

## **Employment Growth in Connecticut's Towns Since 1980**

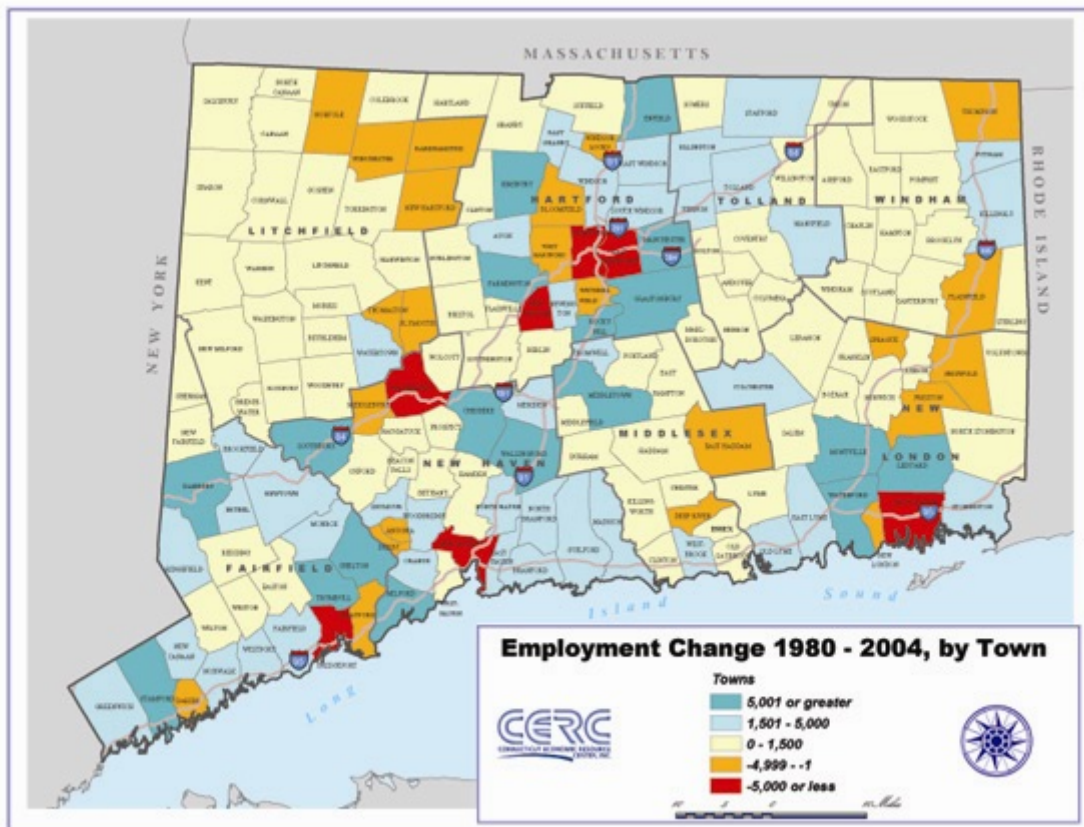
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Analyzing the changes in employment among Connecticut's cities and towns, when each understands that it is in its best economic interest to encourage its own employment growth, can easily result in 169 different stories. Indeed, the cities or towns with the largest gains or losses in employment over the last couple of decades all have stories that are fairly well known and distinct. Embedded within each of these stories are changes in consumer preferences, international competition, pressures to increase town tax bases, significant increases in labor productivity and a multitude of other factors. Thus, within the changes in the number of jobs available within each town, there are stories that extend beyond town boundaries and provide a broader perspective on each town's employment growth. The following analysis reviews the changes in employment since 1980 for Connecticut's towns.

An overview of the growth in employment for Connecticut creates an appropriate context within which the changes in the number of each town's jobs can be examined. Since 1980 Connecticut has gained nearly 205,000 jobs (14 percent). This growth reflects an annual growth rate of one-half of a percentage point per year compared to the U.S. which saw an average growth of 1.5% per year. However, the growth in Connecticut over these years was not consistent—between 1980 and 2004 employment in the state peaked twice, in 1988 at 1.67 million and then again in 2000 at 1.69 million. And in 1992 it reached a 24 year low at 1.53 million jobs. Although these observations of growth and decline at

the state level reflect important factors, this brief analysis focuses on what was happening to employment in Connecticut's towns during this time.

One-hundred and thirty-nine towns had employment growth between 1980 and 2004. The total employment growth in these towns was nearly 310,100 with the average being 2,231 and the median being 1,064, the town of Hamden. Growth in employment ranged from 16 in Bridgewater to 13,422 in Ledyard. As can be observed in the map, the large number of towns (121) shaded yellow or light blue shows that a majority of towns in Connecticut grew in employment by up to 5,000 employees during that time.



The 18 towns with employment growth of more than 5,000 between 1980 and 2004 are identified with the dark blue on the map. Five towns, including Ledyard, Farmington, Shelton, Montville and Wallingford, had employment growth greater than 10,000. The overall increase in employment for these five was nearly 60,000. Thirteen more towns gained between 5,000 and 10,000 employees and these 13 accounted for 95,600 more jobs in the state. The ten towns with the greatest job growth in the state are shown below along with the percent change in number of jobs in each town and the town's share of the total state employment.

