



# Connecticut Economic Update

August 21, 2015

## Summary

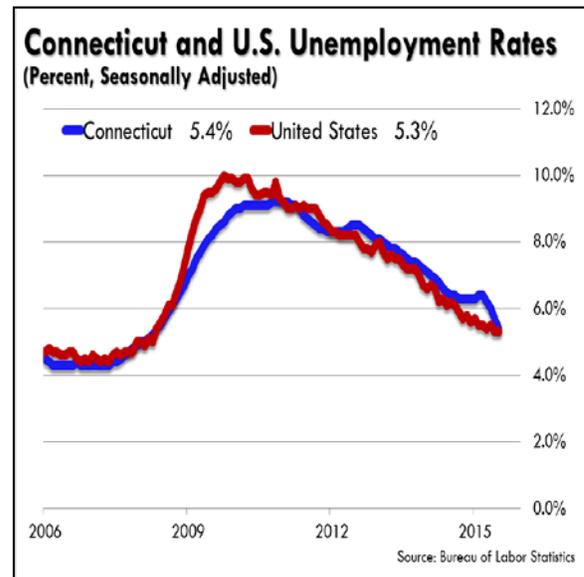
Nonfarm payroll employment in Connecticut increased by 4,100 jobs and the unemployment rate fell to 5.4 percent in July according to data released by the Bureau of Labor Statistics (BLS).

## Connecticut Unemployment Rate

During July, the unemployment rate in Connecticut declined by 0.3 percentage point to 5.4 percent. The number of people counted as unemployed fell by 5,185 in July to 103,733, while the labor force fell by 7,176 to 1,910,933. 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 6.4 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 5.3 percent in July. July's unemployment rate was 0.9 percentage point lower than a year earlier when the rate stood at 6.2 percent. 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.



## Connecticut Payroll Employment

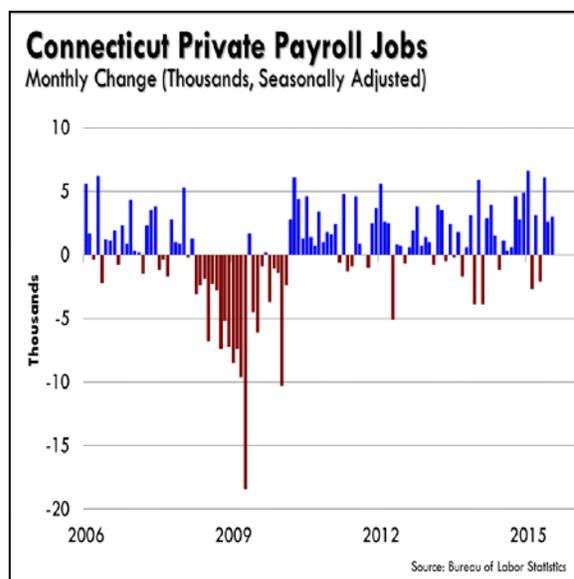
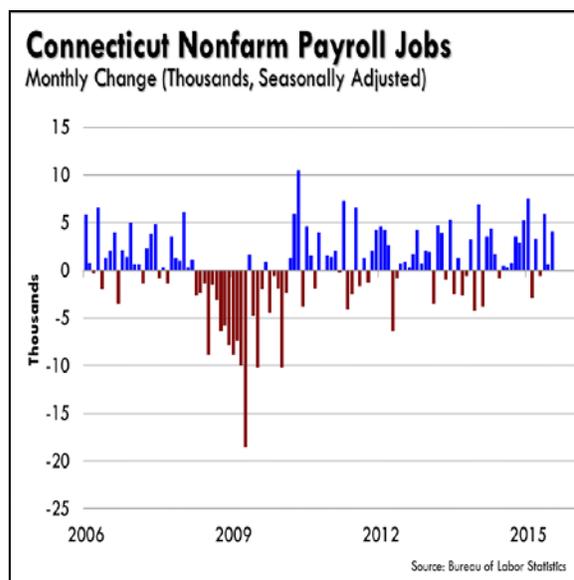
Connecticut nonfarm payrolls increased by 4,100 jobs, or 0.24 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 600. Over the past 12 months nonfarm payrolls in Connecticut increased by 30,600, or 1.84 percent. Connecticut nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally nonfarm payrolls increased by 215,000 jobs in July, or 0.15 percent. Over the 12 month period ending in July 2015, nonfarm payrolls grew by 2,915,000 jobs, or 2.09 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 July, Connecticut private sector payrolls increased by 3,000, or 0.21 percent. Private sector payrolls increased by 2,600 jobs in the prior month. Over the past 12 months, private sector payrolls in Connecticut increased by 29,800, or 2.09 percent. Connecticut private sector payroll employment has increased in 10 of the past 12 months.

Nationally, private sector payroll jobs increased by 210,000 in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,853,000 private sector payroll jobs, an increase of 2.43 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 July, total government payroll employment in Connecticut increased by 1,100, or 0.46 percent. Federal government payroll employment declined by 100, or 0.57 percent. State government payroll employment declined by 100, or 0.15 percent, while local government payroll employment was unchanged.



Over the past year, total government payroll employment increased by 800, or 0.34 percent. State government payroll employment declined by 500, or 0.74 percent. Local government payroll employment was unchanged.

The best performing sectors on a seasonally adjusted basis during July were Professional & Business Services (+2,700) and Educational & Health Services (+1,600). The poorest performing sectors during the month were Construction (-2,200) and Information (-300).

The best performing sectors during the last twelve months were Leisure & Hospitality (+6,200) and Trade, Transportation & Utilities (+6,000). The poorest performing sectors for the year were Information (-200) and Mining & Logging (-100).

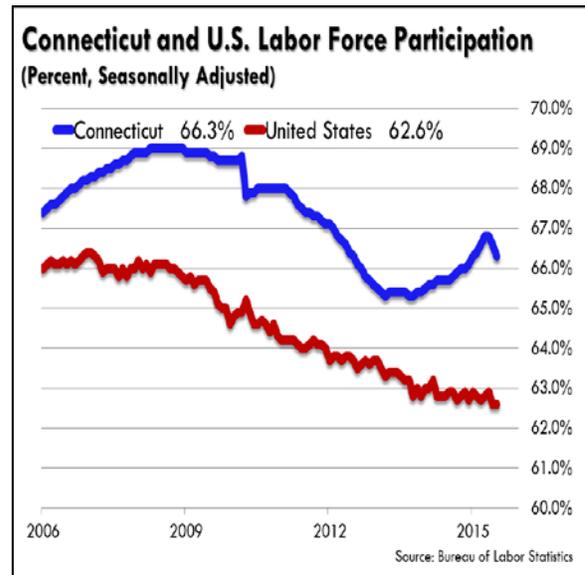


### Other Connecticut Labor Force Statistics

The labor force participation rate in Connecticut declined to 66.3 percent in July from 66.6 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 remained at 62.6 percent in July. That rate is 0.2 percentage point lower than a year earlier. The rate for June and July are the lowest recorded since October 1977.

The employment-to-population ratio, or the percentage of the Connecticut civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.7 percent in July from 62.8 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 1.2 percentage points 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 held steady at 59.3 percent in July. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent when the recession ended in June 2009. 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 August is scheduled for release on Friday, September 18. The national employment situation report for August will be released on Friday, September 4.

