THE CONNECTICUT
ECONOMIC DIGEST

Vol.13 No.4 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

APRIL 2008

IN THIS ISSUE...

In February...

Nonfarm Employment

Connecticut	1,703,100
Change over month	-0.05%
Change over year	0.7%
United States	137,993,000
Change over month	-0.05%
Change over year	0.6%

Unemployment Rate

Connecticut	5.0%
United States	4.8%

Consumer Price Index

United States	211.7
Change over year	4.0%

The Export Engine: 2007 Connecticut Exports in Review

By Laura Jaworski, International Trade Specialist, DECD

In the current economic climate, states face multiple fiscal and budgetary challenges brought on by issues such as the housing bubble, subprime mortgages, volatile energy markets, unpredictable natural disasters and international events. As scholars and economists deliberate the dreaded “r-word,” recession, there is good news—exports.

Foreign exports are a sizable contributor to state economies, and are a key engine for economic growth. Connecticut exports had a banner year in 2007, and boosted the state’s economy. Exports sustain and create jobs, increase company profits and highlight the competitiveness of Connecticut companies on the international stage. At present, the weakness of the U.S. dollar, especially in comparison to the Euro, makes it a prime time to export as American goods are markedly more cost competitive and attractive to overseas buyers. More than ever, exports are critical for business and economic success.

To describe Connecticut’s 2007 export story, a review of several key categories follows.

Annual Export Figures

Connecticut’s value of annual export commodities (exclusive of services) grew a remarkable 12.1%, from $12.24 billion in 2006 to $13.72 billion in 2007. This increase follows the state’s tremendous 26.3% jump between 2005 and 2006, an indication of the export sector’s strength and vitality. Connecticut’s exports out of country represent approximately 6.7% of Connecticut’s 2006 gross state product. State export data from 2003 to the present reveals a steady, healthy upward trend.

It is significant to note that this data paints a conservative picture of Connecticut’s export story as it omits data related to the export of services. Service export data is nebulous and difficult to collect. As Connecticut is a leader in the insurance and financial services sectors, the exclusion of the commodity value of shipments results in the understatement of Connecticut’s export position.

U.S. exports grew by the same percentage as Connecticut’s in 2007. The value of U.S. exports amounted to more than $1.16 trillion in 2007, a 12.1% increase over 2006. In 2007, Connecticut’s commodity exports as a percentage of total U.S. commodity exports were 1.18%, the same percentage as in 2006. Connecticut’s export ranking among the states improved slightly between 2006-2007, from 28th to 27th. Connecticut actually ranks 25th if we remove Puerto Rico and various export sales attributed to “unknown state” from the rankings.

In the New England region, only Massachusetts’ exports ranked higher than Connecticut’s, as was the case in 2005 and 2006. However, among the New England states, Connecticut recorded the largest percentage export increase during 2007. With the exception of Vermont, each New England state

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The Connecticut Economic Digest is published monthly by the Connecticut Department of Labor, Office of Research and the Connecticut Department of Economic and Community Development, Compliance Office and Planning/Program Support. Its purpose is to regularly provide users with a comprehensive source for the most current, up-to-date data available on the workforce and economy of the state, within perspectives of the region and nation.

The annual subscription is $50. Send subscription requests to: ***The Connecticut Economic Digest***, Connecticut Department of Labor, Office of Research, 200 Folly Brook Boulevard, Wethersfield, CT 06109-1114. Make checks payable to the Connecticut Department of Labor. Back issues are $4 per copy. The Digest can be accessed free of charge from the DOL Web site. Articles from ***The Connecticut Economic Digest*** may be reprinted if the source is credited. Please send copies of the reprinted material to the Managing Editor. The views expressed by the authors are theirs alone and may not reflect those of the DOL or DECD.

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We would like to acknowledge the contributions of many DOL Research and DECD staff to the publication of the Digest.

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Table A: Connecticut Exports by Country

Rank	Description	ANNUAL 2006	ANNUAL 2007	%2006-2007
	TOTAL ALL PARTNER COUNTRIES	$12,238,324,203	$13,719,049,174	12.1
1	Canada	$1,931,582,958	$1,799,464,651	-6.84
2	Germany	$1,212,296,934	$1,450,596,758	19.66
3	France	$1,216,584,306	$1,410,923,272	15.97
4	United Kingdom	$857,032,749	$854,654,231	-0.28
5	Mexico	$707,008,175	$784,764,058	11.00
6	Singapore	$839,741,109	$748,915,632	-10.82
7	Japan	$702,836,070	$622,505,099	-11.43
8	China (Mainland)	$369,601,150	$565,100,384	52.89
9	Korea, Republic Of	$379,531,987	$555,494,888	46.36
10	Netherlands	$412,080,762	$470,658,159	14.22

increased its trade with its international partners in 2007.

State Export Partners

Connecticut's core international trade partners remain unchanged for the past several years. In 2007, the state's top five export partners were Canada, Germany, France, the United Kingdom and Mexico. Connecticut exported an impressive $1 billion worth of commodities to each of its top three partners in 2007. Rounding out Connecticut's other top export partners in 2007 were Singapore, Japan, China, Korea and the Netherlands, ranked 6-10, respectively (please refer to Table A above). During 2007, Germany and France flip-flopped positions, as did Mexico and Singapore and Korea and the Netherlands. As the Netherlands is a logistics center and cargo hub, it is significant for future export growth that Bradley Airport now offers daily, nonstop service to Amsterdam's Schiphol Airport. In total, Connecticut exported to 196 foreign destinations in 2007, up from 193 destinations in 2006.

Among its top ten trade partners, Connecticut's trade increased most significantly with China. As an export destination, China jumped from 11th in 2006 to 8th in 2007 in its share of Connecticut's export trade. Connecticut's exports to China increased by 52.8%, from $369.6 million in 2006 to $565.1 million in 2007. Each of Connecticut's top five export commodities to China experienced growth in 2007, most notably aircraft, spacecraft and related parts, which increased 389.6%. Fertilizer and plastic exports to China also increased considerably. Export growth to China may partially be attributed to the country's gear-up for the summer 2008 Olympics in Beijing. The export jump may signal early fallout from a U.S. request to the World Trade Organization for dispute settlement consultations regarding Chinese incentives for companies located in China to purchase domestic equipment and accessories instead of buying U.S. exports.[1] With much discussion of China's rapid economic growth and its rising position in the world economy, it remains a market to be watched, as it has moved in and out of Connecticut's top ten trade partners throughout the past several years. Trade issues do exist with China, namely intellectual property rights (IPR) violations. IPR enforcement is a business consideration. Will companies shy away from trade with countries that fail to protect copyright, trademark and patent laws? IPR issues exist in many countries, not only China, and affect all industries. The goal is to create a level playing field for trade, one free of counterfeiting and piracy.

Canada's popularity as an export market is due to its geographic proximity and the lack of a language barrier for trade dealings. Despite the fact that it is a steadfast trading partner, Connecticut's exports to Canada dipped slightly in 2007, with exports decreasing 6.8% from $1.93 billion in 2006 down to $1.79 billion in 2007. Among the state's top five export commodities to Canada, only electric machinery/sound equipment/TV equipment/parts, and copper and articles thereof, registered increases. Despite a slight dip, industrial machinery, including computers, was Connecticut's top export commodity to Canada in 2007, recording over $374.2 million in export value. As a whole, 13.1% of Connecticut's exports were destined for Canada in 2007, while 21.4% of all U.S. exports headed to Canada in 2007. U.S. exports to Canada exceeded $248.4 billion in 2007, while 17.2% of New England's exports went to Canada in 2007 exceeding $8.6 billion.

The U.S. and the New England states' mix of top five trade partners were similar in composition to Connecticut's. The top five U.S. export destinations in 2007 were Canada, Mexico, China, Japan, and the United Kingdom. The top export markets for the New England states were Canada, Germany, the United Kingdom, Japan and the Netherlands.

Free Trade Agreements

Free Trade Agreements (FTAs) and Trade Promotion Agreements (TPAs), both newly enacted and pending, with countries such as Peru, Colombia, Panama and Korea, make for markets worth watching. The impact of such agreements and their subsequent reduced duties and tariffs could boost future export figures by encouraging exports to markets with which the U.S. has FTAs and TPAs. These agreements can lead to market gains for U.S. exporters and benefits to U.S. consumers. As 2008 is a presidential election year, the advantages and disadvantages of trade pacts, FTAs and TPAs in the world of free and fair trade is a topic much discussed and debated among the candidates.

Composition of Connecticut's Exports

Connecticut's top export commodities mirror the state's historic strengths. There is a demonstrated consistency among the state's top export commodities. In 2007, Connecticut's top five export commodity groups were (1) industrial machinery, including computers; (2) electric machinery, sound equipment, TV equipment, parts; (3) aircraft, spacecraft, parts; (4) plastics, and (5) optic, photo, medical, or surgical instruments. With the exception of the last commodity group, all experienced gains in 2007. (Please refer to Table B below.) Among these groups, plastics experienced the greatest growth in 2007; plastic commodity exports increased 115.5%, from $440.9 million in 2006 to $950.2 million in 2007. Organic chemicals, fertilizers, and iron and steel had strong increases in 2007. Commodities related to the transportation industry remain a category to monitor, as transportation is a volatile sector that is greatly affected by the peaks and valleys of commercial aircraft procurement cycles.

Putting this in context, the U.S. and New England states' top export commodities were similar to Connecticut's in 2007. The top five U.S. exports were (1) industrial machinery including computers; (2) electric machinery, sound equipment, TV equipment, parts; (3) vehicles, except railway or tramway; (4) aircraft, spacecraft, parts, and (5) optic, photo, medical or surgical instruments. The top five exports for New England included (1) industrial machinery, including computers; (2) electric machinery, sound equipment, TV equipment, parts; (3) optic, photo, medical or surgical instruments; (4) pharmaceutical products, and (5) plastics.

Table B: Connecticut Exports by Commodity

Rank	Description	ANNUAL 2006	ANNUAL 2007	%2006-2007
	TOTAL ALL COMMODITIES	$12,238,324,203	$13,719,049,174	12.1
1	Industrial Machinery, Including Computers	$5,255,251,230	$5,773,430,937	9.86
2	Electric Machinery Etc; Sound Equip; Tv Equip; Pts	$1,019,499,014	$1,444,050,473	41.64
3	Aircraft, Spacecraft, And Parts Thereof	$1,237,316,874	$1,263,175,732	2.09
4	Plastics And Articles Thereof	$440,931,852	$950,225,768	115.5
5	Optic, Photo Etc, Medic Or Surgical Instrments Etc	$1,033,770,845	$944,902,073	-8.6
6	Special Classification Provisions, Nesoi	$228,195,841	$305,398,217	33.83
7	Copper And Articles Thereof	$187,532,948	$243,430,475	29.81
8	Iron And Steel	$122,803,533	$212,825,790	73.31
9	Organic Chemicals	$63,188,929	$197,156,119	212.01
10	Vehicles, Except Railway Or Tramway, And Parts Etc	$125,018,866	$164,689,224	31.73

Challenges

While exporting presents challenges to the business community in terms of logistics, financial transactions and legal and cultural issues, international markets are important to the U.S and Connecticut economies and the public and private sectors should continue to cultivate and expand the export market. Exports are an engine of growth for Connecticut, and a sizable component in the state's economic future (almost 7% of the state's economy). The importance of foreign exports to the state's economy cannot be understated.

Export Assistance

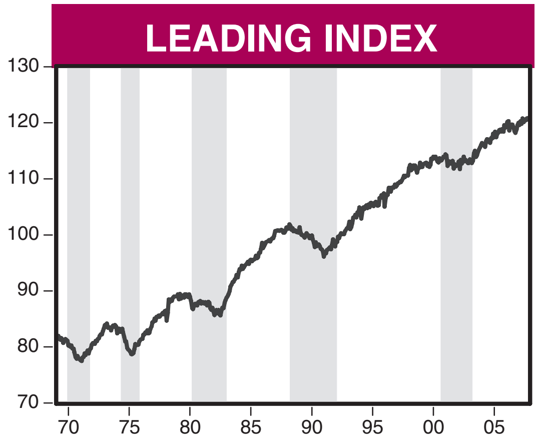
The Connecticut Department of Economic and Community Development's (DECD) International Affairs Office is committed to assisting local companies compete in the global marketplace, whether it is helping a company reach new markets or raising awareness of the many export opportunities that may help a business thrive and grow. For more information about DECD's international programs and services, please contact Laura Jaworski at (860) 270-8068 or laura.jaworski@ct.gov. ■

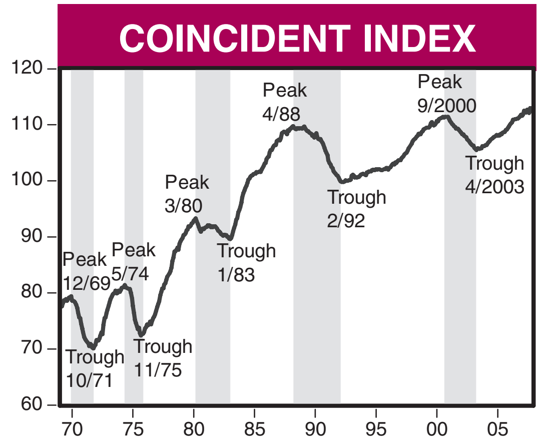
Data Source

World Institute for Strategic Economic Research

Notes

[1] Office of the U.S. Trade Representative





The distance from peak to trough, indicated by the shaded areas, measures the duration of an employment cycle recession. The vertical scale in both charts is an index with 1992=100.

Weathering the March Winds

The National Outlook

The U.S. economy's outlook has "weakened further" according to recent information, prompting the Federal Open Market Committee (FOMC) in March to once again lower its target for the federal funds rate by 75 basis points to 2.25 percent. Slower growth in consumer spending, softening labor markets, and "considerable stress" in the financial markets as well as tightening credit and deepening of the housing sector contraction, are of concern even as uncertainty about inflation (4.3% in 2007) has increased. Thus significant downside risks to growth remain. U.S. real gross domestic product (RGDP) in the final quarter of 2007 (preliminary) increased at an annual rate of only 0.6 percent, down from 4.9% in the third quarter.

Connecticut Employment Indexes

The DECD-ECRI Connecticut coincident employment index is a measure of contemporaneous activity and increased on a year-to-year basis from 111.4 in January 2007 to 112.4 in January 2008 using benchmarked data for most series. Total employment (from the household survey) increased 1.45% or by 25,705 persons, nonfarm employment (from the employer survey) increased 0.77% from January 2007, and contributed positively. The insured unemployment rate (2.39% vs. 2.38% a year ago) and the total unemployment rate (4.8% vs. 4.4% a year ago) contributed negatively to the annual change in this index. A rise in both employment and the unemployment rate means more people are looking for work as job prospects (hiring) have improved.

On a month-to-month basis the January 2008 coincident employment index increased slightly to 112.4 from 112.3 a month earlier. The 12-month moving average growth rate of this index (0.9%) was unchanged from last month. Total employment increased by 4,200 persons. Nonfarm employment decreased by 2,200 jobs, and the total insured unemployment rate edged up from 2.37% last month to 2.39% in January with each contributing negatively to the monthly change in this index. The total unemployment rate of 4.8% was unchanged from the revised level the previous month.

The DECD-ECRI Connecticut leading employment index that estimates future activity increased from 120.3 in January 2007 to 121.6 in January 2008. Manufacturing employment decreased by 2,100 jobs from 192,300 a year ago to 190,300 jobs in January 2008, and was a negative contributor. Construction employment decreased by 5,200 jobs over the year, and the Hartford help-wanted index decreased from a year ago; these are negative contributors to the annual change in this index. Average weekly hours increased in manufacturing and decreased in construction from a year ago, offsetting factors to the annual change in this index. Other negative contributors include the short duration unemployment rate that increased from 1.41% to 1.56% over the year, and housing permits that decreased from 703 units in January 2007 to 692 in January 2008. Negative contributors also include initial claims that increased 0.6% from 17,907 a year ago, and Moody's Baa bond yield that increased from 6.34% to 6.54%.

On a month-to-month basis, the leading employment index edged up from 120.3 to 121.6. Manufacturing employment decreased by 400 jobs over the month (a negative contributor). Positive contributors were housing permits that increased by 254 units or 57.8% (seasonally adjusted) and construction average weekly hours that increased from 38.1 to 38.3 for the month. Construction employment at 63,000 decreased and the Hartford help-wanted index was unchanged from the previous month. Initial claims increased by 389, short duration unemployment rate increased slightly and manufacturing average weekly hours decreased slightly contributing negatively to the monthly change in this index. The significant jump in the leading index is attributable to the considerable increase in housing permits, in both not seasonally adjusted and seasonally adjusted terms.

January's indicators give no signal of a recession in Connecticut. The upward trend of Connecticut's employment indicators is reassuring in the wake of recent ominous economic events. However, state and federal tax rebates and repeated cuts in interest rates by the FOMC are further evidence of expansionary policies designed to thwart a possible recession.

By Stan McMillen, Ph.D. , Managing Economist, DECD, (860) 270-8166. Mark Prisloe, Associate Economist, DECD, provides research assistance. Professors Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute developed the leading and coincident employment indexes. The views expressed herein are the author's own and do not necessarily represent those of the Connecticut Department of Labor or the Connecticut Department of Economic and Community Development. Components of the indexes are described in the Technical Notes on page 23.

Federal Budget Cuts Expected To Impact Availability and Quality of Connecticut Data

The federal budget for the current fiscal year, enacted in December 2007, provides $30.2 million (or 5.3%) less in funding to the U.S. Bureau of Labor Statistics (BLS) than was requested for the fiscal year that began October 1, 2007.

To work within this FY 2008 funding level, the BLS is taking actions that, unfortunately, will reduce the supply of timely and accurate information on the economy and labor market, and halt implementation of data improvements planned for this year.

Some of these funding cuts are being passed on to state agencies, including the Connecticut Department of Labor, that cooperatively develop labor statistics with the BLS, and will result in the loss of some of the data developed and published for the state.

Cuts are being made in the following two state-federal cooperative programs:

- The Current Employment Statistics (CES) program, through which monthly estimates of nonfarm employment by industry and production worker hours and earnings for the state and labor market areas are developed.

- The Occupational Employment Statistics (OES) program, through which estimates of jobs and wages by occupation for the state and areas are made.

In the CES program, all production worker hours and earnings data series for all labor market areas are being eliminated. Also, plans to initiate test estimates of average hours and earnings for all employees, by labor market area, have been cancelled. Additionally, nonfarm job estimates will no longer be developed or published for the 65 smallest labor market areas in the nation. Fortunately for Connecticut, none of its labor market areas are among these.

The OES program's May 2008 survey panel is being reduced by 20%, and in Connecticut, this means that more than 700 fewer state employers will be surveyed.

Consequently, with this smaller sample the occupational employment and wage estimates that include data collected in the May 2008 panel, to be released in May 2009 and thereafter, will have publishable data for fewer occupations and estimates will be less reliable than would otherwise have been available.

BLS has requested that the funding that resulted in the loss of these data be restored in the FY 2009 budget that is now being considered by Congress. Further budget cuts would result in further reductions in the quantity and quality of the data available.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q 2007	4Q 2006	CHANGE NO.	CHANGE %	3Q 2007
Employment Indexes (1992=100)*					
Leading	120.5	118.8	1.7	1.4	120.6
Coincident	112.7	111.5	1.1	1.0	112.5
General Drift Indicator (1986=100)*					
Leading	108.2	107.0	1.2	1.1	110.9
Coincident	114.0	111.1	2.9	2.6	113.9
Banknorth Business Barometer (1992=100)**	124.4	123.2	1.2	1.0	124.6

*Sources: *The Connecticut Economy, University of Connecticut* *****Banknorth Bank*

The Connecticut Economy's **General Drift Indicators** are composite measures of the four-quarter change in three coincident (Connecticut Manufacturing Production Index, nonfarm employment, and real personal income) and four leading (housing permits, manufacturing average weekly hours, Hartford help-wanted advertising, and initial unemployment claims) economic variables, and are indexed so 1986 = 100.

The **Banknorth Business Barometer** is a measure of overall economic growth in the state of Connecticut that is derived from non-manufacturing employment, real disposable personal income, and manufacturing production.

Total nonfarm employment increased over the year.

EMPLOYMENT BY INDUSTRY SECTOR

(Seasonally adjusted; 000s)	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM	1,703.1	1,691.0	12.1	0.7	1,704.0
Natural Res & Mining (Not Sea. Adj.)	0.6	0.6	0.0	0.0	0.7
Construction	67.8	67.6	0.2	0.3	68.9
Manufacturing	190.2	192.2	-2.0	-1.0	190.4
Trade, Transportation & Utilities	310.7	310.6	0.1	0.0	311.7
Information	39.5	38.1	1.4	3.7	39.1
Financial Activities	143.1	145.2	-2.1	-1.4	143.5
Professional and Business Services	204.9	205.5	-0.6	-0.3	205.3
Educational and Health Services	292.3	284.7	7.6	2.7	291.6
Leisure and Hospitality Services	137.1	134.5	2.6	1.9	136.2
Other Services	64.4	64.2	0.2	0.3	64.5
Government*	252.5	247.8	4.7	1.9	252.1

Source: Connecticut Department of Labor ** Includes Native American tribal government employment*

Initial claims for unemployment insurance rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
Unemployment Rate, resident (%)	5.0	4.4	0.6	---	4.8
Labor Force, resident (000s)	1,885.1	1,853.6	31.5	1.7	1,885.7
Employed (000s)	1,791.5	1,771.8	19.7	1.1	1,795.7
Unemployed (000s)	93.6	81.8	11.8	14.4	90.0
Average Weekly Initial Claims	4,497	4,243	254	6.0	4,032
Help Wanted Index -- Htfd. (1987=100)	NA	9	NA	NA	NA
Avg. Insured Unemp. Rate (%)	2.54	2.54	0.00	---	2.55

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008	DEC 2007
Average Weekly Hours	42.2	42.4	-0.2	-0.5	42.4	--
Average Hourly Earnings	21.09	20.29	0.80	3.9	21.16	--
Average Weekly Earnings	890.00	860.30	29.70	3.5	897.18	--
CT Mfg. Production Index (2000=100)	113.8	110.1	3.7	3.4	111.1	118.3
Production Worker Hours (000s)	4,771	4,867	-96	-2.0	4,810	--
Industrial Electricity Sales (mil kWh)*	416	408	8.2	2.0	402	438

Sources: Connecticut Department of Labor; U.S. Department of Energy
**Latest two months are forecasted.*

Personal income for second quarter 2008 is forecasted to increase 3.0 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	2Q* 2008	2Q 2007	CHANGE NO.	CHANGE %	1Q* 2008
Personal Income	$194,565	$188,881	5,684	3.0	$193,418
UI Covered Wages	$99,765	$97,098	2,668	2.7	$99,386

Source: Bureau of Economic Analysis: December 2007 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

New auto registrations decreased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits*	FEB 2008	260	-30.1	779	894	-12.9
Electricity Sales (mil kWh)	DEC 2007	3,015	14.1	34,123	31,677	7.7
Construction Contracts Index (1980=100)	JAN 2008	317.2	-64.5	---	---	---
New Auto Registrations	FEB 2008	13,880	-11.2	32,591	29,517	10.4
Air Cargo Tons	FEB 2008	12,337	0.9	25,664	25,105	2.2
Exports (Bil. $)	4Q 2007	3.65	15.5	13.72	12.24	12.1

Sources: Connecticut Department of Economic and Community Development; U.S. Department of Energy, Energy Information Administration; Connecticut Department of Revenue Services; F.W. Dodge; Connecticut Department of Motor Vehicles; Connecticut Department of Transportation, Bureau of Aviation and Ports
** Estimated by the Bureau of the Census*

BUSINESS STARTS AND TERMINATIONS

Net business formation, as measured by starts minus stops registered with the Secretary of the State, was up over the year.

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	FEB 2008	2,539	2.4	5,325	5,541	-3.9
Department of Labor*	3Q2007	2,019	-7.7	7,102	7,749	-8.3
TERMINATIONS						
Secretary of the State	FEB 2008	749	13.7	1,645	1,619	1.6
Department of Labor*	3Q2007	1,134	-35.2	3,972	5,270	-24.6

Sources: Connecticut Secretary of the State; Connecticut Department of Labor
** Revised methodology applied back to 1996; 3-months total*

STATE REVENUES

Total revenues were up from a year ago.

(Millions of dollars)	FEB 2008	FEB 2007	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	850.9	819.7	3.8	2,476.5	2,413.9	2.6
Corporate Tax	13.5	15.3	-11.8	32.8	38.0	-13.7
Personal Income Tax	430.7	407.1	5.8	1,401.7	1,275.4	9.9
Real Estate Conv. Tax	7.4	12.4	-40.3	21.1	31.2	-32.4
Sales & Use Tax	293.1	273.4	7.2	662.0	725.5	-8.8
Indian Gaming Payments**	31.6	33.3	-5.0	63.0	65.8	-4.3

Sources: Connecticut Department of Revenue Services; Division of Special Revenue
**Includes all sources of revenue; Only selected sources are displayed; Most July receipts are credited to the prior fiscal year and are not shown. **See page 23 for explanation.*

TOURISM AND TRAVEL

Indian Gaming Slots fell over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	FEB 2008	15,915	13.2	30,989	29,620	4.6
Major Attraction Visitors	FEB 2008	93,284	1.0	160,543	156,865	2.3
Air Passenger Count	FEB 2008	470,316	3.4	928,557	952,705	-2.5
Indian Gaming Slots (Mil.$)*	FEB 2008	1,478	-1.5	3,001	2,991	0.3
Travel and Tourism Index**	4Q 2007	---	-3.7	---	---	---

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Department of Economic and Community Development; Connecticut Lodging & Attractions Association; Division of Special Revenue
**See page 23 for explanation*
***The Connecticut Economy, University of Connecticut*

Compensation cost for the nation rose 3.0 percent over the year.

EMPLOYMENT COST INDEX

	Seasonally Adjusted			Not Seasonally Adjusted		
Private Industry Workers	**DEC**	**SEP**	**3-Mo**	**DEC**	**DEC**	**12-Mo**
(Dec. 2005 = 100)	**2007**	**2007**	**% Chg**	**2007**	**2006**	**% Chg**
UNITED STATES TOTAL	106.4	105.6	0.8	106.3	103.2	3.0
Wages and Salaries	106.7	105.9	0.8	106.6	103.2	3.3
Benefit Costs	105.9	105.0	0.9	105.6	103.1	2.4
NORTHEAST TOTAL	---	---	---	106.8	103.3	3.4
Wages and Salaries	---	---	---	106.6	103.1	3.4

Source: U.S. Department of Labor, Bureau of Labor Statistics

U.S. inflation rate increased 4.0 percent over the year.

CONSUMER NEWS

			% CHANGE	
(Not seasonally adjusted)	**MO/QTR**	**LEVEL**	**Y/Y**	**P/P***
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	FEB 2008	211.7	4.0	0.3
Purchasing Power of $ (1982-84=$1.00)	FEB 2008	$0.472	-3.9	-0.3
Northeast Region	FEB 2008	225.2	3.9	0.4
NY-Northern NJ-Long Island	FEB 2008	231.0	3.5	0.5
Boston-Brockton-Nashua**	JAN 2008	232.0	3.4	0.6
CPI-W (1982-84=100)				
U.S. City Average	FEB 2008	207.3	4.4	0.3

Sources: U.S. Department of Labor, Bureau of Labor Statistics; The Conference Board
**Change over prior monthly or quarterly period*
***The Boston CPI can be used as a proxy for New England and is measured every other month.*

Conventional mortgage rose to 5.92 percent over the month.

INTEREST RATES

	FEB	**JAN**	**FEB**
(Percent)	**2008**	**2008**	**2007**
Prime	6.00	6.98	8.25
Federal Funds	2.98	3.94	5.26
3 Month Treasury Bill	2.17	2.82	5.16
6 Month Treasury Bill	2.10	2.84	5.16
1 Year Treasury Note	2.05	2.71	5.05
3 Year Treasury Note	2.19	2.51	4.75
5 Year Treasury Note	2.78	2.98	4.71
7 Year Treasury Note	3.21	3.31	4.71
10 Year Treasury Note	3.74	3.74	4.72
20 Year Treasury Note	4.49	4.35	4.93
Conventional Mortgage	5.92	5.76	6.29

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

All but one states in the region added jobs over the year.

(Seasonally adjusted; 000s)	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
Connecticut	1,703.1	1,691.0	12.1	0.7	1,704.0
Maine	617.4	616.6	0.8	0.1	619.1
Massachusetts	3,288.3	3,270.1	18.2	0.6	3,289.0
New Hampshire	653.5	646.3	7.2	1.1	654.3
New Jersey	4,072.3	4,066.3	6.0	0.1	4,074.0
New York	8,779.4	8,703.8	75.6	0.9	8,785.6
Pennsylvania	5,803.7	5,776.9	26.8	0.5	5,811.7
Rhode Island	487.8	495.5	-7.7	-1.6	489.0
Vermont	307.9	307.6	0.3	0.1	307.8
United States	137,993.0	137,133.0	860.0	0.6	138,056.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

LABOR FORCE

Six of nine states posted increases in the labor force from last year.

(Seasonally adjusted; 000s)	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
Connecticut	1,885.1	1,853.6	31.5	1.7	1,885.7
Maine	706.9	704.6	2.3	0.3	709.6
Massachusetts	3,408.8	3,412.1	-3.3	-0.1	3,422.2
New Hampshire	741.6	737.3	4.3	0.6	742.8
New Jersey	4,507.8	4,474.0	33.8	0.8	4,491.2
New York	9,535.9	9,500.1	35.8	0.4	9,600.1
Pennsylvania	6,345.0	6,291.2	53.8	0.9	6,360.9
Rhode Island	571.1	578.3	-7.2	-1.2	574.6
Vermont	352.6	355.5	-2.9	-0.8	354.5
United States	153,374.0	152,725.0	649.0	0.4	153,824.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

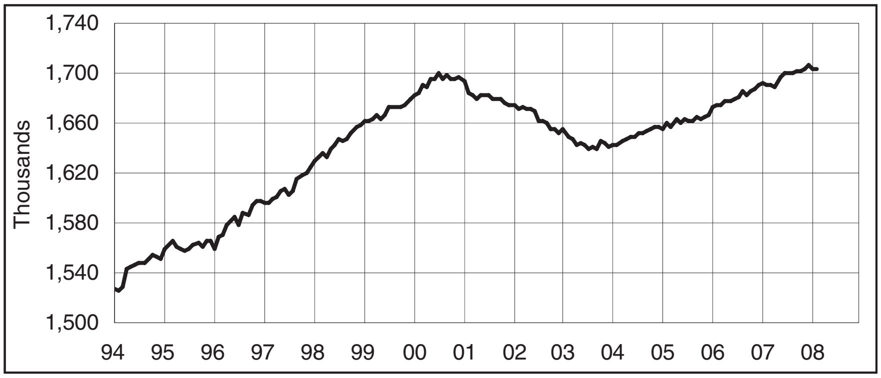
UNEMPLOYMENT RATES

Seven of nine states showed an increase in its unemployment rate over the year.

(Seasonally adjusted)	FEB 2008	FEB 2007	CHANGE	JAN 2008
Connecticut	5.0	4.4	0.6	4.8
Maine	4.8	4.6	0.2	4.9
Massachusetts	4.5	4.7	-0.2	4.5
New Hampshire	3.7	3.8	-0.1	3.5
New Jersey	4.8	4.3	0.5	4.5
New York	4.5	4.4	0.1	5.0
Pennsylvania	4.9	4.3	0.6	4.8
Rhode Island	5.8	4.9	0.9	5.7
Vermont	4.3	4.0	0.3	4.2
United States	4.8	4.5	0.3	4.9

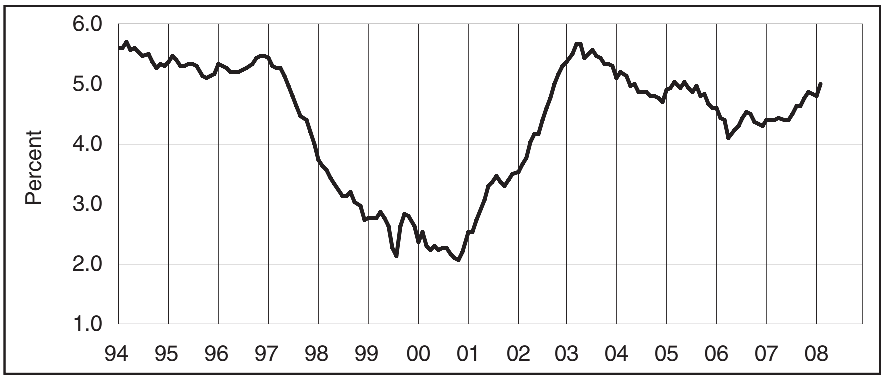
Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT *(Seasonally adjusted)*



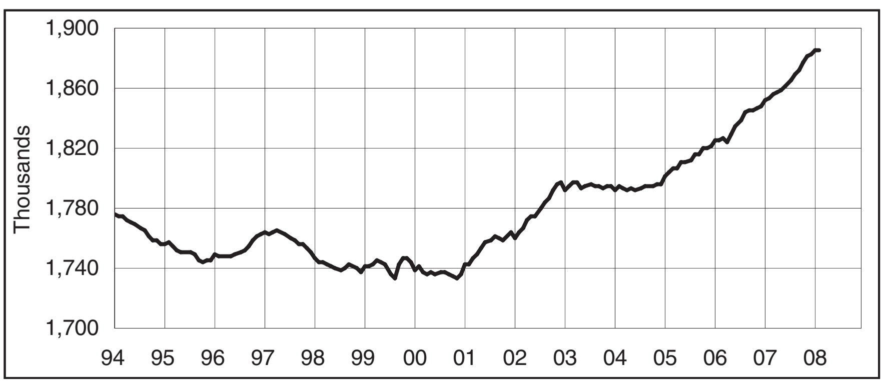
Month	2006	2007	2008
Jan	1,673.0	1,691.2	1,704.0
Feb	1,674.0	1,691.0	1,703.1
Mar	1,674.0	1,689.9	
Apr	1,677.9	1,689.1	
May	1,678.2	1,696.7	
Jun	1,679.1	1,699.9	
Jul	1,680.5	1,699.3	
Aug	1,684.9	1,700.7	
Sep	1,682.8	1,701.7	
Oct	1,685.1	1,702.2	
Nov	1,687.1	1,703.9	
Dec	1,690.4	1,706.5	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



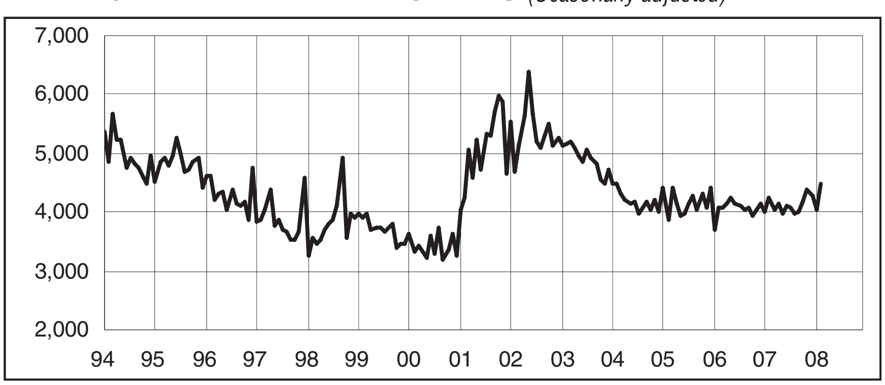
Month	2006	2007	2008
Jan	4.6	4.4	4.8
Feb	4.4	4.4	5.0
Mar	4.4	4.4	
Apr	4.1	4.4	
May	4.2	4.4	
Jun	4.3	4.4	
Jul	4.4	4.5	
Aug	4.5	4.6	
Sep	4.5	4.6	
Oct	4.4	4.8	
Nov	4.3	4.9	
Dec	4.3	4.8	

LABOR FORCE *(Seasonally adjusted)*



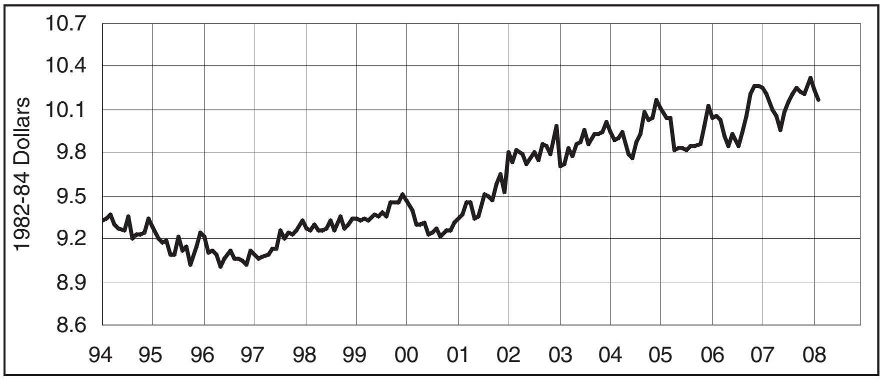
Month	2006	2007	2008
Jan	1,824.9	1,851.5	1,885.7
Feb	1,824.7	1,853.6	1,885.1
Mar	1,827.0	1,855.6	
Apr	1,824.3	1,857.7	
May	1,829.8	1,859.2	
Jun	1,834.2	1,861.1	
Jul	1,839.2	1,865.2	
Aug	1,843.6	1,869.8	
Sep	1,845.5	1,872.1	
Oct	1,845.1	1,876.7	
Nov	1,846.6	1,881.1	
Dec	1,847.5	1,882.2	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*



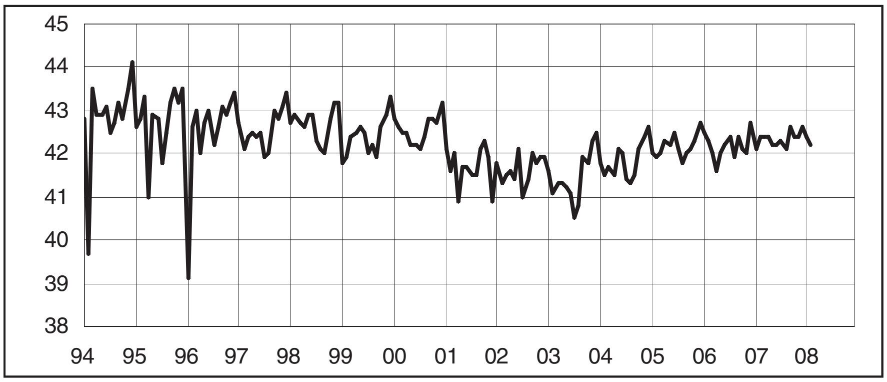
Month	2006	2007	2008
Jan	3,702	3,991	4,032
Feb	4,062	4,243	4,497
Mar	4,079	4,030	
Apr	4,133	4,129	
May	4,260	3,987	
Jun	4,144	4,103	
Jul	4,111	4,078	
Aug	4,027	3,980	
Sep	4,084	4,009	
Oct	3,930	4,160	
Nov	4,031	4,375	
Dec	4,147	4,275	

REAL AVG MANUFACTURING HOURLY EARNINGS *(Not seasonally adjusted)**



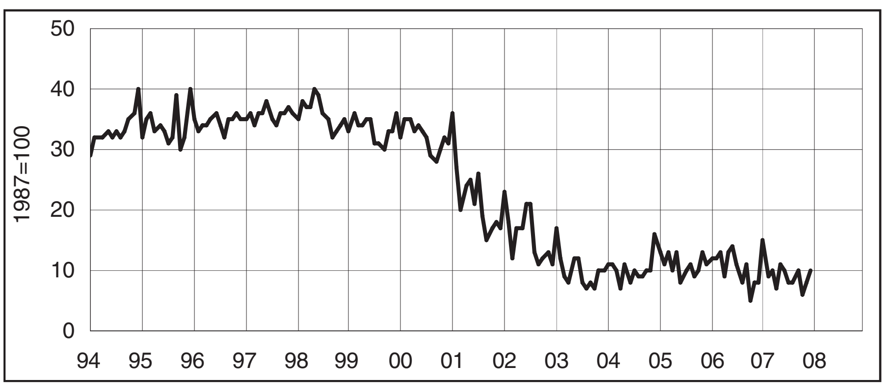
Month	2006	2007	2008
Jan	$10.04	$10.25	$10.24
Feb	$10.05	$10.22	$10.17
Mar	$10.03	$10.10	
Apr	$9.92	$10.05	
May	$9.84	$9.96	
Jun	$9.93	$10.09	
Jul	$9.84	$10.15	
Aug	$9.95	$10.21	
Sep	$10.06	$10.26	
Oct	$10.20	$10.23	
Nov	$10.27	$10.20	
Dec	$10.27	$10.32	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



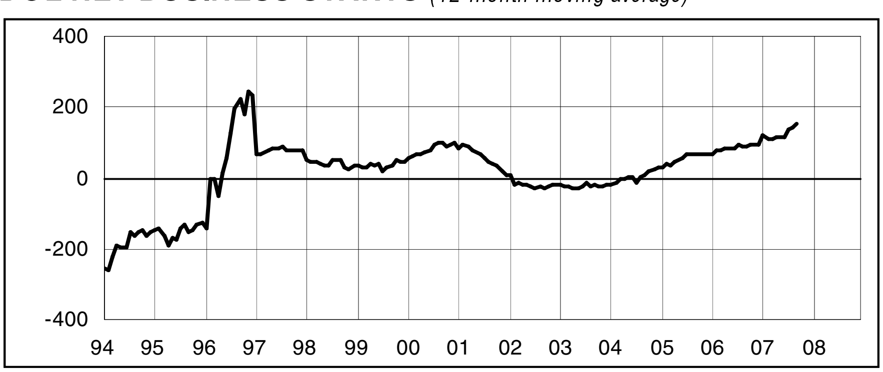
Month	2006	2007	2008
Jan	42.5	42.1	42.4
Feb	42.3	42.4	42.2
Mar	42.0	42.4	
Apr	41.6	42.4	
May	42.0	42.2	
Jun	42.2	42.2	
Jul	42.4	42.3	
Aug	41.9	42.1	
Sep	42.4	42.6	
Oct	42.1	42.4	
Nov	42.0	42.4	
Dec	42.7	42.6	

HARTFORD HELP WANTED INDEX *(Seasonally adjusted)*



Month	2006	2007	2008
Jan	12	15	
Feb	12	9	
Mar	13	10	
Apr	9	7	
May	13	11	
Jun	14	10	
Jul	11	8	
Aug	8	8	
Sep	11	10	
Oct	5	6	
Nov	8	8	
Dec	8	10	

DOL NET BUSINESS STARTS *(12-month moving average)***



Month	2006	2007	2008
Jan	70	119	
Feb	76	109	
Mar	80	110	
Apr	84	117	
May	84	115	
Jun	85	117	
Jul	94	135	
Aug	88	143	
Sep	86	154	
Oct	94		
Nov	97		
Dec	94		

**New series began in 2001; prior years are not directly comparable*
***New series began in 1996; prior years are not directly comparable*

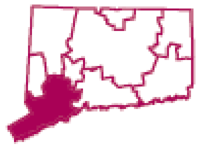
CONNECTICUT

Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**1,681,400**	**1,668,400**	**13,000**	**0.8**	**1,679,200**
GOODS PRODUCING INDUSTRIES	**251,600**	**253,000**	**-1,400**	**-0.6**	**253,900**
CONSTRUCTION, NAT. RES. & MINING	**61,800**	**61,300**	**500**	**0.8**	**63,700**
MANUFACTURING	**189,800**	**191,700**	**-1,900**	**-1.0**	**190,200**
Durable Goods	**143,700**	**144,600**	**-900**	**-0.6**	**144,000**
Fabricated Metal	32,600	33,500	-900	-2.7	32,900
Machinery	18,100	18,200	-100	-0.5	18,100
Computer and Electronic Product	13,900	14,100	-200	-1.4	13,900
Transportation Equipment	43,600	43,700	-100	-0.2	43,600
Aerospace Product and Parts	31,600	31,500	100	0.3	31,700
Non-Durable Goods	**46,100**	**47,100**	**-1,000**	**-2.1**	**46,200**
Chemical	15,300	15,900	-600	-3.8	15,300
SERVICE PROVIDING INDUSTRIES	**1,429,800**	**1,415,400**	**14,400**	**1.0**	**1,425,300**
TRADE, TRANSPORTATION, UTILITIES	**306,000**	**305,300**	**700**	**0.2**	**311,800**
Wholesale Trade	68,200	67,500	700	1.0	68,200
Retail Trade	185,100	185,500	-400	-0.2	190,700
Motor Vehicle and Parts Dealers	21,900	21,700	200	0.9	21,900
Building Material	15,100	15,300	-200	-1.3	15,300
Food and Beverage Stores	41,400	41,000	400	1.0	42,100
General Merchandise Stores	24,000	24,000	0	0.0	25,500
Transportation, Warehousing, & Utilities	52,700	52,300	400	0.8	52,900
Utilities	8,200	8,100	100	1.2	8,200
Transportation and Warehousing	44,500	44,200	300	0.7	44,700
INFORMATION	**39,400**	**37,900**	**1,500**	**4.0**	**38,900**
Telecommunications	13,200	13,200	0	0.0	13,000
FINANCIAL ACTIVITIES	**142,200**	**144,400**	**-2,200**	**-1.5**	**142,400**
Finance and Insurance	122,300	123,600	-1,300	-1.1	122,300
Credit Intermediation	30,100	31,800	-1,700	-5.3	30,200
Securities and Commodity Contracts	22,200	21,400	800	3.7	22,300
Insurance Carriers & Related Activities	65,300	65,600	-300	-0.5	65,100
Real Estate and Rental and Leasing	19,900	20,800	-900	-4.3	20,100
PROFESSIONAL & BUSINESS SERVICES	**200,100**	**200,400**	**-300**	**-0.1**	**199,300**
Professional, Scientific	93,600	92,000	1,600	1.7	92,900
Legal Services	14,200	14,400	-200	-1.4	14,300
Computer Systems Design	22,000	21,100	900	4.3	22,000
Management of Companies	24,600	24,700	-100	-0.4	24,600
Administrative and Support	81,900	83,700	-1,800	-2.2	81,800
Employment Services	29,300	31,300	-2,000	-6.4	29,100
EDUCATIONAL AND HEALTH SERVICES	**294,200**	**286,600**	**7,600**	**2.7**	**289,700**
Educational Services	58,600	57,500	1,100	1.9	53,600
Health Care and Social Assistance	235,600	229,100	6,500	2.8	236,100
Hospitals	58,500	57,100	1,400	2.5	58,700
Nursing & Residential Care Facilities	59,200	58,100	1,100	1.9	59,400
Social Assistance	42,500	40,000	2,500	6.3	42,500
LEISURE AND HOSPITALITY	**128,000**	**125,200**	**2,800**	**2.2**	**127,900**
Arts, Entertainment, and Recreation	20,500	19,800	700	3.5	20,400
Accommodation and Food Services	107,500	105,400	2,100	2.0	107,500
Food Serv., Restaurants, Drinking Places	96,400	94,400	2,000	2.1	96,500
OTHER SERVICES	**63,200**	**63,200**	**0**	**0.0**	**63,400**
GOVERNMENT	**256,700**	**252,400**	**4,300**	**1.7**	**251,900**
Federal Government	19,400	19,600	-200	-1.0	19,400
State Government	72,100	69,500	2,600	3.7	68,500
Local Government**	165,200	163,300	1,900	1.2	164,000

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA

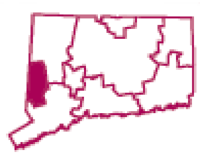


Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**417,500**	**412,100**	**5,400**	**1.3**	**417,400**
GOODS PRODUCING INDUSTRIES	**55,500**	**54,700**	**800**	**1.5**	**55,400**
CONSTRUCTION, NAT. RES. & MINING	**14,600**	**14,100**	**500**	**3.5**	**14,700**
MANUFACTURING	**40,900**	**40,600**	**300**	**0.7**	**40,700**
Durable Goods	**30,400**	**30,000**	**400**	**1.3**	**30,100**
SERVICE PROVIDING INDUSTRIES	**362,000**	**357,400**	**4,600**	**1.3**	**362,000**
TRADE, TRANSPORTATION, UTILITIES	**75,600**	**74,300**	**1,300**	**1.7**	**77,100**
Wholesale Trade	14,500	14,400	100	0.7	14,500
Retail Trade	49,500	48,600	900	1.9	50,900
Transportation, Warehousing, & Utilities	11,600	11,300	300	2.7	11,700
INFORMATION	**12,400**	**11,400**	**1,000**	**8.8**	**12,200**
FINANCIAL ACTIVITIES	**45,600**	**45,000**	**600**	**1.3**	**45,500**
Finance and Insurance	39,100	38,400	700	1.8	39,000
PROFESSIONAL & BUSINESS SERVICES	**69,200**	**68,900**	**300**	**0.4**	**69,000**
EDUCATIONAL AND HEALTH SERVICES	**62,700**	**62,000**	**700**	**1.1**	**62,000**
Health Care and Social Assistance	52,700	51,900	800	1.5	53,100
LEISURE AND HOSPITALITY	**31,600**	**31,200**	**400**	**1.3**	**31,700**
Accommodation and Food Services	24,400	23,900	500	2.1	24,500
OTHER SERVICES	**17,200**	**17,000**	**200**	**1.2**	**17,300**
GOVERNMENT	**47,700**	**47,600**	**100**	**0.2**	**47,200**
Federal	3,100	3,200	-100	-3.1	3,100
State & Local	44,600	44,400	200	0.5	44,100

For further information on the Bridgeport-Stamford Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

DANBURY LMA



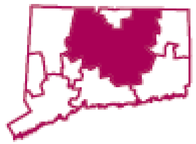
Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**69,100**	**68,200**	**900**	**1.3**	**69,600**
GOODS PRODUCING INDUSTRIES	**12,700**	**12,700**	**0**	**0.0**	**12,700**
SERVICE PROVIDING INDUSTRIES	**56,400**	**55,500**	**900**	**1.6**	**56,900**
TRADE, TRANSPORTATION, UTILITIES	**15,800**	**15,500**	**300**	**1.9**	**16,300**
Retail Trade	11,700	11,500	200	1.7	12,200
PROFESSIONAL & BUSINESS SERVICES	**7,800**	**7,900**	**-100**	**-1.3**	**7,900**
LEISURE AND HOSPITALITY	**5,600**	**5,300**	**300**	**5.7**	**5,700**
GOVERNMENT	**8,300**	**8,500**	**-200**	**-2.4**	**8,100**
Federal	600	600	0	0.0	600
State & Local	7,700	7,900	-200	-2.5	7,500

For further information on the Danbury Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**556,000**	**548,700**	**7,300**	**1.3**	**553,200**
GOODS PRODUCING INDUSTRIES	**85,000**	**84,500**	**500**	**0.6**	**85,600**
CONSTRUCTION, NAT. RES. & MINING	**20,400**	**20,100**	**300**	**1.5**	**21,100**
MANUFACTURING	**64,600**	**64,400**	**200**	**0.3**	**64,500**
Durable Goods	**53,700**	**53,700**	**0**	**0.0**	**53,600**
Transportation Equipment	18,500	18,700	-200	-1.1	18,500
SERVICE PROVIDING INDUSTRIES	**471,000**	**464,200**	**6,800**	**1.5**	**467,600**
TRADE, TRANSPORTATION, UTILITIES	**88,500**	**87,600**	**900**	**1.0**	**90,200**
Wholesale Trade	19,700	19,500	200	1.0	19,800
Retail Trade	54,000	53,500	500	0.9	55,500
Transportation, Warehousing, & Utilities	14,800	14,600	200	1.4	14,900
Transportation and Warehousing	11,700	11,500	200	1.7	11,800
INFORMATION	**12,300**	**12,000**	**300**	**2.5**	**12,200**
FINANCIAL ACTIVITIES	**66,300**	**67,100**	**-800**	**-1.2**	**66,500**
Depository Credit Institutions	7,700	7,700	0	0.0	7,700
Insurance Carriers & Related Activities	44,900	45,400	-500	-1.1	44,800
PROFESSIONAL & BUSINESS SERVICES	**60,300**	**59,100**	**1,200**	**2.0**	**60,000**
Professional, Scientific	30,400	29,600	800	2.7	30,100
Administrative and Support	23,200	23,400	-200	-0.9	23,200
EDUCATIONAL AND HEALTH SERVICES	**92,600**	**89,200**	**3,400**	**3.8**	**91,500**
Health Care and Social Assistance	79,200	77,100	2,100	2.7	79,400
Ambulatory Health Care	23,700	23,100	600	2.6	23,800
LEISURE AND HOSPITALITY	**39,300**	**38,400**	**900**	**2.3**	**39,300**
Accommodation and Food Services	33,500	32,600	900	2.8	33,400
OTHER SERVICES	**20,800**	**20,700**	**100**	**0.5**	**20,700**
GOVERNMENT	**90,900**	**90,100**	**800**	**0.9**	**87,200**
Federal	5,900	6,000	-100	-1.7	6,000
State & Local	85,000	84,100	900	1.1	81,200

For further information on the Hartford Labor Market Area contact Arthur Famiglietti at (860) 263-6297.

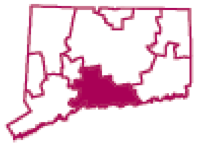
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Union membership in 2007**
  In 2007, union members (in U.S.) accounted for 12.1 percent of employed wage and salary workers, essentially unchanged from 12.0 percent in 2006. In 1983, the first year for which comparable union data are available, the union membership rate was 20.1 percent. The union membership rate was higher for men (13.0 percent) than for women (11.1 percent) in 2007. The gap between their rates has narrowed considerably since 1983, when the rate for men was about 10 percentage points higher than the rate for women. The rates for both men and women declined between 1983 and 2007, but the rate for men declined much more rapidly. Black workers were more likely to be union members (14.3 percent) than were whites (11.8 percent), Asians (10.9 percent) or Hispanics (9.8 percent). These data on union membership are from the Current Population Survey. Unionization data are for wage and salary workers. Find out more in "Union Members in 2007," news release 08-0092. (The Editor's Desk, Bureau of Labor Statistics, January 28, 2008)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**274,500**	**275,000**	**-500**	**-0.2**	**272,600**
GOODS PRODUCING INDUSTRIES	**42,000**	**42,500**	**-500**	**-1.2**	**42,300**
CONSTRUCTION, NAT. RES. & MINING	**10,500**	**10,400**	**100**	**1.0**	**10,700**
MANUFACTURING	**31,500**	**32,100**	**-600**	**-1.9**	**31,600**
Durable Goods	**22,100**	**22,200**	**-100**	**-0.5**	**22,100**
SERVICE PROVIDING INDUSTRIES	**232,500**	**232,500**	**0**	**0.0**	**230,300**
TRADE, TRANSPORTATION, UTILITIES	**50,600**	**51,000**	**-400**	**-0.8**	**51,700**
Wholesale Trade	11,500	11,600	-100	-0.9	11,500
Retail Trade	30,400	30,600	-200	-0.7	31,500
Transportation, Warehousing, & Utilities	8,700	8,800	-100	-1.1	8,700
INFORMATION	**8,200**	**8,200**	**0**	**0.0**	**8,000**
FINANCIAL ACTIVITIES	**13,400**	**13,800**	**-400**	**-2.9**	**13,400**
Finance and Insurance	9,600	10,000	-400	-4.0	9,600
PROFESSIONAL & BUSINESS SERVICES	**25,500**	**25,600**	**-100**	**-0.4**	**25,100**
Administrative and Support	12,300	12,200	100	0.8	12,200
EDUCATIONAL AND HEALTH SERVICES	**69,100**	**68,300**	**800**	**1.2**	**66,400**
Educational Services	25,300	25,600	-300	-1.2	22,600
Health Care and Social Assistance	43,800	42,700	1,100	2.6	43,800
LEISURE AND HOSPITALITY	**20,200**	**19,600**	**600**	**3.1**	**20,200**
Accommodation and Food Services	17,100	17,200	-100	-0.6	17,200
OTHER SERVICES	**10,800**	**10,700**	**100**	**0.9**	**11,000**
GOVERNMENT	**34,700**	**35,300**	**-600**	**-1.7**	**34,500**
Federal	5,100	5,100	0	0.0	5,100
State & Local	29,600	30,200	-600	-2.0	29,400

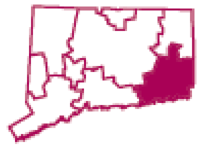
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

- **<u>2006-07 changes in State unemployment rates</u>**
  Ten States recorded statistically significant changes in their annual average unemployment rates from 2006 to 2007-five States registered rate decreases and five had rate increases. New Mexico and Texas posted the largest over-the-year jobless rate declines (-0.8 and -0.6 percentage point, respectively), while Florida, Minnesota, and Nevada reported the largest rate increases (+0.6 percentage point each). Forty States and the District of Columbia recorded annual average unemployment rates for 2007 that were not appreciably different from those of the previous year, even though some had changes that were at least as large numerically as the statistically significant changes. The annual average unemployment rate for the United States was unchanged between 2006 and 2007. These data are from the Local Area Unemployment Statistics program. To learn more, see "Regional and State Unemployment, 2007 Annual Averages," news release USDL 08-0262. (The Editor's Desk, Bureau of Labor Statistics, March 5, 2008)

NORWICH - NEW LONDON LMA

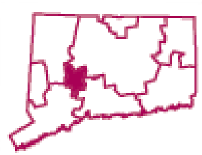


Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**134,100**	**133,100**	**1,000**	**0.8**	**134,700**
GOODS PRODUCING INDUSTRIES	**20,100**	**20,400**	**-300**	**-1.5**	**20,400**
CONSTRUCTION, NAT. RES. & MINING	**4,100**	**3,900**	**200**	**5.1**	**4,300**
MANUFACTURING	**16,000**	**16,500**	**-500**	**-3.0**	**16,100**
Durable Goods	**10,700**	**10,900**	**-200**	**-1.8**	**10,700**
Non-Durable Goods	**5,300**	**5,600**	**-300**	**-5.4**	**5,400**
SERVICE PROVIDING INDUSTRIES	**114,000**	**112,700**	**1,300**	**1.2**	**114,300**
TRADE, TRANSPORTATION, UTILITIES	**23,400**	**22,700**	**700**	**3.1**	**23,800**
Wholesale Trade	2,300	2,100	200	9.5	2,300
Retail Trade	16,200	16,000	200	1.3	16,600
Transportation, Warehousing, & Utilities	4,900	4,600	300	6.5	4,900
INFORMATION	**2,000**	**2,100**	**-100**	**-4.8**	**2,000**
FINANCIAL ACTIVITIES	**3,200**	**3,400**	**-200**	**-5.9**	**3,200**
PROFESSIONAL & BUSINESS SERVICES	**9,800**	**10,000**	**-200**	**-2.0**	**9,700**
EDUCATIONAL AND HEALTH SERVICES	**20,000**	**19,500**	**500**	**2.6**	**19,900**
Health Care and Social Assistance	17,200	16,700	500	3.0	17,200
LEISURE AND HOSPITALITY	**12,000**	**11,700**	**300**	**2.6**	**12,400**
Accommodation and Food Services	10,500	10,100	400	4.0	10,800
Food Serv., Restaurants, Drinking Places	8,800	8,400	400	4.8	9,000
OTHER SERVICES	**3,800**	**3,800**	**0**	**0.0**	**3,800**
GOVERNMENT	**39,800**	**39,500**	**300**	**0.8**	**39,500**
Federal	2,600	2,600	0	0.0	2,600
State & Local**	37,200	36,900	300	0.8	36,900

For further information on the Norwich-New London Labor Market Area contact Lincoln Dyer at (860) 263-6292.

WATERBURY LMA



Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**68,200**	**68,100**	**100**	**0.1**	**68,200**
GOODS PRODUCING INDUSTRIES	**12,500**	**12,800**	**-300**	**-2.3**	**12,400**
CONSTRUCTION, NAT. RES. & MINING	**2,700**	**2,500**	**200**	**8.0**	**2,600**
MANUFACTURING	**9,800**	**10,300**	**-500**	**-4.9**	**9,800**
SERVICE PROVIDING INDUSTRIES	**55,700**	**55,300**	**400**	**0.7**	**55,800**
TRADE, TRANSPORTATION, UTILITIES	**13,400**	**13,200**	**200**	**1.5**	**13,900**
Wholesale Trade	2,200	2,200	0	0.0	2,200
Retail Trade	8,900	8,900	0	0.0	9,300
Transportation, Warehousing, & Utilities	2,300	2,100	200	9.5	2,400
INFORMATION	**900**	**900**	**0**	**0.0**	**800**
FINANCIAL ACTIVITIES	**2,400**	**2,500**	**-100**	**-4.0**	**2,400**
PROFESSIONAL & BUSINESS SERVICES	**6,200**	**6,300**	**-100**	**-1.6**	**6,200**
EDUCATIONAL AND HEALTH SERVICES	**14,900**	**14,700**	**200**	**1.4**	**14,800**
Health Care and Social Assistance	13,400	13,300	100	0.8	13,500
LEISURE AND HOSPITALITY	**4,700**	**4,900**	**-200**	**-4.1**	**4,800**
OTHER SERVICES	**2,600**	**2,600**	**0**	**0.0**	**2,600**
GOVERNMENT	**10,600**	**10,200**	**400**	**3.9**	**10,300**
Federal	600	600	0	0.0	600
State & Local	10,000	9,600	400	4.2	9,700

For further information on the Waterbury Labor Market Area contact Joseph Slepski at (860) 263-6278.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
Not Seasonally Adjusted					
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**48,400**	**48,200**	**200**	**0.4**	**48,700**
TORRINGTON LMA	**36,300**	**35,700**	**600**	**1.7**	**36,200**
WILLIMANTIC - DANIELSON LMA	**37,400**	**36,900**	**500**	**1.4**	**37,600**

NOTE: More industry detail data is available for the State and its nine labor market areas at: http://www.ctdol.state.ct.us/lmi/202/covered.htm. The data published there differ from the data in the preceding tables in that they are developed from a near-universe count of Connecticut employment covered by the unemployment insurance (UI) program, while the data here is sample-based. The data drawn from the UI program does not contain estimates of employment not covered by unemployment insurance, and is lagged several months behind the current employment estimates presented here.

SPRINGFIELD, MA-CT NECTA*

Not Seasonally Adjusted

	FEB 2008	FEB 2007	CHANGE NO.	CHANGE %	JAN 2008
TOTAL NONFARM EMPLOYMENT	**293,200**	**293,100**	**100**	**0.0**	**292,500**
GOODS PRODUCING INDUSTRIES	**45,800**	**45,900**	**-100**	**-0.2**	**46,400**
CONSTRUCTION, NAT. RES. & MINING	**8,800**	**9,000**	**-200**	**-2.2**	**9,300**
MANUFACTURING	**37,000**	**36,900**	**100**	**0.3**	**37,100**
Durable Goods	**23,500**	**23,500**	**0**	**0.0**	**23,600**
Non-Durable Goods	**13,500**	**13,400**	**100**	**0.7**	**13,500**
SERVICE PROVIDING INDUSTRIES	**247,400**	**247,200**	**200**	**0.1**	**246,100**
TRADE, TRANSPORTATION, UTILITIES	**59,200**	**59,800**	**-600**	**-1.0**	**60,200**
Wholesale Trade	11,400	11,600	-200	-1.7	11,500
Retail Trade	34,600	35,000	-400	-1.1	35,300
Transportation, Warehousing, & Utilities	13,200	13,200	0	0.0	13,400
INFORMATION	**4,500**	**4,500**	**0**	**0.0**	**4,400**
FINANCIAL ACTIVITIES	**17,000**	**17,200**	**-200**	**-1.2**	**17,000**
Finance and Insurance	13,500	13,400	100	0.7	13,500
Insurance Carriers & Related Activities	8,600	8,500	100	1.2	8,600
PROFESSIONAL & BUSINESS SERVICES	**22,100**	**22,300**	**-200**	**-0.9**	**22,100**
EDUCATIONAL AND HEALTH SERVICES	**58,300**	**56,700**	**1,600**	**2.8**	**57,100**
Educational Services	13,100	13,100	0	0.0	11,900
Health Care and Social Assistance	45,200	43,600	1,600	3.7	45,200
LEISURE AND HOSPITALITY	**24,600**	**24,900**	**-300**	**-1.2**	**24,500**
OTHER SERVICES	**11,300**	**11,500**	**-200**	**-1.7**	**11,300**
GOVERNMENT	**50,400**	**50,300**	**100**	**0.2**	**49,500**
Federal	7,100	6,700	400	6.0	7,300
State & Local	43,300	43,600	-300	-0.7	42,200

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.
**Total excludes workers idled due to labor-management disputes.*

(Not seasonally adjusted)	EMPLOYMENT STATUS	FEB 2008	FEB 2007	CHANGE NO.	%	JAN 2008
CONNECTICUT	Civilian Labor Force	1,866,200	1,837,300	28,900	1.6	1,868,300
	Employed	1,764,100	1,748,300	15,800	0.9	1,769,100
	Unemployed	102,100	89,000	13,100	14.7	99,200
	Unemployment Rate	5.5	4.8	0.7	---	5.3
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	474,000	465,800	8,200	1.8	475,000
	Employed	450,700	446,000	4,700	1.1	452,600
	Unemployed	23,300	19,800	3,500	17.7	22,400
	Unemployment Rate	4.9	4.2	0.7	---	4.7
DANBURY LMA	Civilian Labor Force	91,700	90,100	1,600	1.8	92,500
	Employed	87,700	86,700	1,000	1.2	88,500
	Unemployed	4,100	3,400	700	20.6	3,900
	Unemployment Rate	4.4	3.8	0.6	---	4.2
ENFIELD LMA	Civilian Labor Force	49,400	48,900	500	1.0	49,100
	Employed	46,500	46,400	100	0.2	46,400
	Unemployed	2,800	2,600	200	7.7	2,700
	Unemployment Rate	5.8	5.2	0.6	---	5.5
HARTFORD LMA	Civilian Labor Force	589,000	578,700	10,300	1.8	588,500
	Employed	556,200	549,400	6,800	1.2	556,400
	Unemployed	32,800	29,300	3,500	11.9	32,000
	Unemployment Rate	5.6	5.1	0.5	---	5.4
NEW HAVEN LMA	Civilian Labor Force	310,400	307,400	3,000	1.0	309,800
	Employed	293,000	292,200	800	0.3	292,900
	Unemployed	17,400	15,200	2,200	14.5	16,900
	Unemployment Rate	5.6	4.9	0.7	---	5.5
NORWICH - NEW LONDON LMA	Civilian Labor Force	150,400	148,700	1,700	1.1	151,800
	Employed	142,600	141,800	800	0.6	144,000
	Unemployed	7,800	6,900	900	13.0	7,800
	Unemployment Rate	5.2	4.6	0.6	---	5.1
TORRINGTON LMA	Civilian Labor Force	54,300	53,500	800	1.5	54,300
	Employed	51,200	50,700	500	1.0	51,400
	Unemployed	3,100	2,800	300	10.7	3,000
	Unemployment Rate	5.7	5.2	0.5	---	5.5
WATERBURY LMA	Civilian Labor Force	102,300	100,600	1,700	1.7	102,600
	Employed	94,600	94,300	300	0.3	95,200
	Unemployed	7,700	6,300	1,400	22.2	7,400
	Unemployment Rate	7.5	6.3	1.2	---	7.2
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	58,100	57,200	900	1.6	58,500
	Employed	54,200	53,700	500	0.9	54,600
	Unemployed	3,900	3,500	400	11.4	3,900
	Unemployment Rate	6.7	6.1	0.6	---	6.7
UNITED STATES	Civilian Labor Force	152,503,000	151,879,000	624,000	0.4	152,828,000
	Employed	144,550,000	144,479,000	71,000	0.0	144,607,000
	Unemployed	7,953,000	7,400,000	553,000	7.5	8,221,000
	Unemployment Rate	5.2	4.9	0.3	---	5.4

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.

CONNECTICUT	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	FEB		CHG	JAN	FEB		CHG	JAN	FEB		CHG	JAN
(Not seasonally adjusted)	2008	2007	Y/Y	2008	2008	2007	Y/Y	2008	2008	2007	Y/Y	2008
MANUFACTURING	**$890.00**	**$860.30**	**$29.70**	**$897.18**	**42.2**	**42.4**	**-0.2**	**42.4**	**$21.09**	**$20.29**	**$0.80**	**$21.16**
DURABLE GOODS	**919.18**	**887.86**	**31.32**	**925.65**	**42.3**	**42.4**	**-0.1**	**42.5**	**21.73**	**20.94**	**0.79**	**21.78**
Fabricated Metal	815.90	786.94	28.95	829.90	42.1	42.4	-0.3	43.0	19.38	18.56	0.82	19.30
Transport. Equipment	1,144.24	1,093.12	51.12	1,162.16	42.6	42.6	0.0	42.9	26.86	25.66	1.20	27.09
NON-DUR. GOODS	**813.79**	**784.24**	**29.55**	**823.16**	**42.1**	**42.3**	-0.2	**42.3**	**19.33**	**18.54**	**0.79**	**19.46**
CONSTRUCTION	**947.72**	**898.99**	**48.73**	**957.31**	**38.0**	**38.6**	**-0.6**	**38.4**	**24.94**	**23.29**	**1.65**	**24.93**

Due to constraints of the sample upon which estimates are made, statewide manufacturing hours and earnings for machinery and computer and electronic sectors are no longer published.

Due to cuts in the federal Bureau of Labor Statistics fiscal year 2008 budget allocations to state agencies that cooperatively develop labor statistics with the BLS, the Office of Research is suspending development and publication of production worker hours and earnings data for its labor market areas.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2007.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In February 2008, it was announced that Har-Conn Chrome Co., a metal finishing business in West Hartford, will expand during the next few years and hire 60 new workers. Two new Big Y Supermarkets in Stratford and North Branford opened on February 14th, with each store hiring 200 employees. Home Depot is hiring 150 workers for a new store in East Haven, slated to open on April 3rd. Fender Musical Instruments will move its guitar production from Washington state to New Hartford, creating 70 new jobs. Monster Mini Golf, with a staff of ten, has opened in Windsor Locks.

- In February 2008, Neurogen Corp., a biotechnology firm in Branford, announced 70 layoffs in a restructuring. The Hartford Courant will eliminate 45 jobs due to the weak economy. Tolland-based Nerac Inc., an Internet search company, has laid off 34 workers. Merriam Motors will close its showroom in Wallingford in March due to a shrinking market. Due to high electricity prices, Ross & Roberts of Stratford, a maker of vinyl coverings, will close, affecting 60 people.

Business & Employment Changes Announced in the News Media lists start-ups, expansions, staff reductions, and layoffs reported by the media, both current and future. The report provides company name, the number of workers involved, date of the action, the principal product or service of the company, a brief synopsis of the action, and the source and date of the media article. This publication is available in both HTML and PDF formats at the Connecticut Department of Labor Web site, http://www.ctdol.state.ct.us/lmi/busemp.htm.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

FEBRUARY 2008

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	473,982	**450,721**	**23,261**	**4.9**
Ansonia	10,017	9,359	658	6.6
Bridgeport	63,322	57,816	5,506	8.7
Darien	9,220	8,917	303	3.3
Derby	6,947	6,485	462	6.7
Easton	3,763	3,627	136	3.6
Fairfield	28,468	27,335	1,133	4.0
Greenwich	30,360	29,321	1,039	3.4
Milford	31,803	30,441	1,362	4.3
Monroe	10,714	10,238	476	4.4
New Canaan	8,939	8,660	279	3.1
Newtown	14,369	13,850	519	3.6
Norwalk	48,960	46,657	2,303	4.7
Oxford	7,313	7,001	312	4.3
Redding	4,711	4,561	150	3.2
Ridgefield	11,693	11,336	357	3.1
Seymour	9,342	8,795	547	5.9
Shelton	23,197	22,058	1,139	4.9
Southbury	9,148	8,741	407	4.4
Stamford	66,796	63,802	2,994	4.5
Stratford	26,133	24,662	1,471	5.6
Trumbull	17,896	17,168	728	4.1
Weston	4,915	4,781	134	2.7
Westport	12,741	12,306	435	3.4
Wilton	8,319	8,067	252	3.0
Woodbridge	4,895	4,738	157	3.2
DANBURY	**91,708**	**87,657**	**4,051**	**4.4**
Bethel	10,785	10,361	424	3.9
Bridgewater	1,044	1,002	42	4.0
Brookfield	9,091	8,689	402	4.4
Danbury	44,636	42,533	2,103	4.7
New Fairfield	7,574	7,290	284	3.7
New Milford	16,421	15,700	721	4.4
Sherman	2,157	2,081	76	3.5
ENFIELD	**49,356**	**46,516**	**2,840**	**5.8**
East Windsor	6,227	5,819	408	6.6
Enfield	23,822	22,502	1,320	5.5
Somers	4,709	4,437	272	5.8
Suffield	7,520	7,111	409	5.4
Windsor Locks	7,078	6,647	431	6.1
HARTFORD	**589,017**	**556,201**	**32,816**	**5.6**
Andover	2,008	1,916	92	4.6
Ashford	2,653	2,526	127	4.8
Avon	9,245	8,943	302	3.3
Barkhamsted	2,280	2,141	139	6.1
Berlin	11,431	10,884	547	4.8
Bloomfield	10,122	9,525	597	5.9
Bolton	3,054	2,941	113	3.7
Bristol	34,680	32,492	2,188	6.3
Burlington	5,405	5,175	230	4.3

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,806	5,574	232	4.0
Colchester	8,815	8,414	401	4.5
Columbia	3,087	2,960	127	4.1
Coventry	7,087	6,744	343	4.8
Cromwell	7,865	7,496	369	4.7
East Granby	2,962	2,831	131	4.4
East Haddam	5,216	4,982	234	4.5
East Hampton	7,070	6,669	401	5.7
East Hartford	25,500	23,772	1,728	6.8
Ellington	8,822	8,402	420	4.8
Farmington	13,012	12,477	535	4.1
Glastonbury	18,246	17,612	634	3.5
Granby	6,346	6,103	243	3.8
Haddam	4,872	4,689	183	3.8
Hartford	49,608	44,383	5,225	10.5
Hartland	1,216	1,166	50	4.1
Harwinton	3,230	3,054	176	5.4
Hebron	5,543	5,311	232	4.2
Lebanon	4,353	4,133	220	5.1
Manchester	32,231	30,559	1,672	5.2
Mansfield	13,090	12,582	508	3.9
Marlborough	3,654	3,500	154	4.2
Middlefield	2,400	2,290	110	4.6
Middletown	26,720	25,361	1,359	5.1
New Britain	35,002	32,091	2,911	8.3
New Hartford	3,877	3,679	198	5.1
Newington	16,744	15,918	826	4.9
Plainville	10,231	9,600	631	6.2
Plymouth	6,994	6,499	495	7.1
Portland	5,435	5,168	267	4.9
Rocky Hill	10,814	10,340	474	4.4
Simsbury	12,166	11,702	464	3.8
Southington	24,379	23,240	1,139	4.7
South Windsor	14,868	14,286	582	3.9
Stafford	6,885	6,514	371	5.4
Thomaston	4,746	4,421	325	6.8
Tolland	8,431	8,115	316	3.7
Union	487	459	28	5.7
Vernon	17,493	16,585	908	5.2
West Hartford	29,334	28,052	1,282	4.4
Wethersfield	13,383	12,757	626	4.7
Willington	3,952	3,781	171	4.3
Windsor	16,167	15,387	780	4.8

All Labor Market Areas(LMAs) in Connecticut except three are federally-designated areas for developing labor statistics.For the sake of simplicity, the federal Bridgeport-Stamford-Norwalk NECTA is referred to in Connecticut DOL publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford NECTA is the Hartford LMA.

The Bureau of Labor Statistics has identified 17 towns in the northwest part of the state as a separate area for reporting labor force data. For the convenience of our data users, these towns are included in the Torrington LMA. For the same purpose, five towns which are part of the Springfield, MA area are published as the Enfield LMA. Similarly the towns of Putnam, Thompson and Woodstock-part of the Worcester, MA area-plus four towns estimated separately are included in the Willimantic-Danielson LMA.

LABOR FORCE CONCEPTS

The **civilian labor force** comprises all state residents age 16 years and older classified as employed or unemployed in accordance with criteria described below. Excluded are members of the military and persons in institutions (correctional and mental health, for example).

The **employed** are all persons who did any work as paid employees or in their own business during the survey week, or who have worked 15 hours or more as unpaid workers in an enterprise operated by a family member. Persons temporarily absent from a job because of illness, bad weather, strike or for personal reasons are also counted as employed whether they were paid by their employer or were seeking other jobs.

The **unemployed** are all persons who did not work, but were available for work during the survey week (except for temporary illness) and made specific efforts to find a job in the prior four weeks. Persons waiting to be recalled to a job from which they had been laid off need not be looking for work to be classified as unemployed.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

FEBRUARY 2008

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**310,444**	**293,045**	**17,399**	**5.6**
Bethany	3,125	2,987	138	4.4
Branford	17,353	16,567	786	4.5
Cheshire	14,559	13,962	597	4.1
Chester	2,289	2,196	93	4.1
Clinton	8,040	7,629	411	5.1
Deep River	2,597	2,474	123	4.7
Durham	4,266	4,111	155	3.6
East Haven	16,150	15,227	923	5.7
Essex	3,805	3,643	162	4.3
Guilford	13,017	12,503	514	3.9
Hamden	30,772	29,253	1,519	4.9
Killingworth	3,605	3,467	138	3.8
Madison	10,057	9,707	350	3.5
Meriden	31,866	29,678	2,188	6.9
New Haven	55,801	51,231	4,570	8.2
North Branford	8,460	8,026	434	5.1
North Haven	13,179	12,593	586	4.4
Old Saybrook	5,540	5,283	257	4.6
Orange	7,250	6,996	254	3.5
Wallingford	25,377	24,142	1,235	4.9
Westbrook	3,697	3,526	171	4.6
West Haven	29,639	27,846	1,793	6.0
***NORWICH-NEW LONDON**				
	137,020	**130,013**	**7,007**	**5.1**
Bozrah	1,478	1,403	75	5.1
Canterbury	3,259	3,060	199	6.1
East Lyme	9,604	9,181	423	4.4
Franklin	1,200	1,134	66	5.5
Griswold	7,176	6,776	400	5.6
Groton	19,106	18,167	939	4.9
Ledyard	8,553	8,214	339	4.0
Lisbon	2,572	2,448	124	4.8
Lyme	1,149	1,107	42	3.7
Montville	11,016	10,435	581	5.3
New London	13,647	12,773	874	6.4
No. Stonington	3,299	3,148	151	4.6
Norwich	20,760	19,494	1,266	6.1
Old Lyme	4,243	4,068	175	4.1
Preston	2,878	2,746	132	4.6
Salem	2,631	2,515	116	4.4
Sprague	1,823	1,698	125	6.9
Stonington	10,536	10,126	410	3.9
Voluntown	1,641	1,532	109	6.6
Waterford	10,450	9,988	462	4.4

*Connecticut portion only. For whole NECTA, including Rhode Island town, see below.

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NORWICH-NEW LONDON				
	150,436	**142,629**	**7,807**	**5.2**
Westerly, RI	13,416	12,616	800	6.0

Labor Force estimates are prepared following statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics.

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**54,283**	**51,167**	**3,116**	**5.7**
Bethlehem	2,018	1,909	109	5.4
Canaan	601	574	27	4.5
Colebrook	830	800	30	3.6
Cornwall	824	792	32	3.9
Goshen	1,622	1,532	90	5.5
Kent	1,601	1,518	83	5.2
Litchfield	4,394	4,172	222	5.1
Morris	1,296	1,228	68	5.2
Norfolk	945	902	43	4.6
North Canaan	1,746	1,635	111	6.4
Roxbury	1,366	1,317	49	3.6
Salisbury	1,961	1,883	78	4.0
Sharon	1,552	1,499	53	3.4
Torrington	19,397	18,032	1,365	7.0
Warren	743	707	36	4.8
Washington	1,920	1,848	72	3.8
Winchester	6,018	5,595	423	7.0
Woodbury	5,452	5,227	225	4.1
WATERBURY	**102,253**	**94,586**	**7,667**	**7.5**
Beacon Falls	3,326	3,142	184	5.5
Middlebury	3,875	3,720	155	4.0
Naugatuck	17,483	16,225	1,258	7.2
Prospect	5,334	5,060	274	5.1
Waterbury	50,610	46,014	4,596	9.1
Watertown	12,532	11,826	706	5.6
Wolcott	9,093	8,599	494	5.4
WILLIMANTIC-DANIELSON				
	58,124	**54,214**	**3,910**	**6.7**
Brooklyn	3,888	3,633	255	6.6
Chaplin	1,473	1,395	78	5.3
Eastford	1,019	970	49	4.8
Hampton	1,237	1,158	79	6.4
Killingly	9,548	8,853	695	7.3
Plainfield	8,440	7,831	609	7.2
Pomfret	2,271	2,169	102	4.5
Putnam	5,242	4,858	384	7.3
Scotland	1,027	981	46	4.5
Sterling	2,076	1,936	140	6.7
Thompson	5,365	5,009	356	6.6
Windham	11,861	11,001	860	7.3
Woodstock	4,678	4,420	258	5.5

Not Seasonally Adjusted:				
CONNECTICUT	**1,866,200**	**1,764,100**	**102,100**	**5.5**
UNITED STATES	**152,503,000**	**144,550,000**	**7,953,000**	**5.2**
Seasonally Adjusted:				
CONNECTICUT	**1,885,100**	**1,791,500**	**93,600**	**5.0**
UNITED STATES	**153,374,000**	**145,993,000**	**7,381,000**	**4.8**

LABOR FORCE CONCEPTS (Continued)

The **unemployment rate** represents the number unemployed as a percent of the civilian labor force.

With the exception of those persons temporarily absent from a job or waiting to be recalled to one, persons with no job and who are not actively looking for one are counted as "not in the labor force".

Over the course of a year, the size of the labor force and the levels of employment undergo fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays and the opening and closing of schools. Because these seasonal events follow a regular pattern each year, their influence on statistical trends can be eliminated by adjusting the monthly statistics. **Seasonal Adjustment** makes it easier to observe cyclical and other nonseasonal developments.

HOUSING PERMIT ACTIVITY BY TOWN

TOWN	FEB	YR TO DATE		TOWN	FEB	YR TO DATE		TOWN	FEB	YR TO DATE	
	2008	2008	2007		2008	2008	2007		2008	2008	2007
Andover	0	1	0	**Griswold**	na	na	na	**Preston**	0	0	2
Ansonia	1	2	1	**Groton**	8	10	5	**Prospect**	na	na	na
Ashford	0	0	2	**Guilford**	1	2	5	**Putnam**	1	2	2
Avon	2	3	3	**Haddam**	4	5	7	**Redding**	na	na	na
Barkhamsted	na	na	na	**Hamden**	0	0	1	**Ridgefield**	0	20	3
Beacon Falls	na	na	na	**Hampton**	1	1	1	**Rocky Hill**	0	3	3
Berlin	3	4	35	**Hartford**	0	0	6	**Roxbury**	na	na	na
Bethany	na	na	na	**Hartland**	na	na	na	**Salem**	1	1	1
Bethel	1	1	0	**Harwinton**	1	1	0	**Salisbury**	na	na	na
Bethlehem	na	na	na	**Hebron**	na	na	na	**Scotland**	0	0	1
Bloomfield	na	na	na	**Kent**	0	0	1	**Seymour**	1	3	3
Bolton	0	0	2	**Killingly**	1	5	7	**Sharon**	1	1	0
Bozrah	1	1	0	**Killingworth**	na	na	na	**Shelton**	3	6	9
Branford	na	na	na	**Lebanon**	0	0	0	**Sherman**	na	na	na
Bridgeport	19	25	20	**Ledyard**	1	2	2	**Simsbury**	0	1	3
Bridgewater	na	na	na	**Lisbon**	0	0	4	**Somers**	1	1	3
Bristol	2	4	7	**Litchfield**	na	na	na	**South Windsor**	0	2	6
Brookfield	na	na	na	**Lyme**	0	1	0	**Southbury**	1	1	6
Brooklyn	4	6	4	**Madison**	0	2	5	**Southington**	8	14	20
Burlington	0	1	2	**Manchester**	2	5	109	**Sprague**	0	2	0
Canaan	0	0	1	**Mansfield**	1	1	4	**Stafford**	na	na	na
Canterbury	1	1	1	**Marlborough**	1	2	3	**Stamford**	14	190	26
Canton	0	1	2	**Meriden**	2	6	5	**Sterling**	na	na	na
Chaplin	1	2	2	**Middlebury**	na	na	na	**Stonington**	1	4	7
Cheshire	4	10	4	**Middlefield**	0	1	0	**Stratford**	0	1	11
Chester	na	na	na	**Middletown**	9	22	30	**Suffield**	0	1	2
Clinton	0	1	0	**Milford**	11	28	41	**Thomaston**	na	na	na
Colchester	0	0	12	**Monroe**	0	1	2	**Thompson**	na	na	na
Colebrook	0	0	0	**Montville**	2	4	2	**Tolland**	2	3	2
Columbia	1	2	1	**Morris**	0	1	1	**Torrington**	0	1	16
Cornwall	0	0	0	**Naugatuck**	1	4	3	**Trumbull**	2	3	7
Coventry	1	5	4	**New Britain**	na	na	na	**Union**	0	0	0
Cromwell	2	4	7	**New Canaan**	1	4	5	**Vernon**	8	19	28
Danbury	6	17	32	**New Fairfield**	na	na	na	**Voluntown**	2	2	3
Darien	na	na	na	**New Hartford**	0	0	4	**Wallingford**	4	6	15
Deep River	0	0	0	**New Haven**	0	5	6	**Warren**	0	0	1
Derby	na	na	na	**New London**	3	5	7	**Washington**	na	na	na
Durham	2	4	5	**New Milford**	1	3	5	**Waterbury**	3	13	23
East Granby	0	1	0	**Newington**	0	0	5	**Waterford**	3	5	5
East Haddam	1	1	10	**Newtown**	2	2	4	**Watertown**	2	6	3
East Hampton	3	6	6	**Norfolk**	0	0	0	**West Hartford**	6	15	1
East Hartford	na	na	na	**North Branford**	na	na	na	**West Haven**	na	na	na
East Haven	1	2	3	**North Canaan**	0	0	2	**Westbrook**	2	2	2
East Lyme	0	3	4	**North Haven**	1	1	3	**Weston**	na	na	na
East Windsor	3	6	4	**North Stonington**	0	1	2	**Westport**	7	8	10
Eastford	0	0	1	**Norwalk**	3	8	6	**Wethersfield**	na	na	na
Easton	0	1	0	**Norwich**	1	4	2	**Willington**	0	1	1
Ellington	15	18	22	**Old Lyme**	na	na	na	**Wilton**	na	na	na
Enfield	na	na	na	**Old Saybrook**	0	0	2	**Winchester**	2	4	1
Essex	0	0	1	**Orange**	na	na	na	**Windham**	0	2	1
Fairfield	9	13	10	**Oxford**	4	9	2	**Windsor**	na	na	na
Farmington	3	6	4	**Plainfield**	8	11	3	**Windsor Locks**	na	na	na
Franklin	0	1	1	**Plainville**	1	2	2	**Wolcott**	6	9	4
Glastonbury	0	0	14	**Plymouth**	1	1	1	**Woodbridge**	na	na	na
Goshen	1	2	3	**Pomfret**	0	1	1	**Woodbury**	0	3	5
Granby	0	0	3	**Portland**	2	4	1	**Woodstock**	1	2	5
Greenwich	8	28	21								

For further information on the housing permit data, contact Kolie Sun of DECD at (860) 270-8167.

BUSINESS STARTS AND TERMINATIONS
Registrations and terminations of business entities as recorded with the Secretary of the State and the Connecticut Department of Labor (DOL) are an indication of new business formation and activity. DOL business starts include new employers which have become liable for unemployment insurance taxes during the quarter, as well as new establishments opened by existing employers. DOL business terminations are those accounts discontinued due to inactivity (no employees) or business closure, and accounts for individual business establishments that are closed by still active employers. The Secretary of the State registrations include limited liability companies, limited liability partnerships, and foreign-owned (out-of-state) and domestic-owned (in-state) corporations.

CONSUMER PRICE INDEX
The Consumer Price Index (CPI), computed and published by the U.S. Bureau of Labor Statistics, is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dentists' services, drugs and other goods and services that people buy for their day-to-day living. The Northeast region is comprised of the New England states, New York, New Jersey and Pennsylvania.

EMPLOYMENT COST INDEX
The Employment Cost Index (ECI) covers both wages and salaries and employer costs for employee benefits for all occupations and establishments in both the private nonfarm sector and state and local government. The ECI measures employers' labor costs free from the influences of employment shifts among industries and occupations. The base period for all data is June 1989 when the ECI is 100.

HOURS AND EARNINGS ESTIMATES
Production worker earnings and hours estimates include full- and part-time employees working within manufacturing industries. Hours worked and earnings data are computed based on payroll figures for the week including the 12th of the month. Average hourly earnings are affected by such factors as premium pay for overtime and shift differential as well as changes in basic hourly and incentive rates of pay. Average weekly earnings are the product of weekly hours worked and hourly earnings. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

INDIAN GAMING DATA
Indian Gaming Payments are amounts received by the State as a result of the slot compact with the two Federally recognized tribes in Connecticut, which calls for 25 percent of net slot receipts to be remitted to the State. Indian Gaming Slots are the total net revenues from slot machines only received by the two Federally recognized Indian tribes.

INITIAL CLAIMS
Average weekly initial claims are calculated by dividing the total number of new claims for unemployment insurance received in the month by the number of weeks in the month. A minor change in methodology took effect with data published in the March 1997 issue of the DIGEST. Data have been revised back to January 1980.

INSURED UNEMPLOYMENT RATE
Primarily a measure of unemployment insurance program activity, the insured unemployment rate is the 13-week average of the number of people claiming unemployment benefits divided by the number of workers covered by the unemployment insurance system.

LABOR FORCE ESTIMATES
Labor force estimates are a measure of the work status of people who live in Connecticut. Prepared under the direction of the U.S. Bureau of Labor Statistics, the statewide estimates are the product of a signal-plus noise model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Beginning with the publication of January 2005 data, an improved methodology is being used to develop labor force estimates, by which monthly state model-based employment and unemployment estimates are controlled to add to the national CPS levels. This will ensure that national economic events are reflected in the state estimates, and it will significantly reduce end-of-year revisions. (For more information, please see the Connecticut Economic Digest, December 2004 issue.) Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

LABOR MARKET AREAS
All Labor Market Areas (LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Norwalk-Stamford Metropolitan Statistical Area (MSA) is referred to in Connecticut Department of Labor publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford MSA is called the Hartford LMA. The Bureau of Labor Statistics has identified the 17 towns in the in the northwestern part of the state as a separate area for reporting labor force data. For the convenience of our data users, data for these towns are included in the Torrington LMA. For the same purpose, data for the towns of East Windsor, Enfield, Somers, Suffield and Windsor Locks, which are officially part of the Springfield MSA, are published as the Enfield LMA. Similarly, the towns of Putnam, Thompson and Woodstock - part of the Worcester MSA - are included in the Willimantic-Danielson LMA. Also, data for Westerly, Rhode Island are included in the Norwich-New London LMA. Industry employment and labor force data estimates contained in Connecticut Department of Labor publications are prepared following the same statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics, whether for federally designated or state-determined areas.

LEADING AND COINCIDENT EMPLOYMENT INDICES
The leading employment index is a composite of six individual largely employment-related series -- the average workweek of manufacturing production and construction workers, Hartford help-wanted advertising index, short-duration (less than 15 weeks) unemployment rate, initial claims for unemployment insurance, total housing permits, and Moody's BAA corporate bond yield. While not employment-sector variables, housing permits are closely related to construction employment and the corporate bond yield adds important information about the movement in interest rates. The coincident employment index is a composite indicator of four individual employment-related series -- the total unemployment rate, nonfarm employment (employer survey), total employment (state residents employed measured by a household survey), and the insured unemployment rate. All data are seasonally adjusted and come from the Connecticut Labor Department, the Federal Reserve Bank of Boston, and the Board of Governors of the Federal Reserve System.

NONFARM EMPLOYMENT ESTIMATES
Nonfarm employment estimates are derived from a survey of businesses to measure *jobs* by industry. The estimates include all full- and part-time wage and salary employees who worked during or received pay for the pay period which includes the 12th of the month. Excluded from these estimates are proprietors, self-employed workers, private household employees and unpaid family workers. In some cases, due to space constraints, all industry estimates are not shown. Call (860) 263-6275 for a more comprehensive breakout of nonfarm employment estimates. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

UI COVERED WAGES
UI covered wages is the total amount paid to those employees who are covered under the Connecticut's Unemployment Insurance (UI) law for services performed during the quarter. The fluctuations in the 1992-93 period reflect the effect of the changes in the tax law and the massive restructuring in the state's economy.

ECONOMIC INDICATORS AT A GLANCE

(Percent change from prior year; see pages 5-8 for reference months or quarters)

Leading Employment Index	**+1.1**
Coincident Employment Index	**+0.9**
Leading General Drift Indicator	**+1.1**
Coincident General Drift Indicator	**+2.6**
Banknorth Business Barometer	**+1.0**
Total Nonfarm Employment	**+0.7**
Unemployment Rate	**+0.6**
Labor Force	+1.7
Employed	+1.1
Unemployed	+14.4
Average Weekly Initial Claims	**+6.0**
Help Wanted Index -- Hartford	**NA**
Avg Insured Unempl. Rate	**+0.00***
Average Weekly Hours, Mfg	**-0.5**
Average Hourly Earnings, Mfg	**+3.9**
Average Weekly Earnings, Mfg	**+3.5**
CT Mfg. Production Index	**+3.4**
Production Worker Hours	-2.0
Industrial Electricity Sales	+2.0
Personal Income	**+3.0**
UI Covered Wages	**+2.7**

Business Activity	
New Housing Permits	-30.1
Electricity Sales	+14.1
Construction Contracts Index	-64.5
New Auto Registrations	-11.2
Air Cargo Tons	+0.9
Exports	+15.5
Business Starts	
Secretary of the State	+2.4
Dept. of Labor	-7.7
Business Terminations	
Secretary of the State	+13.7
Dept. of Labor	-35.2
State Revenues	**+3.8**
Corporate Tax	-11.8
Personal Income Tax	+5.8
Real Estate Conveyance Tax	-40.3
Sales & Use Tax	+7.2
Indian Gaming Payments	-5.0

**Percentage point change; **Less than 0.05 percent; NA = Not Available*

Tourism and Travel	
Info Center Visitors	+13.2
Attraction Visitors	+1.0
Air Passenger Count	+3.4
Indian Gaming Slots	-1.5
Travel and Tourism Index	-3.7
Employment Cost Index (U.S.)	
Total	+3.0
Wages & Salaries	+3.3
Benefit Costs	+2.4
Consumer Prices	
U.S. City Average	+4.0
Northeast Region	+3.9
NY-NJ-Long Island	+3.5
Boston-Brockton-Nashua	+3.4
Interest Rates	
Prime	-2.25*
Conventional Mortgage	-0.37*

THE CONNECTICUT
ECONOMIC DIGEST

*A joint publication of
The Connecticut Departments of Labor and
Economic and Community Development*

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