



LABOR SITUATION

Office of Research
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FOR IMMEDIATE RELEASE

May 2014 Data
CT Unemployment Rate = 6.9%
US Unemployment Rate = 6.3%

May brings largest nonfarm job gain in 2014 (+5,800); unemployment rate unchanged

WETHERSFIELD, June 19, 2014 – Preliminary May job figures from the federal business payroll survey disclose an increasing pace of job growth for the state. Connecticut added 5,800 total nonfarm jobs (0.3%) in May, with seven of ten major industry *supersectors* growing. This is the fourth straight monthly employment increase since January and the state has now added 12,500 jobs (0.8%) over the year. The May seasonally adjusted nonfarm employment level of 1,665,500 is now at a new employment recovery highpoint for the state, surpassing the old recovery high of 1,663,500 reached in December 2013, just before the January deep freeze set in.

Results from the residential survey show Connecticut's unemployment was 6.9% for May, unchanged from the April 2014 figure, but down nine-tenths of a percentage point from the May 2013 unemployment rate (7.8%). The state's civilian labor force again showed a robust monthly increase in May (9,073, 0.5%), driven by statistically significant residential employment gains (7,782, 0.4%). Both the labor force and residential employment have increased every month in 2014. The number of unemployed residents increased 1,291 (1.0%) in May, however, the number of unemployed has declined by 16,102 (-11.0%) since May 2013. An increasing number of unemployed in the short term, coupled with a fast-rising labor force, and household employment, may signal that formerly discouraged unemployed citizens are returning to the labor force and searching for work.

"Connecticut nonfarm job levels now exceed levels reached before the deep winter freeze set in during January, and are now at a new recovery high," said Andy Condon, Director of the Office of Research. "At this point, the resiliency of the recovery appears to be bringing people back into the labor force."

Nonfarm Jobs (business establishment survey)

Preliminary nonfarm job estimates in May added 5,800 (0.3%) positions to establishment payrolls. This is the fourth straight monthly job gain and the best gain of 2014. Connecticut's nonfarm employment has increased 12,500 positions (0.8%) since May 2013, and now totals 1,665,500 jobs in the state (a new recovery highpoint).

Connecticut's **private sector** job growth (5,100, 0.4%) was responsible for most of the growth in May. Over the year, the private sector has added 15,100 jobs (1.1%). However, the **government supersector** (-2,600, -1.1%) continues to decline over the year.

Seven of ten major industry *supersectors* added positions in the month of May while two *supersectors* declined and **information** was unchanged.

The seven major industry *supersector* level nonfarm job gains were led higher by **professional and business services** (2,300, 1.1%). The **trade, transportation & utilities** (2,000, 0.7%) *supersector* also provided strong job growth as **transportation** (1,100, 2.1%) and **wholesale trade** (1,000, 1.6%) boosted the grouping. The **manufacturing supersector** (1,000, 0.6%) was another large job gainer, with the capital intensive **durable goods** component (1,100, 0.9%) providing all of the increase. The **leisure and hospitality** (700, 0.5%) *supersector* and the **government supersector** (700, 0.3%) each added 700 positions, while the **education and health services** (400, 0.1%) and **other services** (400, 0.7%) *supersectors* added 400 jobs each. **Restaurants and hotels** were a strong contributor to the *leisure supersector*.

The two job-losing industry *supersectors* were led by **financial activities** (-900, -0.7%). **Insurance** appeared to be the weakest component in the group and **real estate** was lower as well. The combined **construction and mining** (-800, -1.4%) *supersector* was also lower in May, but had performed better than expected in the recent very cold winter months. The **information supersector** was unchanged this May.

Recession recovery: Connecticut has now recovered 71,600 positions, or 60.1% of the 119,100 seasonally adjusted **total nonfarm** jobs that were lost in the state during the March 2008 - February 2010 employment recession. Connecticut's jobs recovery is now 51 months old and is averaging approximately 1,404 jobs per month overall since February 2010. The **private sector** has recovered at a faster clip and has now replaced 82,000 (73.2%, 1,608 per month) of the 112,000 private sector jobs that were lost during the same downturn. Now at 1,665,500 nonfarm jobs for May, the state needs to reach the 1,713,000 level to start a true nonfarm employment expansion. This will require an additional 47,500 jobs going forward.

Labor Market Areas (LMAs): May 2014 preliminary nonfarm estimates indicate three of the six major Connecticut Labor Market Areas (Bureau of Labor Statistics-recognized LMAs) gained jobs, while three LMAs exhibited small employment declines. The regional employment growth in May appeared to be located around the center of the state. The **Hartford LMA** (5,700, 1.0%) led all Connecticut LMA growth by a wide margin. The **New Haven LMA** (500, 0.2%) and **Waterbury LMA** (400, 0.6%) added positions as well. The three declining LMAs posted small job losses and were led by the **Danbury LMA** (-300, -0.4%). The **Bridgeport-Stamford-Norwalk LMA** (-100, -0.02%) and the **Norwich-New London LMA** (-100, -0.1%) remained essentially flat. *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 fully sum to the statewide total.*

Hours and Earnings: The **private sector** workweek, not seasonally adjusted, averaged 33.6 hours in May 2014, unchanged from the May 2013 estimate of 33.6 hours. Average hourly earnings at \$27.83, not seasonally adjusted, were down just six cents, or -0.2% from the May 2013 hourly private sector pay figure of \$27.89. The resulting average **private sector** weekly pay was calculated at \$935.09, down \$2.01, or -0.2% over the year. The year-to-year change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in May 2014 was 2.1%. 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 **6.9%** for May 2014 (seasonally adjusted). This is unchanged from April 2014, but down nine-tenths of a percentage point from the May 2013 unemployment rate of 7.8%. May's statewide civilian labor force grew higher for the fifth month (9,073, 0.5%) and is now clearly positive over the year (13,219, 0.7%). The unemployment rate in Connecticut has not been this low since it was 7.0% in January of 2009, in the midst of the financial crisis.

Unemployment: Based on the household survey, the number of unemployed, seasonally adjusted, increased by 1,291 (1.0%) over the month to 129,755 in May 2014. The state's number of unemployed residents has declined by 16,102 (-11.0%) since May 2013. The United States unemployment rate was 6.3% in May, unchanged from the April 2014 rate, but lower by one and two-tenths of a percentage point from the May 2013 rate, when it was estimated at 7.5%.

The May 2014 average weekly initial unemployment claims for first-time Connecticut filers (seasonally adjusted) decreased over the month by 262 claims (-5.9%) to 4,150, and were lower by 522 claims (-11.2%) from last May (4,672).

*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: Thursday, July 17, 2014 (June 2014 data)

