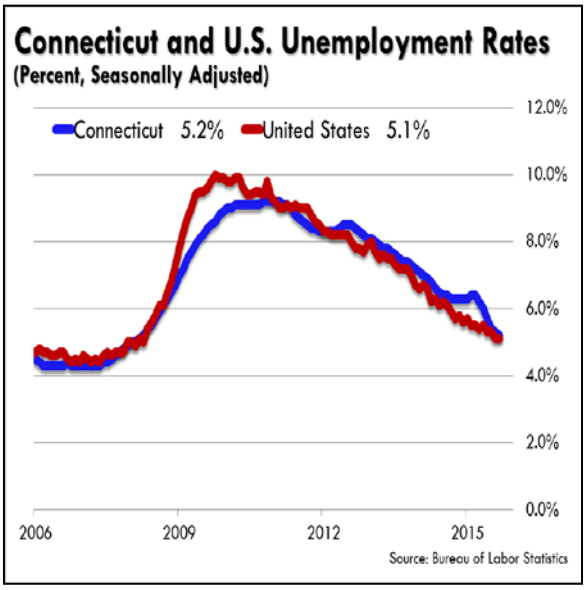
Connecticut Economic Update

October 20, 2015

Summary

Nonfarm payroll employment in Connecticut declined by 7,600 jobs and the unemployment rate fell to 5.2 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Connecticut Unemployment Rate



During September, the unemployment rate in Connecticut declined by 0.1 percentage point to 5.2 percent. The number of people counted as unemployed fell by 1,414 in September to 98,651, while the labor force fell by 4,324 to 1,899,079. Among the 50 states and the District of Columbia, 27 posted lower unemployment rates for the month than Connecticut. A year earlier, the unemployment rate in Connecticut stood at 6.3 percent.

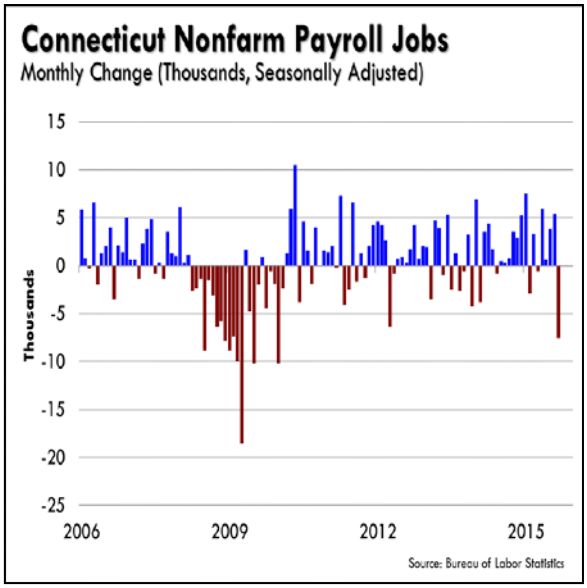
The 10 year peak for the unemployment rate in Connecticut was 9.2 percent in February 2011. The series high for the unemployment rate in Connecticut occurred in January 1976 when the unemployment rate reached 10.0 percent. The 10 year low for the unemployment rate in Connecticut was 4.3 percent in May 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 was unchanged at 5.1 percent in September. September's unemployment rate was 0.8 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.

Prepared by the Joint Economic Committee

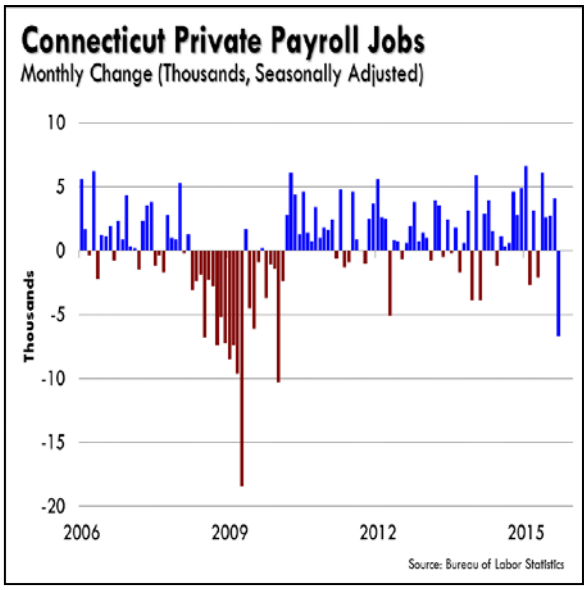
Senator Dan Coats, Chairman Rep. Kevin Brady, Vice Chairman

Connecticut Payroll Employment



Connecticut nonfarm payrolls declined by 7,600 jobs, or 0.45 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls increased by 5,400. Over the past 12 months nonfarm payrolls in Connecticut increased by 27,000, or 1.62 percent. Connecticut nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally nonfarm payrolls increased by 142,000 jobs in September, or 0.10 percent. Over the 12 month period ending in September 2015 nonfarm payrolls grew by 2,752,000 jobs, or 1.97 percent. Connecticut ranks 23rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

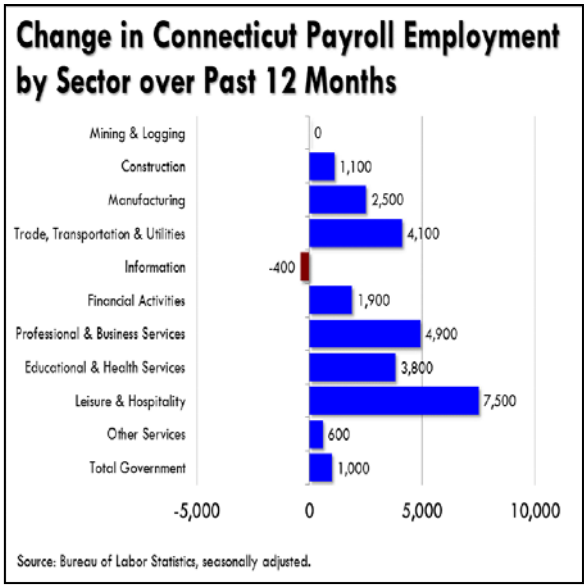


During September, Connecticut private sector payrolls declined by 6,700, or 0.46 percent. Private sector payrolls increased by 4,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Connecticut increased by 26,000, or 1.82 percent. Connecticut private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 118,000 jobs in September, or 0.10 percent. Over the past 12 months, the nation's economy has added 2,603,000 jobs in the private sector, an increase of 2.21 percent. Connecticut ranks 21st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During September, total government payroll employment in Connecticut declined by 900, or 0.37 percent. Federal government payroll employment declined by 100, or 0.57 percent. State government payroll employment increased by 400, or 0.60 percent, while local government payroll employment was unchanged.

Over the past year, total government payroll employment increased by 1,000, or 0.42 percent. State government payroll employment was unchanged. Local government payroll employment was unchanged.

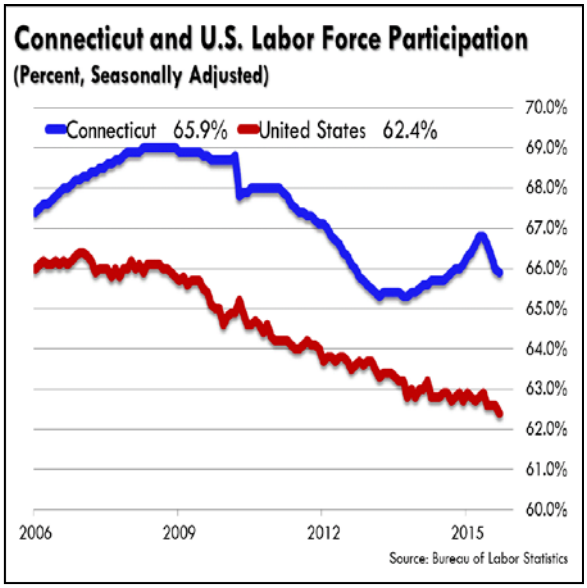


The best performing sectors on a seasonally adjusted basis during September were Leisure & Hospitality (+2,400) and Mining & Logging (+100). The poorest performing sectors during the month were Educational & Health Services (-3,500) and Trade, Transportation & Utilities (-2,500).

The best performing sectors during the last twelve months were Leisure & Hospitality (+7,500) and Professional & Business Services (+4,900). The poorest performing sectors for the year were Information (-400) and Mining & Logging (unchanged).

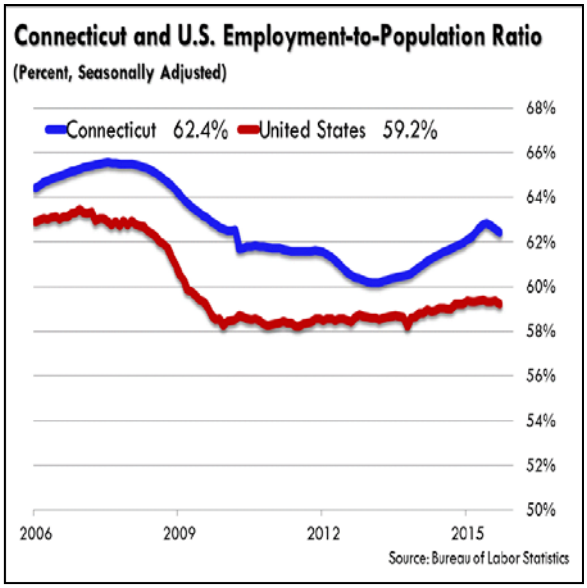
<u>Other Connecticut Labor Force Statistics</u>

The labor force participation rate in Connecticut declined to 65.9 percent in September from 66.0 percent the prior month. Among the 50 states and the District of Columbia, 15 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 October 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 62.4 percent in September. That rate was 0.3 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.



The employment-to-population ratio, or the percentage of the Connecticut civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.4 percent in September from 62.6 percent the prior month. Among the 50 states and the District of Columbia, 15 have higher employment-to-population ratios than Connecticut. The employment-to-population ratio in Connecticut is 0.7 percentage point higher than 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 60.2 percent in April 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 declined by 0.2 percentage point to 59.2 percent in September. That rate was 0.2 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009 and at 62.7 percent when it began in December 2007. The all-time high for the employment-to-population ratio was 64.7 percent 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 posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for October is scheduled for release on Friday, November 20. The national employment situation report for October will be released on Friday, November 6.