

The Employment Situation in Connecticut

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Summary

In February 2022, **nonfarm employment** in Connecticut increased by 6,300 jobs, and the shortfall since the start of the pandemic-induced recession in February 2020 stands at 56,300 jobs. Based on an average increase of 3,000 jobs a month over the past six months, Connecticut is on track to close its job shortfall in September 2023, compared to June 2022 for the U.S. as a whole.

In February 2022, employment in Connecticut increased in the following major sectors: **manufacturing** (500 jobs), **trade, transportation, and utilities** (4,800 jobs), **information** (300 jobs), **education and health services** (1,900 jobs), and **leisure and hospitality** (1,200 jobs). Employment in Connecticut decreased in the following major sectors: **local government** (-700 jobs), **state government** (-200 jobs), **construction** (-100 jobs), **professional and business services** (-1,100 jobs), and **other services** (-300 jobs).

Since the start of the pandemic-induced recession in February 2020, employment in Connecticut has increased in the following major sectors: **construction** (2,000 jobs) and **trade, transportation, and utilities** (4,200 jobs). Employment in Connecticut has decreased in the following major sectors: **local government** (-8,600 jobs), **state government** (-2,600 jobs), **federal government** (-200 jobs), **manufacturing** (-3,100 jobs), **information** (-900 jobs), **financial activities** (-5,000 jobs), **professional and business services** (-3,800), **education and health services** (-15,500 jobs), **leisure and hospitality** (-16,400 jobs), and **other services** (-6,400 jobs).

The **labor force participation rate** in Connecticut is 63.6 percent in February 2022, unchanged from January, and still down from 66.9 percent in February 2020. The labor force participation rate in February 2022 is highest for workers in the following major demographic groups: **men** (68.2 percent), **white** (63.9 percent), **Hispanic or Latino/a/x** (65.9 percent), **20 to 24 years old** (64.8 percent), and **25 to 54 years old** (85.6 percent). The labor force participation rate is lowest for workers in the following major demographic groups: **women** (59.4 percent), **Black** (62.1 percent), **Asian** (63.1 percent), **16 to 19 years old** (27 percent), and **55 years old and over** (42 percent).

The **employment-population ratio** in Connecticut is 60.5 percent in February 2022, up from 60.2 percent in January, but still down from 64.6 percent in February 2020. The employment-population ratio in February 2022 is highest for workers in the following major demographic groups: **men** (64.4 percent), **white** (61.2 percent), **Asian** (60.5 percent), **Hispanic or Latino/a/x** (61.4 percent), and **25**

to 54 years old (81.7 percent). The employment-population ratio is lowest for workers in the following major demographic groups: **women** (56.8 percent), **Black** (56.8 percent), **16 to 19 years old** (23.9 percent), **20 to 24 years old** (58.5 percent), and **55 years old and over** (40.4 percent).

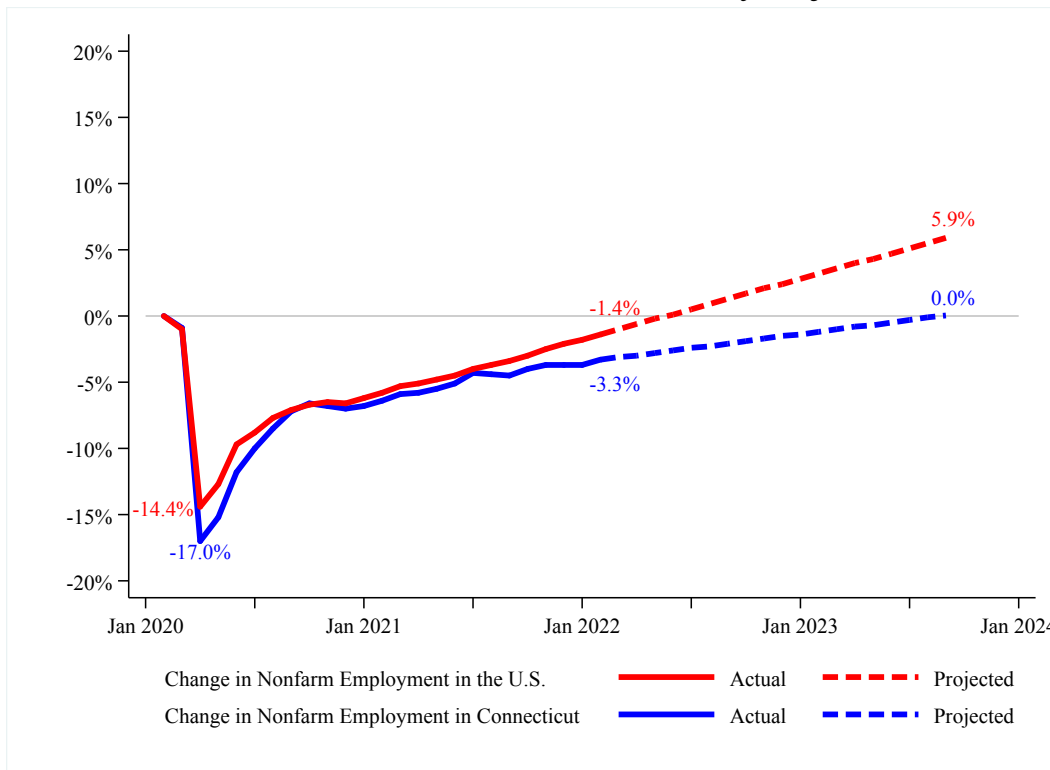
The **unemployment rate** in Connecticut is 4.9 percent in February 2022, down from 5.3 percent in January, but still up from 3.4 percent in February 2020. The unemployment rate in February 2022 is lowest for workers in the following major demographic groups: **women** (4.2 percent), **white** (4.2 percent), **Asian** (4 percent), **25 to 54 years old** (4.5 percent), and **55 years old and over** (3.6 percent). The unemployment rate is highest for workers in the following major demographic groups: **men** (5.6 percent), **Black** (9.1 percent), **Hispanic or Latino/a/x** (7 percent), **16 to 19 years old** (12.6 percent), and **20 to 24 years old** (10.4 percent).

Background and Methodology

On the first Friday of each month, the U.S. Bureau of Labor Statistics (BLS) publishes “The Employment Situation” news release, which presents national data from two surveys. The establishment survey provides an overview of nonfarm employment overall and by major sector. The household survey provides an overview of employment status (labor force participation rate, employment-population ratio, and unemployment rate) overall and by major demographic group. Later each month, the BLS’ Local Area Unemployment Statistics (LAUS) program provides state and local data from the above surveys and other sources. Like the national analysis, the state-level analysis includes an overview of nonfarm employment overall and by major sector. It also includes an overview of employment status overall. Unlike the national analysis, the state-level analysis includes no overview of employment status by major demographic group.

To fill the state-level analysis shortfall, which is essential for designing effective public policy in Connecticut and responding in a timely manner, Connecticut Voices for Children is publishing a monthly news release, “The Employment Situation in Connecticut.” This includes an overview of the change in total nonfarm employment in the U.S. and Connecticut as well as the change in nonfarm employment by major sector in Connecticut. It also includes an overview of employment status in the U.S. and Connecticut by major demographic group, which no other organization in Connecticut currently provides on a monthly basis. These new measures of employment status in Connecticut by major demographic group are calculated using the following methodology: The monthly estimate that the BLS provides for each overall employment status indicator in Connecticut (labor force participation rate, employment-population ratio, and unemployment rate) is multiplied by the employment status ratio for each major demographic group. The latter is calculated using the Economic Policy Institute’s publicly-available extracts of the BLS’ national household survey data for the preceding three-month period for Connecticut and its bordering states, New York, Massachusetts, and Rhode Island, which are the state labor markets most connected to Connecticut’s labor market. The expansion of the time period and the labor market area for calculating the employment status ratios for the major demographic groups is necessary to increase the sample size.

Change in Total Nonfarm Employment, U.S. and Connecticut Seasonally Adjusted



Projected Recovery Date

U.S.: June 2022

CT: September 2023

Average Change in
Nonfarm Employment,
Past Six Months

U.S.: 582,500 (0.5%)

CT: 3,000 (0.4%)

Job Openings (Jan.)

U.S.: 11.3 million

CT: 117,000

Unemployed (Feb.)

U.S.: 6.3 million

CT: 91,189

Change in Nonfarm Employment by Major Sector, Connecticut Seasonally Adjusted

Major Sector	February 2020	January 2022	February 2022	Month to Month Change		Change Since February 2020	
				Number	%	Number	%
Government Employment	236,700	226,200	225,300	-900	-0.4%	-11,400	-4.8%
Local Government	146,200	138,300	137,600	-700	-0.5%	-8,600	-5.9%
State Government	71,900	69,500	69,300	-200	-0.3%	-2,600	-3.6%
Federal Government	18,600	18,400	18,400	0	0.0%	-200	-1.1%
Private Sector Employment	1,462,300	1,410,200	1,417,400	7,200	0.5%	-44,900	-3.1%
Construction	59,500	61,600	61,500	-100	-0.2%	2,000	3.4%
Manufacturing	161,000	157,400	157,900	500	0.3%	-3,100	-1.9%
Trade, Transportation, & Utilities	293,500	292,900	297,700	4,800	1.6%	4,200	1.4%
Information	31,500	30,300	30,600	300	1.0%	-900	-2.9%
Financial Activities	122,600	117,600	117,600	0	0.0%	-5,000	-4.1%
Professional & Business Services	216,400	213,700	212,600	-1,100	-0.5%	-3,800	-1.8%
Education & Health Services	351,700	334,300	336,200	1,900	0.6%	-15,500	-4.4%
Leisure & Hospitality	159,500	141,900	143,100	1,200	0.8%	-16,400	-10.3%
Other Services	66,000	59,900	59,600	-300	-0.5%	-6,400	-9.7%
Total Nonfarm Employment	1,699,000	1,636,400	1,642,700	6,300	0.4%	-56,300	-3.3%

Employment Status by Major Demographic Group, U.S. and Connecticut Seasonally Adjusted

Employment Status Indicator and Major Demographic Group	United States			Connecticut		
	February 2020	January 2022	February 2022	February 2020	January 2022	February 2022
Labor Force Participation Rate						
Total	63.4	62.2	62.3	66.9	63.6	63.6
Men	69.3	67.9	68.3	73.1	68.6	68.2
Women	57.9	56.8	56.6	61.2	59.0	59.4
White	63.3	62.0	62.2	67.1	63.5	63.9
Black	63.2	62.0	62.2	65.7	62.6	62.1
Asian	64.2	64.4	62.9	66.8	64.8	63.1
Hispanic or Latino/a/x	68.0	66.4	66.6	69.6	66.7	65.9
16 to 19 Years Old	36.6	36.6	35.8	30.4	26.9	27.0
20 to 24 Years Old	73.2	71.1	71.7	74.1	65.9	64.8
25 to 54 Years Old	83.0	82.0	82.2	88.2	85.8	85.6
55 Years Old and Over	40.3	39.1	39.1	44.1	41.3	42.0
Employment-Population Ratio						
Total	61.2	59.7	59.9	64.6	60.2	60.5
Men	66.8	65.1	65.7	70.1	64.6	64.4
Women	55.9	54.6	54.4	59.5	56.1	56.8
White	61.4	59.9	60.1	64.9	60.5	61.2
Black	59.4	57.7	58.1	62.2	57.3	56.8
Asian	62.5	62.1	61.0	65.6	61.7	60.5
Hispanic or Latino/a/x	65.0	63.2	63.6	66.1	61.4	61.4
16 to 19 Years Old	32.5	32.6	32.2	26.6	24.0	23.9
20 to 24 Years Old	68.4	66.0	66.3	69.4	59.4	58.5
25 to 54 Years Old	80.5	79.1	79.5	85.7	81.7	81.7
55 Years Old and Over	39.3	37.9	38.0	42.9	39.3	40.4
Unemployment Rate						
Total	3.5	4.0	3.8	3.4	5.3	4.9
Men	3.5	4.1	3.8	4.0	5.8	5.6
Women	3.4	3.9	3.9	2.7	4.8	4.2
White	3.0	3.4	3.3	3.2	4.6	4.2
Black	6.0	6.9	6.6	5.2	9.1	9.1
Asian	2.5	3.6	3.1	1.8	4.8	4.0
Hispanic or Latino/a/x	4.4	4.9	4.4	5.0	8.4	7.0
16 to 19 Years Old	11.3	10.9	10.3	12.0	12.2	12.6
20 to 24 Years Old	6.5	7.3	7.5	6.2	10.7	10.4
25 to 54 Years Old	3.0	3.5	3.3	2.9	4.6	4.5
55 Years Old and Over	2.6	3.1	3.0	2.8	4.7	3.6

The **labor force participation rate** measures the percentage of the population that is working or actively looking for work. The **employment-population ratio** measures the percentage of the population that is currently working. The **unemployment rate** measures the percentage of the population that is unemployed and actively looking for work.