



# Connecticut Economic Update

June 17, 2016

## Summary

Nonfarm payroll employment in Connecticut declined by 1,400 jobs and the unemployment rate was unchanged at 5.7 percent in May according to data released by the Bureau of Labor Statistics (BLS).

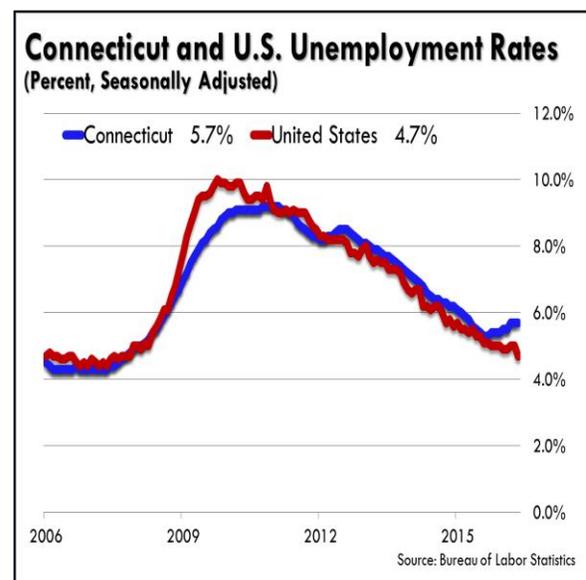
## Connecticut Unemployment Rate

During May, the unemployment rate in Connecticut was unchanged at 5.7 percent. The number of people counted as unemployed fell by 1,112 in May to 108,278, while the labor force fell by 2,643 to 1,902,289. Among the 50 states and the District of Columbia, 40 posted lower unemployment rates for the month than Connecticut. A year earlier, the unemployment rate in Connecticut stood at 5.6 percent.

The 10 year peak for the unemployment rate in Connecticut was 9.2 percent in February 2011. The series high for the unemployment rate in Connecticut occurred in January 1976 when the unemployment rate reached 10.0 percent.

The 10 year low for the unemployment rate in Connecticut was 4.3 percent in May 2007. The series low for the unemployment rate in Connecticut occurred in October 2000 when the unemployment rate reached 2.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## Connecticut Payroll Employment

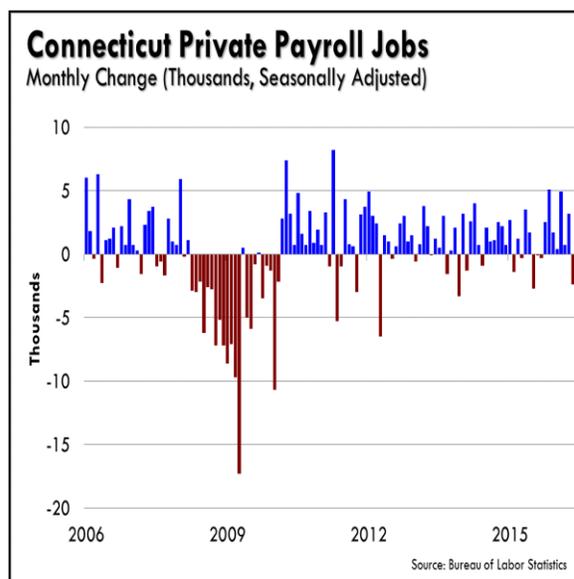
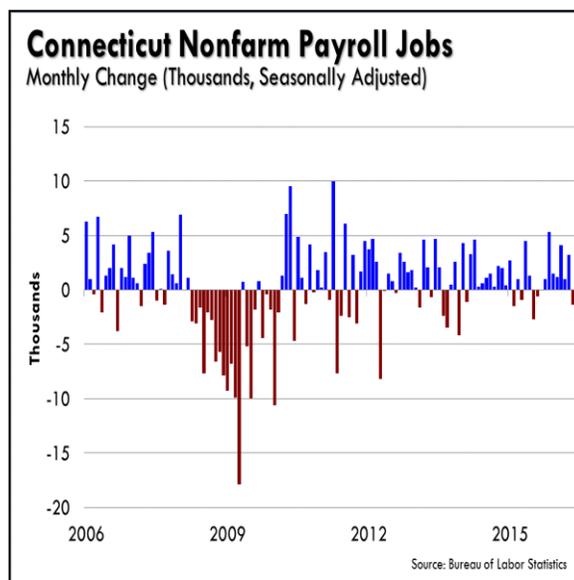
Connecticut nonfarm payrolls declined by 1,400 jobs, or 0.08 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls increased by 3,200. Over the past 12 months nonfarm payrolls in Connecticut increased by 13,900, or 0.83 percent. Connecticut nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. Connecticut ranks 37th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Connecticut private sector payrolls declined by 2,400, or 0.17 percent. Private sector payrolls increased by 3,200 jobs in the prior month. Over the past 12 months, private sector payrolls in Connecticut increased by 14,700, or 1.02 percent. Connecticut private sector payroll employment has increased in 8 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent. Connecticut ranks 37th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in Connecticut increased by 1,000, or 0.42 percent. Federal government payroll employment increased by 200, or 1.14 percent. State government payroll employment increased by 800, or 1.15 percent, while local government payroll employment was unchanged.



Over the past year, total government payroll employment declined by 800, or 0.33 percent. State government payroll employment increased by 600, or 0.86 percent. Local government payroll employment was unchanged.

The best performing sectors on a seasonally adjusted basis during May were Manufacturing (+1,200) and Total Government (+1,000). The poorest performing sectors during the month were Trade, Transportation & Utilities (-2,600) and Educational & Health Services (-1,400).

The best performing sectors during the last twelve months were Educational & Health Services (+2,800) and Financial Activities (+2,300). The poorest performing sectors for the year were Total Government (-800) and Mining & Logging (-100).



### Other Connecticut Labor Force Statistics

The labor force participation rate in Connecticut declined to 66.0 percent in May from 66.1 percent the prior month. Among the 50 states and the District of Columbia, 17 have a higher labor force participation rate than Connecticut. The labor force participation rate in Connecticut is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Connecticut was 69.0 percent in December 2008. The series high for the labor force participation rate in

Connecticut occurred in November 1991 when the labor force participation rate hit 71.8 percent. The 10 year low for the labor force participation rate was 65.3 percent in November 2013. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 63.9 percent.

The national labor force participation rate declined by 0.2 percentage point to 62.6 percent in May 2016, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Connecticut civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.2 percent in May from 62.3 percent the prior month. Among the 50 states and the District of Columbia, 16 have higher employment-to-population ratios than Connecticut. The employment-to-population ratio in Connecticut is unchanged from a year earlier.

The 10 year high for the employment-to-population ratio in Connecticut was 65.5 percent in January 2008. The series high for the employment-to-population ratio in Connecticut occurred in December 1989 when the employment-to-population ratio hit 68.3 percent. The 10 year low for the employment-to-population ratio was 60.1 percent in March 2013. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 57.6 percent.

The national employment-to-population ratio held steady at 59.7 percent in May. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

