



LABOR SITUATION

Office of Research

FOR IMMEDIATE RELEASE

September 2011 Data

CT Unemployment Rate = 8.9%

National Unemployment Rate = 9.1%

Unemployment Rate Drops to 8.9 Percent; Jobs Up 3,400 Over the Month

WETHERSFIELD, October 20, 2011 – Connecticut's September gain of 3,400 jobs continues a pattern of small monthly gains and losses without a clear trend emerging. Of the ten major industry sectors, five showed job gains in September and five showed losses. The state's nonfarm job counts grew to 1,620,900, an increase of 10,400 or 0.6% seasonally adjusted jobs over last year. The state's unemployment rate fell below nine percent to 8.9% for the first time since November of 2009.

September's job gains came mostly from the **government** (3,500 or 1.5%) and **leisure and hospitality** (2,400 or 1.8%) sectors. In the case of government, the gains were primarily from local government and specifically in local government education. As suggested last month, it is likely that this over-the-month gain is due to an underestimation in the August job counts rather than actual growth in the sector. Sectors that showed the largest over-the-month losses in September include **construction** (-1,600 or -3.2%) and **manufacturing** (-1,000 or -0.6%).

On a cautionary note we remind readers that we are seeing increased volatility in month-to-month job estimates as a result of methodological changes introduced by the Bureau of Labor Statistics. Several months of data need to be examined to discover any emerging trends in industry job counts or even at the total nonfarm level.

"While the drop in Connecticut's unemployment rate and increase in September job counts are good news, recent trends indicate that job growth has slowed in 2011, particularly in the third quarter," noted Andy Condon, Director of the Office of Research. "This slowdown in the recovery is a national phenomenon with Connecticut showing a slightly better performance in September than the U.S. economy as a whole. While we hope to build on September's job gains, we don't yet see that pattern emerging in the Connecticut labor market."

Nonfarm Jobs

September's job numbers show a rebound of 3,400 positions as compared to August's revised decline of 8,800. **Government** (3,500), led by local education (3,400), helped support September's growth as did **leisure and hospitality** with the next biggest job increase (2,400). Favorable weather seemed to have boosted the accommodation and food services sector (1,400). More job gains were apparent in the **education and health services** sector (600), again driven by the resumption of the school year in private educational services (500). **Financial activities** exhibited strength (500) from the finance and insurance components (400). **Other services** also added employment (300).

The largest job loss occurred in the **construction** sector (-1,600), which was surprising considering the potential for restoration work after Tropical Storm Irene. Other industries showing losses over the month include **manufacturing**, down by 1,000, **trade, transportation, and utilities**, off 800, **professional and business services**, lowered by 400, and **information**, reduced by 100. Total private employment was relatively unchanged (-100) last month, yet it is higher year to date (4,200, 0.3%) and over the year (11,900, 0.9%).

The **government** sector's leading employment gain last month (3,500, 1.5%) reflects, to some extent, the unpredictability the grouping has been experiencing this summer, especially from local government education

segment. Public administration experienced a major fall last month (-8,000, -3.2%) during the last month of summer vacations and amid the state budget uncertainty. It also appears that the August estimate may have been too low. The return of the school year and an approved state budget deal may help put some of that instability behind us in this sector. Local government (which includes tribal governments and their gaming establishments) gained 3,400 or 2.2% last month and is only down 900 or -0.6% over the year. State government lost 100 jobs over the month and is down the same over the year, or -0.2%. State government employment may be affected in coming months by higher-than-expected retirements. The federal government entities added 200 jobs over the month but are down 500 over the year or -2.7%. Uneven federal census comparisons to last year have worked their way out by this September. Total **government** is only down by 1,500 or -0.6% over the year.

Leisure and hospitality posted an increase of 2,400 positions, or 1.8% growth over the month. Restaurants added 1,400 positions to lead the gains here. Warmer weather and the absence of an early frost may have sustained this sector seasonally. Employment is up 1,600 positions, or 1.2% over the year.

The return of the school year also supported gains in the private **education and health services** sector last month (600, 0.2%). Private educational services added 500 positions or 0.8%, while healthcare and social assistance added 100 last month. Over the year, healthcare and social assistance (7,800, 3.1%) has carried employment gains in this sector overall (7,700, 2.5%) and for much of the state as a whole.