Town	Employment Change, 1980-2004		Share of Connecticut	
	Absolute	Percent	1980	2004
Ledyard	13,422	907%	0.1%	0.9%
Farmington	12,723	78%	1.1%	1.8%
Shelton	11,696	130%	0.6%	1.3%
Montville	11,654	376%	0.2%	0.9%
Wallingford	10,045	60%	1.2%	1.7%
Stamford	9,318	14%	4.7%	4.8%
Manchester	9,275	48%	1.4%	1.8%
Danbury	9,185	27%	2.4%	2.7%
Trumbull	8,921	109%	0.6%	1.1%
Glastonbury	8,406	125%	0.5%	0.9%
Total	104,645	57%	12.9%	17.9%

Source: Connecticut Department of Labor

At the other end, there are seven towns identified on the map in bright red that lost at least 5,000 employees. The 23 towns and cities which lost up to 5,000 employees are identified with the darker orange. Seven of the 23 dark orange towns are clustered adjacent to the towns' shaded red and these seven towns lost more than 11,350 (or 64 percent) of the 17,670 total jobs lost. These clusters of towns with significant job losses are best identified by the major cities that comprise them: Bridgeport (which includes Stratford;) New Haven; Waterbury (which includes Middlebury, Plymouth, and

Thomaston;) Hartford (which includes Bloomfield, West Hartford, New Britain, Wethersfield, and East Hartford;) and the Groton/New London area. The breakdown of the total number of jobs lost in these city regions is:

- 58,000 for the six Hartford towns,
- 29,900 in Bridgeport and Stratford
- 11,800 in New Haven
- 8,500 in Waterbury and three of the towns which border it
- 7,500 and the Groton/New London area.

Over all, these five regions, comprised of the 15 cities identified, lost more than 115,350 employees from 1980 to 2004. Although the factors that explain these losses are complex, the heavy dependence of the towns on known large employers who restructured their operations and cut back on employees and plants negatively impacted these areas. Many of these employers were in the manufacturing sector and many smaller manufacturers also faced similar pressures and responded by restructuring and moving out of the region. In 1980, Thomaston, Middlebury, Stratford, and Plymouth (all dark orange towns) had at least 60 percent of their employment in the manufacturing sector. Two other towns in this set include East Hartford and Groton, however the number of manufacturing employees in these towns was suppressed in the 1980 Connecticut Department of Labor data. In 2000, Groton still had 47 percent employment in manufacturing, the 7th highest share of manufacturing employment in the state. New Britain's share of manufacturing employment in 1980 was 44 percent, Bridgeport's was 36 percent, and Waterbury and Bloomfield all had a higher share of employment in

manufacturing than the state had. The ten towns with the largest employment losses are shown in the table below along with each town's share of the total employment in the state in 1980 and in 2004.

Town	Employment Change, 1980-2004		Share of Connecticut	
	Absolute	Percent	1980	2004
Hartford	-28,536	-20%	10%	7%
Bridgeport	-26,903	-37%	5%	3%
East Hartford	-16,855	-36%	3%	2%
New Haven	-11,860	-14%	6%	5%
New Britain	-8,493	-26%	2%	1%
Waterbury	-6,214	-13%	3%	3%
Groton	-5,519	-17%	2%	2%
West Hartford	-3,042	-10%	2%	2%
Stratford	-2,968	-11%	2%	2%
Windsor Locks	-1,958	-12%	1%	1%
New London	-1,506	-9%	1%	1%
<b>Total</b>	<b>-113,854</b>	<b>-21%</b>	<b>39%</b>	<b>27%</b>

Source: Connecticut Department of Labor

The graphical analysis of the employment data as shown in the themed map also suggests that in many cases the towns and cities that had the largest employment growth are proximate to the areas noted above that had the largest declines. Outside of the Hartford area the towns of Manchester, Glastonbury, Rocky Hill and Simsbury all added more than 5,000 employees. Outside of Groton and New London, Ledyard, Montville and Waterford all added more than 5,000 employees. Outside of the Bridgeport area, Trumbull, Shelton, and Milford all had gains of more than 5,000 employees. Finally, outside of the Waterbury area, Southbury and Cheshire both gained more than 5,000 employees.

The 81 towns that gained fewer than 1,500 employees between 1980 and 2004 are shaded light yellow and appear to be located in the more rural areas of the state. Twelve of the 16 towns in Windham County are in the group of towns which gained 1,500 or fewer employees and 11 of the 16 towns in Middlesex County were in this group as well. As a final note, Tolland County was the only county in the state which had employment growth in each of its towns over this time frame.

When looking at the changes in employment by town over time a few other important aspects become apparent. As noted earlier at the state level, employment trends from 1980 to 2004 can be partitioned into four fairly distinct periods: a period of growth from 1980 to 1988; a period of rapid decline from 1988 to 1992; another period of growth from 1992 to 2000; and the changes from 2000 to 2004 which includes employment losses until 2003 and then a slight recovery in 2004. Twenty-six towns had employment growth during each of these four time periods. The total employment growth for these towns over the entire period was slightly more than 55,600. The towns in this group with the greatest growth are Trumbull, with nearly 9,000; Glastonbury, with nearly 8,500; Cheshire with nearly 6,500; and Southbury with nearly 5,500. Eight other towns which had consistent employment growth over these four time periods and an increase in total employment of more than 1,000 include: Brookfield, Cromwell, Tolland, Madison, Colchester, Ellington, Oxford and Woodstock.

The towns of Groton, New London, Stratford and Windsor Locks, also cluster together when examining their employment changes over the four time periods. These towns, all

of which had a significant share of their employment in large companies that depended on defense contracts, saw employment growth from 1980 to 1988 of between 2,000 and 5,000. As shown in the table below employment in each of these towns declined by between 1,300 and 2,600 from 1988 to 1992 and by between 2,400 and 4,600 from 1992 to 2000. Since 2000, Stratford has lost nearly 1,470 more, and Groton has lost nearly 600 more. New London however, has gained nearly 1,000. In many ways, East Hartford, West Hartford and Waterbury also belong in this group since their employment trends follows a fairly similar patterns to the four towns of Groton, New London, Stratford and Windsor Locks. West Hartford and Waterbury had employment growth during the early and mid 1980s of nearly 3,000 and 4,000 respectively. During the recession of the late 1980s and early 1990s they lost between nearly 6,800 and 9,000. From 1992 to 2000 Waterbury’s employment continued to drop and it lost an additional 1,600 while West Hartford was able to gain nearly 600 employees back by 2000. Since 2000 both towns have gained between 200 and 400 more employees. East Hartford’s employment was basically flat in the early and mid 1980s, from 1988 to 1992 it lost nearly 10,900 and then an additional 4,800 from 1992 to 2000. Since 2000 it has lost an additional 1,230 employees.

Towns	Employment Change				
	Total	1980 to 1988	1988 to 1992	1992 to 2000	2000 to 2004
New London	-1,506	2,070	-1,340	-3,180	944
Windsor Locks	-1,958	3,080	-2,550	-2,440	-48
Groton	-5,519	2,750	-3,070	-4,600	-599
Stratford	-2,968	4,750	-3,500	-2,750	-1,468
East Hartford	-16,855	70	-10,890	-4,800	-1,235
West Hartford	-3,042	2,940	-6,780	570	228
Waterbury	-6,214	4,010	-9,030	-1,570	376

Source: Connecticut Department of Labor.

The general trend of the state's employment growth is followed by a group of towns all with employment growth of between 5,000 and 10,000 from 1980 to 2004. This group includes the towns of Danbury, Middletown, Milford and Wallingford. These four towns all had significant employment growth during the early and mid 1980s. Wallingford's growth was the smallest during this time period at 6,900, however, during the 1988 to 1992 period when these towns all lost employment Wallingford's losses, at slightly more than 1,600, were less than any of the others while Middletown which increased by 9,600 during the first time period lost more than 5,100. Between 1992 and 2000 all four of these towns again increased in employment with Wallingford leading the way with 2,400 more employees. Since 2000 Wallingford gained nearly another 2,400 employees while Danbury lost 1,200. Even with Danbury's recent loss it still gained nearly 9,200 between 1980 and 2004 putting its overall employment increase well above Middletown (6,500) or Milford (5,750).

Towns	Employment Change				
	Total	1980 to 1988	1988 to 1992	1992 to 2000	2000 to 2004
Wallingford	10,045	6,890	-1,640	2,440	2,355
Middletown	6,499	9,640	-5,180	730	1,309
Milford	5,748	6,930	-3,060	1,970	-92
Danbury	9,185	11,500	-2,600	1,500	-1,215

Source: Connecticut Department of Labor.

One final cluster of towns includes Manchester, Shelton and Farmington. These three towns all had employment growth in each period from 1980 until 2000. This growth was relatively large (from 4,300 to 8,000) from 1980 to 1988 and then fairly large again (from

4,100 to 6,000) between 1992 and 2000. Since 2000 however, they have each lost between 500 and 1,000 employees.

Towns	Employment Change				
	Total	1980 to 1988	1988 to 1992	1992 to 2000	2000 to 2004
Manchester	9,275	4,610	1,370	4,110	-815
Shelton	11,696	4,280	1,900	5,990	-474
Farmington	12,723	8,040	370	4,870	-557

Source: Connecticut Department of Labor.

In summary, we've seen that each of the 169 towns in Connecticut have specific stories to tell and these stories are often unique depending on the timeframe being examined. However, this report has shown that within these distinct stories there are specific themes that can help tell the story for a group of towns. These themes have more to do with the industry structure of the town and the location of the towns relative to some of the large urban areas. However, as would be expected some of these themes are easily overwhelmed by the specific activities of the large employers that caused either significant increases or declines in employment in Connecticut's towns.