjusted) increased over the month by 566 claims (12.1%) to 5,240, and were higher by 218 claims (4.3%) from last December (5,022). The substantial increase in seasonally adjusted claims in December 2013 may support the weather influence seen last month.

*The nonfarm employment estimate, derived from a survey of businesses, is a measure of jobs in the state; the unemployment rate, based on a household survey, is a measure of the work status of people who live in Connecticut. Overall, as the national and state economies recover, volatility in monthly numbers can be expected. Additionally, changes in methodology that culminated in March 2011 with the U.S. Department of Labor, Bureau of Labor Statistics assuming complete responsibility for estimating all states' monthly nonfarm job counts, have contributed to the month-to-month variability in the numbers. **Jobs estimates are best understood in the context of their movement over several months rather than observed changes in a single month's estimate.***

Next Connecticut Labor Situation release: Friday, March 14, 2014 (January 2014 data newly benchmarked)

Contact: Communications Office

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01-27-14

Labor market information is available on the Internet at www.ctdol.state.ct.us/lmi

200 Folly Brook Boulevard, Wethersfield, CT 06109-1114 - www.ct.gov/dol

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NONFARM EMPLOYMENT

Jobs - by Place of Work

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	December 2013 P	November 2013 R	October 2013	September 2013	December 2012	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,651,200	1,655,100	1,651,300	1,650,800	1,639,700	-3,900	-0.2%	11,500	0.7%
Total Private	1,414,000	1,417,800	1,413,800	1,412,300	1,401,200	-3,800	-0.3%	12,800	0.9%
Goods Producing Industries									
Mining	500	600	600	600	500	-100	-16.7%	0	0.0%
Construction	56,000	56,200	55,700	55,100	50,200	-200	-0.4%	5,800	11.6%
Manufacturing	159,200	159,500	160,900	160,700	163,200	-300	-0.2%	-4,000	-2.5%
Durable Goods	122,100	122,400	123,500	124,000	127,000	-300	-0.2%	-4,900	-3.9%
Nondurable Goods	37,100	37,100	37,400	36,700	36,200	0	0.0%	900	2.5%
Service Providing Industries									
Trade, Transportation & Utilities	300,700	302,000	297,600	298,600	296,500	-1,300	-0.4%	4,200	1.4%
Wholesale	63,100	63,100	62,600	62,500	63,200	0	0.0%	-100	-0.2%
Retail	186,400	186,500	184,000	185,200	182,500	-100	-0.1%	3,900	2.1%
Transp, Warehousing & Utilities	51,200	52,400	51,000	50,900	50,800	-1,200	-2.3%	400	0.8%
Information	30,400	30,600	30,600	30,600	31,000	-200	-0.7%	-600	-1.9%
Financial Activities	129,500	129,200	128,300	128,000	130,800	300	0.2%	-1,300	-1.0%
Finance & Insurance	110,600	110,400	109,700	109,500	112,100	200	0.2%	-1,500	-1.3%
Real Estate, Rental & Leasing	18,900	18,800	18,600	18,500	18,700	100	0.5%	200	1.1%
Professional & Business Services	202,900	205,500	206,100	206,500	201,500	-2,600	-1.3%	1,400	0.7%
Prof, Scientific & Tech Services	88,300	87,500	87,300	87,100	87,600	800	0.9%	700	0.8%
Management of Companies	30,800	30,800	30,800	30,800	30,400	0	0.0%	400	1.3%
Admn & Support & Waste Mgt Serv	83,800	87,200	88,000	88,600	83,500	-3,400	-3.9%	300	0.4%
Educational & Health Services	328,300	328,600	325,700	324,200	320,400	-300	-0.1%	7,900	2.5%
Educational Services	66,700	68,000	66,300	65,100	63,900	-1,300	-1.9%	2,800	4.4%
Health Care & Social Assistance	261,600	260,600	259,400	259,100	256,500	1,000	0.4%	5,100	2.0%
Leisure and Hospitality	145,600	145,600	147,300	146,600	144,800	0	0.0%	800	0.6%
Arts, Entertainment & Recreation	23,900	24,200	25,300	24,500	24,500	-300	-1.2%	-600	-2.4%
Accommodation & Food Services	121,700	121,400	122,000	122,100	120,300	300	0.2%	1,400	1.2%
Other Services	60,900	60,000	61,000	61,400	62,300	900	1.5%	-1,400	-2.2%
Government**	237,200	237,300	237,500	238,500	238,500	-100	0.0%	-1,300	-0.5%
UNITED STATES	136,877,000	136,803,000	136,562,000	136,362,000	134,691,000	74,000	0.1%	2,186,000	1.6%