Financial activities components posted a 500 job gain last month or 0.4% growth, but are down by 1,500 jobs, or -1.1% over the year. Most of the monthly gains came from finance and insurance (400, 0.4%) while real estate added 100 positions last month. This monthly gain ends a string of seven declining months in a row in this sector going back to February. Over the year, finance and insurance is down by 1,100 jobs or -1.0%, and real estate is lower by 400 positions and off -2.1%

The **other services** sector added 300 positions, or 0.5%, but is lower by 700 jobs over the year or -1.2%. This sector includes repair and maintenance services which may have performed better than seasonally expected due to clean-up work associated with Tropical Storm Irene.

The **construction** sector had the largest employment decline last month of 1,600 jobs, or -3.2%. The industry is now down in employment year-to-date (-2,000, -0.4%) and over the year (-900, -1.8%). The sector had turned positive in over-the-year job growth this summer (June-August) but pulled back last month. This was surprising since the damage caused by Tropical Storm Irene would have suggested higher demand for workers even in an otherwise weak construction environment.

The **manufacturing** sector lost 1,000 jobs or -0.6% last month. The durable goods portion of the production industries lost 600 positions or -0.5%, and the nondurable goods segment lost 400 positions or -1.0%. Both durable and nondurables have over-the-year job gains of 500 each for annual growth rates of 0.4% and 1.3%, respectively. Overall, production sectors have added 1,000 jobs, or 0.6%, since last September.

A large monthly drop in transportation, warehousing, and utilities (-2,100, -4.2%), in spite of a solid gain in wholesale trade (1,400, 2.2%), resulted in an overall monthly decline for the **trade, transportation, and utilities** sector (-800, -0.3). Retail trade was down 100 over the month (-0.1%). Over the year, this sector exhibited growth of 2,900 jobs or 1.0%. Both wholesale and retail trade sectors have experienced annualized job increases of 2,600 (4.1%) and 1,100 (0.6%) in that order, while transportation and utilities was down 800 or -1.6% over the year.

Professional and business services were lower by 400 last month or -0.2% (gains in this sector measured 2,100 or 1.1% over the year). Much of the monthly loss in the sector came from the industry division that includes employment services (administrative and support, and waste management services -400, -0.5%).

The **information** sector, which includes publishing industries including newspapers as well as telecommunications, declined by 100 or -0.3% and was lower by 300 jobs or -0.9% over the year.

Connecticut Labor Market Areas (LMAs): Last month Connecticut Labor Market Areas, which are independently estimated from the state, portrayed a mixed performance. Four of the six major LMAs had declines. Over the year, three of the six major labor markets have shown gains led by Waterbury (1,600), while three have experienced yearly job declines.

Hours and Earnings: The workweek for employees in the private sector, not seasonally adjusted, averaged 34.1 hours in September, up 0.7 hours from the September 2010 figure of 33.4 hours. A rise in weekly hours worked bodes well for future job creation. Average hourly earnings at \$28.11, not seasonally adjusted, were slightly down (\$0.02) from a year ago. This resulted in an average weekly wage for private sector employees of \$958.55, up \$19.01 over the year, representing an increase of 2.0%. Hours and earnings for manufacturing production workers can be found in the table section of this release under the "Hours and Earnings" data category.

Labor Force Data

Connecticut's seasonally adjusted labor force numbered 1,874,300 in September 2011, down 22,400 from a year earlier, with 7,000 fewer unemployed people.

Unemployment: Based on the household survey, the estimate of people unemployed, seasonally adjusted, was down 3,000 from August at 166,000, and the unemployment rate decreased to 8.9 percent. This is below the national rate of 9.1 percent. Last September, Connecticut's unemployment rate was 9.1 percent. Average weekly initial unemployment claims in September 2011 for first-time filers increased over the month by 1,468 to 6,110, and were up 12.1 percent, or 660 claims, from this time last year.

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.

Contact: Communications Office

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10-20-11

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

	Sept. 2011 P	Aug. 2011 R	July 2011	June 2011	Sept. 2010	Over Month Change	Rate	Over Year Change	Rate
CONNECTICUT	1,620,900	1,617,500	1,626,300	1,623,400	1,610,500	3,400	0.2%	10,400	0.6%
Goods Producing Industries									
Construction	48,600	50,200	51,100	50,000	49,500	-1,600	-3.2%	-900	-1.8%
Manufacturing	166,900	167,900	168,700	166,600	165,900	-1,000	-0.6%	1,000	0.6%
Durable Goods	128,100	128,700	128,900	128,100	127,600	-600	-0.5%	500	0.4%
Nondurable Goods	38,800	39,200	39,800	38,500	38,300	-400	-1.0%	500	1.3%
Service Providing Industries									
Trade, Transportation & Utilities	292,300	293,100	292,500	291,800	289,400	-800	-0.3%	2,900	1.0%
Wholesale	65,300	63,900	63,100	63,200	62,700	1,400	2.2%	2,600	4.1%
Retail	179,100	179,200	180,000	180,600	178,000	-100	-0.1%	1,100	0.6%
Transp, Warehousing & Utilities	47,900	50,000	49,400	48,000	48,700	-2,100	-4.2%	-800	-1.6%
Information	31,600	31,700	32,000	31,700	31,900	-100	-0.3%	-300	-0.9%
Financial Activities	133,200	132,700	133,300	133,600	134,700	500	0.4%	-1,500	-1.1%
Finance & Insurance	114,400	114,000	114,500	114,700	115,500	400	0.4%	-1,100	-1.0%
Real Estate, Rental & Leasing	18,800	18,700	18,800	18,900	19,200	100	0.5%	-400	-2.1%
Professional & Business Services	192,700	193,100	193,800	192,900	190,600	-400	-0.2%	2,100	1.1%
Prof, Scientific & Tech Services	86,000	85,900	85,800	85,800	86,400	100	0.1%	-400	-0.5%
Management of Companies	25,600	25,700	25,700	25,700	26,000	-100	-0.4%	-400	-1.5%
Admn & Support & Waste Mgt Serv	81,100	81,500	82,300	81,400	78,200	-400	-0.5%	2,900	3.7%
Educational & Health Services	316,700	316,100	314,800	314,500	309,000	600	0.2%	7,700	2.5%
Educational Services	59,400	58,900	59,300	58,700	59,500	500	0.8%	-100	-0.2%
Health Care & Social Assistance	257,300	257,200	255,500	255,800	249,500	100	0.0%	7,800	3.1%
Leisure and Hospitality	136,400	134,000	132,900	134,700	134,800	2,400	1.8%	1,600	1.2%
Arts, Entertainment & Recreation	24,400	23,400	23,200	23,600	24,200	1,000	4.3%	200	0.8%
Accommodation & Food Services	112,000	110,600	109,700	111,100	110,600	1,400	1.3%	1,400	1.3%
Other Services	60,100	59,800	60,300	60,900	60,800	300	0.5%	-700	-1.2%
Government**	241,800	238,300	246,300	246,100	243,300	3,500	1.5%	-1,500	-0.6%
UNITED STATES	131,334,000	131,231,000	131,174,000	131,047,000	129,844,000	103,000	0.1%	1,490,000	1.1%

LABOR MARKET AREAS (LMA)

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

	Sept. 2011 P	Aug. 2011 R	July 2011	June 2011	Sept. 2010	Over Month Change	Rate	Over Year Change	Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford	395,000	398,200	399,700	399,000	397,500	-3,200	-0.8%	-2,500	-0.6%
Danbury	65,600	65,400	65,400	65,600	65,200	200	0.3%	400	0.6%
Hartford	534,800	535,400	535,900	538,400	533,800	-600	-0.1%	1,000	0.2%
New Haven	263,100	263,300	265,900	264,700	265,100	-200	-0.1%	-2,000	-0.8%
Norwich-New London	128,000	129,800	130,300	130,100	129,300	-1,800	-1.4%	-1,300	-1.0%
Waterbury	63,600	63,600	63,500	63,200	62,000	0	0.0%	1,600	2.6%
<i>Not Seasonally Adjusted data</i>									
Enfield	44,700	44,200	44,000	44,900	44,200	500	1.1%	500	1.1%
Torrington	35,900	35,500	36,400	36,800	35,600	400	1.1%	300	0.8%
Willimantic-Danielson	36,500	36,100	35,700	36,300	35,800	400	1.1%	700	2.0%

* 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.

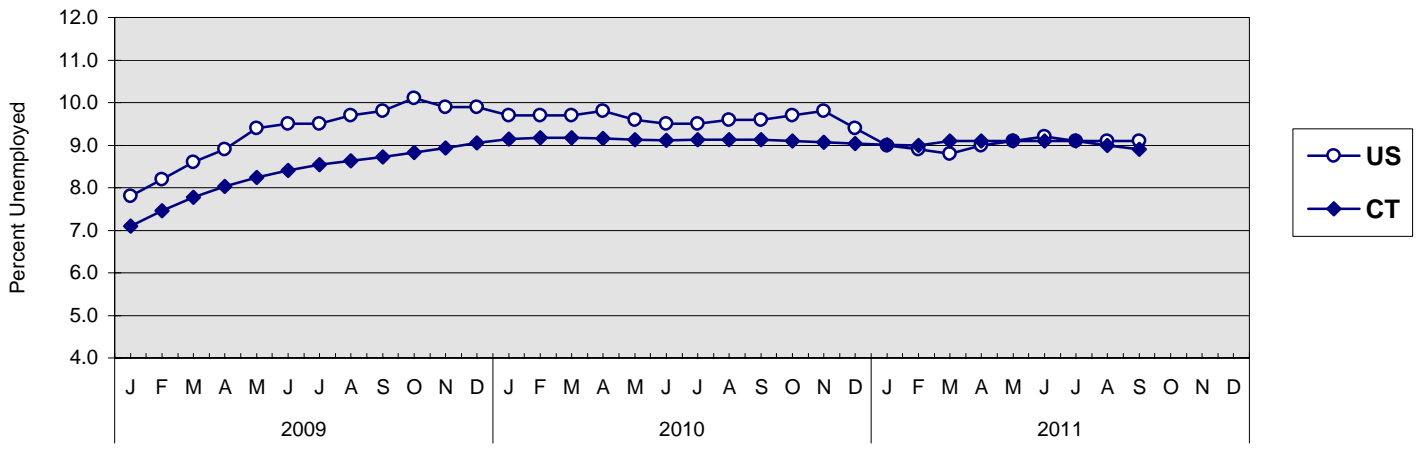
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	September 2011 P		September 2010		Change		August 2011 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	166,000	8.9	173,000	9.1	-7,000	-0.2	169,000	9.0
Labor Force	1,874,300		1,896,700		-22,400		1,870,200	
UNITED STATES								
Unemployed	13,992,000	9.1	14,746,000	9.6	-754,000	-0.5	13,967,000	9.1
Labor Force	154,017,000		154,124,000		-107,000		153,594,000	

U.S. AND CONNECTICUT UNEMPLOYMENT RATES - Seasonally Adjusted 2009 - 2011



LABOR MARKET AREAS - Not Seasonally Adjusted

	September 2011 P		September 2010		Change		August 2011 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	37,600	7.9	40,200	8.4	-2,600	-0.5	40,200	8.3
Danbury	6,200	6.8	6,700	7.4	-500	-0.6	6,800	7.3
Enfield	4,100	8.2	4,400	8.6	-300	-0.4	4,400	8.8
Hartford	50,300	8.4	52,700	8.8	-2,400	-0.4	54,300	9.1
New Haven	27,800	8.9	29,000	9.2	-1,200	-0.3	29,700	9.5
Norwich-New London	12,600	8.3	13,100	8.5	-500	-0.2	13,400	8.6
Torrington	4,200	7.7	4,700	8.4	-500	-0.7	4,500	8.2
Waterbury	11,000	10.8	11,800	11.6	-800	-0.8	11,900	11.7
Willimantic-Danielson	5,400	9.2	6,000	10.1	-600	-0.9	5,800	9.7
CONNECTICUT	158,300	8.4	167,600	8.9	-9,300	-0.5	170,000	9.0
UNITED STATES	13,520,000	8.8	14,140,000	9.2	-620,000	-0.4	14,008,000	9.1

P = Preliminary

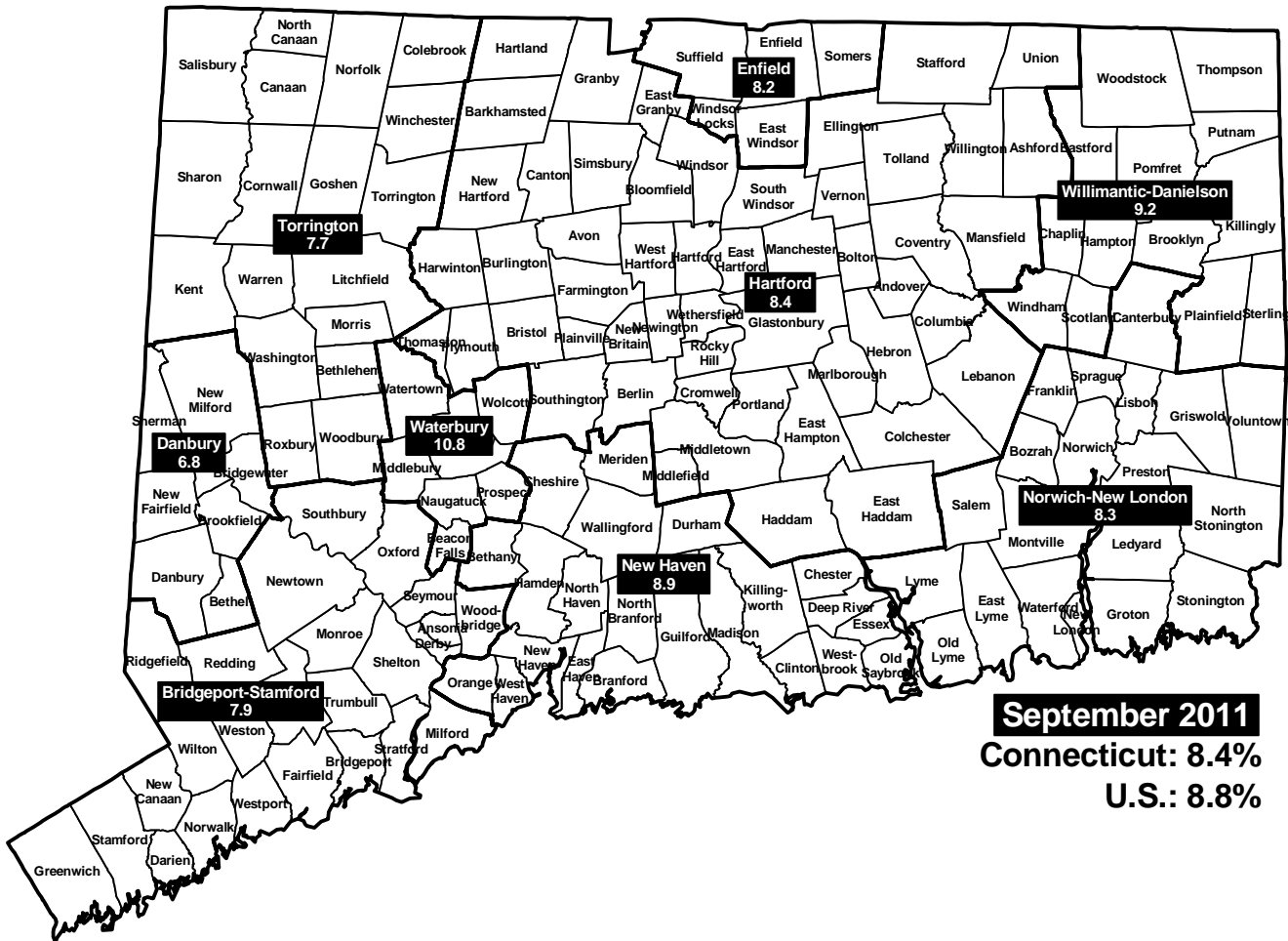
R = Revised

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			
	Sept. 2011 P	Sept. 2010	Change over Yr.	Aug 2011 R	Sept. 2011 P	Sept. 2010	Change over Yr.	Aug 2011 R	Sept. 2011 P	Sept. 2010	Change over Yr.	Aug 2011 R
Private Industry All Employees	\$958.55	\$939.54	\$19.01	\$957.19	34.1	33.4	0.7	34.1	\$28.11	\$28.13	-\$0.02	\$28.07
Manufacturing Production Workers	\$1,009.52	\$992.92	\$16.60	\$996.67	40.3	41.2	-0.9	40.4	\$25.05	\$24.10	\$0.95	\$24.67

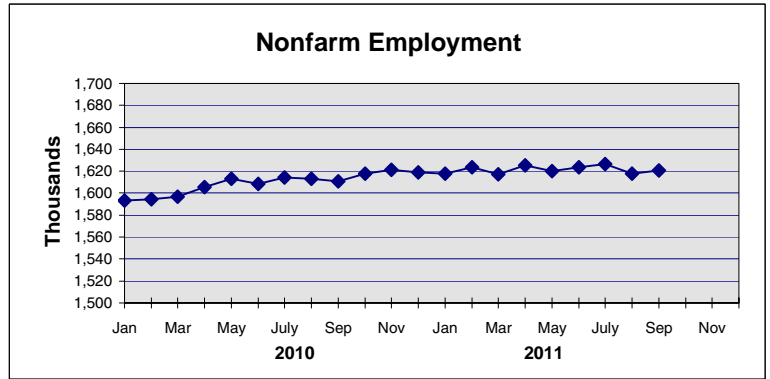
P = Preliminary R = Revised

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.

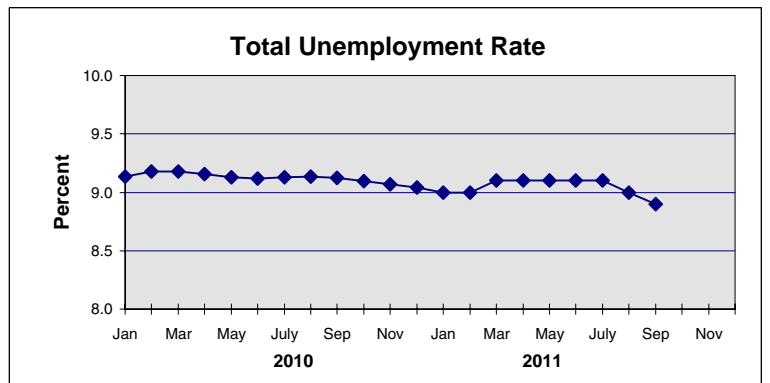
TRENDS

Seasonally Adjusted

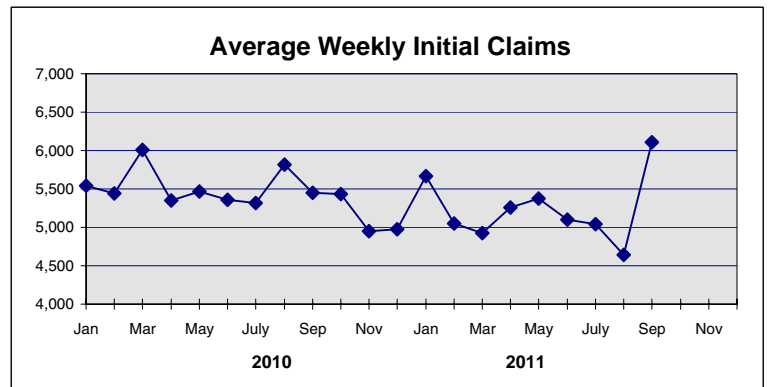
	Nonfarm Employment (000s)	Total Unemployment Rate
2010		
Jan	1,593.5	9.1
Feb	1,594.3	9.2
Mar	1,596.7	9.2
Apr	1,605.8	9.2
May	1,613.3	9.1
Jun	1,608.2	9.1
July	1,614.4	9.1
Aug	1,613.3	9.1
Sep	1,610.5	9.1
Oct	1,617.5	9.1
Nov	1,621.2	9.1
Dec	1,618.8	9.0



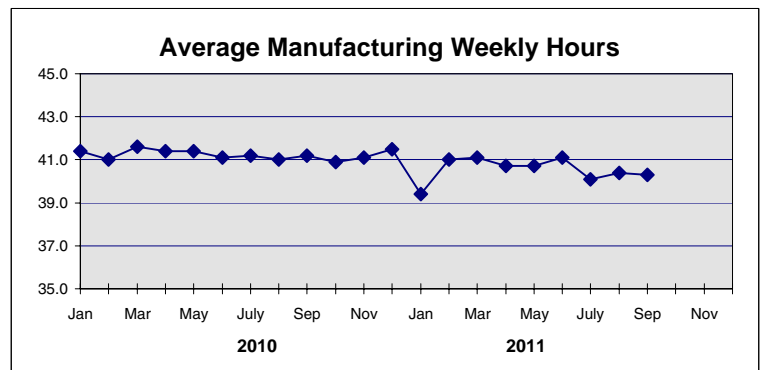
2011		
Jan	1,617.8	9.0
Feb	1,623.8	9.0
Mar	1,617.2	9.1
Apr	1,625.6	9.1
May	1,620.1	9.1
Jun	1,623.4	9.1
July	1,626.3	9.1
Aug	1,617.5 R	9.0 R
Sep	1,620.9 P	8.9 P
Oct		
Nov		
Dec		



	Avg Weekly Initial Claims	Avg Manufacturing Weekly Hours*
2010		
Jan	5,539	41.4
Feb	5,443	41.0
Mar	6,011	41.6
Apr	5,351	41.4
May	5,467	41.4
Jun	5,357	41.1
July	5,313	41.2
Aug	5,821	41.0
Sep	5,450	41.2
Oct	5,432	40.9
Nov	4,948	41.1
Dec	4,972	41.5



2011		
Jan	5,665	39.4
Feb	5,046	41.0
Mar	4,924	41.1
Apr	5,262	40.7
May	5,378	40.7
Jun	5,103	41.1
July	5,039	40.1
Aug	4,642	40.4 R
Sep	6,110	40.3 P
Oct		
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute