

Connecticut Job and Output Growth by Industry Sector, 2011 - 2015

By: Carl Skaats, Legislative Fellow
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Issue

Provide data on Connecticut's employment and gross state product (GSP) trends over five years by industry sector.

Summary

We examined data from the Connecticut Department of Labor (CT DOL) and the U.S. Bureau of Economic Analysis (BEA) on employment and GSP (i.e., output) by industry sector from 2011-2015. (Complete data for 2016 is not yet available.)

Overall, between 2011 and 2015, Connecticut added about 50,000 jobs and saw a slight decrease in annual output (-0.3% on average per year). However, employment and output data for each industry sector show that trends vary considerably within Connecticut's economy, which is made up of about 1.7 million jobs and \$225 billion in output. Compared to all industry sectors, the management of companies and enterprises sector experienced significant growth in both employment and real GSP, while the manufacturing sector experienced steady decline in both. The health care and social assistance sector added the most jobs over the five-year period (+11,708 jobs, a 4.7% increase), and the information sector shows the most growth in real GSP (+\$2.188 billion, a 22.6% increase).

Employment by Industry Sector

Table 1 provides a breakdown of employment in major industry sectors from 2011 to 2015. For each sector, it shows the average annual employment for 2011, 2013, and 2015; the change in employment; and the average annual growth for the five-year period.

Table 1 : Employment Comparison by Industry Sector, 2011-2015

Industry	Average Annual Employment			2011-2015 Change		Average Annual Growth ¹ Rate (%)
	2011	2013	2015	No.	%	(%)
Total Private	1,374,875	1,405,093	1,428,392	53,517	3.9	0.8
Goods Producing Industries:						
Agriculture, forestry, fishing and hunting	5,019	5,249	4,891	(128)	(2.6)	(0.5)
Construction	51,493	53,620	57,913	6,420	12.5	2.4
Manufacturing	166,279	163,828	158,955	(7,324)	(4.4)	(0.9)
Mining	542	543	553	11	2.0	0.4
Service Producing Industries:						
Accommodation and food services	113,309	121,453	124,456	11,147	9.8	1.9
Administrative and waste management	80,721	85,023	88,087	7,366	9.1	1.8
Arts, entertainment, and recreation	23,903	25,777	26,715	2,812	11.8	2.2
Educational services	54,719	55,890	56,564	1,845	3.4	0.7
Finance and insurance	114,561	110,718	108,155	(6,406)	(5.6)	(1.1)
Health care and social assistance	250,782	257,705	262,490	11,708	4.7	0.9
Information	31,385	32,029	32,352	967	3.1	0.6
Management of companies and enterprises	28,616	30,657	32,888	4,272	14.9	2.8
Other services, Public Admin.	57,227	58,943	61,686	4,459	7.8	1.5
Professional and technical services	87,831	90,358	95,690	7,859	8.9	1.7
Real estate and rental and leasing	18,691	19,003	19,865	1,174	6.3	1.2
Retail trade	180,203	183,585	184,699	4,496	2.5	0.5
Transportation and warehousing	39,640	41,069	43,737	4,097	10.3	2.0
Utilities	6,172	6,035	5,611	(561)	(9.1)	(1.9)
Wholesale trade	63,470	63,156	62,511	(959)	(1.5)	(0.3)
Government²	237,498	235,130	234,430	(3,068)	(1.3)	(0.3)
All industry Total	1,612,373	1,640,223	1,662,822	50,449	3.1	0.6

¹ Average annual growth is calculated using BEA's formula for compound annual growth.

² Includes Native American tribal government employment (i.e. tribal casinos)

Source: CT DOL

Sectors that added the most jobs between 2011 to 2015 include health care and social assistance (+11,708 jobs, a 4.7% increase); accommodation and food services (+11,147 jobs, a 9.8% increase); and professional and technical services (+7,859 jobs, a 8.9% increase). The construction sector also added a considerable number of jobs (+6,420 jobs, a 12.5% increase), especially from 2013 to 2015.

Although the sectors listed above added the most jobs, employment in the management of companies and enterprises sector grew at the fastest rate of all industry sectors (+2.8% on average each year), adding 4,272 jobs for a five-year increase of 14.9%. This sector includes establishments (1) that hold the securities of companies and enterprises and (2) that administer, oversee, and manage portions of a company. Establishments in this sector perform activities that are often undertaken, in-house, by establishments in many sectors of the economy.

Industry sectors that lost the most jobs during the five-year period include manufacturing (-7,324 jobs, a 4.4% decrease); finance and insurance (-6,406 jobs, a 5.6% decrease); and government (-3,068, a 1.3% decrease).

Real GSP by Industry Sector

According to the BEA, real GSP is an inflation-adjusted measure of a state's output that is based on national prices for the goods and services produced within the state. It reflects the market value of all final goods and services produced within a state in a particular period of time. GSP is the counterpart of the Nation's GDP, the BEA's featured and most comprehensive measure of U.S. economic activity.

An industry sector's GSP, which the BEA calls its "value added," is equivalent to its gross output (e.g., sales or receipts and other operating income) minus its intermediate inputs (e.g., energy, raw materials, and goods consumption of goods and services purchased from other U.S. industries or imported). Table 2 provides a breakdown of Connecticut real GSP by sector. For each sector, it shows, in millions of dollars, the annual real GSP for 2011, 2013, 2015; the change in real GSP, and the average annual real GSP growth for the five-year period.

Table 2 : Real GSP Comparison by Industry Sector, 2011-2015

Industry	Annual Real GSP ¹			2011-2015 Change		Average Annual Growth ² Rate (%)
	2011	2013	2015	No.	(%)	
Private industries	\$204,764	\$201,319	\$201,856	(\$2,908)	(1.4)	(0.4)
<i>Goods Producing Industries:</i>						
Agriculture, forestry, fishing, and hunting	211	238	244	33	15.6	3.7
Construction	6,671	6,639	6,836	165	2.5	0.6
Manufacturing	26,564	26,836	23,705	(2,859)	(10.8)	(2.8)
Mining	116	156	175	59	50.9	10.8
<i>Service Producing Industries:</i>						
Accommodation and food services	4,835	4,892	4,633	(202)	(4.2)	(1.1)
Admin. and waste management services	5,862	6,415	6,765	903	15.4	3.6
Arts, entertainment, and recreation	2,015	2,018	2,026	11	0.5	0.1
Educational services	4,204	4,258	4,387	183	4.4	1.1
Finance and insurance	31,199	26,899	26,231	(4,968)	(15.9)	(4.2)
Health care and social assistance	18,033	18,391	18,716	683	3.8	0.9
Information	9,703	11,285	11,891	2,188	22.5	5.2
Management of companies and enterprises	5,440	6,509	6,885	1,445	26.6	6.1
Other services, except government	4,254	4,235	4,321	67	1.6	0.4
Professional, scientific, and technical services	14,250	14,099	15,456	1,206	8.5	2.1
Real estate and rental and leasing	38,225	34,319	34,354	(3,871)	(10.1)	(2.6)
Retail trade	11,719	12,156	12,937	1,218	10.4	2.5
Transportation and warehousing	3,590	3,653	3,731	141	3.9	1.0
Utilities	4,462	4,402	4,061	(401)	(9.0)	(2.3)
Wholesale trade	13,507	14,252	14,993	1,486	11.0	2.6
Government³	23,684	23,399	23,642	(42)	(0.2)	0.0
All industry total	228,454	224,724	225,507	(2,947)	(1.3)	(0.3)

Source: BEA

¹ GSP is in chained 2009 dollars. See <https://www.bea.gov/regional/definitions/> for description.

² Average annual growth is calculated using BEA's formula for compound annual growth rate.

³Includes Native American tribal government employment (i.e. tribal casinos)

Sectors with considerable real GSP growth over the five year period include management of companies and enterprises (+\$1.445 billion, a 26.6% increase); information (+\$2.188 billion, a 22.5% increase); and wholesale trade (+\$1.486 billion, a 11% increase). The information sector includes publishing, recording, broadcasting, telecommunications, Internet service providers, web search portals, data processing, and information services industries.

Sectors with notable decreases in real GSP over the five-year period include real estate and rental and leasing (-\$3.871 billion, a 10.1% decrease); manufacturing (-\$2.859 billion, a 10.8% decrease); and finance and insurance (-\$4.968 billion, a 15.9% decrease). The decline in manufacturing real GSP is largely attributable to the decline in the non-durable goods manufacturing subsector, which decreased by \$1.874 billion (a 31% decrease) from 2011 to 2015. The durable goods manufacturing subsector declined by \$886 million (a 5% decrease) over the same time period.

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