LABOR MARKET AREAS (LMA)

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

	December 2013 P	November 2013 R	October 2013	September 2013	December 2012	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford	409,800	411,500	410,700	411,100	403,600	-1,700	-0.4%	6,200	1.5%
Danbury	69,300	69,300	68,700	68,500	68,400	0	0.0%	900	1.3%
Hartford	553,600	554,300	552,500	550,900	546,400	-700	-0.1%	7,200	1.3%
New Haven	273,200	275,300	271,500	271,100	271,500	-2,100	-0.8%	1,700	0.6%
Norwich-New London	126,400	126,700	125,700	125,500	127,300	-300	-0.2%	-900	-0.7%
Waterbury	63,200	63,000	62,800	61,900	63,500	200	0.3%	-300	-0.5%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	45,000	45,500	44,900	44,600	45,800	-500	-1.1%	-800	-1.7%
Torrington	36,500	36,700	36,900	36,900	36,100	-200	-0.5%	400	1.1%
Willimantic-Danielson	37,600	37,700	37,100	36,400	36,900	-100	-0.3%	700	1.9%

* 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.

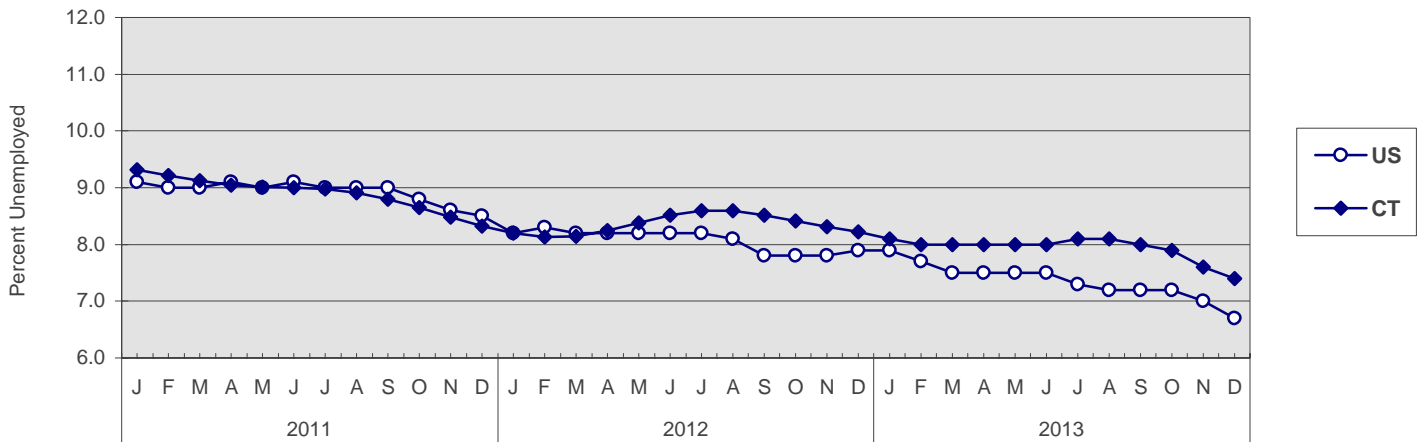
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	December 2013 P		December 2012		Change		November 2013 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	136,500	7.4	153,700	8.2	-17,200	-0.8	140,300	7.6
Labor Force	1,848,500		1,869,700		-21,200		1,848,900	
UNITED STATES								
Unemployed	10,351,000	6.7	12,273,000	7.9	-1,922,000	-1.2	10,841,000	7.0
Labor Force	154,937,000		155,485,000		-548,000		155,284,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2011 - 2013