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06-19-14

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

	May 2014 P	April 2014 R	March 2014	February 2014	May 2013	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,665,500	1,659,700	1,658,000	1,654,000	1,653,000	5,800	0.3%	12,500	0.8%
Total Private	1,430,400	1,425,300	1,424,000	1,420,800	1,415,300	5,100	0.4%	15,100	1.1%
Goods Producing Industries									
Mining	600	500	600	600	600	100	20.0%	0	0.0%
Construction	55,500	56,400	56,000	56,700	53,700	-900	-1.6%	1,800	3.4%
Manufacturing	162,900	161,900	162,100	161,700	164,200	1,000	0.6%	-1,300	-0.8%
Durable Goods	125,300	124,200	124,600	124,400	128,100	1,100	0.9%	-2,800	-2.2%
Nondurable Goods	37,600	37,700	37,500	37,300	36,100	-100	-0.3%	1,500	4.2%
Service Providing Industries									
Trade, Transportation & Utilities	303,300	301,300	300,500	298,400	298,300	2,000	0.7%	5,000	1.7%
Wholesale	65,100	64,100	64,100	64,200	63,100	1,000	1.6%	2,000	3.2%
Retail	183,400	183,500	183,700	181,900	183,300	-100	-0.1%	100	0.1%
Transp, Warehousing & Utilities	54,800	53,700	52,700	52,300	51,900	1,100	2.0%	2,900	5.6%
Information	31,500	31,500	31,700	31,500	32,000	0	0.0%	-500	-1.6%
Financial Activities	130,000	130,900	130,700	130,000	131,500	-900	-0.7%	-1,500	-1.1%
Finance & Insurance	111,000	111,700	111,600	111,000	112,500	-700	-0.6%	-1,500	-1.3%
Real Estate, Rental & Leasing	19,000	19,200	19,100	19,000	19,000	-200	-1.0%	0	0.0%
Professional & Business Services	206,200	203,900	203,500	204,800	204,400	2,300	1.1%	1,800	0.9%
Prof, Scientific & Tech Services	90,200	88,400	89,900	90,100	90,300	1,800	2.0%	-100	-0.1%
Management of Companies	29,200	29,300	29,400	29,300	29,000	-100	-0.3%	200	0.7%
Admn & Support & Waste Mgt Serv	86,800	86,200	84,200	85,400	85,100	600	0.7%	1,700	2.0%
Educational & Health Services	325,900	325,500	325,600	325,600	321,100	400	0.1%	4,800	1.5%
Educational Services	63,400	63,200	63,700	64,900	62,000	200	0.3%	1,400	2.3%
Health Care & Social Assistance	262,500	262,300	261,900	260,700	259,100	200	0.1%	3,400	1.3%
Leisure and Hospitality	152,100	151,400	151,100	149,500	147,200	700	0.5%	4,900	3.3%
Arts, Entertainment & Recreation	25,400	25,100	25,000	25,000	25,700	300	1.2%	-300	-1.2%
Accommodation & Food Services	126,700	126,300	126,100	124,500	121,500	400	0.3%	5,200	4.3%
Other Services	62,400	62,000	62,200	62,000	62,300	400	0.6%	100	0.2%
Government**	235,100	234,400	234,000	233,200	237,700	700	0.3%	-2,600	-1.1%
UNITED STATES	138,463,000	138,246,000	137,964,000	137,761,000	136,084,000	217,000	0.2%	2,379,000	1.7%

LABOR MARKET AREAS (LMA)

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

Seasonally Adjusted data	May 2014 P	April 2014 R	March 2014	February 2014	May 2013	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
Bridgeport-Stamford	417,400	417,500	415,800	413,300	410,600	-100	0.0%	6,800	1.7%
Danbury	68,800	69,100	69,500	69,000	69,100	-300	-0.4%	-300	-0.4%
Hartford	555,600	549,900	550,900	547,300	549,300	5,700	1.0%	6,300	1.1%
New Haven	278,200	277,700	277,600	276,400	273,700	500	0.2%	4,500	1.6%
Norwich-New London	126,500	126,600	126,100	126,000	127,800	-100	-0.1%	-1,300	-1.0%
Waterbury	64,700	64,300	64,500	64,300	64,400	400	0.6%	300	0.5%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	44,800	45,200	43,800	43,300	44,600	-400	-0.9%	200	0.4%
Torrington	36,800	36,400	35,500	35,400	36,500	400	1.1%	300	0.8%
Willimantic-Danielson	38,300	37,800	37,300	37,000	37,500	500	1.3%	800	2.1%

* 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.

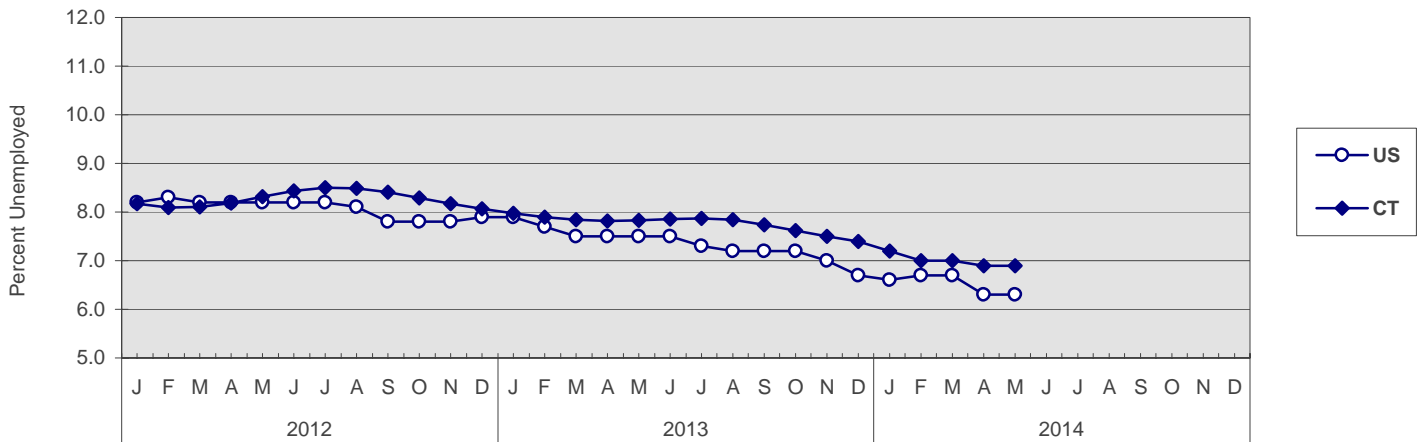
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	May 2014 P		May 2013		Change		April 2014 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	129,800	6.9	145,900	7.8	-16,100	-0.9	128,500	6.9
Labor Force	1,877,700		1,864,500		13,200		1,868,600	
UNITED STATES								
Unemployed	9,799,000	6.3	11,690,000	7.5	-1,891,000	-1.2	9,753,000	6.3
Labor Force	155,613,000		155,609,000		4,000		155,421,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2012 - 2014



LABOR MARKET AREAS - Not Seasonally Adjusted

	May 2014 P		May 2013		Change		April 2014 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford								
Danbury								
Enfield								
Hartford								
New Haven								
Norwich-New Britain								
Torrington								
Waterbury								
Willimantic-Danielson								
CONNECTICUT	130,600	6.9	144,700	7.7	-14,100	-0.8	122,600	6.6
UNITED STATES	9,443,000	6.1	11,302,000	7.3	-1,859,000	-1.2	9,079,000	5.9

Release of the May 2014 sub-state labor force data is restricted by the U.S. Bureau of Labor Statistics until Friday, June 20, 2014. 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>.

P = Preliminary

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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.

UNEMPLOYMENT RATES

Not Seasonally Adjusted

LABOR MARKET AREAS

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HOURS AND EARNINGS

CONNECTICUT Statewide - Not Seasonally Adjusted

	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	May 2014 P	May 2013	Change over Yr.	Apr. 2013 R	May 2014 P	May 2013	Change over Yr.	Apr. 2013 R	May 2014 P	May 2013	Change over Yr.	Apr. 2013 R
Private Industry All Employees	\$935.09	\$937.10	-\$2.01	\$940.46	33.6	33.6	0.0	33.6	\$27.83	\$27.89	-\$0.06	\$27.99
Manufacturing*												
Production Workers	\$877.49	\$886.30	-\$8.81	\$875.60	40.4	40.6	-0.2	40.0	\$21.72	\$21.83	-\$0.11	\$21.89

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

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R = Revised

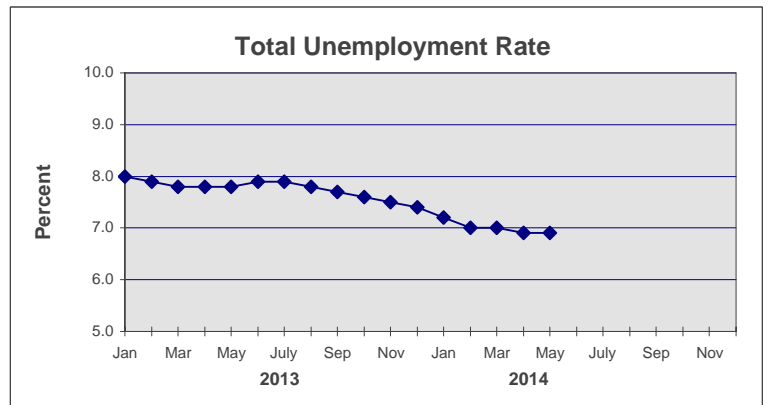
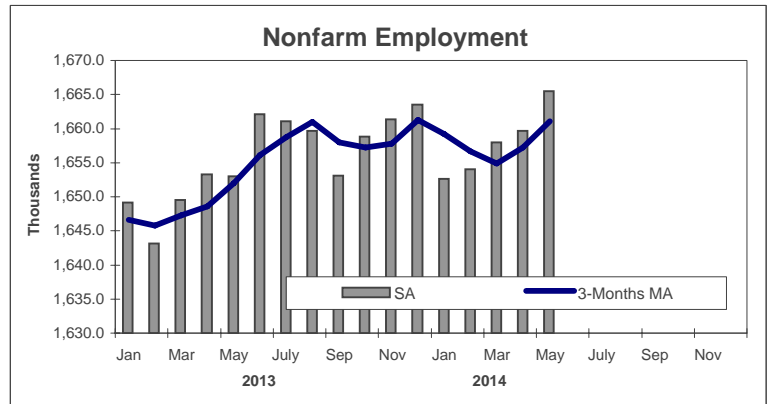
Hours and earnings are also developed for the state's major industry sectors and Labor Market Areas. They can be found on our website at: www.ctdol.state.ct.us/lmi.

TRENDS

Seasonally Adjusted

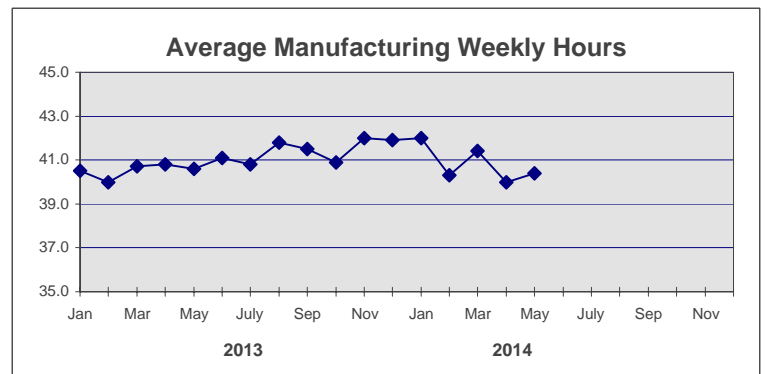
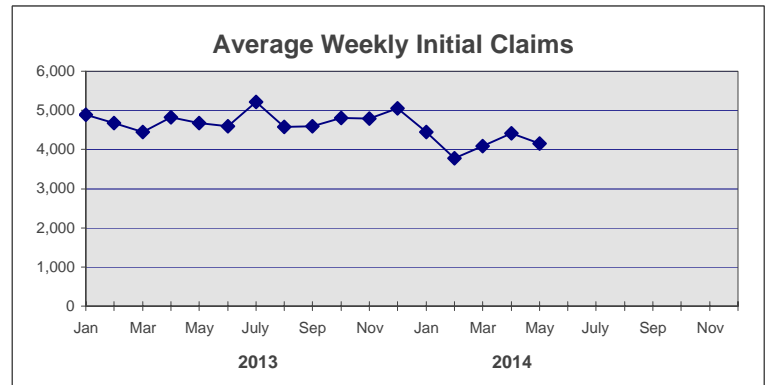
	Nonfarm Employment (000s)	Total Unemployment Rate
2013		
Jan	1,649.2	8.0
Feb	1,643.1	7.9
Mar	1,649.5	7.8
Apr	1,653.3	7.8
May	1,653.0	7.8
Jun	1,662.1	7.9
July	1,661.1	7.9
Aug	1,659.7	7.8
Sep	1,653.1	7.7
Oct	1,658.8	7.6
Nov	1,661.4	7.5
Dec	1,663.5	7.4

2014		
Jan	1,652.6	7.2
Feb	1,654.0	7.0
Mar	1,658.0	7.0
Apr	1,659.7 R	6.9 R
May	1,665.5 P	6.9 P
Jun		
July		
Aug		
Sep		
Oct		
Nov		
Dec		



	Avg Weekly Initial Claims	Avg Manufacturing Weekly Hours*
2013		
Jan	4,884	40.5
Feb	4,669	40.0
Mar	4,452	40.7
Apr	4,823	40.8
May	4,672	40.6
Jun	4,602	41.1
July	5,220	40.8
Aug	4,585	41.8
Sep	4,598	41.5
Oct	4,805	40.9
Nov	4,786	42.0
Dec	5,054	41.9

2014		
Jan	4,442	42.0
Feb	3,775	40.3
Mar	4,089	41.4
Apr	4,412	40.0 R
May	4,150	40.4 P
Jun		
July		
Aug		
Sep		
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute