



## Employment Changes in Connecticut Since the Recession

### Recession Milestones

*Non-farm employment* (non-agricultural public and private sector employees; excludes proprietors, self-employed workers, and private household employees)

- Pre-recession peak: Mar. 2008 (1,713,300)
- Trough (i.e., low point): Feb. 2010 (1,594,200)
- Expansion (i.e., exceeded pre-recession peak): not to date

*Private sector employment*

- Pre-recession Peak: Mar. 2008 (1,458,200)
- Trough: Feb. 2010 (1,346,500)
- Expansion: Jan. 2018 (1,458,700)

*Residents employed* (includes the self-employed and residents working out of state)

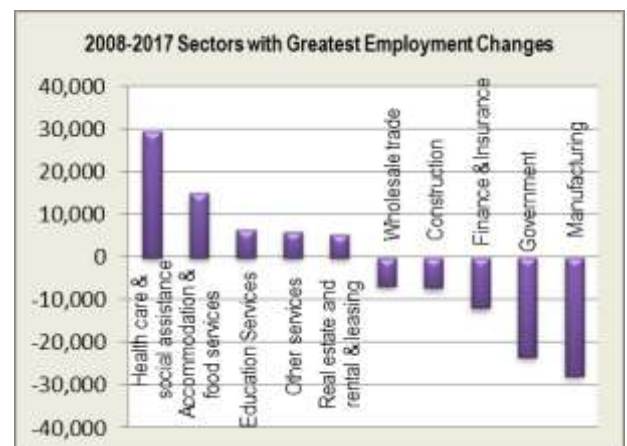
- Pre-recession peak: Mar. 2008 (1,780,200)
- Trough: Apr. 2013 (1,710,400)
- Expansion: Oct. 2014 (1,780,700)

### An Uneven Recovery, 2008-2017

The jobs recovery has not been equally spread out through all of the state's industry sectors. As the chart to the right shows, certain sectors, such as health care and social assistance, and accommodation and food services have significantly grown, but others, such as manufacturing, government, and finance and insurance have shed tens of thousands of jobs.

### The Great Recession's Impact

The "Great Recession" technically lasted from December 2007 through [June 2009](#), but its impact on Connecticut's jobs and workforce has endured for much longer. According to the state [Department of Labor](#) (DOL), between March 2008 and February 2010, Connecticut's non-farm employment dropped from 1,713,300 to 1,594,200; a loss of over 119,000 jobs. The state has slowly recovered since that low point. In January 2018, private-sector employment surpassed its pre-recession peak of 1,458,200; and through October 2018 total non-farm employment had closed to within 11,400 jobs of the pre-recession peak. Yet, although the state has nearly recovered the total number of jobs, the types of jobs recovered and how well they pay has changed in important ways.



Source: DOL

Unfortunately, the sectors that lost the most jobs since the recession also tended to be ones that provide above average pay; while the sectors that expanded their employment have tended to be ones that provide below average pay.

Table 1: Annual Wages in Sectors with Most Jobs Gained or Lost

Sectors With Most Jobs Gained, 2008-2017			Sectors with Most Jobs Lost, 2008-2017		
Sector	Jobs Gained	2017 Average Annual Wage	Sector	Jobs Lost	2017 Average Annual Wage
Health care and social assistance	+29,553	\$51,629	Manufacturing	-27,712	\$81,874
Accommodation and food services	+15,050	\$21,839	Government	-23,279	\$62,648
Education Services	+6,510	\$64,844	Finance & Insurance	-11,865	\$168,959
Other services	+6,118	\$33,409	Construction	-7,091	\$68,629
Real estate and rental & leasing	+5,383	\$66,281	Wholesale trade	-6,643	\$94,622

## Wages Since the Recession

In 2017, the statewide average annual wage was \$66,648. As shown in Table 1, four of the top-five sectors with the biggest job losses provided wages that were above that year's statewide average. In contrast, each of the top-five biggest job creating sectors provided average annual wages that fell below the statewide average wage.

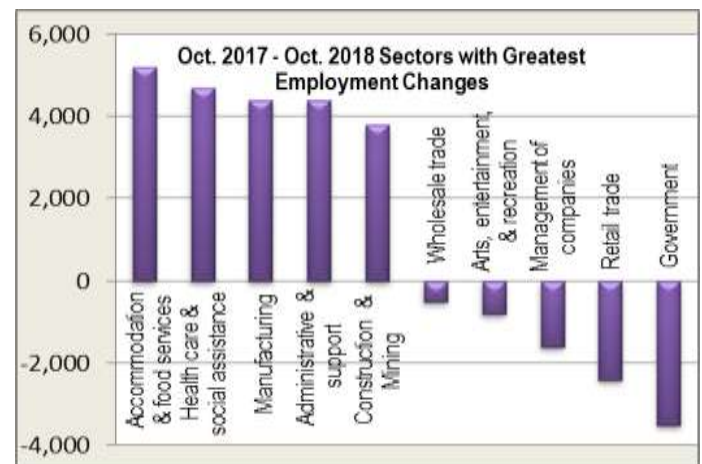
## 2018 Trends

This year, however, job growth looks brighter for many of the better paying sectors. According to DOL's preliminary [current employment statistics](#) for October 2018, four of the five largest sectors with above average wages added jobs from October 2017 through October 2018 (see Table 2 below). During that same period, overall job growth continued to be greatest in the lower paying accommodation and food service and health care and social assistance sectors. But, as the chart below shows, the above average paying manufacturing and construction sectors (which were among the biggest 2008-2017 job losers) joined the ranks of the top five job-adding sectors.

Table 2: Oct. 2017 – Oct. 2018 Employment Change in Largest Sectors with Above Average Annual Wages

Sector	2017 Average Annual Employment	Oct. 2017 – Oct. 2018 Employment Change
Manufacturing	158,810	+ 4,400
Finance & Insurance	106,207	+1,800
Professional & Technical Services	96,354	+2,400
Wholesale Trade	62,553	-500
Construction	58,311	+3,800

Source: DOL



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For a summary of recession era state stimulus programs, see OLR Report [2018-R-0301](#)

For statewide data on annual averages of employment and wages by industry, see DOL's [website](#)

For information about the state's employment sectors, including summaries of the types of occupations included in each sector, see DOL's [website](#)

