



LABOR SITUATION

Office of Research
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FOR IMMEDIATE RELEASE

December 2016 Data
CT Unemployment Rate = 4.4%
US Unemployment Rate = 4.7%

Nonfarm jobs slip 1,700 in December; unemployment rate declines to 4.4%

WETHERSFIELD, January 19, 2017 – Preliminary Connecticut nonfarm job estimates from the business survey administered by the US Bureau of Labor Statistics (BLS) show the state lost 1,700 net jobs (-0.1%) in December 2016 to a level of 1,678,000 seasonally adjusted. Over the year, nonagricultural employment in the state has declined by 2,000 jobs (-0.1%). November's originally released job gain of 2,100 was revised downward to a 1,900 gain. Despite the recent declines in payroll jobs, Connecticut's unemployment rate for December continued to fall sharply by three tenths of a point to 4.4% - a full percentage point lower than it was a year ago. The number of the state's unemployed declined by 4,869, seasonally adjusted, in December. *Please Note: Due to the annual benchmark revision process, January 2017 estimates will not be released until March 10, 2017.*

"Connecticut's December employment numbers continued the recent trend of mixed signals from the two monthly employment series produced by the Bureau of Labor Statistics," said Andy Condon, Director of the Office of Research. "While we do not yet have supporting data, a combination of tight labor markets, an aging workforce, increased self-employment and growing out-of-state commuting could explain slowing job growth and rapidly declining unemployment rates."

Nonfarm Jobs Detail (business establishment survey)

December 2016 preliminary seasonally adjusted nonfarm job estimates show a decline of 1,700 (-0.1%) over the month. Four of the ten major industry *supersectors* saw job gains. Over the last twelve months, the state has lost 2,000 net positions (-0.1%) with four of the ten measured industry *supersectors* showing annual gains and five showing declines while the information *supersector* was unchanged.

Private sector employment decreased by 1,600 (-0.1%, 1,441,500 jobs) in December and was down by 1,000 jobs (-0.1%) over the year. The **government supersector** fell by 100 jobs (-0.04%, 236,500) last month and remains down over the year (-1,000, -0.4%). The government *supersector* includes all federal, state and local employment, including public higher education and casinos located on tribal land.

The private **education and health services** (800, 0.2%, 329,900 jobs) industry *supersector* added the most jobs last month. All of this gain was in health services (1,400, 0.5%, 265,900 jobs) as private education was lower (-600, -0.9%, 64,000 positions). This *supersector* led in annual growth (2,300, 0.7%). **Manufacturing** (300, 0.2%, 159,500 positions) was slightly higher last month. **Manufacturing** finished the year up 1,000 jobs over 2015 - a rarity since the 1980's. The **financial activities** (200, 0.2%, 132,300) and **leisure and hospitality** (100, 0.1%, 153,300 jobs) industry *supersectors* were also slightly higher.

The **professional and business services supersector** (-1,700, -0.8%, 214,900) led declines both in December and over the year (-2,500, -1.2%) in magnitude, followed by **other services** (-500, -0.8%, 65,400 jobs). The **trade, transportation & utilities** (-400, -0.1%, 297,300 jobs) industry *supersector* also lost jobs due to small losses in retail trade (-200, -0.1%, 180,600) and transportation & utilities weakness (-600, -1.1%, 51,900). The **information** (-300, -1.2%, 33,200 jobs) *supersector* dropped 300 jobs and is now unchanged over the year. The **construction and mining** (-100, -0.2%, 56,000 jobs) and the **government** (-100, -0.04%, 236,500) *supersectors* each lost a hundred positions.

Recession recovery: Connecticut has recovered 70.4% (83,800, 1,022 jobs per month) of the 119,100 seasonally adjusted jobs lost in the Great Recession (3/08-2/10). The job recovery is into its 82nd month and the state needs an additional 35,300 jobs to reach an employment expansion. The state's private sector has performed better, recovering 85.0% (95,000, or about 1,159 per month) of the 111,700 private sector jobs lost in that same employment downturn. The government *supersector* has lost a total of 18,600 positions since the

recession started back in March 2008. This includes another 11,200 jobs lost since the state's nonfarm employment recovery began in February 2010.

Connecticut Labor Market Areas (LMAs): The **Bridgeport-Stamford-Norwalk LMA** (1,300, 0.3%, 409,000 jobs) was the only state labor market of the four major regional labor markets to add jobs in December, but is lower since December 2015 (-2,800, -0.7%). The **Norwich-New London-Westerly LMA** was unchanged in employment (0.0%, 128,000 positions) last month but is negative over the year (-500, -0.4%). The **New Haven LMA** (-900, -0.3%, 281,600 jobs) lost the most jobs last month while the **Hartford-West Hartford-East Hartford LMA** (-200, -0.03%, 571,900 positions) was slightly lower as well. The **Hartford-West Hartford-East Hartford LMA** is the fastest growing over the year (2,700, 0.5%) in terms of percentage gains and magnitude, while the **New Haven LMA** (200, 0.1%) is still adding a small number of net positions since December 2015.

Note: 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. Only four of the six BLS-estimated labor markets are seasonally adjusted. The Danbury LMA and the Waterbury LMA are not seasonally adjusted at this time due to a recent geography change.

Hours and Earnings: The **private sector** workweek, not seasonally adjusted, averaged 33.7 hours in December 2016, up one-tenth of an hour (0.3%) from the same month a year ago. Average hourly earnings at \$30.59, not seasonally adjusted, were up \$0.79, or 2.6%, from the December 2015 hourly earnings estimate (\$29.80). The resultant average **private sector** weekly pay amounted to \$1,030.88, up \$29.60, or 3.0% higher than a year ago. The 12-month percent change in the Consumer Price Index for All Urban Consumers (CPI-U, U.S. City Average, not seasonally adjusted) in December 2016 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. *Current all-employee private sector hours and earnings estimates can be volatile due to fluctuating sample responses.*

Labor Force Data (residential household survey)

The December 2016 unemployment rate for Connecticut was estimated at **4.4%** (seasonally adjusted), down three-tenths of a percentage point from November 2016 (4.7%). This is the sixth consecutive monthly decline in the state's unemployment rate. The state's jobless rate is now one percentage point lower than a year ago (5.4%). The US unemployment rate was calculated at 4.7% in December, up one-tenth from November 2016 but down three-tenths of a point from a year ago (5.0%).

Unemployment: Based on the Local Area Unemployment Statistics model (LAUS - a statistical model applying the CPS – the Current Population Survey residential data), the number of Connecticut unemployed residents, seasonally adjusted, decreased by 4,869 (-5.5%) over the month to 83,454 in December 2016. Over the year, the number of the state's jobless residents has decreased by 18,626 (-18.2%). The state's labor force declined by a small amount (-681, -0.04%) over the month, but continues to expand moderately over the year (12,942, 0.7%).

The December 2016 seasonally adjusted average weekly initial unemployment claims for first-time filers in Connecticut declined by 30 claimants (-0.8%) to 3,791 from November 2016, and were higher by 69 claims (1.9%) from the December 2015 level of 3,722.

*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: Friday, March 10, 2017 (January 2017 data)

Contact: Communications Office

(860) 263-6535

01-19-17

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 2016 P	November 2016 R	October 2016	September 2016	December 2015	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,678,000	1,679,700	1,677,800	1,683,600	1,680,000	-1,700	-0.1%	-2,000	-0.1%
Total Private	1,441,500	1,443,100	1,442,100	1,444,900	1,442,500	-1,600	-0.1%	-1,000	-0.1%
Goods Producing Industries									
Mining	500	600	600	600	600	-100	-16.7%	-100	-16.7%
Construction	55,500	55,500	57,300	56,400	57,400	0	0.0%	-1,900	-3.3%
Manufacturing	159,500	159,200	159,600	159,200	158,500	300	0.2%	1,000	0.6%
Durable Goods	122,600	122,500	122,300	122,100	122,800	100	0.1%	-200	-0.2%
Nondurable Goods	36,900	36,700	37,300	37,100	35,700	200	0.5%	1,200	3.4%
Service Providing Industries									
Trade, Transportation & Utilities	297,300	297,700	295,900	296,600	299,300	-400	-0.1%	-2,000	-0.7%
Wholesale	64,800	64,400	64,600	63,800	63,500	400	0.6%	1,300	2.0%
Retail	180,600	180,800	180,600	182,700	183,900	-200	-0.1%	-3,300	-1.8%
Transp, Warehousing & Utilities	51,900	52,500	50,700	50,100	51,900	-600	-1.1%	0	0.0%
Information	32,900	33,200	32,800	33,200	32,900	-300	-0.9%	0	0.0%
Financial Activities	132,300	132,100	132,500	131,900	130,300	200	0.2%	2,000	1.5%
Finance & Insurance	111,400	111,300	111,600	111,200	110,200	100	0.1%	1,200	1.1%
Real Estate, Rental & Leasing	20,900	20,800	20,900	20,700	20,100	100	0.5%	800	4.0%
Professional & Business Services	214,900	216,600	216,800	219,300	217,400	-1,700	-0.8%	-2,500	-1.1%
Prof, Scientific & Tech Services	96,900	95,700	94,700	95,200	95,200	1,200	1.3%	1,700	1.8%
Management of Companies	32,400	32,800	32,700	33,100	32,800	-400	-1.2%	-400	-1.2%
Admn & Support & Waste Mgt Serv	85,600	88,100	89,400	91,000	89,400	-2,500	-2.8%	-3,800	-4.3%
Educational & Health Services	329,900	329,100	327,700	329,200	327,600	800	0.2%	2,300	0.7%
Educational Services	64,000	64,600	64,300	64,900	65,000	-600	-0.9%	-1,000	-1.5%
Health Care & Social Assistance	265,900	264,500	263,400	264,300	262,600	1,400	0.5%	3,300	1.3%
Leisure and Hospitality	153,300	153,200	152,800	153,600	153,900	100	0.1%	-600	-0.4%
Arts, Entertainment & Recreation	27,900	27,900	28,400	28,300	27,000	0	0.0%	900	3.3%
Accommodation & Food Services	125,400	125,300	124,400	125,300	126,900	100	0.1%	-1,500	-1.2%
Other Services	65,400	65,900	66,100	64,900	64,600	-500	-0.8%	800	1.2%
Government**	236,500	236,600	235,700	238,700	237,500	-100	0.0%	-1,000	-0.4%
UNITED STATES	145,303,000	145,147,000	144,943,000	144,808,000	143,146,000	156,000	0.1%	2,157,000	1.5%

LABOR MARKET AREAS (LMA)

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

	December 2016 P	November 2016 R	October 2016	September 2016	December 2015	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford-Norwalk	409,000	407,700	409,100	413,100	411,800	1,300	0.3%	-2,800	-0.7%
Hartford	571,900	572,100	576,300	575,400	569,200	-200	0.0%	2,700	0.5%
New Haven	281,600	282,500	280,500	283,100	281,400	-900	-0.3%	200	0.1%
Norwich-New London-Westerly	128,000	128,000	127,900	128,300	128,500	0	0.0%	-500	-0.4%
Danbury - Not Seasonally Adjusted	79,900	79,500	78,800	78,700	79,600	400	0.5%	300	0.4%
Waterbury - Not Seasonally Adjusted	67,500	67,900	67,400	67,300	67,700	-400	-0.6%	-200	-0.3%
<i>Not Seasonally Adjusted data (Non-Classified Areas, State estimated not BLS)</i>									
Enfield	45,500	45,400	44,500	44,900	45,900	100	0.2%	-400	-0.9%
Torrington-Northwest	33,500	33,600	33,600	34,000	34,100	-100	-0.3%	-600	-1.8%
Danielson-Northeast	27,400	27,300	26,800	26,900	27,400	100	0.4%	0	0.0%

* 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 not seasonally adjusted.

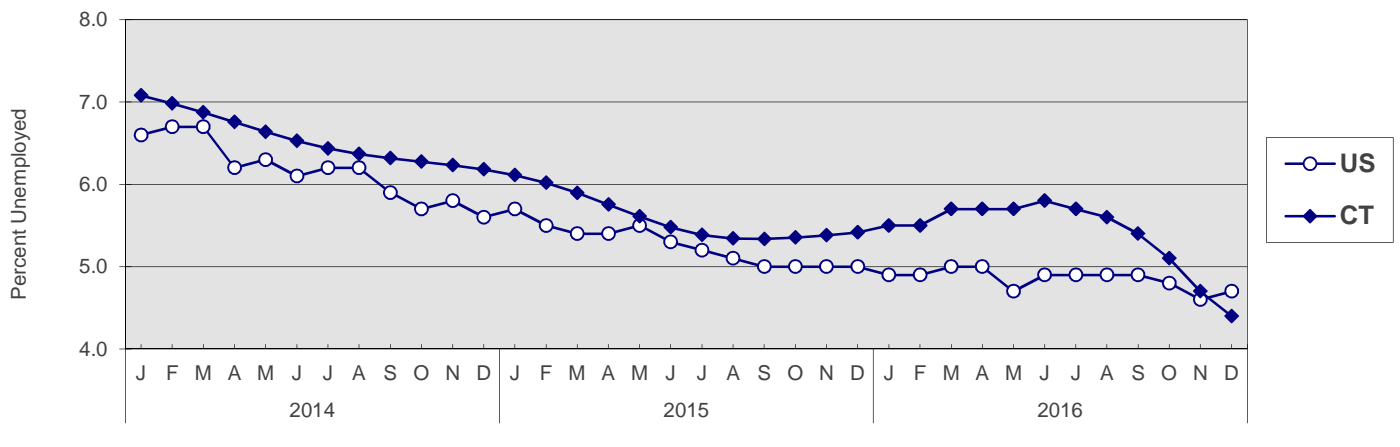
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	December 2016 P		December 2015 R		Change		November 2016 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	83,500	4.4	102,100	5.4	-18,600	-1.0	88,300	4.7
Labor Force	1,898,100		1,885,200		12,900		1,898,800	
UNITED STATES								
Unemployed	7,529,000	4.7	7,927,000	5.0	-398,000	-0.3	7,409,000	4.6
Labor Force	159,640,000		157,957,000		1,683,000		159,456,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2014 - 2016



LABOR MARKET AREAS - Not Seasonally Adjusted

	December 2016 P		December 2015 R		Change		November 2016 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	74,000	3.9	92,900	4.9	-18,900	-1.0	70,400	3.7
UNITED STATES	7,170,000	4.5	7,542,000	4.8	-372,000	-0.3	7,066,000	4.4

Release of the December 2016 sub-state labor force data is restricted by the U.S. Bureau of Labor Statistics until Friday, January 20, 2017. 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

R = Revised

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			
	Dec. 2016 P	Dec. 2015	Change over Yr.	Nov. 2016 R	Dec. 2016 P	Dec. 2015	Change over Yr.	Nov. 2016 R	Dec. 2016 P	Dec. 2015	Change over Yr.	Nov. 2016 R
Private Industry All Employees	\$1,030.88	\$1,001.28	\$29.60	\$1,025.14	33.7	33.6	0.1	33.6	\$30.59	\$29.80	\$0.79	\$30.51
Manufacturing*												
Production Workers	\$1,090.62	\$1,153.03	-\$62.41	\$1,083.97	43.8	42.5	1.3	43.1	\$24.90	\$27.13	-\$2.23	\$25.15

* 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

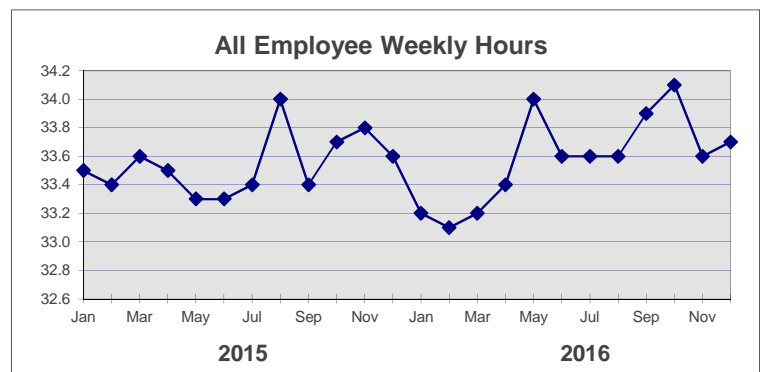
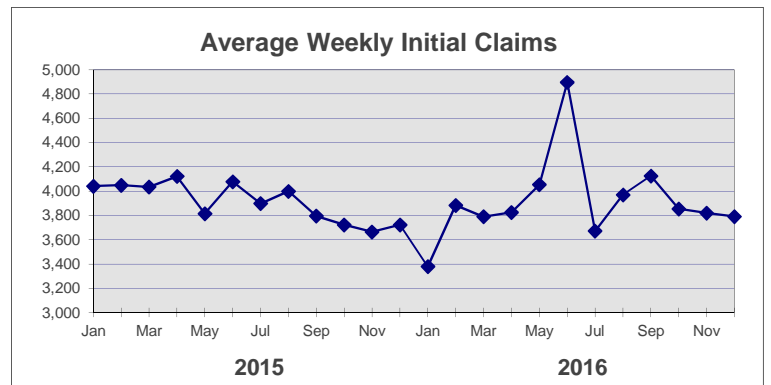
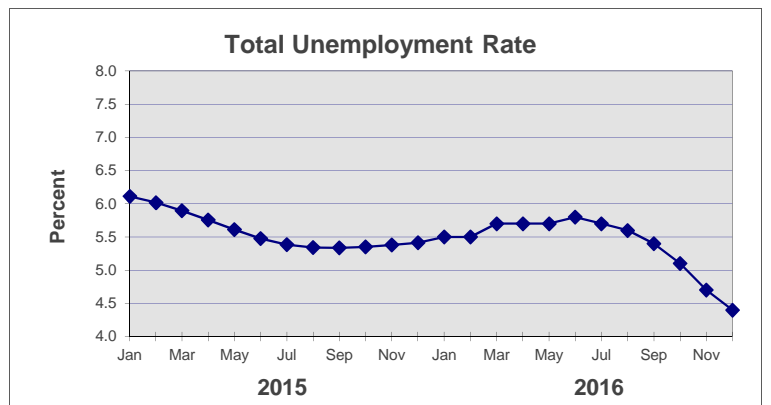
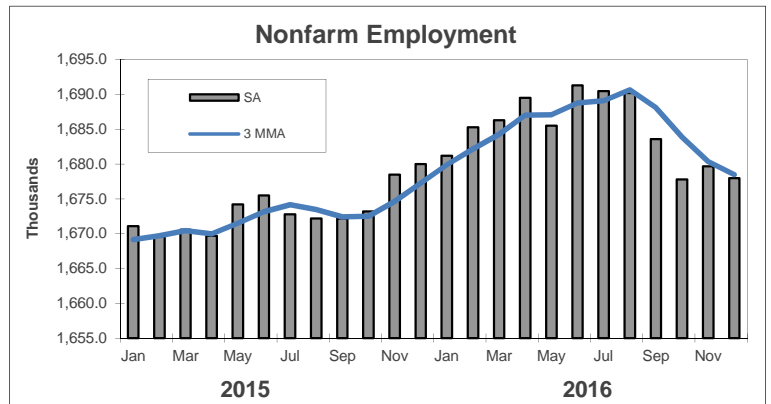
Seasonally Adjusted

	Nonfarm Employment (000s)	Total Unemployment Rate
2015		
Jan	1,671.1	6.1
Feb	1,669.6	6.0
Mar	1,670.6	5.9
Apr	1,669.7	5.8
May	1,674.2	5.6
Jun	1,675.5	5.5
Jul	1,672.8	5.4
Aug	1,672.2	5.3
Sep	1,672.2	5.3
Oct	1,673.2	5.4
Nov	1,678.5	5.4
Dec	1,680.0	5.4

2016		
Jan	1,681.2	5.5
Feb	1,685.3	5.5
Mar	1,686.3	5.7
Apr	1,689.5	5.7
May	1,685.5	5.7
Jun	1,691.3	5.8
Jul	1,690.5	5.7
Aug	1,690.2	5.6
Sep	1,683.6	5.4
Oct	1,677.8	5.1
Nov	1,679.7 R	4.7 R
Dec	1,678.0 P	4.4 P

	Avg Weekly Initial Claims	All Employee Weekly Hours*
2015		
Jan	4,042	33.5
Feb	4,049	33.4
Mar	4,035	33.6
Apr	4,122	33.5
May	3,814	33.3
Jun	4,079	33.3
Jul	3,898	33.4
Aug	4,000	34.0
Sep	3,795	33.4
Oct	3,723	33.7
Nov	3,665	33.8
Dec	3,722	33.6

2016		
Jan	3,379	33.2
Feb	3,884	33.1
Mar	3,790	33.2
Apr	3,825	33.4
May	4,053	34.0
Jun	4,896	33.6
Jul	3,671	33.6
Aug	3,970	33.6
Sep	4,126	33.9
Oct	3,854	34.1
Nov	3,821	33.6 R
Dec	3,791	33.7 P



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute