THE CONNECTICUT
ECONOMIC DIGEST

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FEBRUARY 2008

IN THIS ISSUE...

In December...

Nonfarm Employment

Connecticut	1,702,600
Change over month	-0.2%
Change over year	1.0%
United States	138,495,000
Change over month	0.01%
Change over year	1.0%

Unemployment Rate

Connecticut	5.0%
United States	5.0%

Consumer Price Index

United States	210.0
Change over year	4.1%

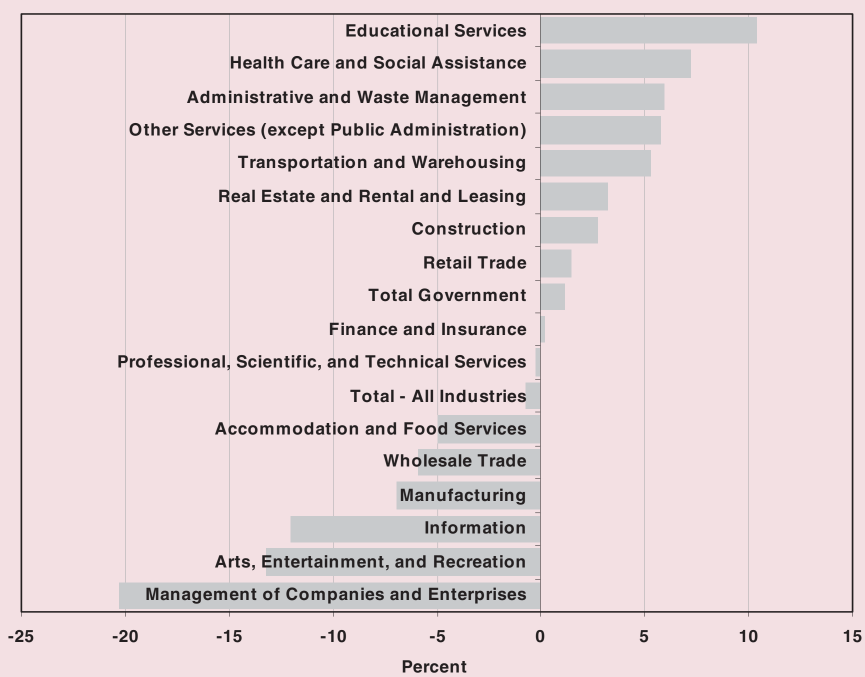
There's No Place Like Home ...in Stamford

By Cynthia L. DeLisa, Research Analyst, DOL

History

The early Native American inhabitants called Stamford 'Rippowam,' which translates to 'very deep, poorly drained loamy soils on flood plains that are subject to frequent flooding.' Settled in 1641, the first European settlers to the area later changed the name to 'Stamford' after a town in Lincolnshire, England. Stamford was the 11th town of Connecticut's 169 to be settled. By the early eighteenth century, one of Stamford's primary industries was merchandising by waterway, which was possible due to its proximity to New York. By the late 19th century, New York residents ventured north and built summer homes along Stamford's shoreline. Some even moved to Stamford permanently, thus spawning the 'work commute' to Manhattan by train; this practice would of course become more popular later. Strategically located in southwestern Connecticut, Stamford is less than one hour from midtown Manhattan by commuter rail or highway. During the 1960s and '70s Stamford endured a massive urban redevelopment campaign. The F.D. Rich Company was the city-designated urban renewal developer of the downtown area at the time and they built Stamford's tallest structures, the Landmark Building and the GTE building (One Stamford Forum). The City was officially open for business... and the rest as they say, is history.

Stamford 2004 to 2006 Employment Percent Change by Industry



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The City That Works!

As their motto declares, Stamford has an extraordinarily diverse economic base and serves as the business hub of Fairfield County. Many major U.S. companies relocated their corporate headquarters from New York City during the 1980s, not only taking advantage of Stamford's lower tax rates, but also so their CEOs can be closer to their homes. Stamford's corporate elite reads like a Fortune 500 "who's who" list and includes General Electric Capital Corporation, Pitney Bowes, Clairol, and Xerox Corporation, as well as numerous divisions of other large corporations. In late 2005, the world's largest financial firm, Royal Bank of Scotland (RBS), consolidated its North American headquarters and joined with UBS, which currently is located in downtown Stamford. In June 2006, construction began across the street from UBS on the new 500,000 square foot 'RBS Greenwich Capital' building featuring the largest equities trading floor in North America, making UBS' current trading floor the second largest! In addition to the estimated 800 new construction jobs for this massive project, RBS Greenwich Capital will be adding an additional 1,150 new, good-paying jobs. The project is expected to result in $204M in new State tax revenue over ten years. The positive impact on local tax revenues is projected to be $63 million over the same period.[1] As an indicator as to how strong the hedge fund component of the industry has become, hedge fund transactions totaled $56.2 billion in Fairfield County during 2005 compared to $9.8 billion in neighboring Westchester County, NY.[2]

In 2006, Connecticut Magazine's perennial compilation of the State's 100 largest companies included 21 that are headquartered in Stamford. Xerox Corp. (#5), MedWestvaco Corp. (#10), Pitney Bowes (#11), OdysseyRe (#18), and Silgan Corp. (#19) ranked in the top 20. Several Connecticut companies showed substantial growth since 2005 and made impressive gains in the magazine rankings, including Stamford's Student Loan Corp., rising from #54 to #32.

Economic Development and Business Climate

Throughout 2006, Stamford's commercial office market saw an average square foot rent increase, a lower vacancy rate, and the repositioning of buildings for multi-tenancy. The tightness of both the mid-town Manhattan and Greenwich marketplaces has contributed to Stamford's gains, as has the overall growth in business and employment. With New York City rents being reported at around $100/sq. ft. and Greenwich rents at around $60/sq. ft., it's no wonder that Greenwich-based firms such as UST Headquarters, Bank of Ireland, Asset International, TNS Research, Ivans, Inc., Aon Insurance, and Antares Headquarters have moved their operations to Stamford where rents are on average $35/sq. ft.[3]

In 2006, the Manufacturer's Registry listed Stamford as having the second largest concentration of precision manufacturing firms in Connecticut with 195 companies employing nearly 6,000 workers. The vacancy rate for manufacturing space in Stamford was at an all time low of 2.2% as of December 2006. This lack of space frustrates the growth of existing companies that want to be in this area for market and transportation reasons, but may be forced to other areas in the State or regions of the country by this lack of space and the already existing high cost of labor. Further complicating this market is the loss of two major industrial complexes (Pitney Bowes and Yale & Towne), and the demolition of unused buildings at the Cytec campus. The maximum rent tolerance that industrial users are willing to pay is $14-$15 per square foot. However, such rents do not drive the new construction of space and are below the rents (and land prices) that alternative users are willing to pay. New uses such as those found in technology-based industries like entertainment are attracted to industrial properties, and other uses such as fuel cell sites will continue to demand industrial space in Stamford. While the redevelopment of Stamford's industrial sites may have a lot to offer the City (e.g., new taxes, retail stores and other amenities), the continued demand for such space by traditional users as well as new types of businesses underline the importance of moving with caution in rezoning Stamford's industrial land or allowing special exceptions.[4]

During 2006, Stamford's retail sector had the most dominant impact. The demolition of the former Filenes at the Town Center Mall has made way for an expansion project that includes 110,000 square feet of new space, which will house two new large retailers, seven restaurants, and a redesigned public plaza and garage entrance on Tresser Boulevard. Leases were announced for vacancies at the Target property on Broad Street, and the first tenant has moved into the newly constructed Landmark 7 retail wing. Stamford's retail marketplace has approximately 3 million square feet of space and an overall estimated vacancy rate of 4%. The most controversial proposal is for the creation of a 400,000 square foot retail space as part of the Antares South End redevelopment project at the old Yale & Towne site. After considerable negotiations, Stamford's Planning Board approved a master plan change allowing this use. The newly constructed projects as well as the many proposals working through the review and approval pipeline seek to capitalize on this marketplace phenomenon of high residential income demographics and retail dollar migration away from the City.[5]

Even with the grand opening of a new hotel in 2004 and 2005, Stamford's hospitality industry has several projects in the planning stages, including a proposed Ritz Carlton as part of a mixed-use residential/hotel project at the intersection of Atlantic and Tresser Blvd and two smaller hotels as part of the proposed South End redevelopment plan. A Marriott Renaissance Hotel has also been planned for Stamford, but a site location is still to be determined.[6]

In late 2006, Connecticut awarded $2M in loans to Legg Mason & Co., the global asset management firm and 5th largest money manager in the U.S., to support its expansion plans in Stamford. This huge project will help retain 446 jobs in the State. The funds will finance a portion of Legg Mason's $18.5M investment in renovating its 150,000 square foot office facility at First Stamford Place.[7] Greenwich Associates, the leading international research-based consulting firm in institutional financial services, announced its plans to relocate its main operations from Greenwich to Stamford's High Ridge Park in early 2008. "Insurance and financial services is one of [Connecticut's] most enduring industry sectors and a key driver of our economy," said Governor Rell. "By assisting Greenwich Associates' relocation, we are ensuring a Connecticut tradition remains and grows here and reinforcing the message that our State is willing to invest in the industry."[8]

In June 2007, Connecticut made known its plan to bolster its high-tech job market by adding 37 high-paying jobs in the next five years for Stamford-based Tepnel Lifecodes Corporation. Tepnel is a leading provider of diagnostic products and services in transplant immunology and genetic disease predisposition testing. "We're working to help smaller companies grow and diversify in an emerging sector of our economy," says Governor Rell. In fact, over the last two years in Connecticut, $22.7M in assistance has been used to generate almost $390M in private investment, retain 1,867 jobs and create 1,507 jobs for the numerous medical device compa-

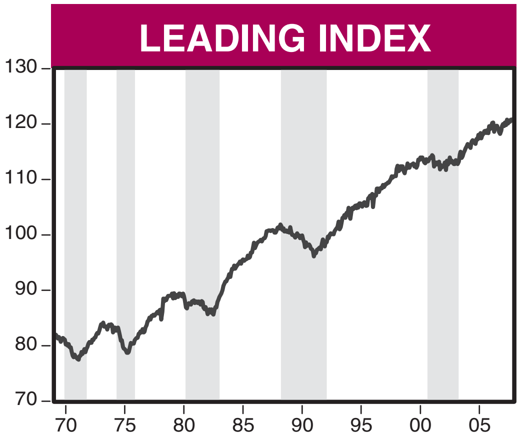
--Continued on page 5--

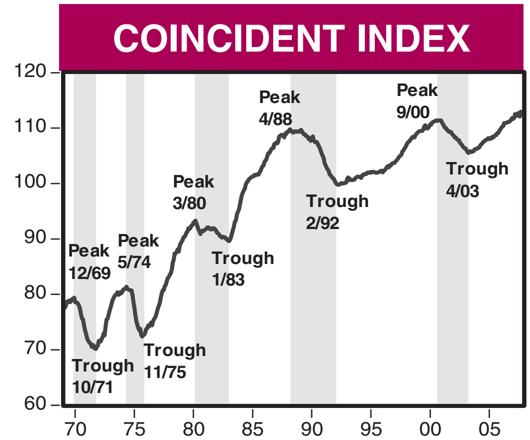
Stamford — **Employment and wages**

Industry Sector	2004 Estab.	2004 Jobs	2004 Wages	2005 Estab.	2005 Jobs	2005 Wages	2006 Estab.	2006 Jobs	2006 Wages
Total - All Industries	5,046	76,260	$100,739	5,172	75,958	$105,120	5,310	75,680	$109,109
Construction	425	2,471	$55,234	422	2,499	$58,350	421	2,538	$61,471
Manufacturing	160	5,399	$91,955	155	5,239	$98,182	154	5,023	$103,142
Wholesale Trade	361	2,950	$95,678	382	2,854	$111,785	390	2,777	$128,230
Retail Trade	464	5,867	$34,633	466	6,043	$34,927	484	5,955	$37,665
Transportation and Warehousing	98	1,448	$72,158	103	1,473	$75,707	110	1,524	$79,288
Information	119	2,864	$107,576	114	2,533	$105,480	114	2,519	$111,299
Finance and Insurance	440	12,108	$255,772	504	13,028	$266,465	528	12,131	$285,044
Real Estate and Rental and Leasing	222	1,637	$69,688	232	1,625	$78,040	235	1,690	$81,879
Professional, Scientific, and Technical Services	818	9,018	$104,629	821	8,744	$109,180	853	8,991	$112,275
Management of Companies and Enterprises	56	3,798	$174,841	60	3,339	$180,847	66	3,026	$213,725
Administrative and Waste Management	420	8,030	$38,221	419	8,045	$40,164	436	8,509	$40,504
Educational Services	51	834	$36,642	57	853	$39,692	58	920	$40,998
Health Care and Social Assistance	409	6,227	$47,638	413	6,320	$49,589	418	6,677	$50,370
Arts, Entertainment, and Recreation	75	1,581	$54,926	79	1,408	$51,901	76	1,372	$61,392
Accommodation and Food Services	294	3,748	$23,770	294	3,625	$23,764	313	3,562	$23,988
Other Services (except Public Administration)	565	1,967	$33,627	578	2,012	$30,868	577	2,080	$30,848
Total Government	46	6,008	$50,679	46	5,985	$51,154	47	6,077	$53,186

Stamford

Economic Indicators \ Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Population	109,727	110,247	110,689	110,802	117,083	117,267	119,850	120,107	120,160	120,045	119,483
Labor Force	65,143	65,913	65,538	66,131	63,667	67,402	64,976	65,462	65,139	65,572	66,428
Employed	62,172	63,307	63,791	64,472	62,454	65,565	62,390	62,466	62,452	62,814	64,094
Unemployed	2,971	2,606	1,747	1,659	1,213	1,837	2,586	2,996	2,687	2,758	2,334
Unemployment Rate	4.6	4.0	2.7	2.5	1.9	2.7	4.0	4.6	4.1	4.2	3.5
New Housing Permits	414	184	222	451	571	394	219	96	290	258	273
Retail Sales ($mil.)	NA	NA	NA	NA	NA	NA	NA	NA	1,228.4	1,198.3	1,176.7





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.

Pre-Holiday Warm-up Tempers Risks Temporarily

The National Outlook

Amidst signs of a U.S. economic slowdown, there remain indicators that a recession may not occur or be slight and of short duration if it does materialize. In November 2007, personal income increased $43.1 billion, or 0.4 percent, and disposable personal income (DPI) increased $32.9 billion, or 0.3 percent, boosting personal consumption expenditures (PCE) by $110.6 billion, or 1.1 percent, according to the Bureau of Economic Analysis. U.S. nonfarm payroll employment continued to trend up through November rising by 115,000 jobs, and its level was essentially unchanged nationally at 138.5 million jobs in December. The U.S. unemployment rate stood at 4.7% in November and was marginally lower than October's 4.8% rate; however, December's unemployment rate rose to 5.0%. Action by the President and Congress on a fiscal stimulus package and continued easing of monetary policy via additional interest rate cuts and biweekly Term Auction Facility (TAF) auctions to address elevated pressures in short-term funding markets may provide sufficient stabilization to avoid a recession.

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 111.5 in November 2006 to 112.7 in November 2007. Total employment (from the household survey) increased 1.9% or 33,384 persons, nonfarm employment (from the employer survey) increased 1.1% from November 2006, and the insured unemployment rate (2.36% vs. 2.43% a year ago) all contributed positively, while the total unemployment rate (5.0% vs. 4.2% a year ago) contributed negatively to the annual change in this index.

On a month-to-month basis, the November 2007 coincident employment index declined slightly to 112.7 from 112.8 a month earlier. This reflects a decelerating 12-month moving average growth rate of this index (0.8% vs. 1.2% last month). Total employment increased by 3,000 persons, nonfarm employment increased by 900 jobs, and the total insured unemployment rate decreased from 2.38% last month to 2.36% in November, all positive factors in this month's index. Only the total unemployment rate that increased from 4.7% to 5.0% contributed negatively to the monthly change in this index.

The DECD-ECRI Connecticut leading employment index that estimates future activity increased from 118.8 in November 2006 to 120.9 in November 2007. Manufacturing employment decreased by 2,300 jobs from 193,900 a year ago to 191,600 jobs in November 2007, and was a negative contributor, while construction employment increased 4,300 jobs over the year and is a positive contributor to the annual change in this index. Average weekly hours increased slightly in manufacturing and construction from a year ago both helping to improve this index. Other positive contributors include the Hartford help-wanted index that increased from a year ago; the short duration unemployment rate that decreased from 1.52% to 1.43% over the year, and housing permits that increased slightly from 636 units in November 2006 to 640 in November 2007. Negative contributors include initial claims that increased 5.4% from 18,369 a year ago, and Moody's Baa bond yield that worsened slightly from 6.2% to 6.37%.

On a month-to-month basis, the leading employment index edged upward from 120.6 to 120.9. Positive contributors to the monthly change in this index include manufacturing employment that increased by 300 jobs and housing permits that increased by 100 units or 18.5% for the month. Negative contributors include construction employment that decreased by 600 jobs, construction average weekly hours that decreased from 39.3 to 38.7, and initial claims that increased by 533. Manufacturing average weekly hours, the Hartford help-wanted index, and short duration unemployment were unchanged.

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.

--Continued from page 3--

nies and manufacturers along the Interstate 91 corridor.[9]

Facts and Stats

Located in Connecticut's most densely populated region, Stamford had a total population of nearly 120,000 in 2006 and a density of 3,159 persons within its 38 sq. mi. land area. While Stamford's proximity to NYC makes it an attractive community in which to reside, the City suffers from a certain amount of economic discrepancy. High property values, expensive rents, and numerous low-income housing projects mean that many residents of Stamford are either very rich or very poor. This past January, Governor Rell approved a $7.5M Urban Action Program grant for the construction of 90 units of affordable housing at the Fairfield Court housing complex. Thirty-five units will be rented at fair market rate and 55 affordable units are designated for households at or below 50% of the area median income.[10] Whoever said the proverbial housing bubble in Connecticut 'burst' may not have considered Stamford in their analysis. In 2006, over 800 homes sold at a median price of $700,000... and all bets are off if the 20,000+ sq. ft. 264-acre Hillandale estate sells for the current listing price of $95M; that would make it one of the most expensive private residences ever to sell in the entire country!

Compared to the unemployment rates of the Bridgeport-Stamford Labor Market Area (3.9%), Connecticut (4.3%), and the U.S. (4.6%), Stamford boasted a low 3.5% in 2006, down from 4.2% in 2005. Stamford ranked 1st among the State's 169 towns with the largest labor force of 66,428 (64,094 employed) in 2006, representing nearly 20% of the southwest region's total labor force. Nearly half of all jobs in Stamford were in the finance and insurance; professional, scientific, and technical services; administrative and waste management; and health care and social assistance industry sectors. Workers in the finance and insurance ($285,000) and management of companies ($214,000) sectors earned the highest annual average wages.

From 2004 to 2006, Stamford's educational services sector saw the highest employment growth (+10%), followed by health care and social assistance (+7%). During the same period, the management of companies sector saw the biggest decline in employment (-20%); arts, entertainment and recreation (-13%) and information (-12%) industries also took a big hit.

Just over one quarter of the 5,310 establishments in Stamford are either financial institutions or providing professional, scientific, and technical services. Fifty percent of Stamford's employed residents worked right in their hometown, most likely at GE, Xerox, Stamford Hospital, UBS, or the Town Center Mall. Ten percent of Stamford's working class residents endure the 40-mile commute on I-95 or by train into downtown Manhattan each workday, while another 20% of Stamford's employed residents enjoy a short commute along the scenic Merritt Parkway to Greenwich, Norwalk, Darien, or New Canaan.[11]

In 2006, MONEY magazine ranked Stamford #46 on its 'Top 100 Best Places To Live in the U.S.' list. Therefore, if you have never been to Stamford, it is worth the trip...and bring your camera, because you may catch sight of Michael Kay or Mike and the Mad Dog arguing balls and strikes outside YES Network headquarters, John Cena and Triple H picking up their paychecks at the WWE home offices, or possibly even pop-diva Rihanna and her entourage having lunch at Bobby V.'s Sports Gallery Café. *Ask your kids...they'll know who they are.* ■

Notes

1 CT DECD Press Release (6/29/06)
2 Stamford's Economic Development Annual Report (2006)
3 Ibid.
4 Ibid.
5 Ibid.
6 Ibid.
7 CT DECD Press Release (10/18/06)
8 CT DECD Press Release (4/2/07)
9 CT DECD Press Release (6/20/07)
10 CT DECD Press Release (1/18/07)
11 CERC Town Profile 2007

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	3Q 2007	3Q 2006	CHANGE NO.	CHANGE %	2Q 2007
Employment Indexes (1992=100)*					
Leading	120.3	119.1	1.2	1.0	120.2
Coincident	112.5	111.1	1.5	1.3	112.4
General Drift Indicator (1986=100)*					
Leading	109.0	107.4	1.6	1.5	109.0
Coincident	112.8	110.8	2.0	1.8	113.9
Banknorth Business Barometer (1992=100)**	124.6	121.6	3.0	2.5	124.6

*Sources: *The Connecticut Economy, Connecticut Center for Economic Analysis, 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)	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM	1,702.6	1,686.0	16.6	1.0	1,702.8
Natural Res & Mining (Not Sea. Adj.)	0.7	0.6	0.1	16.7	0.7
Construction	68.1	66.8	1.3	1.9	68.5
Manufacturing	190.6	192.8	-2.2	-1.1	191.0
Trade, Transportation & Utilities	312.7	311.2	1.5	0.5	312.6
Information	37.8	37.5	0.3	0.8	37.7
Financial Activities	144.3	144.8	-0.5	-0.3	144.5
Professional and Business Services	210.5	206.2	4.3	2.1	209.9
Educational and Health Services	289.1	283.1	6.0	2.1	289.0
Leisure and Hospitality Services	135.1	133.1	2.0	1.5	135.3
Other Services	64.9	64.2	0.7	1.1	65.1
Government*	248.8	245.7	3.1	1.3	248.5

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

Initial claims for unemployment insurance rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
Unemployment Rate, resident (%)	5.0	4.1	0.9	---	5.0
Labor Force, resident (000s)	1,899.3	1,855.1	44.2	2.4	1,905.8
Employed (000s)	1,804.4	1,778.7	25.7	1.4	1,809.8
Unemployed (000s)	94.9	76.4	18.5	24.2	96.0
Average Weekly Initial Claims	4,327	4,185	142	3.4	4,483
Help Wanted Index -- Htfd. (1987=100)	11	8	3	37.5	8
Avg. Insured Unemp. Rate (%)	2.50	2.74	-0.23	---	2.36

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007	OCT 2007
Average Weekly Hours	42.6	42.7	-0.1	-0.2	42.4	--
Average Hourly Earnings	21.21	20.25	0.96	4.7	20.98	--
Average Weekly Earnings	903.55	864.68	38.87	4.5	889.55	--
CT Mfg. Production Index (2000=100)	103.6	97.4	6.2	6.4	105.8	114.6
Production Worker Hours (000s)	4,871	4,965	-94	-1.9	4,859	--
Industrial Electricity Sales (mil kWh)*	417	387	29.7	7.7	431	484

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*	DEC 2007	396	-38.1	7,576	9,096	-16.7
Electricity Sales (mil kWh)	OCT 2007	2,737	11.6	28,398	26,586	6.8
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	DEC 2007	290.1	25.4	---	---	---
New Auto Registrations	DEC 2007	16,373	-0.3	213,992	213,363	0.3
Air Cargo Tons	DEC 2007	13,669	-1.3	161,264	160,884	0.2
Exports (Bil. $)	3Q 2007	3.37	8.7	10.07	9.08	10.9

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	DEC 2007	2,012	-8.5	30,868	30,630	0.8
Department of Labor*	2Q2007	2,170	-13.3	4,965	5,528	-10.2
TERMINATIONS						
Secretary of the State	DEC 2007	1,895	5.9	11,372	10,242	11.0
Department of Labor*	2Q2007	1,122	-37.7	2,468	3,437	-28.2

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)	DEC 2007	DEC 2006	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	1,176.2	1,028.9	14.3	13,639.5	12,605.9	8.2
Corporate Tax	104.7	155.3	-32.6	799.6	850.1	-5.9
Personal Income Tax	651.8	531.1	22.7	7,039.2	6,252.5	12.6
Real Estate Conv. Tax	10.4	15.6	-33.3	211.3	191.3	10.5
Sales & Use Tax	278.2	192.2	44.7	3,628.8	3,350.1	8.3
Indian Gaming Payments**	30.4	37.1	-18.0	421.2	433.6	-2.9

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	DEC 2007	18,694	-10.7	400,163	417,177	-4.1
Major Attraction Visitors	DEC 2007	93,426	-16.7	1,716,452	1,712,245	0.2
Air Passenger Count	DEC 2007	503,544	-3.2	6,519,181	6,907,042	-5.6
Indian Gaming Slots (Mil.$)*	DEC 2007	1,646	-5.4	19,710	19,943	-1.2
Travel and Tourism Index**	3Q 2007	---	2.8	---	---	---

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, Connecticut Center for Economic Analysis, 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 4.1 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	DEC 2007	210.0	4.1	-0.1
Purchasing Power of $ (1982-84=$1.00)	DEC 2007	$0.476	-3.9	0.1
Northeast Region	DEC 2007	223.4	3.8	0.0
NY-Northern NJ-Long Island	DEC 2007	229.4	3.7	0.0
Boston-Brockton-Nashua**	NOV 2007	230.7	3.4	1.2
CPI-W (1982-84=100)				
U.S. City Average	DEC 2007	205.8	4.4	0.0
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	3Q 2007	NA	NA	NA
New England	DEC 2007	NA	NA	NA
U.S.	DEC 2007	NA	NA	NA

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.*
****The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut*

Conventional mortgage fell to 6.10 percent over the month.

INTEREST RATES

	DEC	**NOV**	**DEC**
(Percent)	**2007**	**2007**	**2006**
Prime	7.33	7.50	8.25
Federal Funds	4.24	4.49	5.24
3 Month Treasury Bill	3.07	3.35	4.97
6 Month Treasury Bill	3.34	3.58	5.07
1 Year Treasury Note	3.26	3.50	4.94
3 Year Treasury Note	3.13	3.35	4.58
5 Year Treasury Note	3.49	3.67	4.53
7 Year Treasury Note	3.74	3.87	4.54
10 Year Treasury Note	4.10	4.15	4.56
20 Year Treasury Note	4.57	4.56	4.78
Conventional Mortgage	6.10	6.21	6.14

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

All nine states in the region added jobs over the year.

(Seasonally adjusted; 000s)	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
Connecticut	1,702.6	1,686.0	16.6	1.0	1,702.8
Maine	619.5	615.2	4.3	0.7	618.6
Massachusetts	3,282.1	3,258.0	24.1	0.7	3,284.8
New Hampshire	648.1	642.3	5.8	0.9	648.9
New Jersey	4,114.9	4,085.5	29.4	0.7	4,111.2
New York	8,723.2	8,655.1	68.1	0.8	8,724.0
Pennsylvania	5,817.8	5,778.6	39.2	0.7	5,815.0
Rhode Island	499.2	495.9	3.3	0.7	499.3
Vermont	309.2	308.4	0.8	0.3	308.8
United States	138,495.0	137,167.0	1,328.0	1.0	138,477.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
Connecticut	1,899.3	1,855.1	44.2	2.4	1,905.8
Maine	712.5	716.7	-4.2	-0.6	712.4
Massachusetts	3,398.5	3,421.4	-22.9	-0.7	3,420.1
New Hampshire	747.9	740.4	7.5	1.0	748.5
New Jersey	4,529.9	4,531.9	-2.0	0.0	4,522.1
New York	9,529.9	9,506.5	23.4	0.2	9,524.1
Pennsylvania	6,345.5	6,336.0	9.5	0.1	6,336.1
Rhode Island	579.5	578.7	0.8	0.1	581.0
Vermont	355.9	363.6	-7.7	-2.1	357.9
United States	153,866.0	152,709.0	1,157.0	0.8	153,828.0

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

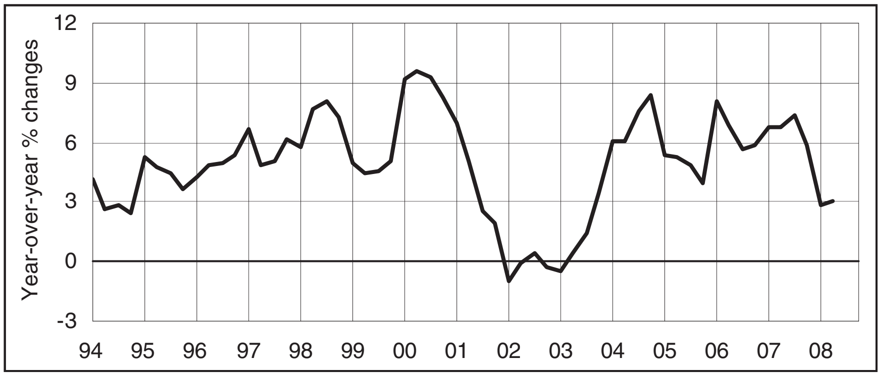
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	DEC 2007	DEC 2006	CHANGE	NOV 2007
Connecticut	5.0	4.1	0.9	5.0
Maine	5.1	4.6	0.5	4.9
Massachusetts	4.5	5.2	-0.7	4.3
New Hampshire	3.6	3.5	0.1	3.4
New Jersey	4.5	4.3	0.2	4.2
New York	4.9	4.1	0.8	4.6
Pennsylvania	4.7	4.7	0.0	4.2
Rhode Island	5.5	5.1	0.4	5.2
Vermont	4.0	3.8	0.2	3.9
United States	5.0	4.4	0.6	4.7

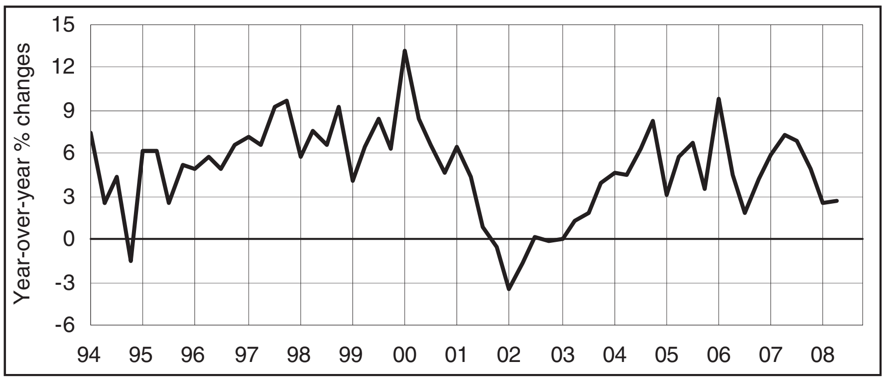
Source: U.S. Department of Labor, Bureau of Labor Statistics

PERSONAL INCOME *(Seasonally adjusted)*



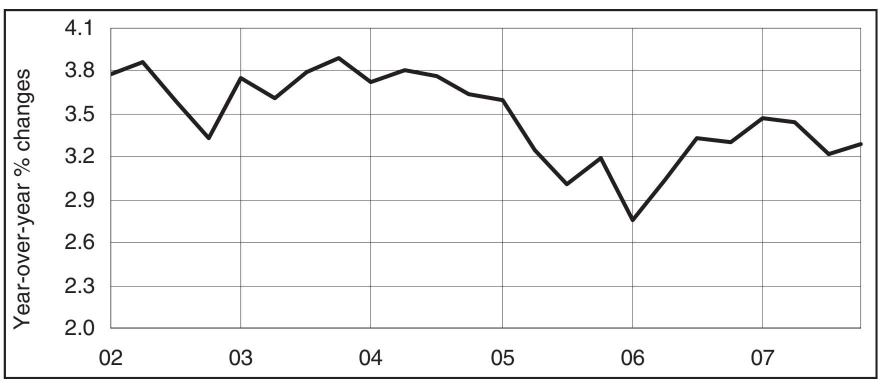
Quarter	2006	2007	2008
First	8.1	6.7	2.8
Second	6.8	6.8	3.0
Third	5.7	7.3	
Fourth	5.9	5.8	

UI COVERED WAGES *(Seasonally adjusted)*



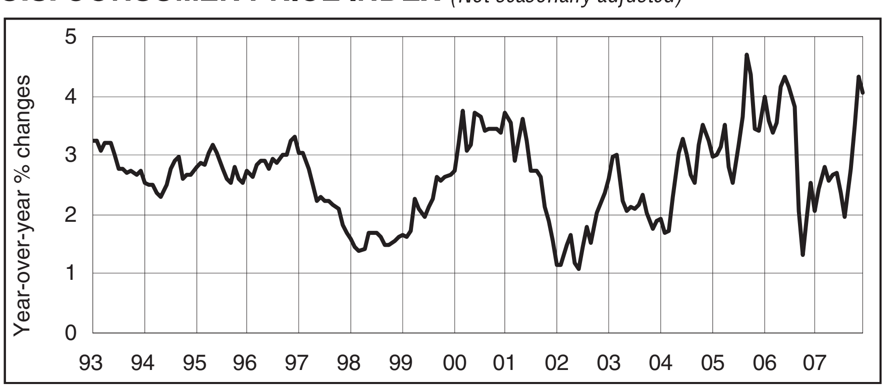
Quarter	2006	2007	2008
First	9.9	5.8	2.6
Second	4.5	7.3	2.7
Third	1.8	6.9	
Fourth	4.2	4.9	

U.S. EMPLOYMENT COST INDEX *(Seasonally adjusted)*



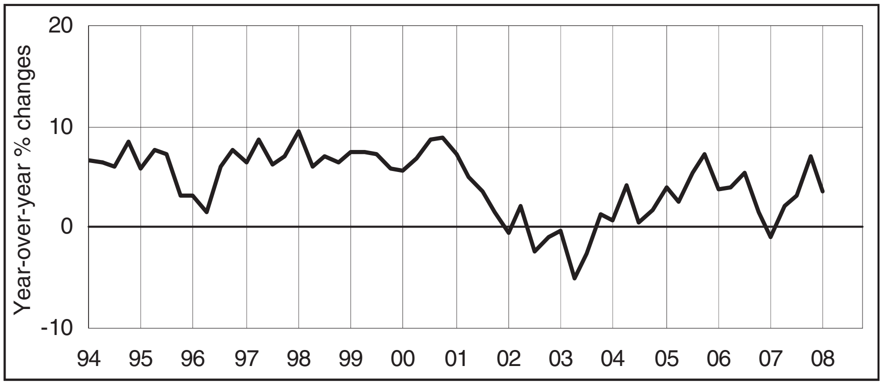
Quarter	2005	2006	2007
First	3.6	2.8	3.5
Second	3.2	3.0	3.4
Third	3.0	3.3	3.2
Fourth	3.2	3.3	3.3

U.S. CONSUMER PRICE INDEX *(Not seasonally adjusted)*



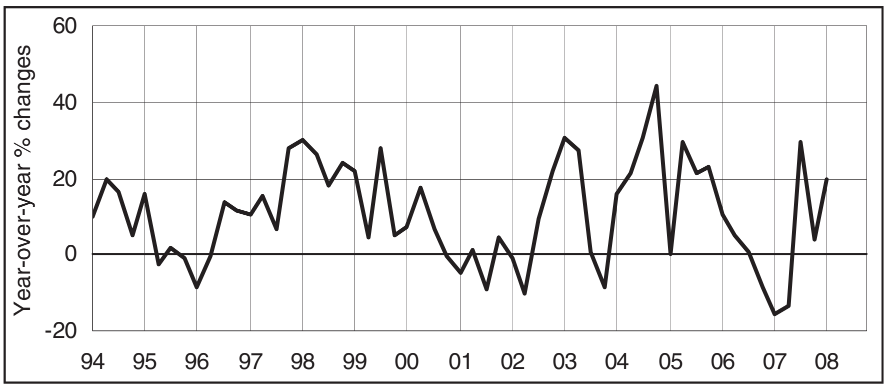
Month	2005	2006	2007
Jan	3.0	4.0	2.1
Feb	3.0	3.6	2.4
Mar	3.1	3.4	2.8
Apr	3.5	3.5	2.6
May	2.8	4.2	2.7
Jun	2.5	4.3	2.7
Jul	3.2	4.1	2.4
Aug	3.6	3.8	2.0
Sep	4.7	2.1	2.8
Oct	4.3	1.3	3.5
Nov	3.5	2.0	4.3
Dec	3.4	2.5	4.1

SALES TAX



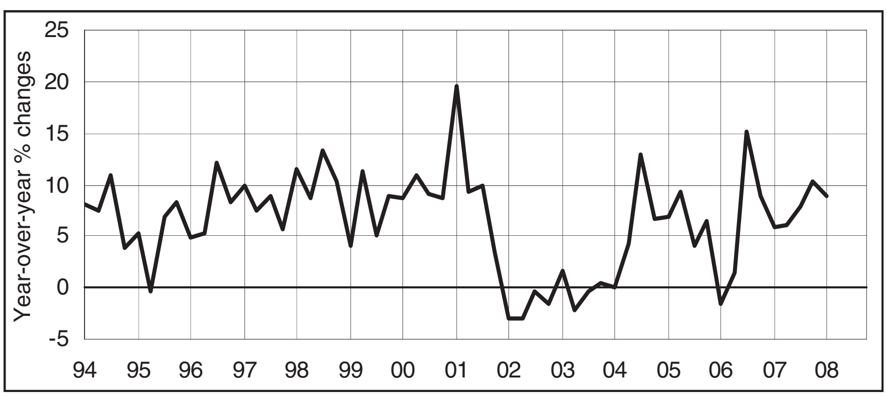
Quarter	FY 2006	FY 2007	FY 2008
First	3.8	-0.9	3.6
Second	3.9	2.1	
Third	5.4	3.1	
Fourth	1.5	7.0	

REAL ESTATE TAX



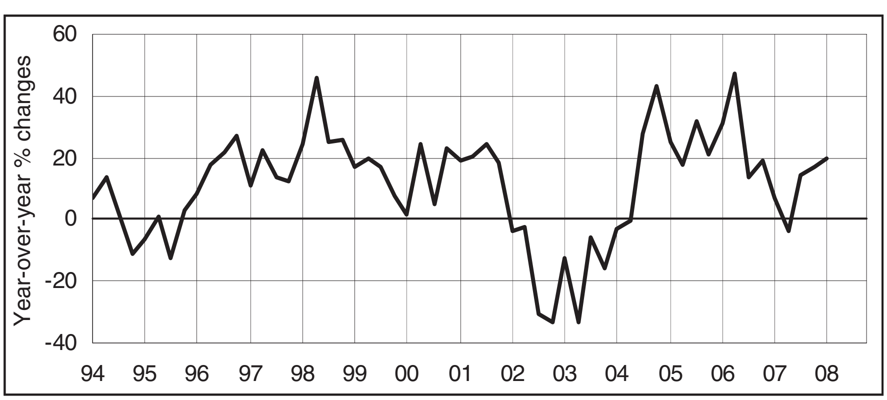
Quarter	FY 2006	FY 2007	FY 2008
First	10.7	-15.8	20.0
Second	5.2	-13.7	
Third	0.6	29.6	
Fourth	-8.6	3.7	

PERSONAL INCOME TAX : SALARIES & WAGES



Quarter	FY 2006	FY 2007	FY 2008
First	-1.5	5.9	8.9
Second	1.5	6.1	
Third	15.2	7.8	
Fourth	8.8	10.3	

PERSONAL INCOME TAX : ALL OTHER SOURCES



Quarter	FY 2006	FY 2007	FY 2008
First	31.3	7.0	19.8
Second	47.5	-3.9	
Third	13.7	14.6	
Fourth	19.3	16.8	

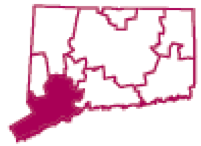
CONNECTICUT

Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**1,726,900**	**1,709,800**	**17,100**	**1.0**	**1,722,500**
GOODS PRODUCING INDUSTRIES	**260,200**	**261,000**	**-800**	**-0.3**	**262,700**
CONSTRUCTION, NAT. RES. & MINING	**68,700**	**67,300**	**1,400**	**2.1**	**71,100**
MANUFACTURING	**191,500**	**193,700**	**-2,200**	**-1.1**	**191,600**
Durable Goods	**144,800**	**145,800**	**-1,000**	**-0.7**	**144,700**
Fabricated Metal	33,400	34,300	-900	-2.6	33,500
Machinery	18,400	18,200	200	1.1	18,400
Computer and Electronic Product	14,100	14,500	-400	-2.8	14,100
Transportation Equipment	43,300	43,600	-300	-0.7	43,200
Aerospace Product and Parts	31,700	31,200	500	1.6	31,600
Non-Durable Goods	**46,700**	**47,900**	**-1,200**	**-2.5**	**46,900**
Chemical	15,300	16,300	-1,000	-6.1	15,400
SERVICE PROVIDING INDUSTRIES	**1,466,700**	**1,448,800**	**17,900**	**1.2**	**1,459,800**
TRADE, TRANSPORTATION, UTILITIES	**325,400**	**323,800**	**1,600**	**0.5**	**319,600**
Wholesale Trade	68,800	68,000	800	1.2	68,800
Retail Trade	201,700	201,100	600	0.3	196,600
Motor Vehicle and Parts Dealers	21,600	22,000	-400	-1.8	21,500
Building Material	16,900	16,400	500	3.0	17,000
Food and Beverage Stores	43,500	43,200	300	0.7	43,100
General Merchandise Stores	26,100	26,600	-500	-1.9	25,300
Transportation, Warehousing, & Utilities	54,900	54,700	200	0.4	54,200
Utilities	8,100	8,000	100	1.3	8,100
Transportation and Warehousing	46,800	46,700	100	0.2	46,100
INFORMATION	**37,800**	**37,500**	**300**	**0.8**	**37,700**
Telecommunications	13,100	12,500	600	4.8	13,000
FINANCIAL ACTIVITIES	**144,500**	**145,000**	**-500**	**-0.3**	**144,600**
Finance and Insurance	123,700	124,100	-400	-0.3	123,800
Credit Intermediation	30,800	32,100	-1,300	-4.0	31,000
Securities and Commodity Contracts	22,100	21,200	900	4.2	22,000
Insurance Carriers & Related Activities	66,000	65,700	300	0.5	66,000
Real Estate and Rental and Leasing	20,800	20,900	-100	-0.5	20,800
PROFESSIONAL & BUSINESS SERVICES	**212,400**	**207,900**	**4,500**	**2.2**	**211,400**
Professional, Scientific	97,300	93,500	3,800	4.1	96,400
Legal Services	14,200	14,500	-300	-2.1	14,200
Computer Systems Design	21,900	21,000	900	4.3	21,600
Management of Companies	24,600	24,800	-200	-0.8	24,400
Administrative and Support	90,500	89,600	900	1.0	90,600
Employment Services	34,700	34,600	100	0.3	33,900
EDUCATIONAL AND HEALTH SERVICES	**293,200**	**287,100**	**6,100**	**2.1**	**293,600**
Educational Services	59,100	56,700	2,400	4.2	60,800
Health Care and Social Assistance	234,100	230,400	3,700	1.6	232,800
Hospitals	58,100	57,600	500	0.9	57,900
Nursing & Residential Care Facilities	58,600	58,200	400	0.7	58,300
Social Assistance	41,900	39,800	2,100	5.3	41,500
LEISURE AND HOSPITALITY	**132,900**	**131,000**	**1,900**	**1.5**	**132,500**
Arts, Entertainment, and Recreation	22,100	21,700	400	1.8	22,100
Accommodation and Food Services	110,800	109,300	1,500	1.4	110,400
Food Serv., Restaurants, Drinking Places	98,900	97,700	1,200	1.2	98,200
OTHER SERVICES	**65,100**	**64,400**	**700**	**1.1**	**64,700**
GOVERNMENT	**255,400**	**252,100**	**3,300**	**1.3**	**255,700**
Federal Government	19,400	19,700	-300	-1.5	19,300
State Government	71,600	69,200	2,400	3.5	71,700
Local Government**	164,400	163,200	1,200	0.7	164,700

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA

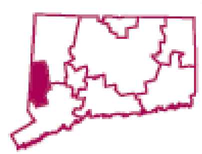


Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**429,700**	**423,900**	**5,800**	**1.4**	**427,400**
GOODS PRODUCING INDUSTRIES	**57,700**	**57,000**	**700**	**1.2**	**58,200**
CONSTRUCTION, NAT. RES. & MINING	**16,700**	**15,700**	**1,000**	**6.4**	**17,300**
MANUFACTURING	**41,000**	**41,300**	**-300**	**-0.7**	**40,900**
Durable Goods	**30,800**	**30,300**	**500**	**1.7**	**30,700**
SERVICE PROVIDING INDUSTRIES	**372,000**	**366,900**	**5,100**	**1.4**	**369,200**
TRADE, TRANSPORTATION, UTILITIES	**80,900**	**79,400**	**1,500**	**1.9**	**79,100**
Wholesale Trade	14,700	14,700	0	0.0	14,600
Retail Trade	54,200	53,100	1,100	2.1	52,700
Transportation, Warehousing, & Utilities	12,000	11,600	400	3.4	11,800
INFORMATION	**11,100**	**11,300**	**-200**	**-1.8**	**11,100**
FINANCIAL ACTIVITIES	**45,900**	**44,700**	**1,200**	**2.7**	**45,700**
Finance and Insurance	39,700	38,200	1,500	3.9	39,500
PROFESSIONAL & BUSINESS SERVICES	**73,200**	**71,700**	**1,500**	**2.1**	**73,000**
EDUCATIONAL AND HEALTH SERVICES	**61,300**	**61,600**	**-300**	**-0.5**	**61,400**
Health Care and Social Assistance	51,600	51,700	-100	-0.2	51,400
LEISURE AND HOSPITALITY	**33,700**	**33,200**	**500**	**1.5**	**33,500**
Accommodation and Food Services	25,800	25,200	600	2.4	25,700
OTHER SERVICES	**16,900**	**17,100**	**-200**	**-1.2**	**16,700**
GOVERNMENT	**49,000**	**47,900**	**1,100**	**2.3**	**48,700**
Federal	3,300	3,400	-100	-2.9	3,300
State & Local	45,700	44,500	1,200	2.7	45,400

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

DANBURY LMA



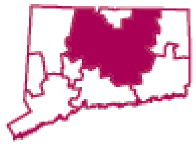
Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**71,600**	**71,000**	**600**	**0.8**	**71,000**
GOODS PRODUCING INDUSTRIES	**13,400**	**13,200**	**200**	**1.5**	**13,400**
SERVICE PROVIDING INDUSTRIES	**58,200**	**57,800**	**400**	**0.7**	**57,600**
TRADE, TRANSPORTATION, UTILITIES	**16,700**	**16,700**	**0**	**0.0**	**16,200**
Retail Trade	12,500	12,600	-100	-0.8	12,000
PROFESSIONAL & BUSINESS SERVICES	**8,600**	**8,600**	**0**	**0.0**	**8,700**
LEISURE AND HOSPITALITY	**5,900**	**5,700**	**200**	**3.5**	**5,800**
GOVERNMENT	**8,500**	**8,400**	**100**	**1.2**	**8,600**
Federal	600	600	0	0.0	600
State & Local	7,900	7,800	100	1.3	8,000

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 2006.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**561,700**	**558,300**	**3,400**	**0.6**	**560,700**
GOODS PRODUCING INDUSTRIES	**87,400**	**87,400**	**0**	**0.0**	**87,700**
CONSTRUCTION, NAT. RES. & MINING	**22,300**	**22,300**	**0**	**0.0**	**22,700**
MANUFACTURING	**65,100**	**65,100**	**0**	**0.0**	**65,000**
Durable Goods	**53,900**	**54,200**	**-300**	**-0.6**	**53,900**
Transportation Equipment	18,600	18,800	-200	-1.1	18,600
SERVICE PROVIDING INDUSTRIES	**474,300**	**470,900**	**3,400**	**0.7**	**473,000**
TRADE, TRANSPORTATION, UTILITIES	**93,100**	**93,400**	**-300**	**-0.3**	**91,400**
Wholesale Trade	19,800	19,800	0	0.0	19,700
Retail Trade	58,000	58,300	-300	-0.5	56,700
Transportation, Warehousing, & Utilities	15,300	15,300	0	0.0	15,000
Transportation and Warehousing	12,600	12,400	200	1.6	12,300
INFORMATION	**12,100**	**11,900**	**200**	**1.7**	**12,000**
FINANCIAL ACTIVITIES	**67,000**	**67,100**	**-100**	**-0.1**	**66,800**
Depository Credit Institutions	7,900	7,900	0	0.0	7,800
Insurance Carriers & Related Activities	46,100	45,100	1,000	2.2	46,000
PROFESSIONAL & BUSINESS SERVICES	**62,000**	**60,900**	**1,100**	**1.8**	**61,700**
Professional, Scientific	30,600	29,800	800	2.7	30,200
Administrative and Support	25,600	24,800	800	3.2	25,800
EDUCATIONAL AND HEALTH SERVICES	**90,100**	**88,100**	**2,000**	**2.3**	**89,900**
Health Care and Social Assistance	78,700	76,300	2,400	3.1	78,500
Ambulatory Health Care	23,400	23,100	300	1.3	23,200
LEISURE AND HOSPITALITY	**40,800**	**39,300**	**1,500**	**3.8**	**40,400**
Accommodation and Food Services	35,800	34,000	1,800	5.3	35,400
OTHER SERVICES	**20,900**	**20,900**	**0**	**0.0**	**21,000**
GOVERNMENT	**88,300**	**89,300**	**-1,000**	**-1.1**	**89,800**
Federal	6,000	6,000	0	0.0	5,900
State & Local	82,300	83,300	-1,000	-1.2	83,900

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 2006.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

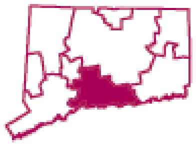
- **Work-experience unemployment rate in 2006**

  At 9.1 percent in 2006 (in U.S.), the "work-experience unemployment rate" (those looking for work during the year as a percent of those who worked or looked for work during the year) was little changed from 9.3 percent in 2005. The 2006 rate is low by historical standards, but is above the series low of 8.6 percent reached in 2000. The rate for blacks fell between 2005 and 2006; however, at 13.0 percent, it was higher than the rates for Hispanics (10.2 percent), whites (8.5 percent), and Asians (7.3 percent).

  These data are from the Current Population Survey. To learn more, see "Work Experience of the Population in 2006," USDL news release 07-1923. (The Editor's Desk, Bureau of Labor Statistics, January 2, 2008)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**281,400**	**280,700**	**700**	**0.2**	**280,700**
GOODS PRODUCING INDUSTRIES	**44,000**	**43,700**	**300**	**0.7**	**44,400**
CONSTRUCTION, NAT. RES. & MINING	**11,500**	**10,900**	**600**	**5.5**	**12,100**
MANUFACTURING	**32,500**	**32,800**	**-300**	**-0.9**	**32,300**
Durable Goods	**22,000**	**22,200**	**-200**	**-0.9**	**22,000**
SERVICE PROVIDING INDUSTRIES	**237,400**	**237,000**	**400**	**0.2**	**236,300**
TRADE, TRANSPORTATION, UTILITIES	**52,200**	**52,400**	**-200**	**-0.4**	**51,700**
Wholesale Trade	11,300	11,500	-200	-1.7	11,300
Retail Trade	32,200	32,100	100	0.3	31,700
Transportation, Warehousing, & Utilities	8,700	8,800	-100	-1.1	8,700
INFORMATION	**8,100**	**8,000**	**100**	**1.3**	**8,000**
FINANCIAL ACTIVITIES	**14,800**	**14,600**	**200**	**1.4**	**14,800**
Finance and Insurance	10,700	10,400	300	2.9	10,700
PROFESSIONAL & BUSINESS SERVICES	**26,000**	**25,900**	**100**	**0.4**	**25,800**
Administrative and Support	13,100	12,700	400	3.1	12,900
EDUCATIONAL AND HEALTH SERVICES	**69,700**	**69,100**	**600**	**0.9**	**69,300**
Educational Services	25,800	25,800	0	0.0	25,700
Health Care and Social Assistance	43,900	43,300	600	1.4	43,600
LEISURE AND HOSPITALITY	**20,600**	**20,600**	**0**	**0.0**	**20,800**
Accommodation and Food Services	18,300	17,200	1,100	6.4	18,300
OTHER SERVICES	**11,700**	**11,500**	**200**	**1.7**	**11,500**
GOVERNMENT	**34,300**	**34,900**	**-600**	**-1.7**	**34,400**
Federal	5,400	5,400	0	0.0	5,300
State & Local	28,900	29,500	-600	-2.0	29,100

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 2006.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

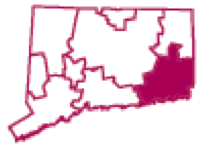
- **Projected growth in professional occupations, 2006-16**

  Over the 2006-16 decade (in U.S.), professional and related occupations and service occupations are expected to grow faster than any other occupational group. Employment in each of those two major occupational groups is projected to increase by 17 percent, compared with 10 percent for overall employment. Within professional and related occupations, computer and mathematical science occupations are projected to grow by 25 percent-more than twice as fast as the average for all occupations. But growth is projected to be slower than it was during the previous decade as the software industry matures and as routine work is increasingly outsourced abroad. Fast growth in community and social services occupations reflects an aging population expected to require assistance from social service workers.

  These projections are from the Employment Projections program. To learn more, see "Occupational Employment" in the Fall 2007 issue of the Occupational Outlook Quarterly. (The Editor's Desk, Bureau of Labor Statistics, January 4, 2008)

NONFARM EMPLOYMENT ESTIMATES

NORWICH - NEW LONDON LMA

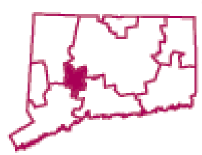


Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**137,000**	**136,200**	**800**	**0.6**	**136,800**
GOODS PRODUCING INDUSTRIES	**20,600**	**21,100**	**-500**	**-2.4**	**20,700**
CONSTRUCTION, NAT. RES. & MINING	**4,500**	**4,300**	**200**	**4.7**	**4,600**
MANUFACTURING	**16,100**	**16,800**	**-700**	**-4.2**	**16,100**
Durable Goods	**10,800**	**11,000**	**-200**	**-1.8**	**10,800**
Non-Durable Goods	**5,300**	**5,800**	**-500**	**-8.6**	**5,300**
SERVICE PROVIDING INDUSTRIES	**116,400**	**115,100**	**1,300**	**1.1**	**116,100**
TRADE, TRANSPORTATION, UTILITIES	**24,300**	**23,800**	**500**	**2.1**	**23,800**
Wholesale Trade	2,200	2,100	100	4.8	2,200
Retail Trade	17,400	17,300	100	0.6	16,900
Transportation, Warehousing, & Utilities	4,700	4,400	300	6.8	4,700
INFORMATION	**2,000**	**2,100**	**-100**	**-4.8**	**2,000**
FINANCIAL ACTIVITIES	**3,400**	**3,500**	**-100**	**-2.9**	**3,400**
PROFESSIONAL & BUSINESS SERVICES	**10,400**	**10,300**	**100**	**1.0**	**10,400**
EDUCATIONAL AND HEALTH SERVICES	**19,900**	**19,500**	**400**	**2.1**	**19,800**
Health Care and Social Assistance	17,200	16,900	300	1.8	17,100
LEISURE AND HOSPITALITY	**12,600**	**12,200**	**400**	**3.3**	**12,800**
Accommodation and Food Services	10,800	10,400	400	3.8	10,900
Food Serv., Restaurants, Drinking Places	9,000	8,600	400	4.7	9,000
OTHER SERVICES	**4,000**	**3,900**	**100**	**2.6**	**4,000**
GOVERNMENT	**39,800**	**39,800**	**0**	**0.0**	**39,900**
Federal	2,600	2,500	100	4.0	2,500
State & Local**	37,200	37,300	-100	-0.3	37,400

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

WATERBURY LMA



Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**70,300**	**70,300**	**0**	**0.0**	**70,300**
GOODS PRODUCING INDUSTRIES	**12,300**	**12,600**	**-300**	**-2.4**	**12,500**
CONSTRUCTION, NAT. RES. & MINING	**2,700**	**2,700**	**0**	**0.0**	**2,900**
MANUFACTURING	**9,600**	**9,900**	**-300**	**-3.0**	**9,600**
SERVICE PROVIDING INDUSTRIES	**58,000**	**57,700**	**300**	**0.5**	**57,800**
TRADE, TRANSPORTATION, UTILITIES	**14,000**	**14,200**	**-200**	**-1.4**	**13,900**
Wholesale Trade	2,100	2,200	-100	-4.5	2,100
Retail Trade	9,800	9,900	-100	-1.0	9,500
Transportation, Warehousing, & Utilities	2,100	2,100	0	0.0	2,300
INFORMATION	**900**	**900**	**0**	**0.0**	**900**
FINANCIAL ACTIVITIES	**2,500**	**2,500**	**0**	**0.0**	**2,500**
PROFESSIONAL & BUSINESS SERVICES	**7,000**	**7,000**	**0**	**0.0**	**6,600**
EDUCATIONAL AND HEALTH SERVICES	**14,900**	**14,800**	**100**	**0.7**	**14,800**
Health Care and Social Assistance	13,600	13,400	200	1.5	13,400
LEISURE AND HOSPITALITY	**6,000**	**5,300**	**700**	**13.2**	**6,000**
OTHER SERVICES	**2,800**	**2,900**	**-100**	**-3.4**	**2,800**
GOVERNMENT	**9,900**	**10,100**	**-200**	**-2.0**	**10,300**
Federal	600	600	0	0.0	600
State & Local	9,300	9,500	-200	-2.1	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 2006.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**48,700**	**50,000**	**-1,300**	**-2.6**	**48,200**
TORRINGTON LMA	**38,200**	**37,400**	**800**	**2.1**	**38,400**
WILLIMANTIC - DANIELSON LMA	**38,800**	**37,600**	**1,200**	**3.2**	**39,000**

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

	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
TOTAL NONFARM EMPLOYMENT	**304,400**	**302,400**	**2,000**	**0.7**	**303,900**
GOODS PRODUCING INDUSTRIES	**46,500**	**47,300**	**-800**	**-1.7**	**46,800**
CONSTRUCTION, NAT. RES. & MINING	**11,000**	**10,800**	**200**	**1.9**	**11,300**
MANUFACTURING	**35,500**	**36,500**	**-1,000**	**-2.7**	**35,500**
Durable Goods	**22,700**	**23,200**	**-500**	**-2.2**	**22,700**
Non-Durable Goods	**12,800**	**13,300**	**-500**	**-3.8**	**12,800**
SERVICE PROVIDING INDUSTRIES	**257,900**	**255,100**	**2,800**	**1.1**	**257,100**
TRADE, TRANSPORTATION, UTILITIES	**64,500**	**63,700**	**800**	**1.3**	**63,500**
Wholesale Trade	12,100	11,600	500	4.3	12,100
Retail Trade	38,600	38,200	400	1.0	37,800
Transportation, Warehousing, & Utilities	13,800	13,900	-100	-0.7	13,600
INFORMATION	**4,300**	**4,400**	**-100**	**-2.3**	**4,400**
FINANCIAL ACTIVITIES	**17,400**	**17,300**	**100**	**0.6**	**17,300**
Finance and Insurance	13,100	13,300	-200	-1.5	13,100
Insurance Carriers & Related Activities	8,600	8,400	200	2.4	8,600
PROFESSIONAL & BUSINESS SERVICES	**25,400**	**24,900**	**500**	**2.0**	**25,500**
EDUCATIONAL AND HEALTH SERVICES	**57,200**	**56,100**	**1,100**	**2.0**	**57,500**
Educational Services	12,600	12,600	0	0.0	13,000
Health Care and Social Assistance	44,600	43,500	1,100	2.5	44,500
LEISURE AND HOSPITALITY	**26,200**	**26,100**	**100**	**0.4**	**26,500**
OTHER SERVICES	**11,700**	**11,900**	**-200**	**-1.7**	**11,500**
GOVERNMENT	**51,200**	**50,700**	**500**	**1.0**	**50,900**
Federal	7,400	7,100	300	4.2	7,100
State & Local	43,800	43,600	200	0.5	43,800

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.
**Total excludes workers idled due to labor-management disputes.*

LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	DEC 2007	DEC 2006	CHANGE NO.	CHANGE %	NOV 2007
CONNECTICUT	Civilian Labor Force	1,889,100	1,852,200	36,900	2.0	1,903,200
	Employed	1,803,700	1,783,900	19,800	1.1	1,812,000
	Unemployed	85,400	68,300	17,100	25.0	91,100
	Unemployment Rate	4.5	3.7	0.8	---	4.8
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	482,300	471,700	10,600	2.2	485,300
	Employed	462,900	456,400	6,500	1.4	463,900
	Unemployed	19,400	15,200	4,200	27.6	21,300
	Unemployment Rate	4.0	3.2	0.8	---	4.4
DANBURY LMA	Civilian Labor Force	93,700	91,900	1,800	2.0	94,300
	Employed	90,500	89,400	1,100	1.2	90,700
	Unemployed	3,200	2,500	700	28.0	3,600
	Unemployment Rate	3.4	2.7	0.7	---	3.8
ENFIELD LMA	Civilian Labor Force	50,300	49,300	1,000	2.0	50,600
	Employed	47,900	47,400	500	1.1	48,100
	Unemployed	2,400	1,900	500	26.3	2,500
	Unemployment Rate	4.8	3.8	1.0	---	5.0
HARTFORD LMA	Civilian Labor Force	591,100	580,300	10,800	1.9	595,300
	Employed	563,500	557,900	5,600	1.0	566,200
	Unemployed	27,700	22,400	5,300	23.7	29,100
	Unemployment Rate	4.7	3.9	0.8	---	4.9
NEW HAVEN LMA	Civilian Labor Force	314,600	309,500	5,100	1.6	317,300
	Employed	299,800	297,500	2,300	0.8	301,200
	Unemployed	14,800	12,000	2,800	23.3	16,100
	Unemployment Rate	4.7	3.9	0.8	---	5.1
NORWICH - NEW LONDON LMA	Civilian Labor Force	152,200	149,900	2,300	1.5	153,300
	Employed	145,600	144,300	1,300	0.9	146,400
	Unemployed	6,600	5,600	1,000	17.9	7,000
	Unemployment Rate	4.3	3.7	0.6	---	4.5
TORRINGTON LMA	Civilian Labor Force	55,800	54,600	1,200	2.2	56,600
	Employed	53,500	52,700	800	1.5	54,200
	Unemployed	2,300	1,900	400	21.1	2,400
	Unemployment Rate	4.1	3.5	0.6	---	4.3
WATERBURY LMA	Civilian Labor Force	103,700	101,400	2,300	2.3	104,700
	Employed	97,400	96,500	900	0.9	98,400
	Unemployed	6,300	4,800	1,500	31.3	6,300
	Unemployment Rate	6.1	4.7	1.4	---	6.0
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	58,800	57,000	1,800	3.2	59,100
	Employed	55,500	54,400	1,100	2.0	55,800
	Unemployed	3,300	2,600	700	26.9	3,300
	Unemployment Rate	5.6	4.6	1.0	---	5.6
UNITED STATES	Civilian Labor Force	153,705,000	152,571,000	1,134,000	0.7	154,035,000
	Employed	146,334,000	146,081,000	253,000	0.2	147,118,000
	Unemployed	7,371,000	6,491,000	880,000	13.6	6,917,000
	Unemployment Rate	4.8	4.3	0.5	---	4.5

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007	AVG WEEKLY HOURS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007	AVG HOURLY EARNINGS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007
MANUFACTURING	**$903.55**	**$864.68**	**$38.87**	**$889.55**	**42.6**	**42.7**	**-0.1**	**42.4**	**$21.21**	**$20.25**	**$0.96**	**$20.98**
DURABLE GOODS	**930.43**	**895.38**	**35.06**	**918.43**	**42.7**	**42.8**	**-0.1**	**42.5**	**21.79**	**20.92**	**0.87**	**21.61**
Fabricated Metal	826.04	812.70	13.34	811.96	42.8	43.0	-0.2	42.4	19.30	18.90	0.40	19.15
Machinery	877.71	846.38	31.33	870.84	40.9	41.9	-1.0	41.0	21.46	20.20	1.26	21.24
Computer & Electronic	736.92	713.81	23.11	722.29	41.1	41.0	0.1	40.9	17.93	17.41	0.52	17.66
Transport. Equipment	1,163.27	1,105.53	57.74	1,152.40	43.1	43.0	0.1	43.0	26.99	25.71	1.28	26.80
NON-DUR. GOODS	**826.70**	**780.01**	**46.69**	**814.28**	**42.2**	**42.3**	**-0.1**	**42.3**	**19.59**	**18.44**	**1.15**	**19.25**
CONSTRUCTION	**949.84**	**912.60**	**37.24**	**945.83**	**38.3**	**39.0**	**-0.7**	**38.7**	**24.80**	**23.40**	**1.40**	**24.44**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007	AVG WEEKLY HOURS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007	AVG HOURLY EARNINGS DEC 2007	DEC 2006	CHG Y/Y	NOV 2007
Bridgeport - Stamford	$846.65	$953.68	-$107.03	$827.79	41.0	44.9	-3.9	41.0	$20.65	$21.24	-$0.59	$20.19
New Haven	843.00	799.34	43.66	849.72	37.4	42.7	-5.3	37.9	22.54	18.72	3.82	22.42
Norwich - New London	905.67	861.14	44.53	900.51	42.7	42.8	-0.1	42.8	21.21	20.12	1.09	21.04

Due to constraints of the sample upon which estimates are made, manufacturing hours and earnings estimates for the Hartford and Waterbury labor market areas are being suspended.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2006.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In December 2007, it was revealed that an Armed Forces Reserve Center will be built in Middletown that will employ 150 people full time when it is completed in 2009. Lowe's will build a home improvement warehouse store in Derby, employing 120 people when it opens in the fall of 2008.

- In December 2007, the Home Fabric Mills store building in Cheshire was sold, resulting in the closing of the store in the spring of 2008. Thirteen workers are expected to lose their jobs as a result.

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)

DECEMBER 2007

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**482,299**	**462,892**	**19,407**	**4.0**
Ansonia	10,219	9,660	559	5.5
Bridgeport	64,237	59,732	4,505	7.0
Darien	9,435	9,167	268	2.8
Derby	7,024	6,689	335	4.8
Easton	3,870	3,744	126	3.3
Fairfield	29,039	28,011	1,028	3.5
Greenwich	31,036	30,131	905	2.9
Milford	32,289	31,078	1,211	3.8
Monroe	10,909	10,542	367	3.4
New Canaan	9,153	8,896	257	2.8
Newtown	14,626	14,201	425	2.9
Norwalk	49,886	47,965	1,921	3.9
Oxford	7,056	6,826	230	3.3
Redding	4,661	4,540	121	2.6
Ridgefield	12,063	11,721	342	2.8
Seymour	9,400	8,974	426	4.5
Shelton	23,161	22,236	925	4.0
Southbury	9,273	8,956	317	3.4
Stamford	68,301	65,828	2,473	3.6
Stratford	26,693	25,498	1,195	4.5
Trumbull	18,362	17,767	595	3.2
Weston	5,030	4,912	118	2.3
Westport	13,010	12,624	386	3.0
Wilton	8,548	8,318	230	2.7
Woodbridge	5,016	4,875	141	2.8
DANBURY	**93,655**	**90,455**	**3,200**	**3.4**
Bethel	11,162	10,810	352	3.2
Bridgewater	1,067	1,037	30	2.8
Brookfield	9,300	8,964	336	3.6
Danbury	45,305	43,693	1,612	3.6
New Fairfield	7,814	7,563	251	3.2
New Milford	16,788	16,239	549	3.3
Sherman	2,219	2,149	70	3.2
ENFIELD	**50,283**	**47,881**	**2,402**	**4.8**
East Windsor	6,295	5,953	342	5.4
Enfield	24,534	23,343	1,191	4.9
Somers	4,804	4,582	222	4.6
Suffield	7,456	7,147	309	4.1
Windsor Locks	7,194	6,856	338	4.7
HARTFORD	**591,139**	**563,463**	**27,676**	**4.7**
Andover	2,017	1,944	73	3.6
Ashford	2,637	2,548	89	3.4
Avon	9,287	9,008	279	3.0
Barkhamsted	2,272	2,174	98	4.3
Berlin	11,194	10,747	447	4.0
Bloomfield	10,166	9,637	529	5.2
Bolton	3,103	3,002	101	3.3
Bristol	34,806	33,029	1,777	5.1
Burlington	5,411	5,223	188	3.5

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,747	5,574	173	3.0
Colchester	8,837	8,528	309	3.5
Columbia	3,080	2,985	95	3.1
Coventry	7,123	6,832	291	4.1
Cromwell	7,926	7,634	292	3.7
East Granby	2,966	2,860	106	3.6
East Haddam	5,201	5,026	175	3.4
East Hampton	6,931	6,621	310	4.5
East Hartford	25,759	24,246	1,513	5.9
Ellington	8,810	8,438	372	4.2
Farmington	13,053	12,614	439	3.4
Glastonbury	18,453	17,882	571	3.1
Granby	6,350	6,140	210	3.3
Haddam	4,823	4,692	131	2.7
Hartford	49,546	44,935	4,611	9.3
Hartland	1,214	1,179	35	2.9
Harwinton	3,201	3,081	120	3.7
Hebron	5,579	5,367	212	3.8
Lebanon	4,372	4,206	166	3.8
Manchester	32,345	30,924	1,421	4.4
Mansfield	13,121	12,647	474	3.6
Marlborough	3,633	3,521	112	3.1
Middlefield	2,417	2,326	91	3.8
Middletown	26,827	25,677	1,150	4.3
New Britain	35,283	32,753	2,530	7.2
New Hartford	3,838	3,706	132	3.4
Newington	16,857	16,205	652	3.9
Plainville	10,272	9,782	490	4.8
Plymouth	6,957	6,602	355	5.1
Portland	5,431	5,214	217	4.0
Rocky Hill	10,899	10,453	446	4.1
Simsbury	12,256	11,875	381	3.1
Southington	24,428	23,491	937	3.8
South Windsor	14,948	14,475	473	3.2
Stafford	6,934	6,630	304	4.4
Thomaston	4,740	4,493	247	5.2
Tolland	8,431	8,166	265	3.1
Union	480	460	20	4.2
Vernon	17,476	16,732	744	4.3
West Hartford	29,821	28,648	1,173	3.9
Wethersfield	13,582	13,029	553	4.1
Willington	3,984	3,844	140	3.5
Windsor	16,315	15,658	657	4.0

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 referred to as 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

Town

(By Place of Residence - Not Seasonally Adjusted)

DECEMBER 2007

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**314,560**	**299,785**	**14,775**	**4.7**
Bethany	3,147	3,026	121	3.8
Branford	17,594	16,939	655	3.7
Cheshire	14,900	14,375	525	3.5
Chester	2,308	2,236	72	3.1
Clinton	8,101	7,777	324	4.0
Deep River	2,628	2,536	92	3.5
Durham	4,291	4,146	145	3.4
East Haven	16,376	15,573	803	4.9
Essex	3,845	3,725	120	3.1
Guilford	13,200	12,741	459	3.5
Hamden	31,357	30,021	1,336	4.3
Killingworth	3,652	3,522	130	3.6
Madison	10,239	9,933	306	3.0
Meriden	32,167	30,389	1,778	5.5
New Haven	56,631	52,603	4,028	7.1
North Branford	8,481	8,159	322	3.8
North Haven	13,269	12,783	486	3.7
Old Saybrook	5,561	5,360	201	3.6
Orange	7,423	7,200	223	3.0
Wallingford	25,625	24,630	995	3.9
Westbrook	3,704	3,591	113	3.1
West Haven	30,060	28,519	1,541	5.1
***NORWICH-NEW LONDON**	**138,867**	**132,844**	**6,023**	**4.3**
Bozrah	1,488	1,427	61	4.1
Canterbury	3,233	3,070	163	5.0
East Lyme	9,701	9,356	345	3.6
Franklin	1,211	1,159	52	4.3
Griswold	7,177	6,849	328	4.6
Groton	20,037	19,238	799	4.0
Ledyard	8,637	8,351	286	3.3
Lisbon	2,600	2,504	96	3.7
Lyme	1,175	1,129	46	3.9
Montville	11,040	10,528	512	4.6
New London	13,837	13,016	821	5.9
No. Stonington	3,298	3,191	107	3.2
Norwich	20,933	19,825	1,108	5.3
Old Lyme	4,293	4,149	144	3.4
Preston	2,901	2,763	138	4.8
Salem	2,641	2,542	99	3.7
Sprague	1,841	1,722	119	6.5
Stonington	10,607	10,287	320	3.0
Voluntown	1,644	1,563	81	4.9
Waterford	10,574	10,176	398	3.8

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

***NORWICH-NEW LONDON**	**152,199**	**145,606**	**6,593**	**4.3**
Westerly, RI	13,332	12,762	570	4.3

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	**55,766**	**53,456**	**2,310**	**4.1**
Bethlehem	2,082	2,003	79	3.8
Canaan	624	599	25	4.0
Colebrook	852	831	21	2.5
Cornwall	848	826	22	2.6
Goshen	1,628	1,568	60	3.7
Kent	1,635	1,581	54	3.3
Litchfield	4,481	4,324	157	3.5
Morris	1,340	1,288	52	3.9
Norfolk	976	942	34	3.5
North Canaan	1,799	1,710	89	4.9
Roxbury	1,407	1,365	42	3.0
Salisbury	2,043	1,984	59	2.9
Sharon	1,605	1,562	43	2.7
Torrington	19,955	18,947	1,008	5.1
Warren	746	724	22	2.9
Washington	1,984	1,924	60	3.0
Winchester	6,149	5,836	313	5.1
Woodbury	5,611	5,442	169	3.0
WATERBURY	**103,731**	**97,382**	**6,349**	**6.1**
Beacon Falls	3,328	3,173	155	4.7
Middlebury	3,868	3,742	126	3.3
Naugatuck	17,635	16,683	952	5.4
Prospect	5,408	5,187	221	4.1
Waterbury	51,544	47,612	3,932	7.6
Watertown	12,738	12,163	575	4.5
Wolcott	9,209	8,822	387	4.2
WILLIMANTIC-DANIELSON	**58,784**	**55,501**	**3,283**	**5.6**
Brooklyn	3,952	3,729	223	5.6
Chaplin	1,454	1,394	60	4.1
Eastford	998	968	30	3.0
Hampton	1,213	1,147	66	5.4
Killingly	9,667	9,058	609	6.3
Plainfield	8,634	8,145	489	5.7
Pomfret	2,336	2,240	96	4.1
Putnam	5,367	5,022	345	6.4
Scotland	1,017	982	35	3.4
Sterling	2,035	1,938	97	4.8
Thompson	5,472	5,211	261	4.8
Windham	11,936	11,166	770	6.5
Woodstock	4,703	4,501	202	4.3

Not Seasonally Adjusted:				
CONNECTICUT	1,889,100	1,803,700	85,400	4.5
UNITED STATES	153,705,000	146,334,000	7,371,000	4.8
Seasonally Adjusted:				
CONNECTICUT	1,899,300	1,804,400	94,900	5.0
UNITED STATES	153,866,000	146,211,000	7,655,000	5.0

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	DEC	YR TO DATE		TOWN	DEC	YR TO DATE		TOWN	DEC	YR TO DATE	
	2007	2007	2006		2007	2007	2006		2007	2007	2006
Andover	1	8	8	Griswold	na	na	na	Preston	1	15	31
Ansonia	1	13	9	Groton	4	64	69	Prospect	na	na	na
Ashford	1	11	23	Guilford	2	38	57	Putnam	1	24	31
Avon	1	39	66	Haddam	1	46	51	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	0	20	24	Ridgefield	2	107	56
Beacon Falls	na	na	na	Hampton	1	15	22	Rocky Hill	1	33	59
Berlin	4	93	146	Hartford	1	116	312	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	0	8	14
Bethel	0	8	49	Harwinton	0	14	23	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	8	9
Bloomfield	na	na	na	Kent	0	8	11	Seymour	2	28	47
Bolton	0	12	18	Killingly	4	74	120	Sharon	0	9	10
Bozrah	1	9	12	Killingworth	na	na	na	Shelton	1	93	135
Branford	na	na	na	Lebanon	0	15	37	Sherman	na	na	na
Bridgeport	2	187	186	Ledyard	3	18	34	Simsbury	2	26	67
Bridgewater	na	na	na	Lisbon	0	9	18	Somers	4	37	26
Bristol	2	101	69	Litchfield	na	na	na	South Windsor	2	34	57
Brookfield	na	na	na	Lyme	0	6	4	Southbury	1	33	37
Brooklyn	2	38	63	Madison	3	27	45	Southington	3	108	90
Burlington	1	28	23	Manchester	2	326	200	Sprague	0	6	7
Canaan	0	5	4	Mansfield	1	44	66	Stafford	na	na	na
Canterbury	1	14	21	Marlborough	1	22	27	Stamford	8	512	273
Canton	0	23	32	Meriden	3	70	60	Sterling	na	na	na
Chaplin	0	14	17	Middlebury	na	na	na	Stonington	19	70	99
Cheshire	4	51	68	Middlefield	0	8	4	Stratford	2	47	42
Chester	na	na	na	Middletown	18	216	213	Suffield	0	29	65
Clinton	1	10	27	Milford	23	277	281	Thomaston	na	na	na
Colchester	1	58	68	Monroe	3	20	24	Thompson	na	na	na
Colebrook	1	1	4	Montville	0	35	31	Tolland	3	55	57
Columbia	0	8	22	Morris	0	5	6	Torrington	1	63	75
Cornwall	1	8	9	Naugatuck	2	45	80	Trumbull	12	41	68
Coventry	1	32	61	New Britain	na	na	na	Union	0	2	5
Cromwell	2	39	43	New Canaan	6	51	71	Vernon	14	184	191
Danbury	2	290	318	New Fairfield	na	na	na	Voluntown	0	9	9
Darien	na	na	na	New Hartford	1	15	24	Wallingford	0	67	95
Deep River	0	5	7	New Haven	0	32	247	Warren	0	10	12
Derby	na	na	na	New London	3	51	66	Washington	na	na	na
Durham	2	31	38	New Milford	2	34	84	Waterbury	8	146	191
East Granby	1	20	33	Newington	1	81	116	Waterford	4	64	38
East Haddam	0	35	39	Newtown	0	34	36	Watertown	1	45	61
East Hampton	4	72	85	Norfolk	0	4	3	West Hartford	10	104	66
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	1	28	49	North Canaan	0	5	5	Westbrook	1	23	32
East Lyme	22	116	180	North Haven	2	16	39	Weston	na	na	na
East Windsor	20	108	64	North Stonington	0	19	16	Westport	5	80	93
Eastford	0	6	9	Norwalk	3	95	107	Wethersfield	na	na	na
Easton	0	5	6	Norwich	6	97	140	Willington	0	3	14
Ellington	2	95	120	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	4	14	24	Winchester	1	21	34
Essex	0	26	13	Orange	na	na	na	Windham	1	17	20
Fairfield	5	94	116	Oxford	5	69	137	Windsor	na	na	na
Farmington	9	53	103	Plainfield	0	11	42	Windsor Locks	na	na	na
Franklin	0	5	4	Plainville	1	44	19	Wolcott	0	31	72
Glastonbury	5	88	141	Plymouth	2	15	21	Woodbridge	na	na	na
Goshen	1	32	38	Pomfret	0	7	14	Woodbury	0	27	24
Granby	0	26	46	Portland	1	13	18	Woodstock	2	27	52
Greenwich	10	183	204								

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	**+1.8**
Coincident Employment Index	**+1.1**
Leading General Drift Indicator	**+1.5**
Coincident General Drift Indicator	**+1.8**
Banknorth Business Barometer	**+2.5**
Total Nonfarm Employment	**+1.0**
Unemployment Rate	**+0.9**
Labor Force	+2.4
Employed	+1.4
Unemployed	+24.2
Average Weekly Initial Claims	**+3.4**
Help Wanted Index -- Hartford	**+37.5**
Avg Insured Unempl. Rate	**-0.23***
Average Weekly Hours, Mfg	**-0.2**
Average Hourly Earnings, Mfg	**+4.7**
Average Weekly Earnings, Mfg	**+4.5**
CT Mfg. Production Index	**+6.4**
Production Worker Hours	-1.9
Industrial Electricity Sales	+7.7
Personal Income	**+3.0**
UI Covered Wages	**+2.7**

Business Activity	
New Housing Permits	-38.1
Electricity Sales	+11.6
Retail Sales	-0.6
Construction Contracts Index	+25.4
New Auto Registrations	-0.3
Air Cargo Tons	-1.3
Exports	+8.7
Business Starts	
Secretary of the State	-8.5
Dept. of Labor	-13.3
Business Terminations	
Secretary of the State	+5.9
Dept. of Labor	-37.7
State Revenues	**+14.3**
Corporate Tax	-32.6
Personal Income Tax	+22.7
Real Estate Conveyance Tax	-33.3
Sales & Use Tax	+44.7
Indian Gaming Payments	-18.0

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

Tourism and Travel	
Info Center Visitors	-10.7
Attraction Visitors	-16.7
Air Passenger Count	-3.2
Indian Gaming Slots	-5.4
Travel and Tourism Index	+2.8
Employment Cost Index (U.S.)	
Total	+3.0
Wages & Salaries	+3.3
Benefit Costs	+2.4
Consumer Prices	
U.S. City Average	+4.1
Northeast Region	+3.8
NY-NJ-Long Island	+3.7
Boston-Brockton-Nashua	+3.4
Consumer Confidence	
Connecticut	NA
New England	NA
U.S.	NA
Interest Rates	
Prime	-0.92*
Conventional Mortgage	-0.04*

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