LABOR MARKET AREAS - Not Seasonally Adjusted

	December 2013 P		December 2012		Change		November 2013 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	29,300	6.3	33,800	7.2	-4,500	-0.9	30,100	6.4
Danbury	4,800	5.2	5,700	6.1	-900	-0.9	4,900	5.3
Enfield	3,200	6.6	3,700	7.7	-500	-1.1	3,100	6.6
Hartford	39,800	6.8	45,800	7.8	-6,000	-1.0	39,900	6.8
New Haven	21,700	7.1	24,900	8.0	-3,200	-0.9	22,100	7.2
Norwich-New London	10,800	7.6	12,100	8.3	-1,300	-0.7	10,400	7.3
Torrington	3,300	6.3	3,900	7.2	-600	-0.9	3,300	6.2
Waterbury	9,000	9.2	10,400	10.4	-1,400	-1.2	9,100	9.2
Willimantic-Danielson	4,400	7.7	5,200	9.1	-800	-1.4	4,400	7.7
CONNECTICUT	125,400	6.8	144,500	7.8	-19,100	-1.0	126,400	6.9
UNITED STATES	9,984,000	6.5	11,844,000	7.6	-1,860,000	-1.1	10,271,000	6.6

P = Preliminary

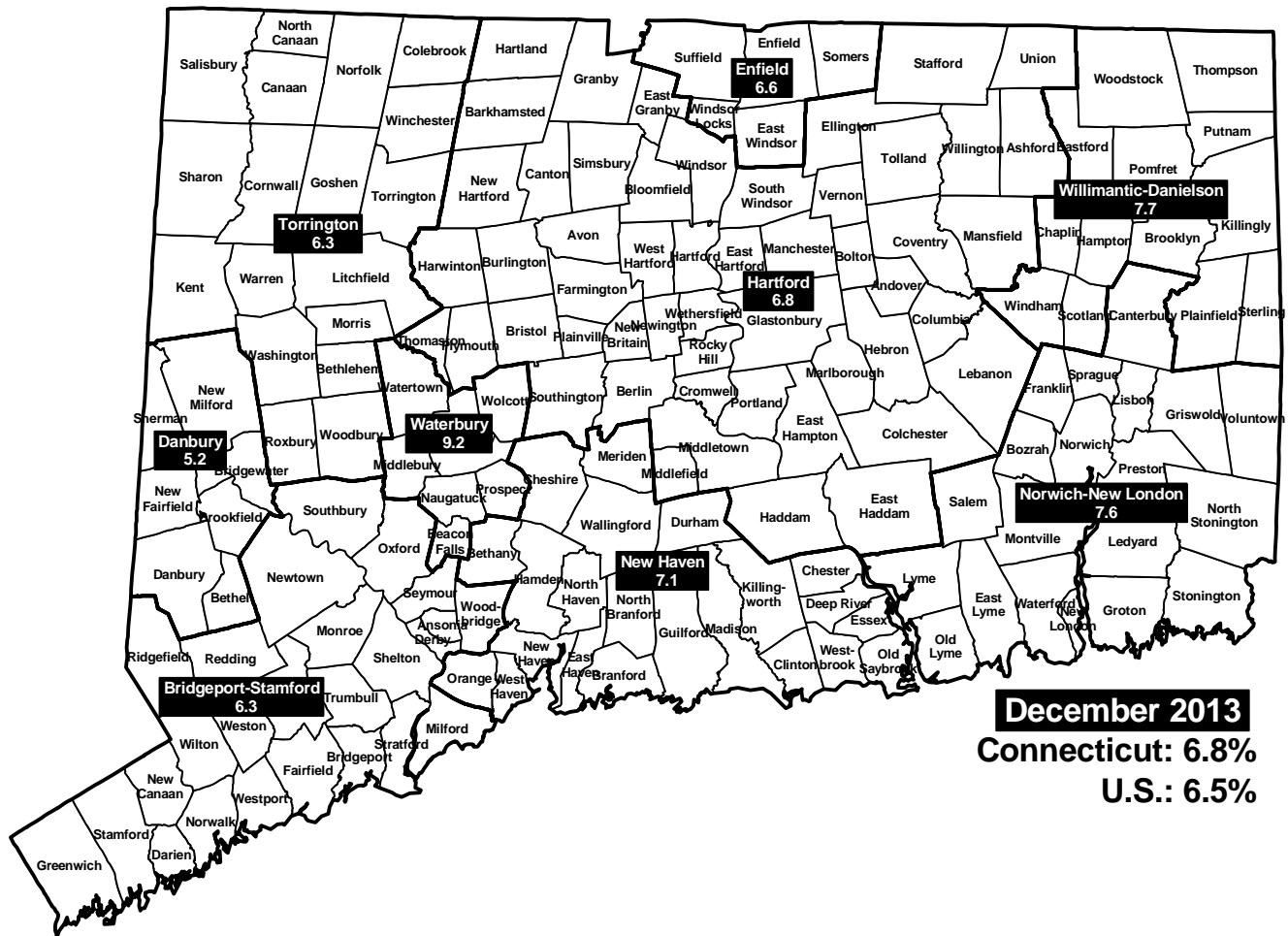
R = Revised

Labor force data included in this publication are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS



HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	Dec. 2013 P	Dec. 2012	Change over Yr.	Nov. 2013 R	Dec. 2013 P	Dec. 2012	Change over Yr.	Nov. 2013 R	Dec. 2013 P	Dec. 2012	Change over Yr.	Nov. 2013 R
Private Industry All Employees	\$940.80	\$968.20	-\$27.40	\$927.36	33.6	34.2	-0.6	33.6	\$28.00	\$28.31	-\$0.31	\$27.60
Manufacturing* Production Workers	\$902.11	\$930.70	-\$28.59	\$898.34	41.9	41.0	0.9	41.9	\$21.53	\$22.70	-\$1.17	\$21.44

* Production worker data have been impacted by the loss of a large, high-paying manufacturer from the monthly sample.

P = Preliminary R = Revised

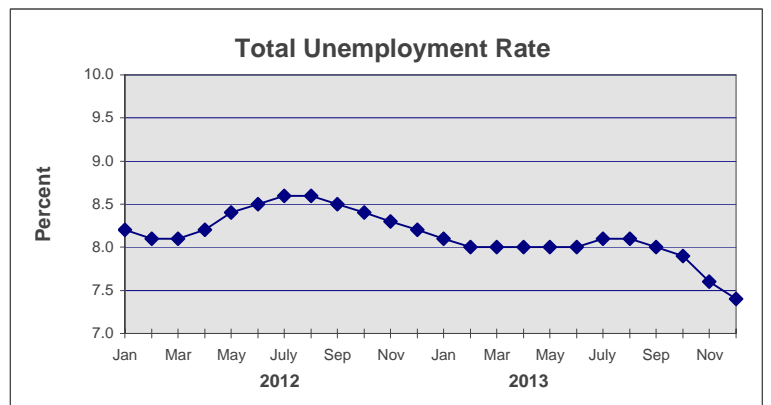
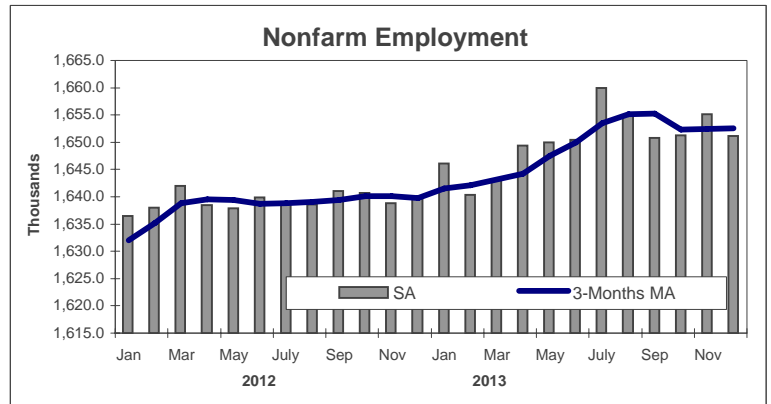
Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: www.ctdol.state.ct.us/lmi.

TRENDS

Seasonally Adjusted

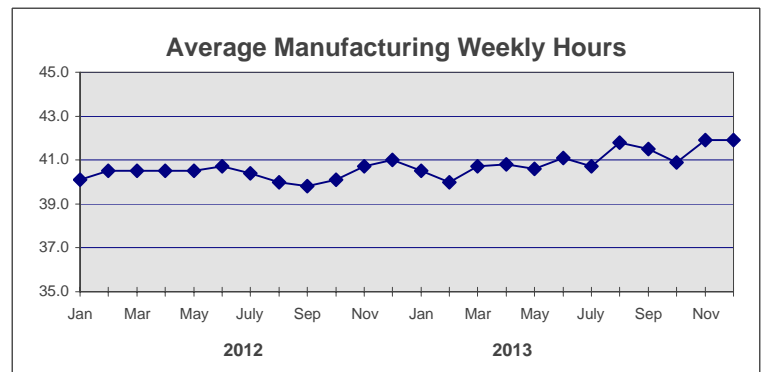
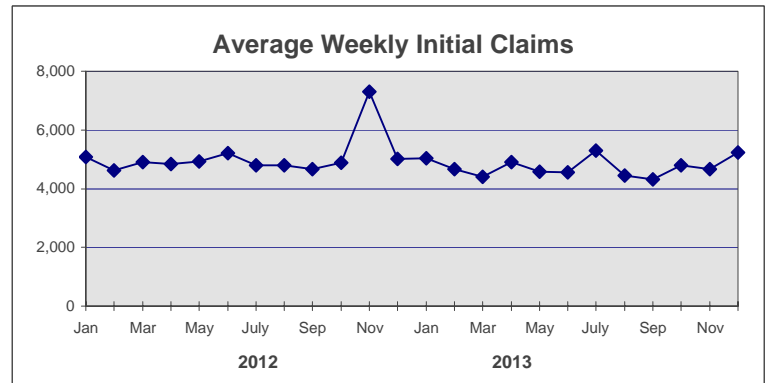
	Nonfarm Employment (000s)	Total Unemployment Rate
2012		
Jan	1,636.5	8.2
Feb	1,638.0	8.1
Mar	1,642.0	8.1
Apr	1,638.5	8.2
May	1,637.9	8.4
Jun	1,639.9	8.5
July	1,638.8	8.6
Aug	1,638.6	8.6
Sep	1,641.0	8.5
Oct	1,640.7	8.4
Nov	1,638.8	8.3
Dec	1,639.7	8.2

2013		
Jan	1,646.1	8.1
Feb	1,640.4	8.0
Mar	1,643.0	8.0
Apr	1,649.4	8.0
May	1,650.0	8.0
Jun	1,650.4	8.0
July	1,660.0	8.1
Aug	1,654.9	8.1
Sep	1,650.8	8.0
Oct	1,651.3	7.9
Nov	1,655.1 R	7.6 R
Dec	1,651.2 P	7.4 P



	Avg Weekly Initial Claims	Avg Manufacturing Weekly Hours*
2012		
Jan	5,089	40.1
Feb	4,623	40.5
Mar	4,913	40.5
Apr	4,844	40.5
May	4,936	40.5
Jun	5,219	40.7
July	4,805	40.4
Aug	4,794	40.0
Sep	4,667	39.8
Oct	4,876	40.1
Nov	7,300	40.7
Dec	5,022	41.0

2013		
Jan	5,037	40.5
Feb	4,673	40.0
Mar	4,398	40.7
Apr	4,900	40.8
May	4,583	40.6
Jun	4,547	41.1
July	5,297	40.7
Aug	4,455	41.8
Sep	4,324	41.5
Oct	4,801	40.9
Nov	4,674	41.9 R
Dec	5,240	41.9 P



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute