



LABOR SITUATION

Office of Research

FOR IMMEDIATE RELEASE

October 2011 Data

CT Unemployment Rate = 8.7%

National Unemployment Rate = 9.0%

Jobs gain 6,500 Over the Month, Unemployment Rate declines to 8.7 percent

WETHERSFIELD, November 21, 2011 – For the second consecutive month Connecticut's job market has moved in the right direction. Seven of the state's ten major sectors showed at least modest gains. Connecticut's seasonally adjusted total nonfarm job count reached 1,627,600, an annual increase of 10,100, or 0.6% over last year. The state's unemployment rate declined two-tenths to 8.7 percent, the second monthly decline after nearly 20 months of little change.

October's job gains came primarily from **professional & business services sector** (3,000 or 1.6%), **construction** (1,500 or 3.1%), **education & health services** (900 or 0.3%), **government** (900 or 0.4%) and **other services** (400 or 0.7%).

"A second month of positive movement in Connecticut's jobs and unemployment numbers is always good news, however the employment sectors that appear most responsible for October's job growth seem to be related to demand for repairs driven by Hurricane Irene," noted Andy Condon, Director of the Office of Research. "The strongest increases came from construction, temporary employment services, and services to buildings & dwellings. We would expect this type of job growth to be temporary."

Nonfarm Jobs

October's total nonfarm job estimate grew by 6,500 or 0.4%. This builds on a revised September increase of 3,600 or 0.2%. The state has gained 10,100 jobs (0.6%) since last October and 9,800 jobs (0.6%) since January 2011. Seven of the ten main *super sectors* had positive gains. **Professional and business services** led all major sector growth, adding 3,000 jobs (1.6%). **Construction** tallied 1,500 positions or a 3.1% improvement over the month, erasing last month's decline. **Government** (900, 0.4%) led by local education (1,000, 0.6%), had a steady gain and is easing in volatility after fluctuating during the summer months. **Education and health services** also added 900 positions or 0.3%. **Other services** added employment this month (400, 0.7%) as did **Information** (400, 1.3%) as well as **leisure and hospitality** (300, 0.2%). **Total private employment** increased 5,600 or 0.4% in October, and has added 11,100 positions or 0.8% over the year with most of those private sector gains materializing since January (10,600, 0.8%). The two-month nonfarm jobs gain since August (10,100) is the same as the over-the-year job growth (0.6%), supporting the likelihood that the recent boost in jobs is due to tropical storm-related recovery activity.

Both **financial activities** (-0.3%) and **manufacturing** (-0.2%) disclosed small declines of 400 each in October. **Trade, transportation and utilities** also declined 100 this month or less than 0.05%. Despite this slight loss in **trade, transportation and utilities**, constructive early signs of holiday retail hiring emerged with retail sectors adding 900 positions or 0.5%. This potential encouraging retail buildup, however, was offset by losses in wholesale trade (-500, -0.8%) and transportation and utilities (-500, -1.0%).

Recession recovery: Connecticut regained 34,100, or 28.6% of the 119,200 nonfarm jobs (-7.0% of total nonfarm payrolls) lost in the March, 2008 to January, 2010 recession. In the private sector Connecticut has recovered 36,900 or 33.1% of the 111,500 private sector jobs lost in the recession. Total private sector job losses due to the recession accounted for 7.6% of private workforce.

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.

Professional and business services led all sectors this month with a 3,000 or 1.6% increase. This sector is up 3,800 or 2.0% over the year. Gains here have predominantly been driven by the subcomponent that includes employment services (administrative and support, and waste management services, 2,300, 2.8% over-the-month, 3,700 or 4.6% over-the-year). However, this month, some of the job gains came from the services to buildings and dwellings segment that may have been boosted by Storm Irene cleanup. This overall dynamic sector has contributed 12,200 or 35.8% of the total recovered jobs since the recessionary trough.

The **construction** sector had the second largest employment gain this month, adding 1,500 jobs or 3.1%. The industry is now up in employment over the year (1,100, 2.2%) and only down a small amount year to date (-400, -0.8%). This monthly gain exactly offset a 1,500 revised decline in September, and may have also been augmented by continuing Storm Irene remediation and unseasonably warm weather.

The **government** sector contributed 900 or 0.4% to this month's job gain. However, the sector is still down over the year (-1,000, -0.4%). Local government components which had been very volatile this summer provided much of the division's gains this month (1,000, 0.6% over the month - OTM, -700, -0.4% over the year - OTY). The resumption of the school year and emergent budgetary resolutions have returned this sector to its recent trend. Federal government declined 100 positions (-0.6%) this month, while state government was unchanged.

Private **education and health services** added 900 jobs or 0.3% this month. Since last October, this sector has added 8,500 jobs (2.8% growth from this sector) and has contributed the bulk of the overall year-over-year gains statewide (8,500 of 10,100 jobs added or 84.2% of year to year total nonfarm gains). This month and over the year, healthcare and social assistance has provided all the growth from this sector (1,700, 0.7% OTM, and 9,000, 3.6% OTY), while private education has declined (-800, -1.4% OTM, -500, -0.8% OTY).

The **other services** sector added 400 positions or 0.7%, and is slightly higher by 200 jobs over the year or 0.3%. This sector includes repair and maintenance services which may have performed better than seasonally expected due to clean up work associated with Storm Irene. There still seems to be specific sub-industry components located in many different super sectors across many different industries that appear to be influenced to some extent by ongoing tropical storm cleanup activities.

The **information** sector, which includes publishing industries including newspapers as well as telecommunications and motion pictures and sound recording industries, added 400 or 1.3% this month, and is higher by 300 jobs or 0.9% over the year.

Leisure and hospitality posted a small gain of 300 positions or 0.2% growth over the month. Restaurants added 1,400 positions or 1.3% over the month to lead the increase here. Arts, entertainment, and recreation, however, had a fairly large offsetting decline of 1,100 or a -4.6% drop this month. Warmer weather and the absence of an early frost may have sustained the eating and drinking sector seasonally, but the traditional fall closing of seasonal amusement parks and recreational facilities seems to have had a somewhat offsetting impact. Employment is down by 2,300 positions or -1.7% over the year.

Financial activities components posted a 400 job loss this month or a -0.3% decline, and are down 2,300 jobs or -1.7% over the year. The larger finance and insurance portion of this sector lost 300 positions while real estate was down 100 for the month. Over-the-year, the insurance and banking sectors are still showing the bulk of the declines, and real estate is down 500 or -2.6% since last October.

The **manufacturing** sector lost 400 jobs or -0.2% this month. The durable goods portion of the production industries lost 300 positions or -0.2% while the nondurable goods segments lost 100 positions or -0.3% for the month. Total manufacturing is now down 400 positions or -0.2% over the year. The larger durable goods sectors, which had been strong starting out of the recovery, has now lost 400 positions (-0.3%) over the year. Nondurable goods components still have a slight gain since last year (100, 0.3% OTY).

And the **trade, transportation and utilities** groupings were down 100 or less than -0.05% in October. The second largest super sector, behind education and health services, actually showed moderate strength in retail trade segments (900, 0.5% OTY), but wholesale trade (-500, -0.8%) and transportation, warehousing, and utilities (-500, -1.0%) both had 500 job drops. This sector is up for the year (2,200, 0.8%), led by wholesale trade (1,700, 2.7% OTY). Retail trade is also higher since last October (600, 0.3%), while transportation, warehousing, and utilities is off 100 (-0.2%).

Labor Market Areas (LMAs): This month Connecticut Labor Market Areas, which are independently estimated from the state, depicted gains in four of the six major labor markets (the LMAs that are Bureau of Labor Statistics - BLS recognized and seasonally adjusted). The Hartford LMA led all areas this month with a 3,400 or 0.6% gain. Waterbury led decliners this month (-500, -0.8%). Since last October among the larger LMAs, the Hartford area had the biggest job increase (4,700, 0.9%), while the Norwich-New London LMA had the biggest decline (-2,400, -1.9%).

Hours and Earnings: The workweek for employees in the private sector, not seasonally adjusted, averaged 34.3 hours in October, up 0.7 hours (2.1%) from the October 2010 figure of 33.6 hours. This level of hours worked in the private sector matches the level reached in October 2007, just prior to the recessionary downturn. Average hourly earnings at \$28.55, not seasonally adjusted, were \$0.54 or 1.9% higher than last October. The resultant average private sector weekly pay estimate was \$979.27, up \$38.13 or 4.1% over the year. This compares favorably to the change in the Consumer Price Index – For All Urban Consumers (CPI-U) since last October (3.5%). 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

Connecticut’s seasonally adjusted labor force numbered 1,881,100 in October 2011, up 6,500 over the month and down 15,700 (-0.8%) from a year earlier, with 8,600 fewer unemployed people (-5.0%).

Unemployment: Based on the household survey, the estimate of people unemployed, seasonally adjusted, was down 2,200 from September at 163,900, and the unemployment rate decreased two-tenths to 8.7 percent. This was a particularly strong move as total labor force increased over the month. The October rate is below the national rate of 9.0 percent. Last October, Connecticut’s unemployment rate was 9.1 percent. Average weekly initial unemployment claims in October 2011 for first-time filers decreased over the month by 998 (-16.3%) to 5,112 and were down 5.9 percent, or 320 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.

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11-21-11

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

	Oct. 2011 P	Sept. 2011 R	Aug. 2011	July 2011	Oct. 2010	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
CONNECTICUT	1,627,600	1,621,100	1,617,500	1,626,300	1,617,500	6,500	0.4%	10,100	0.6%
Goods Producing Industries									
Construction	50,200	48,700	50,200	51,100	49,100	1,500	3.1%	1,100	2.2%
Manufacturing	166,900	167,300	167,900	168,700	167,300	-400	-0.2%	-400	-0.2%
Durable Goods	128,100	128,400	128,700	128,900	128,600	-300	-0.2%	-500	-0.4%
Nondurable Goods	38,800	38,900	39,200	39,800	38,700	-100	-0.3%	100	0.3%
Service Providing Industries									
Trade, Transportation & Utilities	293,300	293,400	293,100	292,500	291,100	-100	0.0%	2,200	0.8%
Wholesale	64,700	65,200	63,900	63,100	63,000	-500	-0.8%	1,700	2.7%
Retail	180,100	179,200	179,200	180,000	179,500	900	0.5%	600	0.3%
Transp, Warehousing & Utilities	48,500	49,000	50,000	49,400	48,600	-500	-1.0%	-100	-0.2%
Information	31,900	31,500	31,700	32,000	31,600	400	1.3%	300	0.9%
Financial Activities	132,900	133,300	132,700	133,300	135,200	-400	-0.3%	-2,300	-1.7%
Finance & Insurance	114,200	114,500	114,000	114,500	116,000	-300	-0.3%	-1,800	-1.6%
Real Estate, Rental & Leasing	18,700	18,800	18,700	18,800	19,200	-100	-0.5%	-500	-2.6%
Professional & Business Services	195,600	192,600	193,100	193,800	191,800	3,000	1.6%	3,800	2.0%
Prof, Scientific & Tech Services	86,300	85,800	85,900	85,800	86,000	500	0.6%	300	0.3%
Management of Companies	25,800	25,600	25,700	25,700	26,000	200	0.8%	-200	-0.8%
Admn & Support & Waste Mgt Serv	83,500	81,200	81,500	82,300	79,800	2,300	2.8%	3,700	4.6%
Educational & Health Services	317,300	316,400	316,100	314,800	308,800	900	0.3%	8,500	2.8%
Educational Services	58,400	59,200	58,900	59,300	58,900	-800	-1.4%	-500	-0.8%
Health Care & Social Assistance	258,900	257,200	257,200	255,500	249,900	1,700	0.7%	9,000	3.6%
Leisure and Hospitality	135,900	135,600	134,000	132,900	138,200	300	0.2%	-2,300	-1.7%
Arts, Entertainment & Recreation	22,900	24,000	23,400	23,200	25,600	-1,100	-4.6%	-2,700	-10.5%
Accommodation & Food Services	113,000	111,600	110,600	109,700	112,600	1,400	1.3%	400	0.4%
Other Services	60,900	60,500	59,800	60,300	60,700	400	0.7%	200	0.3%
Government**	242,100	241,200	238,300	246,300	243,100	900	0.4%	-1,000	-0.4%
UNITED STATES	131,516,000	131,436,000	131,278,000	131,174,000	130,015,000	80,000	0.1%	1,501,000	1.2%

LABOR MARKET AREAS (LMA)

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

	Oct. 2011 P	Sept. 2011 R	Aug. 2011	July 2011	Oct. 2010	Over Month Change	Over Month Rate	Over Year Change	Over Year Rate
<i>Seasonally Adjusted data</i>									
Bridgeport-Stamford	395,900	395,000	398,200	399,700	397,700	900	0.2%	-1,800	-0.5%
Danbury	66,800	66,100	65,400	65,400	65,400	700	1.1%	1,400	2.1%
Hartford	539,300	535,900	535,400	535,900	534,600	3,400	0.6%	4,700	0.9%
New Haven	265,100	263,400	263,300	265,900	265,500	1,700	0.6%	-400	-0.2%
Norwich-New London	127,200	127,400	129,800	130,300	129,600	-200	-0.2%	-2,400	-1.9%
Waterbury	63,100	63,600	63,600	63,500	62,400	-500	-0.8%	700	1.1%
<i>Not Seasonally Adjusted data</i>									
Enfield	44,700	44,700	44,200	44,000	44,600	0	0.0%	100	0.2%
Torrington	35,600	35,900	35,500	36,400	35,400	-300	-0.8%	200	0.6%
Willimantic-Danielson	36,700	36,500	36,100	35,700	36,200	200	0.5%	500	1.4%

* 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.

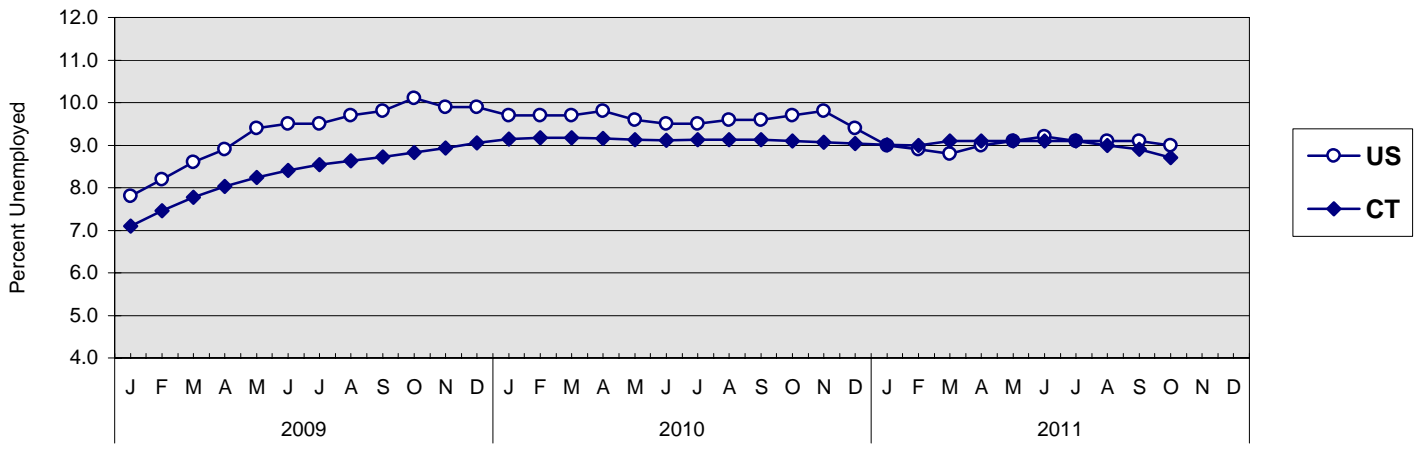
UNEMPLOYMENT

Persons Unemployed - by Place of Residence

CONNECTICUT AND THE UNITED STATES - Seasonally Adjusted

	October 2011 P		October 2010		Change		September 2011 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
CONNECTICUT								
Unemployed	163,900	8.7	172,500	9.1	-8,600	-0.4	166,100	8.9
Labor Force	1,881,100		1,896,800		-15,700		1,874,400	
UNITED STATES								
Unemployed	13,897,000	9.0	14,876,000	9.7	-979,000	-0.7	13,992,000	9.1
Labor Force	154,198,000		153,960,000		238,000		154,017,000	

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



LABOR MARKET AREAS - Not Seasonally Adjusted

	October 2011 P		October 2010		Change		September 2011 R	
	Number	Rate	Number	Rate	Number	Points	Number	Rate
Bridgeport-Stamford	37,000	7.8	39,000	8.1	-2,000	-0.3	37,600	7.9
Danbury	6,000	6.5	6,600	7.1	-600	-0.6	6,200	6.8
Enfield	4,100	8.1	4,100	8.2	0	-0.1	4,200	8.2
Hartford	49,500	8.2	51,400	8.6	-1,900	-0.4	50,300	8.4
New Haven	27,200	8.6	28,300	8.9	-1,100	-0.3	27,800	8.9
Norwich-New London	12,500	8.3	12,900	8.4	-400	-0.1	12,600	8.4
Torrington	4,200	7.6	4,600	8.3	-400	-0.7	4,200	7.7
Waterbury	10,800	10.6	11,400	11.2	-600	-0.6	11,000	10.8
Willimantic-Danielson	5,400	9.1	5,700	9.7	-300	-0.6	5,500	9.2
CONNECTICUT	155,700	8.2	163,000	8.6	-7,300	-0.4	158,400	8.4
UNITED STATES	13,102,000	8.5	13,903,000	9.0	-801,000	-0.5	13,520,000	8.8

P = Preliminary

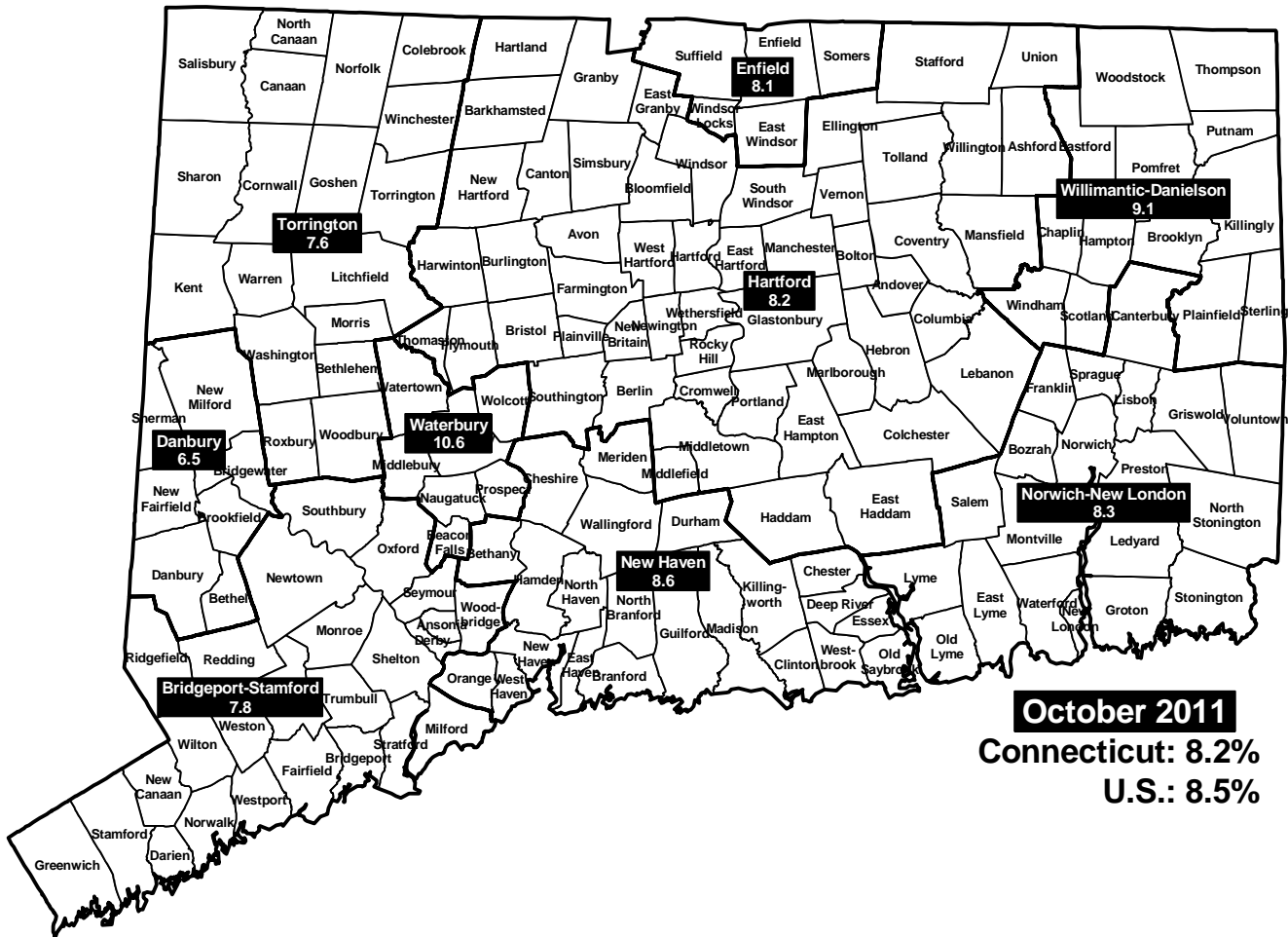
R = Revised

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			
	Oct. 2011 P	Oct. 2010	Change over Yr.	Sept. 2011 R	Oct. 2011 P	Oct. 2010	Change over Yr.	Sept. 2011 R	Oct. 2011 P	Oct. 2010	Change over Yr.	Sept. 2011 R
Private Industry All Employees	\$979.27	\$941.14	\$38.13	\$959.57	34.3	33.6	0.7	34.1	\$28.55	\$28.01	\$0.54	\$28.14
Manufacturing Production Workers	\$1,006.43	\$992.64	\$13.79	\$1,005.40	40.5	40.9	-0.4	40.2	\$24.85	\$24.27	\$0.58	\$25.01

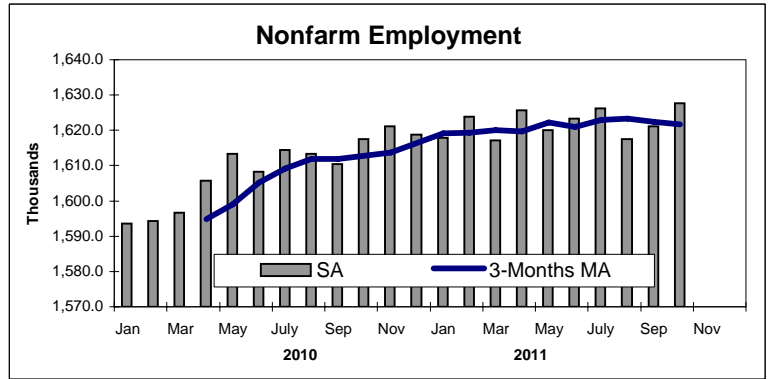
P = Preliminary R = Revised

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.

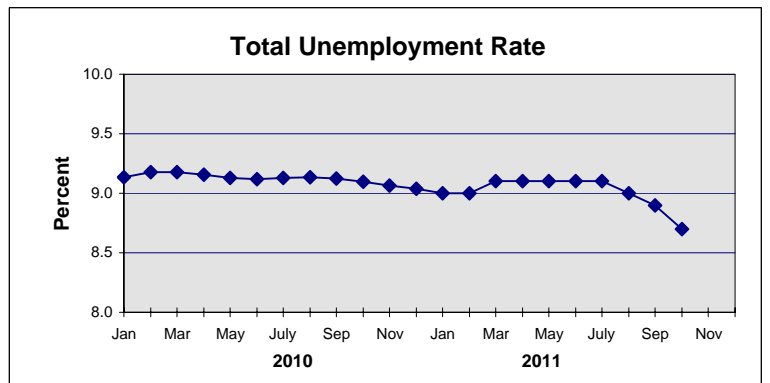
TRENDS

Seasonally Adjusted

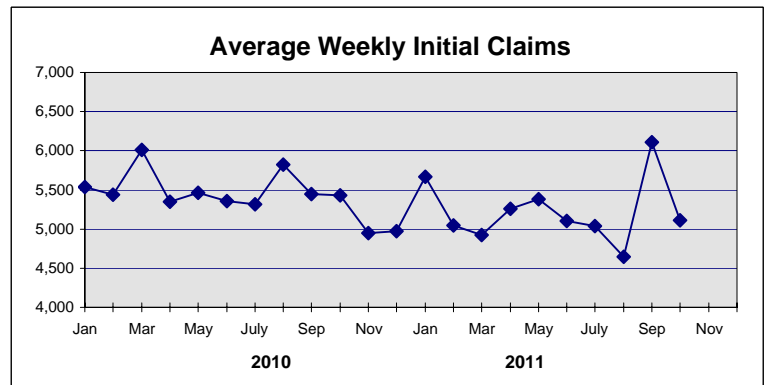
	Nonfarm Employment (000s)	Total Unemployment Rate
2010		
Jan	1,593.5	9.1
Feb	1,594.3	9.2
Mar	1,596.7	9.2
Apr	1,605.8	9.2
May	1,613.3	9.1
Jun	1,608.2	9.1
July	1,614.4	9.1
Aug	1,613.3	9.1
Sep	1,610.5	9.1
Oct	1,617.5	9.1
Nov	1,621.2	9.1
Dec	1,618.8	9.0



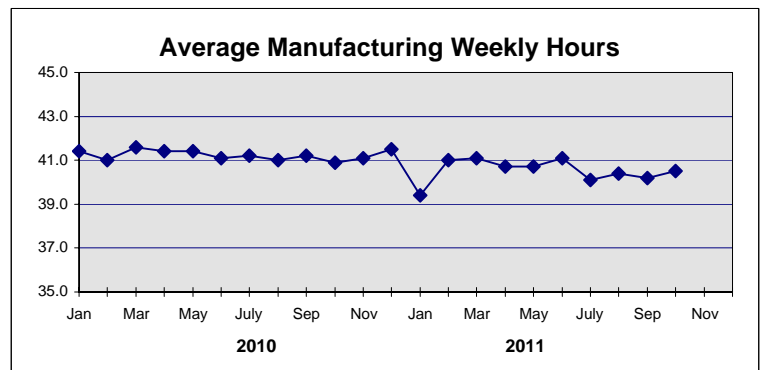
2011		
Jan	1,617.8	9.0
Feb	1,623.8	9.0
Mar	1,617.2	9.1
Apr	1,625.6	9.1
May	1,620.1	9.1
Jun	1,623.4	9.1
July	1,626.3	9.1
Aug	1,617.5	9.0
Sep	1,621.1 R	8.9 R
Oct	1,627.6 P	8.7 P
Nov		
Dec		



	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
Sep	6,110	40.2 R
Oct	5,112	40.5 P
Nov		
Dec		



* Not seasonally adjusted

P = Preliminary

R = Revised

** Labor-management dispute