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ECONOMIC DIGEST

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IN THIS ISSUE...

In December...

Nonfarm Employment
Connecticut..................... 1,690,200
   Change over month .... +0.28%
   Change over year .... +1.6%

United States 140,347,000
   Change over month .... +0.18%
   Change over year .... +2.1%

Unemployment Rate
   Connecticut............................. 6.4%
   United States 5.6%

Consumer Price Index
   United States 234.812
   Change over year .... +0.8%

Income Inequality, Poverty, and Labor Markets

By Daniel W. Kennedy, Ph.D., Senior Economist, DOL

A large part of the current political and economic discussion and debate has been centered on the growing concentration of wealth and income over the last 30 years or so. And this trend has accelerated over the current recovery. Another issue is Poverty, a major consequence of extreme inequality. Therefore, addressing the issues of *Poverty* requires an understanding of the broader issue of *Inequality*.[1] With that in mind, the remainder of the discussion will address the 30-year trend of rising Economic Inequality, especially in the U.S., what seems to be driving it, and its connection with labor markets. It will conclude with spotlighting a uniquely American phenomenon that exacerbates the inequality problem: *Urban Sprawl.*

Measuring Inequality

There is a critical measure that will be helpful in gauging the trend in rising inequality over the last 30 years or so. The *Gini Coefficient,* developed by the Italian statistician Corrado Gini in 1912,[2] is a single statistic that quantifies the extent of income inequality in a single number that ranges from 0.00 (Perfect Equality), to 1.00 (Perfect Inequality). The Gini Coefficient will be a valuable tool for tracking the changes in income inequality over time, and for cross-sectional comparisons, in what follows.

THE RE-CONCENTRATION OF INCOME: The U.S. and Connecticut

Graph 1 illustrates the Post-World War II trend in the concentration of income. Between 1947 and 1968, the Gini Coefficient for the U.S. declined from 0.376 to 0.348. Then the trend began to reverse and between 1969 and 1982 the Gini Coefficient increased to 0.380, surpassing its 1947 level. The growth in income concentration then accelerated and by 1989, the Gini Coefficient was 0.401, its then highest Post-World War II level. By 1993, it had jumped to 0.429, and after a sharp drop between 2006 and 2007, it reached a new Post-War high of 0.451 in 2012.

Graph 2 presents a longer view of the historical trends in income

GRAPH 1: U.S. Gini Coefficient (All Families): 1947-2012
(SOURCE: U.S. Census, Table F-4)

February 2015

GRAPH 2: Top 1% Share of Income-CT, Neighboring States, the U.S., and N.E: 1928, 1979, 2007
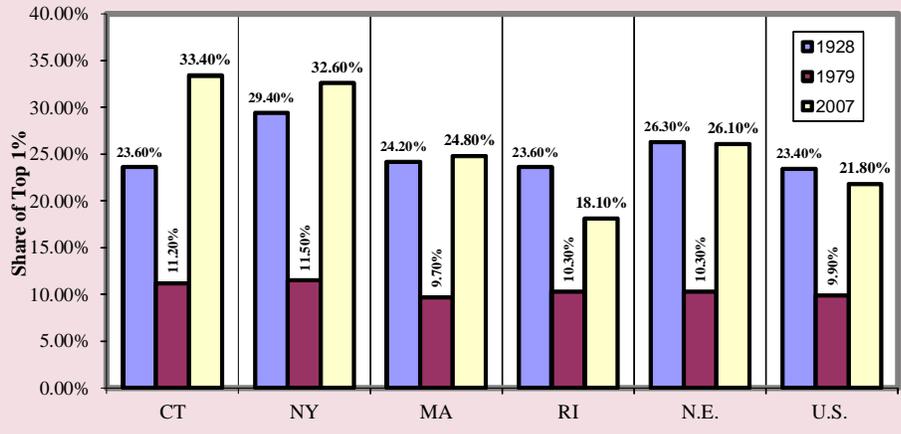
concentration for the U.S., Connecticut, New England, and neighboring states. For the first year depicted, 1928, Connecticut's share of income held by the top 1% was on par with that of the U.S., and not as concentrated as that of New York, Massachusetts, or the New England Region. With the decline in income inequality after World War II, by 1979, the shares of the top 1% had declined considerably. However, the top 1% in New York and Connecticut had more than 11% of each of the two states' income, while for Massachusetts, Rhode Island, New England, and the U.S., the top 1% had less than 11% of income.

Then, between 1979 and 2007, as the distribution re-concentrated in the U.S., Connecticut's income became even more concentrated. By 2007, the top 1% had a 33.40% share of Connecticut's income, even more than the 32.60% share that went to New York's top 1%. And, it was far above that for Massachusetts (24.80%), New England (26.10%), and the U.S. (21.80%), and more than 15 percentage points more than Rhode Island (18.10%).

So, why should we be concerned about the distribution of income? Is it just envy? Actually, there are significant implications for economic growth when wealth and income become too concentrated. For one thing, there appears to be a connection among income concentration, excessive debt, and slower growth. And driving income concentration is wealth concentration, and some recent research points to **Financialization** as the driver behind the concentration in wealth. In fact, Financialization seems to have

played a significant role leading up to the Great Depression, as well as the period leading up to the Great Recession. Connections between wealth concentration and Financialization, are explored in a 2013 study by the International Monetary Fund (IMF),[3] and by Cynamon and Fazzari in their 2014 study.[4]

But changes in the wage structure in labor markets have also played a significant role in the distribution of income. The next section focuses on that connection.

THE LABOR MARKET AND INEQUALITY

The Great Compression was characterized by a reduction in the ratio of the wage in the 90th percentile-to-the 10th percentile from the 1940's to the 1970's. After the 1970's the 90th-to-10th Wage Ratio began to increase again in what has been dubbed *The Great Divergence.* This trend and its reversal are illustrated in Graph 3. Instead of levels, data from Goldin and Margo (1992), covering the period 1940 to 1985, and presented in Graph 3, are in logs, therefore, the 90th-to-10th Log-Difference is presented. The drop in the 90th-10th Log Difference from 1.449 in 1940 to 1.060 in 1950 is quite dramatic. But, after 1950, the trend reverses, and after 1970, the reversal accelerates. By 1985, the 90th-10th Log-Difference, at 1.460, exceeded its 1940 level. And after 1985, wage concentration continued. Two questions are suggested by the trends in Graph 3: (1) What drove The Great Convergence between 1940 and 1950? (2) What drove the reversal, especially after 1970?

The "Great Compression" Gives Way to the "Great Divergence"

Goldin and Margo in their 1992 *Quarterly Journal of Economics* paper noted that "The structure of wages narrowed considerably in the 1940's, increased slightly in the 1950's and 1960's, and then expanded greatly after 1970."[5] From 1940 to 1950, wages narrowed by education, job experience, region, and occupation.[6] Goldin and Margo referred to this as **The Great Compression**. For white men, the 90-10 differential in the log of wages was 1.414 in 1940, but had declined to 1.060 by 1950. By 1985, it had returned to its 1940 level.

The U.S. emerged from the Great Depression and World War II, not only with low unemployment, but the most egalitarian wage structure in the entire Post World War II Era, and it remained intact until the Late 1970's/Early 1980's.

Some Explanations of the Great Compression

There are two major periods of programs and policies that appear to play major roles in the Great Compression: those of The Great Depression and those during World War II. During The Great Depression, the *National Industrial Recovery Act* (NIRA), though ruled unconstitutional in 1935, still had an impact by reversing some of the rising inequality of the early 1930's. Another significant contribution to the compression of wages was the *Fair Labor Standards Act* in 1938, which instituted the Federal Minimum Wage and the 40-hour workweek. During World War II, wages were controlled under the National War Labor Board (NWLB); also, there were high, war-time, tax-rates, especially on high-income brackets. In addition, there was a high demand for low-skilled workers during the war.

Some Explanations of the Great Divergence

Explanations for the Great Divergence can be divided into two broad categories: Market-Driven Changes and Institution-Driven Changes.[7] *The Market-Driven* explanations posit that technological progress has been skilled-biased and has favored top earners relative to average earners. For instance, see Gabaix and Landier (2008)[8] for CEOs as well as Winner-Take-All theories of superstars, such as Rosen (1981).[9] The key problem with the pure market explanations is that they cannot account for the fact that top income shares have only increased modestly in advanced countries such as Japan, Germany, and France which are also subject to the same technological forces as the U.S.

The Institution-Driven explanations posit that changes in institutions, labor and Financial Market regulations, Union policies, tax policy, and also more broadly social norms regarding pay disparity and in particular tolerance for executive pay, have played a key role in the evolution of inequality (see Bartels 2008[10] and Hacker and Pierson 2010[11] for U.S. analysis along those lines). The main difficulty with the institutional-based arguments is that institutions are multi-dimensional and it is difficult to estimate compellingly the contribution of each specific factor.

Labor's Declining Share of Income

Most of the focus on the growth in income inequality has concentrated on the Personal Distribution of Income, which measures the distribution of income among households, or families. However, there is another perspective on the distribution of income called **The Functional Distribution of Income,** which measures the returns to the factor-inputs, Land, Labor, and Capital, with regard to their contribution to the production of output.

In addition to the growing disparity between the top and bottom wage-earners, labor has also been getting a smaller and smaller slice of the pie. Labor's share of income has been declining over the last three decades, which has led to a growing interest in the Functional Distribution of Income. Since the 1980's, labor's share of national income has fallen around the world, and from Graph 4, which tracks labor's share of U.S. Gross Domestic Income (GDI) from 1948 to 2013, it has been falling in the U.S. since 1970. This development contradicts the long-standing accepted observation by A.L. Bowley, known as *Bowley's Law*, which states that labor's share is remarkably constant in the long run.[12]

Karabarbounis and Neiman (2013)[13] found a 5 percentage point decline in the share of global corporate gross value added paid to labor over the last 35 years. They also found that the global labor share has declined significantly since the early 1980s, with the decline occurring within the large majority of countries and industries. They explain the decline in labor's share as the result of the decline in the relative price of investment goods. Efficiency gains in capital producing sectors, often attributed to advances in information technology and the computer age, induced firms to shift away from labor and toward capital to such a large extent that the labor share of income declined.

On the other hand, when looking at the trend in labor's share for Continental European and Anglo-Saxon countries between 1960 and 2012, Dünhaupt (2013)[14] found two

GRAPH 3: Wage Dispersion (90-10 Wage-Decile Log-Difference): 1940-85

Data points: 1.4490 (1940), 1.0600 (1950), 1.1570 (1960), 1.1800 (1970), 1.3200 (1980), 1.4600 (1985). Y-axis: 90-10 Log Difference (0.8000 to 1.5000). X-axis: 1940 to 1985.
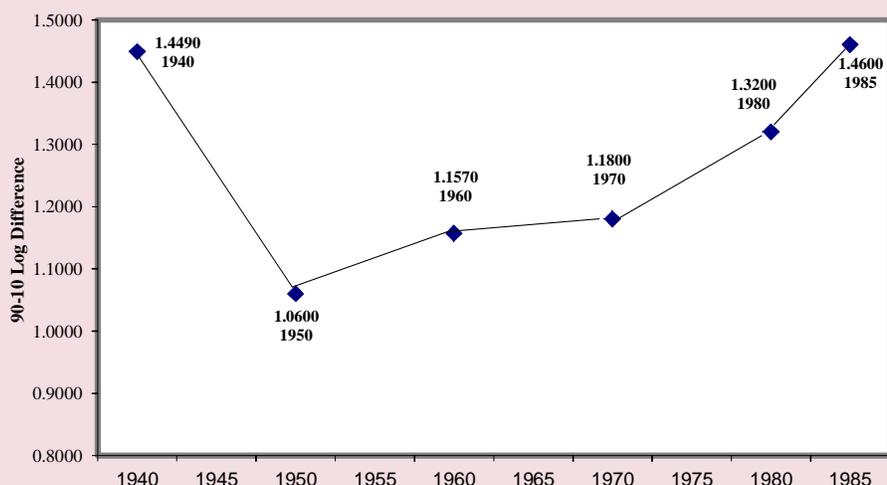
GRAPH 4: Employee Compensation as a Share of U.S. GDI: 1948-2013

51.5 1953
49.2 1948
51.5 1970
48.7 1980
46.4 2000
44.6 2008
41.9 2013

Legend:
- U.S. Recessions
- EmpComShareGDI

Y-axis: % of U.S. GDI (30.0 to 60.0)
X-axis years: 1948, 1951, 1954, 1957, 1960, 1963, 1966, 1969, 1972, 1975, 1978, 1981, 1984, 1987, 1990, 1993, 1996, 1999, 2002, 2005, 2008, 2011
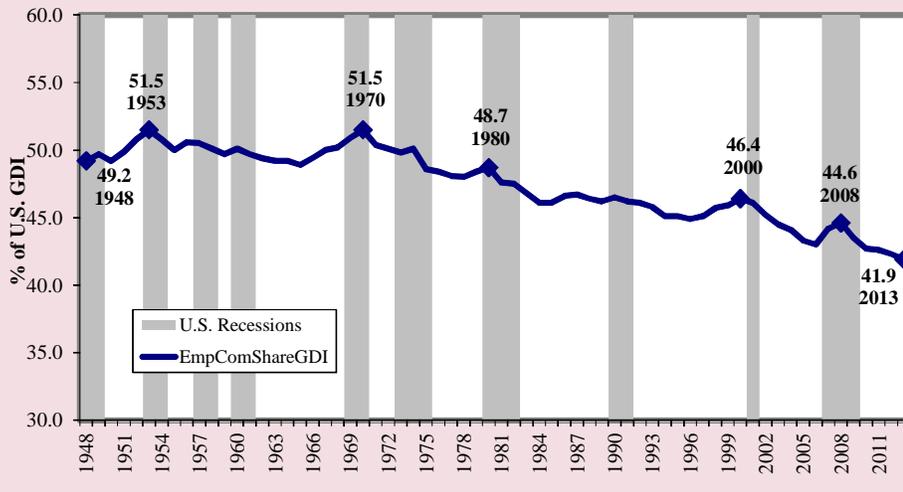
broad trends that became apparent: (1) Labor's share fluctuates with the business cycle, increasing during recessions and declining during recoveries and (2) Apart from these short-run fluctuations, there is a long-run, downward trend in labor's share.[15] After the peak years in the late 1970s and early 1980s, Continental European countries exhibited a clear downward trend, whereas the decline in Anglo-Saxon countries was very moderate. However, between 1980 and 2007, U.S. labor's share dropped by 5 percentage points whereby the Canadian share decreased by 2 percentage points. In the UK, the adjusted wage share was relatively stable, only fluctuating alongside the business cycle.[16]

In addition to the reasons discussed above, *High-Skilled-Biased Technological change*, which favors high-skilled workers and replaces low-skilled workers and *Deregulation*

and Liberalization of Labor and Financial Markets, which resulted in the decline of unions and weakening of labor rights, downsizing, including privatization of the public sector, coupled with the rising size and power of finance,[17] other explanations have been advanced to explain the decline in labor's share of GDI. For instance, Elsby, Bart Hobijn (2013), and Sahin (2013)[18] found Outsourcing as the most significant factor in causing the decline in labor's share.

EXACERBATING THE PROBLEM: Sprawl and the Economic Geography of Income Inequality and Poverty

As noted in the introduction, there is a uniquely American phenomenon that adds another dimension and exacerbates the inequality problem, especially as it relates to the role played by labor markets, and that is **Urban Sprawl**.

To analyze, or even acknowledge this phenomenon, we must turn to an approach to labor markets that introduces **Space** into the analysis.

The Decentralization of Jobs

Suburbs are no longer just bedroom communities for workers commuting to traditional downtowns. Rather, many are strong employment centers serving a variety of functions in their regional economies. An investigation by Kneebone (2009) into the location of jobs in the nation's largest metropolitan areas found that nearly half are located more than 10 miles outside of downtowns. Only about one in five metropolitan jobs is located near the urban core, within 3 miles of downtown. Some suburban job growth is undoubtedly occurring in city-like settings, yet a significant share continues to take shape in low density, "edgeless" forms.[19] Although, nearly half of work commutes still originate from, or terminate in, central cities, 39% of work trips are entirely suburban. Some older rail transit systems— which still move millions of daily commuters—capture little of this market because they were laid out when the dominant travel pattern was still into and out of cities before business and commercial development began rapid decentralization. These hub-and-spoke patterns provide dense metropolitan cores with large supplies of suburban workers, but may not serve other parts of metropolitan areas well.[20]

Spatial Mismatch and the Costs of Transportation

As economies and opportunity decentralize, a *Spatial Mismatch* has arisen between jobs and people in metropolitan America. In some metro areas, inner-city workers are cut off from suburban labor market opportunities. In others, low- and moderate-income suburban residents spend large shares of their incomes owning and operating cars. While owning a car improves chances of employment, a growing body of work quantifies the large combined impact of housing and transportation costs on households' economic bottom lines.[21]

In an analysis of the location of private-sector employment within 35 miles of downtown in the nation's 100 largest metropolitan areas over

GRAPH 5A: Pct-Pt Change in Jobs within 3Mi of CBD: 2000-10

Location	Value
Bridgeport-Stamford, CT*	-4.90
Hartford, CT	-3.20
Springfield, MA	-1.80
100 METRO TOTAL	-1.70
New Haven, CT	-1.70
Worcester, MA	-1.60
Providence, RI	-0.80
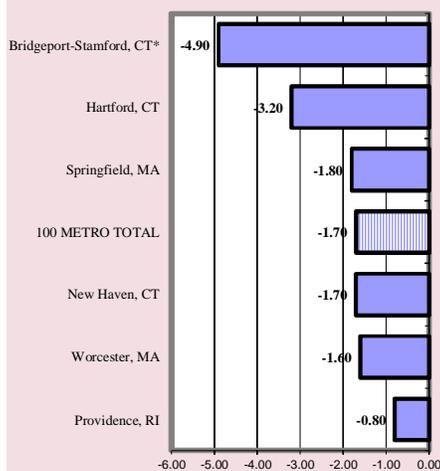
GRAPH 5B: Pct-Pt Change in Jobs Beyond 10Mi of CBD: 2000-10

Location	Value
Springfield, MA	3.90
100 METRO TOTAL	2.20
Hartford, CT	1.10
Providence, RI	1.00
Bridgeport-Stamford, CT*	0.90
New Haven, CT	0.50
Worcester, MA	0.40
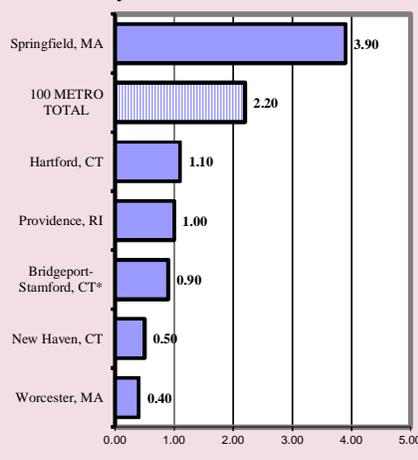
the first decade of the 21st Century, Kneebone (2013) found that in all but nine of the 100 largest metro areas, the share of jobs located within three miles of downtown declined during the 2000's. Only Washington, D.C. experienced an increase in both the number and share of jobs located in the urban core. At the same time, the share of jobs at least 10 miles from downtown rose in 85 of the 100 MSA's studied, between 2000 and 2010.[22]

Job-Sprawl in New England's Mid-Sized MSA's

Graph 5A shows the percent-change in jobs, between 2000 and 2010, within 3 miles of the Central Business District (CBD) of the principal city, or cities, of New England's mid-sized Metropolitan Statistical Areas (MSA's), ranked by greatest to smallest decline. Graph 5B ranks New England's mid-sized MSA's by greatest to smallest percent job-growth beyond 10 miles from the CBD between 2000 and 2010. From Graph 5A, the Bridgeport-Stamford and Hartford MSA's had the largest percent-decline in jobs within 3 miles of the CBD. The Springfield MSA's decline also exceeded the decline for all 100 MSA's studied by Kneebone (2013).[23] However, it was the Springfield MSA that had the greatest percentage of its jobs created beyond 10 miles of the CBD (+3.90%) between 2000 and 2010, and it was the only mid-sized New England MSA that had greater job-growth beyond 10 miles of the CBD than the total 100 MSA's studied (+2.20%).

Bridgeport-Stamford did have significant job-growth between 3 and 10 miles of the CBD (+4.10%, not shown), while middle-ring jobs increased by 2.10% in the Hartford MSA, and Worcester and New Haven both had middle-ring job-growth that exceeded 1% between 2000 and 2010. However, Springfield's middle-ring jobs declined by 2.10% between 2000 and 2010, compared to a 0.50% decline for the 100 MSA's studied.

It appears that though there has been some job-sprawl in New England's mid-sized MSA's over the first decade of the 21st Century, it is the Springfield MSA that has been most negatively impacted. ∎

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GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	3Q 2014	3Q 2013	CHANGE NO.	%	2Q 2014
General Drift Indicator (1996=100)*					
Leading	109.5	109.3	0.2	0.2	110.6
Coincident	110.0	109.7	0.3	0.3	109.7
Farmington Bank Business Barometer (1992=100)**	128.0	128.2	-0.2	-0.2	127.6
Philadelphia Fed's Coincident Index (July 1992=100)*	DEC 2014	DEC 2013			NOV 2014
(Seasonally adjusted)					
Connecticut	159.88	153.94	5.94	3.9	159.35
United States	161.17	155.76	5.41	3.5	160.69

Sources: *Dr. Steven P. Lanza, University of Connecticut **Farmington Bank ***Federal Reserve Bank of Philadelphia

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 three leading (housing permits, manufacturing average weekly hours, and initial unemployment claims) economic variables, and are indexed so 1996 = 100.

The **Farmington Bank 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.

The **Philadelphia Fed's Coincident Index** summarizes current economic condition by using four coincident variables: nonfarm payroll employment, average hours worked in manufacturing, the unemployment rate, and wage and salary disbursements deflated by the consumer price index (U.S. city average).

Total nonfarm employment increased over the year.

EMPLOYMENT BY INDUSTRY SECTOR

(Seasonally adjusted; 000s)	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM	1,690.2	1,663.5	26.7	1.6	1,685.4
Natural Res & Mining	0.6	0.6	0.0	0.0	0.6
Construction	56.2	55.4	0.8	1.4	56.8
Manufacturing	164.2	162.3	1.9	1.2	163.0
Trade, Transportation & Utilities	309.6	301.9	7.7	2.6	310.1
Information	31.5	31.3	0.2	0.6	31.1
Financial Activities	129.9	132.3	-2.4	-1.8	130.0
Professional and Business Services	210.3	205.5	4.8	2.3	210.5
Education and Health Services	331.9	326.3	5.6	1.7	330.7
Leisure and Hospitality	157.0	150.6	6.4	4.2	154.9
Other Services	62.4	61.7	0.7	1.1	62.0
Government*	236.6	235.6	1.0	0.4	235.7

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

Initial claims for unemployment insurance decreased from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
Labor Force, resident (000s)	1,906.0	1,845.8	60.2	3.3	1,898.7
Employed (000s)	1,784.6	1,709.4	75.2	4.4	1,776.1
Unemployed (000s)	121.4	136.4	-15.0	-11.0	122.5
Unemployment Rate (%)	6.4	7.4	-1.0	---	6.5
Average Weekly Initial Claims	4,568	5,054	-486	-9.6	4,585
Avg. Insured Unemp. Rate (%)	2.82	3.45	-0.63	---	2.53
	2014	**2013**			**3Q2014**
U-6 Rate (%)	12.6	13.9	-1.3	---	12.8

Sources: Connecticut Department of Labor; U.S. Bureau of Labor Statistics

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014	OCT 2014
Production Worker Avg Weekly Hours	40.6	41.9	-1.3	-3.1	41.3	--
Prod. Worker Avg Hourly Earnings	24.02	21.59	2.43	11.3	23.74	--
Prod. Worker Avg Weekly Earnings	975.21	904.62	70.59	7.8	980.46	--
CT Mfg. Production Index (2005=100)	86.1	87.5	-1.4	-1.6	89.4	89.0
Production Worker Hours (000s)	4,036	3,986	50	1.3	4,076	--
Industrial Electricity Sales (mil kWh)*	259	275	-15.8	-5.7	273	274

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

Personal income for second quarter 2015 is forecasted to increase 3.1 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	2Q* 2015	2Q 2014	CHANGE NO.	%	1Q* 2015
Personal Income	$231,448	$224,461	6,987	3.1	$228,458
UI Covered Wages	$106,412	$104,354	2,058	2.0	$104,604

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

BUSINESS ACTIVITY

New auto registrations rose in 2014.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits*	DEC 2014	305	-7.9	5,297	5,762	-8.1
Electricity Sales (mil kWh)	NOV 2014	2,220	2.9	27,064	27,110	-0.2
Construction Contracts						
Index (1980=100)	DEC 2014	445.8	24.0	---	---	---
New Auto Registrations	DEC 2014	14,842	-8.1	197,779	195,819	1.0
Air Cargo Tons (000s)	DEC 2014	NA	NA	NA	NA	NA
Exports (Bil. $)	3Q 2014	3.90	-3.1	11.99	12.53	-4.3
S&P 500: Monthly Close	DEC 2014	2,058.90	11.4	---	---	---

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 Department of Labor, was up over the year.

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	DEC 2014	NA	NA	NA	NA	NA
Department of Labor	2Q 2014	1,736	-10.7	3,926	4,388	-10.5
TERMINATIONS						
Secretary of the State	DEC 2014	NA	NA	NA	NA	NA
Department of Labor	2Q 2014	1,367	-26.7	2,854	3,559	-19.8

Sources: Connecticut Secretary of the State; Connecticut Department of Labor

STATE REVENUES

Last year's total all revenues were down from 2013.

(Millions of dollars)	DEC 2014	DEC 2013	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	1,554.0	1,474.9	5.4	16,379.1	16,892.6	-3.0
Corporate Tax	104.1	116.7	-10.8	691.3	852.5	-18.9
Personal Income Tax	847.7	778.1	8.9	8,790.7	8,819.3	-0.3
Real Estate Conv. Tax	13.1	13.8	-5.1	182.8	168.7	8.4
Sales & Use Tax	438.2	428.1	2.4	4,134.8	4,079.0	1.4
Indian Gaming Payments**	21.5	20.9	3.0	273.0	289.3	-5.6

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 2013.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	DEC 2014	6,953	-38.1	315,773	279,960	12.8
Major Attraction Visitors	DEC 2014	124,554	9.1	1,614,865	1,621,206	-0.4
Air Passenger Count	DEC 2014	NA	NA	NA	NA	NA
Indian Gaming Slots (Mil.$)*	DEC 2014	1,046.7	4.4	13,066.4	13,778.1	-5.2

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Commission on Culture and Tourism; Division of Special Revenue
*See page 23 for explanation   **The Connecticut Economy, University of Connecticut

Compensation cost for the nation rose 2.3 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers	Seasonally Adjusted			Not Seasonally Adjusted		
	DEC	SEP	3-Mo	DEC	DEC	12-Mo
(Dec. 2005 = 100)	2014	2014	% Chg	2014	2013	% Chg
UNITED STATES TOTAL	122.4	121.7	0.6	122.2	119.4	2.3
Wages and Salaries	121.8	121.1	0.6	121.6	119.0	2.2
Benefit Costs	123.9	123.2	0.6	123.5	120.5	2.5
NORTHEAST TOTAL	---	---	---	123.2	120.1	2.6
Wages and Salaries	---	---	---	122.2	119.1	2.6

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

U.S. inflation rate increased 0.8 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 2014	234.812	0.8	-0.6
Purchasing Power of $ (1982-84=$1.00)	DEC 2014	0.426	-0.8	0.6
Northeast Region	DEC 2014	250.519	0.4	-0.5
NY-Northern NJ-Long Island	DEC 2014	258.080	0.3	-0.5
Boston-Brockton-Nashua **	NOV 2014	256.262	1.6	0.2
CPI-W (1982-84=100)				
U.S. City Average	DEC 2014	229.909	0.3	-0.7

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 rate fell to 3.86 percent over the month.

INTEREST RATES

(Percent)	DEC 2014	NOV 2014	DEC 2013
Prime	3.25	3.25	3.25
Federal Funds	0.12	0.09	0.09
3 Month Treasury Bill	0.03	0.02	0.07
6 Month Treasury Bill	0.11	0.07	0.10
1 Year Treasury Note	0.21	0.13	0.13
3 Year Treasury Note	1.06	0.96	0.69
5 Year Treasury Note	1.64	1.62	1.58
7 Year Treasury Note	1.98	2.03	2.29
10 Year Treasury Note	2.21	2.33	2.90
20 Year Treasury Note	2.55	2.76	3.63
Conventional Mortgage	3.86	4.00	4.46

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
Connecticut	1,690.2	1,663.5	26.7	1.6	1,685.4
Maine	609.2	604.1	5.1	0.8	609.7
Massachusetts	3,447.6	3,386.7	60.9	1.8	3,436.7
New Hampshire	652.9	644.3	8.6	1.3	649.2
New Jersey	3,957.8	3,928.8	29.0	0.7	3,958.2
New York	9,072.2	8,966.9	105.3	1.2	9,041.8
Pennsylvania	5,812.3	5,758.1	54.2	0.9	5,804.0
Rhode Island	478.9	471.2	7.7	1.6	479.0
Vermont	310.2	306.3	3.9	1.3	311.6
United States	140,347.0	137,395.0	2,952.0	2.1	140,095.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
Connecticut	1,906.0	1,845.8	60.2	3.3	1,898.7
Maine	701.1	708.4	-7.3	-1.0	702.4
Massachusetts	3,566.4	3,483.1	83.3	2.4	3,563.6
New Hampshire	744.2	741.1	3.1	0.4	742.3
New Jersey	4,554.6	4,490.8	63.8	1.4	4,542.7
New York	9,523.5	9,593.6	-70.1	-0.7	9,525.7
Pennsylvania	6,366.9	6,423.9	-57.0	-0.9	6,368.0
Rhode Island	552.6	550.1	2.5	0.5	553.3
Vermont	352.3	350.2	2.1	0.6	351.9
United States	156,129.0	155,047.0	1,082.0	0.7	156,402.0

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

UNEMPLOYMENT RATES

Eight states showed a decrease in its unemployment rate over the year.

(Seasonally adjusted)	DEC 2014	DEC 2013	CHANGE	NOV 2014
Connecticut	6.4	7.4	-1.0	6.5
Maine	5.5	6.4	-0.9	5.7
Massachusetts	5.5	7.1	-1.6	5.8
New Hampshire	4.0	5.2	-1.2	4.1
New Jersey	6.2	7.2	-1.0	6.4
New York	5.8	7.0	-1.2	5.9
Pennsylvania	4.8	6.8	-2.0	5.1
Rhode Island	6.8	9.3	-2.5	7.1
Vermont	4.2	4.2	0.0	4.4
United States	5.6	6.7	-1.1	5.8

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

PERSONAL INCOME (Seasonally adjusted)
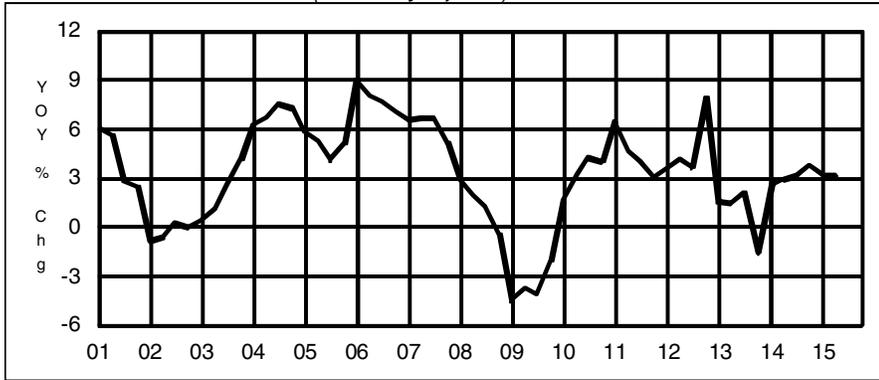
Quarter	2013	2014	2015
First	1.6	2.5	3.1
Second	1.4	2.9	3.1
Third	2.1	3.1	
Fourth	-1.6	3.7	

UI COVERED WAGES (Seasonally adjusted)
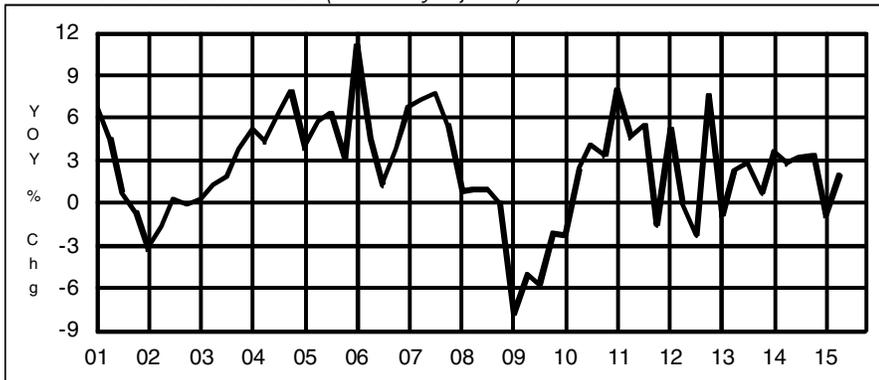
Quarter	2013	2014	2015
First	-0.9	3.6	-0.9
Second	2.2	2.8	2.0
Third	2.8	3.2	
Fourth	0.7	3.3	

U.S. EMPLOYMENT COST INDEX (Seasonally adjusted)
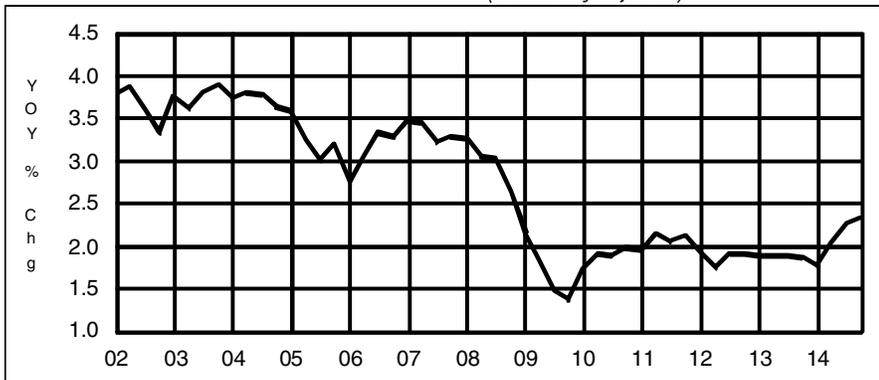
Quarter	2012	2013	2014
First	1.9	1.9	1.8
Second	1.7	1.9	2.0
Third	1.9	1.9	2.3
Fourth	1.9	1.9	2.3

U.S. CONSUMER PRICE INDEX (Not seasonally adjusted)
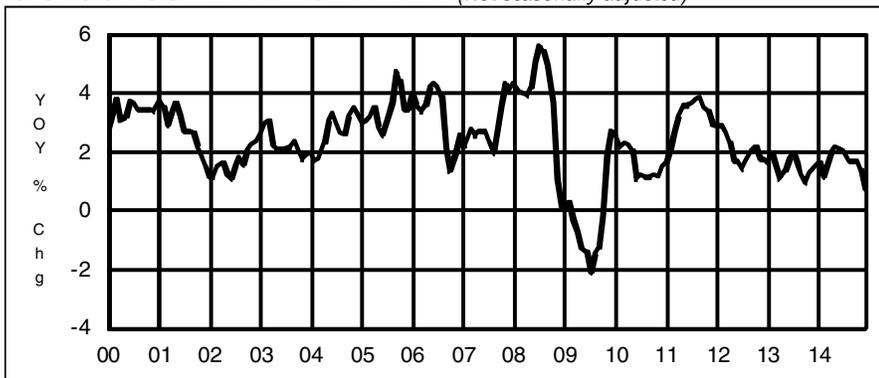
Month	2012	2013	2014
Jan	2.9	1.6	1.6
Feb	2.9	2.0	1.1
Mar	2.7	1.5	1.5
Apr	2.3	1.1	2.0
May	1.7	1.4	2.1
Jun	1.7	1.8	2.1
Jul	1.4	2.0	2.0
Aug	1.7	1.5	1.7
Sep	2.0	1.2	1.7
Oct	2.2	1.0	1.7
Nov	1.8	1.2	1.3
Dec	1.7	1.5	0.8

TOTAL ALL REVENUES *(12-mo. moving average, NSA)*
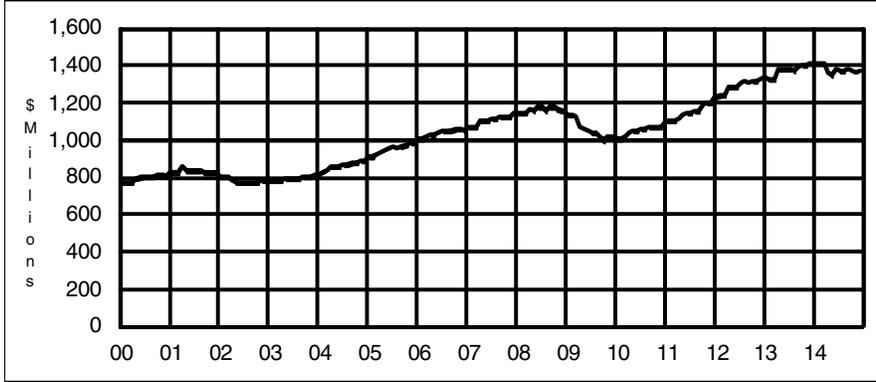
Month	2012	2013	2014
Jan	1,226.7	1,328.5	1,405.4
Feb	1,242.6	1,322.6	1,407.6
Mar	1,241.6	1,324.7	1,408.6
Apr	1,278.9	1,372.4	1,357.0
May	1,281.3	1,370.9	1,348.7
Jun	1,280.0	1,371.1	1,370.9
Jul	1,302.2	1,377.1	1,368.7
Aug	1,307.2	1,369.0	1,366.2
Sep	1,301.1	1,390.9	1,373.3
Oct	1,316.1	1,396.9	1,370.1
Nov	1,310.7	1,399.0	1,358.3
Dec	1,318.8	1,407.7	1,364.9

PERSONAL INCOME TAX REVENUE *(12-mo. moving average, NSA)*
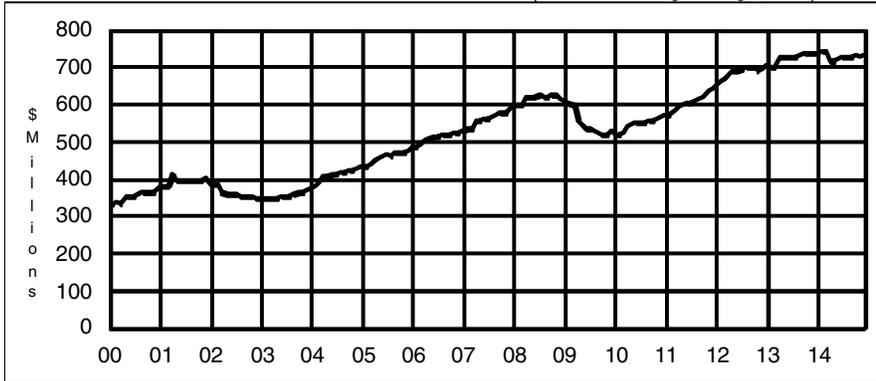
Month	2012	2013	2014
Jan	650.1	704.8	736.4
Feb	662.3	696.7	740.4
Mar	665.4	696.8	740.3
Apr	676.5	726.7	716.9
May	686.9	723.4	717.2
Jun	687.9	724.6	721.9
Jul	692.4	726.7	726.8
Aug	696.3	725.2	723.0
Sep	698.3	731.0	726.9
Oct	699.8	734.8	728.3
Nov	690.2	735.7	726.8
Dec	691.7	734.9	732.6

SALES AND USE TAX REVENUE *(12-mo. moving average, NSA)*
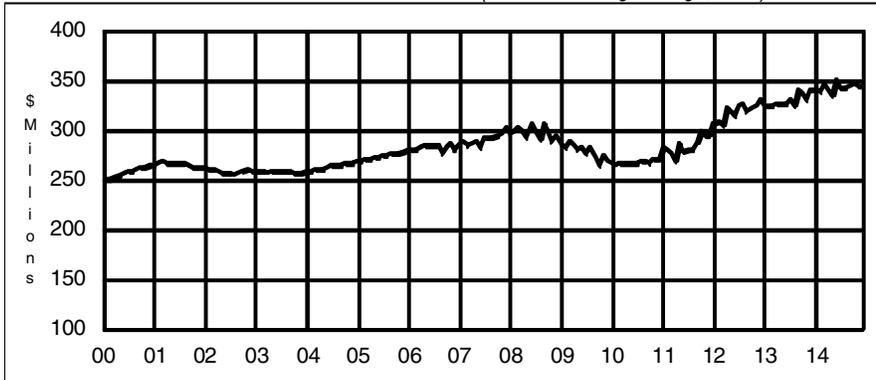
Month	2012	2013	2014
Jan	305.0	323.3	339.5
Feb	308.5	324.6	339.0
Mar	304.1	323.8	346.4
Apr	321.7	325.3	339.6
May	318.0	326.4	333.9
Jun	313.6	326.0	349.4
Jul	323.8	330.0	342.2
Aug	325.0	323.9	342.2
Sep	317.3	339.4	344.4
Oct	322.6	335.3	346.0
Nov	324.6	330.7	343.7
Dec	329.9	339.9	344.6

INDIAN GAMING PAYMENTS *(12-mo. moving average, NSA)*
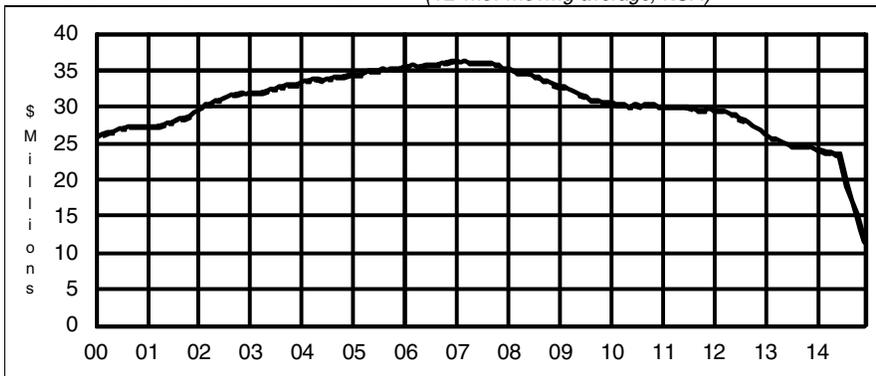
Month	2012	2013	2014
Jan	29.5	26.3	23.9
Feb	29.4	25.7	23.9
Mar	29.3	25.5	23.8
Apr	29.0	25.2	23.6
May	28.8	25.0	23.5
Jun	28.7	24.7	23.3
Jul	28.2	24.5	21.2
Aug	28.0	24.5	18.9
Sep	27.6	24.4	16.9
Oct	27.2	24.4	15.0
Nov	26.9	24.4	13.1
Dec	26.6	24.1	11.3

CONNECTICUT

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT...............	**1,707,800**	**1,681,200**	**26,600**	**1.6**	1,703,600
TOTAL PRIVATE.......................................	**1,464,700**	**1,439,100**	**25,600**	**1.8**	1,460,800
GOODS PRODUCING INDUSTRIES...........	**220,600**	**217,900**	**2,700**	**1.2**	222,100
CONSTRUCTION, NAT. RES. & MINING.....	**56,400**	**55,600**	**800**	**1.4**	59,000
MANUFACTURING.................................	**164,200**	**162,300**	**1,900**	**1.2**	163,100
Durable Goods....................................	**126,000**	**125,200**	**800**	**0.6**	124,700
Fabricated Metal...................................	30,400	30,300	100	0.3	30,100
Machinery...	14,000	14,200	-200	-1.4	14,000
Computer and Electronic Product............	12,300	12,600	-300	-2.4	12,100
Transportation Equipment	41,000	40,900	100	0.2	40,600
Aerospace Product and Parts...............	28,300	28,300	0	0.0	28,000
Non-Durable Goods.............................	**38,200**	**37,100**	**1,100**	**3.0**	38,400
Chemical...	11,300	11,300	0	0.0	11,400
SERVICE PROVIDING INDUSTRIES...........	**1,487,200**	**1,463,300**	**23,900**	**1.6**	1,481,500
TRADE, TRANSPORTATION, UTILITIES.....	**320,800**	**312,900**	**7,900**	**2.5**	316,200
Wholesale Trade...................................	65,000	63,800	1,200	1.9	65,200
Retail Trade..	199,800	193,100	6,700	3.5	194,900
Motor Vehicle and Parts Dealers.............	20,900	20,400	500	2.5	20,800
Building Material....................................	15,300	14,900	400	2.7	15,400
Food and Beverage Stores.....................	46,200	45,300	900	2.0	45,300
General Merchandise Stores..................	31,200	31,600	-400	-1.3	29,800
Transportation, Warehousing, & Utilities....	56,000	56,000	0	0.0	56,100
Utilities..	7,500	7,600	-100	-1.3	7,500
Transportation and Warehousing............	48,500	48,400	100	0.2	48,600
INFORMATION......................................	**31,600**	**31,400**	**200**	**0.6**	31,300
Telecommunications..............................	9,000	9,300	-300	-3.2	8,900
FINANCIAL ACTIVITIES.........................	**130,200**	**132,600**	**-2,400**	**-1.8**	130,100
Finance and Insurance...........................	111,200	113,300	-2,100	-1.9	111,100
Credit Intermediation.............................	26,400	27,100	-700	-2.6	26,400
Securities and Commodity Contracts.......	25,000	26,000	-1,000	-3.8	25,100
Insurance Carriers & Related Activities....	59,800	60,200	-400	-0.7	59,600
Real Estate and Rental and Leasing.........	19,000	19,300	-300	-1.6	19,000
PROFESSIONAL & BUSINESS SERVICES	**211,000**	**206,200**	**4,800**	**2.3**	211,900
Professional, Scientific...........................	93,600	91,000	2,600	2.9	92,700
Legal Services......................................	13,600	13,400	200	1.5	13,600
Computer Systems Design......................	23,100	23,100	0	0.0	23,100
Management of Companies.....................	29,300	29,500	-200	-0.7	29,200
Administrative and Support.....................	88,100	85,700	2,400	2.8	90,000
Employment Services.............................	27,600	28,000	-400	-1.4	27,300
EDUCATION AND HEALTH SERVICES.....	**334,800**	**329,200**	**5,600**	**1.7**	334,700
Educational Services..............................	66,600	65,900	700	1.1	68,400
Health Care and Social Assistance...........	268,200	263,300	4,900	1.9	266,300
Hospitals...	61,600	61,700	-100	-0.2	61,300
Nursing & Residential Care Facilities.......	63,600	63,200	400	0.6	63,000
Social Assistance..................................	52,500	51,600	900	1.7	52,200
LEISURE AND HOSPITALITY...................	**152,900**	**146,800**	**6,100**	**4.2**	152,500
Arts, Entertainment, and Recreation..........	24,700	22,900	1,800	7.9	24,800
Accommodation and Food Services..........	128,200	123,900	4,300	3.5	127,700
Food Serv., Restaurants, Drinking Places.	116,700	112,600	4,100	3.6	116,100
OTHER SERVICES.................................	**62,800**	**62,100**	**700**	**1.1**	62,000
GOVERNMENT	**243,100**	**242,100**	**1,000**	**0.4**	242,800
Federal Government...............................	17,900	17,400	500	2.9	17,700
State Government...................................	68,900	67,900	1,000	1.5	68,600
Local Government**...............................	156,300	156,800	-500	-0.3	156,500

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.

BRIDGEPORT - STAMFORD LMA

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT..............	425,600	418,100	7,500	1.8	424,800
TOTAL PRIVATE...............................	377,700	371,700	6,000	1.6	376,900
GOODS PRODUCING INDUSTRIES............	46,900	45,700	1,200	2.6	46,800
CONSTRUCTION, NAT. RES. & MINING.....	12,300	12,000	300	2.5	12,500
MANUFACTURING..............................	34,600	33,700	900	2.7	34,300
Durable Goods...............................	24,600	24,700	-100	-0.4	24,400
SERVICE PROVIDING INDUSTRIES...........	378,700	372,400	6,300	1.7	378,000
TRADE, TRANSPORTATION, UTILITIES.....	79,400	75,900	3,500	4.6	77,200
Wholesale Trade...................................	13,700	13,800	-100	-0.7	13,700
Retail Trade...	54,000	50,800	3,200	6.3	52,100
Transportation, Warehousing, & Utilities....	11,700	11,300	400	3.5	11,400
INFORMATION...................................	12,100	12,000	100	0.8	12,000
FINANCIAL ACTIVITIES.........................	40,800	42,200	-1,400	-3.3	41,100
Finance and Insurance...........................	34,000	35,000	-1,000	-2.9	34,500
Credit Intermediation..........................	10,000	10,100	-100	-1.0	10,000
Securities and Commodity Contracts.......	16,600	17,900	-1,300	-7.3	16,800
PROFESSIONAL & BUSINESS SERVICES	69,900	67,900	2,000	2.9	71,500
Professional, Scientific...........................	29,500	30,000	-500	-1.7	29,700
Administrative and Support.....................	26,800	25,200	1,600	6.3	28,100
EDUCATION AND HEALTH SERVICES.....	72,100	71,200	900	1.3	71,700
Health Care and Social Assistance...........	60,400	59,800	600	1.0	59,900
LEISURE AND HOSPITALITY..................	39,300	39,400	-100	-0.3	39,500
Accommodation and Food Services..........	31,000	30,600	400	1.3	31,100
OTHER SERVICES..............................	17,200	17,400	-200	-1.1	17,100
GOVERNMENT	47,900	46,400	1,500	3.2	47,900
Federal..	2,600	2,500	100	4.0	2,500
State & Local......................................	45,300	43,900	1,400	3.2	45,400

DANBURY LMA

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT..............	72,300	70,900	1,400	2.0	71,500
TOTAL PRIVATE...............................	62,900	62,000	900	1.5	62,200
GOODS PRODUCING INDUSTRIES............	12,100	11,700	400	3.4	12,100
SERVICE PROVIDING INDUSTRIES...........	60,200	59,200	1,000	1.7	59,400
TRADE, TRANSPORTATION, UTILITIES.....	17,300	16,800	500	3.0	17,000
Retail Trade...	12,700	12,500	200	1.6	12,400
PROFESSIONAL & BUSINESS SERVICES	7,800	7,600	200	2.6	7,800
LEISURE AND HOSPITALITY..................	6,600	6,400	200	3.1	6,600
GOVERNMENT	9,400	8,900	500	5.6	9,300
Federal..	600	600	0	0.0	600
State & Local......................................	8,800	8,300	500	6.0	8,700

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes.

HARTFORD LMA

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT.............	565,300	558,500	6,800	1.2	564,600
TOTAL PRIVATE.............................	479,500	471,900	7,600	1.6	478,200
GOODS PRODUCING INDUSTRIES..........	74,500	75,400	-900	-1.2	75,300
CONSTRUCTION, NAT. RES. & MINING.....	18,200	18,800	-600	-3.2	19,500
MANUFACTURING............................	56,300	56,600	-300	-0.5	55,800
Durable Goods..............................	46,700	47,000	-300	-0.6	46,100
Non-Durable Goods.........................	9,600	9,600	0	0.0	9,700
SERVICE PROVIDING INDUSTRIES..........	490,800	483,100	7,700	1.6	489,300
TRADE, TRANSPORTATION, UTILITIES.....	95,300	92,200	3,100	3.4	93,900
Wholesale Trade..................................	18,000	18,100	-100	-0.6	18,000
Retail Trade.......................................	59,700	56,700	3,000	5.3	58,200
Transportation, Warehousing, & Utilities....	17,600	17,400	200	1.1	17,700
Transportation and Warehousing............	14,900	14,600	300	2.1	15,000
INFORMATION...............................	11,000	11,000	0	0.0	11,000
FINANCIAL ACTIVITIES.......................	59,400	59,000	400	0.7	59,300
Depository Credit Institutions................	6,000	6,300	-300	-4.8	6,000
Insurance Carriers & Related Activities....	39,000	39,000	0	0.0	38,900
PROFESSIONAL & BUSINESS SERVICES	64,100	65,100	-1,000	-1.5	64,700
Professional, Scientific.........................	31,700	31,200	500	1.6	32,000
Management of Companies....................	7,500	7,700	-200	-2.6	7,400
Administrative and Support...................	24,900	26,200	-1,300	-5.0	25,300
EDUCATION AND HEALTH SERVICES.....	103,800	103,500	300	0.3	103,700
Educational Services............................	14,900	14,800	100	0.7	15,000
Health Care and Social Assistance...........	88,900	88,700	200	0.2	88,700
Ambulatory Health Care.......................	28,600	28,800	-200	-0.7	28,500
LEISURE AND HOSPITALITY..................	49,600	44,900	4,700	10.5	48,600
Accommodation and Food Services..........	40,700	38,900	1,800	4.6	39,800
OTHER SERVICES.............................	21,800	20,800	1,000	4.8	21,700
GOVERNMENT	85,800	86,600	-800	-0.9	86,400
Federal...	5,500	5,200	300	5.8	5,200
State & Local......................................	80,300	81,400	-1,100	-1.4	81,200

SEASONALLY ADJUSTED TOTAL NONFARM EMPLOYMENT

Labor Market Areas	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
BRIDGEPORT-STAMFORD LMA...............	422,500	414,900	7,600	1.8	422,500
DANBURY LMA....................................	71,000	69,700	1,300	1.9	70,500
HARTFORD LMA..................................	558,700	552,000	6,700	1.2	556,500
NEW HAVEN LMA.................................	279,900	276,200	3,700	1.3	279,100
NORWICH-NEW LONDON LMA.................	128,000	127,000	1,000	0.8	128,000
WATERBURY LMA................................	66,200	65,300	900	1.4	65,900

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes.

NEW HAVEN LMA

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	CHANGE %	NOV 2014
TOTAL NONFARM EMPLOYMENT...............	283,800	280,000	3,800	1.4	283,600
TOTAL PRIVATE.......................................	249,700	245,400	4,300	1.8	249,600
GOODS PRODUCING INDUSTRIES............	34,800	34,800	0	0.0	35,000
CONSTRUCTION, NAT. RES. & MINING.....	9,500	9,200	300	3.3	9,800
MANUFACTURING..................................	25,300	25,600	-300	-1.2	25,200
Durable Goods.....................................	18,700	18,800	-100	-0.5	18,600
SERVICE PROVIDING INDUSTRIES............	249,000	245,200	3,800	1.5	248,600
TRADE, TRANSPORTATION, UTILITIES.....	52,900	52,800	100	0.2	52,600
Wholesale Trade...................................	11,200	11,200	0	0.0	11,200
Retail Trade..	31,500	31,200	300	1.0	31,100
Transportation, Warehousing, & Utilities....	10,200	10,400	-200	-1.9	10,300
INFORMATION.....................................	4,000	4,100	-100	-2.4	4,000
FINANCIAL ACTIVITIES.........................	12,200	12,400	-200	-1.6	12,200
Finance and Insurance..........................	8,800	8,900	-100	-1.1	8,700
PROFESSIONAL & BUSINESS SERVICES	28,700	27,900	800	2.9	27,900
Administrative and Support.....................	14,500	13,900	600	4.3	14,500
EDUCATION AND HEALTH SERVICES.....	81,700	79,400	2,300	2.9	82,200
Educational Services.............................	30,000	29,400	600	2.0	30,800
Health Care and Social Assistance...........	51,700	50,000	1,700	3.4	51,400
LEISURE AND HOSPITALITY..................	24,900	23,500	1,400	6.0	25,300
Accommodation and Food Services..........	21,200	20,400	800	3.9	21,100
OTHER SERVICES................................	10,500	10,500	0	0.0	10,400
GOVERNMENT	34,100	34,600	-500	-1.4	34,000
Federal..	4,900	4,700	200	4.3	4,900
State & Local..	29,200	29,900	-700	-2.3	29,100

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes.   **Value less than 50

HELP WANTED ONLINE

CT Online Labor Demand Fell 1,600 in December

The Conference Board's Help Wanted OnLine (HWOL) data reported that there were 70,900 advertisements for Connecticut-based jobs in December 2014, a 2.2 percent decrease over the month and a 5.0 percent increase over the year. There were 3.73 advertised vacancies for every 100 persons in Connecticut's labor force, while Hartford's labor demand rate was 4.75. Nationally it was 3.31 percent. Among the New England states, Massachusetts had the highest labor demand rate (4.34), while New Hampshire had the lowest rate (3.71) in December.

(Seasonally adjusted)	DEC 2014	DEC 2013	NOV 2014
CT Vacancies (000s)	70.9	67.5	72.5
Hartford Vac. (000s)	28.4	26.5	29.0
Labor Demand Rate *			
Connecticut	3.73	3.66	3.82
Hartford	4.75	4.54	4.85
United States	3.31	3.19	3.36
Maine	4.15	3.47	4.26
Massachusetts	4.34	4.28	4.43
New Hampshire	3.71	3.64	4.09
Rhode Island	3.75	3.49	3.66
Vermont	3.84	3.18	3.86

* A percent of advertised vacancies per 100 persons in labor force
Source: The Conference Board

The Conference Board Help Wanted OnLine® *Data Series (HWOL) measures the number of new, first-time online jobs and jobs reposted from the previous month for over 16,000 Internet job boards, corporate boards and smaller job sites that serve niche markets and smaller geographic areas. Background information and technical notes and discussion of revisions to the series are available at: www.conference-board.org/data/helpwantedonline.cfm.*

NONFARM EMPLOYMENT ESTIMATES

NORWICH - NEW LONDON LMA

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	CHANGE %	NOV 2014
TOTAL NONFARM EMPLOYMENT..............	127,900	127,000	900	0.7	128,100
TOTAL PRIVATE..............................	95,800	94,100	1,700	1.8	95,700
GOODS PRODUCING INDUSTRIES...........	18,700	18,100	600	3.3	18,800
CONSTRUCTION, NAT. RES. & MINING.....	4,000	3,600	400	11.1	4,100
MANUFACTURING..........................	14,700	14,500	200	1.4	14,700
Durable Goods............................	11,800	11,300	500	4.4	11,800
Non-Durable Goods........................	2,900	3,200	-300	-9.4	2,900
SERVICE PROVIDING INDUSTRIES...........	109,200	108,900	300	0.3	109,300
TRADE, TRANSPORTATION, UTILITIES.....	23,900	23,300	600	2.6	23,800
Wholesale Trade..........................	2,600	2,500	100	4.0	2,600
Retail Trade..............................	16,500	16,100	400	2.5	16,400
Transportation, Warehousing, & Utilities....	4,800	4,700	100	2.1	4,800
INFORMATION............................	1,200	1,300	-100	-7.7	1,200
FINANCIAL ACTIVITIES.....................	3,000	3,100	-100	-3.2	3,000
PROFESSIONAL & BUSINESS SERVICES	8,500	8,600	-100	-1.2	8,400
EDUCATION AND HEALTH SERVICES.....	21,100	21,200	-100	-0.5	20,900
Health Care and Social Assistance...........	19,000	18,800	200	1.1	18,900
LEISURE AND HOSPITALITY..................	15,800	15,000	800	5.3	16,000
Accommodation and Food Services..........	13,700	12,800	900	7.0	13,700
Food Serv., Restaurants, Drinking Places.	11,500	10,800	700	6.5	11,500
OTHER SERVICES...........................	3,600	3,500	100	2.9	3,600
GOVERNMENT	32,100	32,900	-800	-2.4	32,400
Federal....................................	2,600	2,600	0	0.0	2,600
State & Local**............................	29,500	30,300	-800	-2.6	29,800

WATERBURY LMA

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	CHANGE %	NOV 2014
TOTAL NONFARM EMPLOYMENT..............	67,000	66,000	1,000	1.5	66,600
TOTAL PRIVATE..............................	56,700	56,100	600	1.1	56,200
GOODS PRODUCING INDUSTRIES...........	9,300	9,700	-400	-4.1	9,500
CONSTRUCTION, NAT. RES. & MINING.....	2,400	2,200	200	9.1	2,600
MANUFACTURING..........................	6,900	7,500	-600	-8.0	6,900
SERVICE PROVIDING INDUSTRIES...........	57,700	56,300	1,400	2.5	57,100
TRADE, TRANSPORTATION, UTILITIES.....	14,000	13,900	100	0.7	13,600
Wholesale Trade..........................	2,200	2,200	0	0.0	2,200
Retail Trade..............................	9,600	9,500	100	1.1	9,400
Transportation, Warehousing, & Utilities....	2,200	2,200	0	0.0	2,000
INFORMATION............................	500	600	-100	-16.7	500
FINANCIAL ACTIVITIES.....................	2,000	2,000	0	0.0	2,000
PROFESSIONAL & BUSINESS SERVICES	4,900	5,100	-200	-3.9	4,800
EDUCATION AND HEALTH SERVICES.....	17,000	16,800	200	1.2	17,000
Health Care and Social Assistance...........	15,300	14,900	400	2.7	15,200
LEISURE AND HOSPITALITY..................	6,600	5,500	1,100	20.0	6,400
OTHER SERVICES...........................	2,400	2,500	-100	-4.0	2,400
GOVERNMENT	10,300	9,900	400	4.0	10,400
Federal....................................	400	400	0	0.0	400
State & Local.............................	9,900	9,500	400	4.2	10,000

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS*

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA………………………………	45,000	44,200	800	1.8	45,000
TORRINGTON LMA…………………………	37,100	36,900	200	0.5	37,000
WILLIMANTIC - DANIELSON LMA…………	38,100	37,900	200	0.5	38,100

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.

* State-designated Non-CES areas

For further information on these nonfarm employment estimates contact Lincoln Dyer at (860) 263-6292.

SPRINGFIELD, MA-CT NECTA**

Not Seasonally Adjusted

	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
TOTAL NONFARM EMPLOYMENT……………	301,800	295,600	6,200	2.1	302,900
TOTAL PRIVATE…………………………………	250,500	245,000	5,500	2.2	252,100
GOODS PRODUCING INDUSTRIES…………	41,900	40,900	1,000	2.4	42,400
CONSTRUCTION, NAT. RES. & MINING…..	10,600	9,900	700	7.1	11,100
MANUFACTURING……………………………	31,300	31,000	300	1.0	31,300
Durable Goods…………………………………	21,300	20,800	500	2.4	21,300
Non-Durable Goods…………………………	10,000	10,200	-200	-2.0	10,000
SERVICE PROVIDING INDUSTRIES…………	259,900	254,700	5,200	2.0	260,500
TRADE, TRANSPORTATION, UTILITIES…..	60,000	59,100	900	1.5	59,200
Wholesale Trade………………………………	11,200	11,200	0	0.0	11,300
Retail Trade……………………………………	36,000	35,400	600	1.7	35,300
Transportation, Warehousing, & Utilities…..	12,800	12,500	300	2.4	12,600
INFORMATION…………………………………	4,000	4,000	0	0.0	4,000
FINANCIAL ACTIVITIES………………………	14,700	14,700	0	0.0	14,700
Finance and Insurance…………………………	11,900	11,700	200	1.7	11,800
Insurance Carriers & Related Activities…..	7,700	7,500	200	2.7	7,600
PROFESSIONAL & BUSINESS SERVICES	24,900	23,900	1,000	4.2	25,800
EDUCATION AND HEALTH SERVICES…..	69,800	67,300	2,500	3.7	69,900
Educational Services……………………………	11,500	11,200	300	2.7	11,900
Health Care and Social Assistance…………	58,300	56,100	2,200	3.9	58,000
LEISURE AND HOSPITALITY………………	25,800	25,800	0	0.0	26,800
OTHER SERVICES……………………………	9,400	9,300	100	1.1	9,300
GOVERNMENT ………………………………	51,300	50,600	700	1.4	50,800
Federal……………………………………………	6,200	6,400	-200	-3.1	5,900
State & Local…………………………………	45,100	44,200	900	2.0	44,900

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.
*Total excludes workers idled due to labor-management disputes.

** New England City and Town Area

(Not seasonally adjusted)	EMPLOYMENT STATUS	DEC 2014	DEC 2013	CHANGE NO.	%	NOV 2014
CONNECTICUT	Civilian Labor Force	1,890,800	1,834,500	56,300	3.1	1,908,600
	Employed	1,783,000	1,709,600	73,400	4.3	1,790,600
	Unemployed	107,800	124,900	-17,100	-13.7	118,000
	Unemployment Rate	5.7	6.8	-1.1	---	6.2
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	484,100	467,300	16,800	3.6	488,600
	Employed	458,500	438,000	20,500	4.7	460,400
	Unemployed	25,600	29,300	-3,700	-12.6	28,200
	Unemployment Rate	5.3	6.3	-1.0	---	5.8
DANBURY LMA	Civilian Labor Force	94,200	90,900	3,300	3.6	94,400
	Employed	90,200	86,100	4,100	4.8	90,000
	Unemployed	4,100	4,800	-700	-14.6	4,400
	Unemployment Rate	4.3	5.3	-1.0	---	4.7
ENFIELD LMA	Civilian Labor Force	50,500	48,800	1,700	3.5	51,400
	Employed	47,800	45,600	2,200	4.8	48,200
	Unemployed	2,700	3,200	-500	-15.6	3,100
	Unemployment Rate	5.3	6.5	-1.2	---	6.1
HARTFORD LMA	Civilian Labor Force	597,400	580,300	17,100	2.9	602,800
	Employed	562,800	540,700	22,100	4.1	565,500
	Unemployed	34,600	39,600	-5,000	-12.6	37,400
	Unemployment Rate	5.8	6.8	-1.0	---	6.2
NEW HAVEN LMA	Civilian Labor Force	317,200	308,200	9,000	2.9	320,600
	Employed	298,900	286,600	12,300	4.3	300,100
	Unemployed	18,300	21,600	-3,300	-15.3	20,500
	Unemployment Rate	5.8	7.0	-1.2	---	6.4
NORWICH - NEW LONDON LMA	Civilian Labor Force	144,500	142,000	2,500	1.8	146,200
	Employed	135,700	131,300	4,400	3.4	136,600
	Unemployed	8,800	10,700	-1,900	-17.8	9,600
	Unemployment Rate	6.1	7.6	-1.5	---	6.5
TORRINGTON LMA	Civilian Labor Force	54,500	52,900	1,600	3.0	55,000
	Employed	51,600	49,600	2,000	4.0	52,000
	Unemployed	2,900	3,300	-400	-12.1	3,000
	Unemployment Rate	5.4	6.2	-0.8	---	5.5
WATERBURY LMA	Civilian Labor Force	102,100	99,500	2,600	2.6	102,900
	Employed	94,400	90,500	3,900	4.3	94,400
	Unemployed	7,800	9,000	-1,200	-13.3	8,400
	Unemployment Rate	7.6	9.0	-1.4	---	8.2
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	57,900	56,300	1,600	2.8	58,500
	Employed	54,100	51,900	2,200	4.2	54,400
	Unemployed	3,800	4,400	-600	-13.6	4,100
	Unemployment Rate	6.6	7.7	-1.1	---	7.0
UNITED STATES	Civilian Labor Force	155,521,000	154,408,000	1,113,000	0.7	156,297,000
	Employed	147,190,000	144,423,000	2,767,000	1.9	147,666,000
	Unemployed	8,331,000	9,984,000	-1,653,000	-16.6	8,630,000
	Unemployment Rate	5.4	6.5	-1.1	---	5.5

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.

(Not seasonally adjusted)	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	DEC 2014	2013	CHG Y/Y	NOV 2014	DEC 2014	2013	CHG Y/Y	NOV 2014	DEC 2014	2013	CHG Y/Y	NOV 2014
PRODUCTION WORKER												
MANUFACTURING	$975.21	$904.62	$70.59	$980.46	40.6	41.9	-1.3	41.3	$24.02	$21.59	$2.43	$23.74
DURABLE GOODS	1,015.14	908.23	106.91	1,023.96	40.9	42.6	-1.7	42.0	24.82	21.32	3.50	24.38
NON-DUR. GOODS	854.90	897.60	-42.70	849.07	39.8	40.0	-0.2	39.2	21.48	22.44	-0.96	21.66
CONSTRUCTION	1,064.52	1,002.52	62.00	1,103.10	36.0	35.5	0.5	37.7	29.57	28.24	1.33	29.26
ALL EMPLOYEES												
STATEWIDE												
TOTAL PRIVATE	960.60	941.81	18.79	980.51	33.8	33.6	0.2	34.2	28.42	28.03	0.39	28.67
GOODS PRODUCING	1,231.01	1,200.28	30.74	1,247.00	39.8	39.6	0.2	40.5	30.93	30.31	0.62	30.79
Construction	1,186.27	1,091.00	95.27	1,198.81	37.9	35.9	2.0	39.1	31.30	30.39	0.91	30.66
Manufacturing	1,245.94	1,237.23	8.71	1,265.67	40.4	40.9	-0.5	41.0	30.84	30.25	0.59	30.87
SERVICE PROVIDING	911.68	894.73	16.95	933.75	32.7	32.5	0.2	33.1	27.88	27.53	0.35	28.21
Trade, Transp., Utilities	799.31	802.41	-3.10	809.95	33.5	33.9	-0.4	33.4	23.86	23.67	0.19	24.25
Financial Activities	1,633.92	1,664.95	-31.03	1,721.71	38.4	37.9	0.5	38.9	42.55	43.93	-1.38	44.26
Prof. & Business Serv.	1,138.11	1,075.01	63.10	1,173.54	35.4	34.7	0.7	36.4	32.15	30.98	1.17	32.24
Education & Health Ser.	811.30	786.78	24.52	806.40	31.3	31.0	0.3	31.5	25.92	25.38	0.54	25.60
Leisure & Hospitality	413.00	379.94	33.06	420.25	25.7	24.8	0.9	26.2	16.07	15.32	0.75	16.04
Other Services	671.85	674.48	-2.63	676.20	29.9	30.7	-0.8	30.0	22.47	21.97	0.50	22.54
LABOR MARKET AREAS: TOTAL PRIVATE												
Bridgeport-Stamford	1,080.25	1,078.14	2.11	1,089.84	33.8	34.6	-0.8	34.1	31.96	31.16	0.80	31.96
Danbury	916.07	912.80	3.27	938.35	34.4	32.6	1.8	35.0	26.63	28.00	-1.37	26.81
Hartford	1,003.75	964.52	39.23	1,039.34	34.6	34.3	0.3	35.4	29.01	28.12	0.89	29.36
New Haven	929.56	899.56	30.00	941.53	34.0	34.1	-0.1	34.4	27.34	26.38	0.96	27.37
Norwich-New London	819.19	936.73	-117.54	823.08	34.8	34.1	0.7	34.7	23.54	27.47	-3.93	23.72
Waterbury	764.93	744.53	20.40	769.91	32.9	32.9	0.0	33.1	23.25	22.63	0.62	23.26

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2013.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

■ In December 2014, Amco Precision Tool announced plans to expand over the next six years in Berlin, adding 25 jobs. Frontier Communications plans to add 25 jobs in New Haven next year. In January 2015, World of Beer will be opening in West Hartford, creating 70 jobs.

■ In December 2014, Hearst Media Services in Bridgeport announced it will be reducing its workforce by 72 workers next February. Java Coffee Shop in Westport will close, affecting 17 workers.

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 2014

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	484,085	**458,529**	**25,556**	**5.3**
Ansonia	10,184	9,504	680	6.7
Bridgeport	66,382	60,568	5,814	8.8
Darien	9,478	9,109	369	3.9
Derby	7,055	6,590	465	6.6
Easton	3,805	3,659	146	3.8
Fairfield	29,521	28,192	1,329	4.5
Greenwich	30,192	29,014	1,178	3.9
Milford	30,367	28,922	1,445	4.8
Monroe	10,739	10,223	516	4.8
New Canaan	8,981	8,617	364	4.1
Newtown	14,813	14,201	612	4.1
Norwalk	50,285	47,677	2,608	5.2
Oxford	7,551	7,194	357	4.7
Redding	4,893	4,701	192	3.9
Ridgefield	12,136	11,672	464	3.8
Seymour	9,356	8,862	494	5.3
Shelton	22,980	21,829	1,151	5.0
Southbury	9,139	8,709	430	4.7
Stamford	69,335	66,039	3,296	4.8
Stratford	27,192	25,593	1,599	5.9
Trumbull	18,546	17,691	855	4.6
Weston	4,924	4,763	161	3.3
Westport	12,861	12,359	502	3.9
Wilton	8,638	8,300	338	3.9
Woodbridge	4,731	4,542	189	4.0
DANBURY	**94,249**	**90,158**	**4,091**	**4.3**
Bethel	11,269	10,789	480	4.3
Bridgewater	949	909	40	4.2
Brookfield	9,374	8,989	385	4.1
Danbury	46,961	44,900	2,061	4.4
New Fairfield	7,643	7,312	331	4.3
New Milford	16,105	15,406	699	4.3
Sherman	1,948	1,854	94	4.8
ENFIELD	**50,509**	**47,828**	**2,681**	**5.3**
East Windsor	6,761	6,346	415	6.1
Enfield	23,678	22,440	1,238	5.2
Somers	4,977	4,718	259	5.2
Suffield	7,921	7,545	376	4.7
Windsor Locks	7,172	6,779	393	5.5
HARTFORD	**597,403**	**562,818**	**34,585**	**5.8**
Andover	2,036	1,935	101	5.0
Ashford	2,534	2,413	121	4.8
Avon	9,712	9,341	371	3.8
Barkhamsted	2,268	2,149	119	5.2
Berlin	11,548	10,958	590	5.1
Bloomfield	10,112	9,417	695	6.9
Bolton	2,932	2,811	121	4.1
Bristol	34,010	31,846	2,164	6.4
Burlington	5,546	5,287	259	4.7

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont...				
Canton	5,919	5,671	248	4.2
Colchester	9,256	8,756	500	5.4
Columbia	3,159	2,982	177	5.6
Coventry	7,179	6,797	382	5.3
Cromwell	8,165	7,794	371	4.5
East Granby	3,000	2,861	139	4.6
East Haddam	5,348	5,101	247	4.6
East Hampton	7,223	6,858	365	5.1
East Hartford	26,583	24,677	1,906	7.2
Ellington	9,575	9,141	434	4.5
Farmington	13,157	12,603	554	4.2
Glastonbury	18,995	18,303	692	3.6
Granby	6,393	6,116	277	4.3
Haddam	5,200	5,013	187	3.6
Hartford	49,451	44,036	5,415	11.0
Hartland	1,240	1,179	61	4.9
Harwinton	3,164	3,023	141	4.5
Hebron	5,727	5,482	245	4.3
Lebanon	4,323	4,102	221	5.1
Manchester	33,471	31,661	1,810	5.4
Mansfield	13,569	12,893	676	5.0
Marlborough	3,718	3,528	190	5.1
Middlefield	2,450	2,342	108	4.4
Middletown	26,429	25,004	1,425	5.4
New Britain	35,770	32,823	2,947	8.2
New Hartford	3,912	3,701	211	5.4
Newington	17,130	16,311	819	4.8
Plainville	10,343	9,789	554	5.4
Plymouth	6,854	6,394	460	6.7
Portland	5,327	5,051	276	5.2
Rocky Hill	11,232	10,730	502	4.5
Simsbury	12,068	11,573	495	4.1
Southington	24,856	23,670	1,186	4.8
South Windsor	14,703	14,048	655	4.5
Stafford	6,974	6,542	432	6.2
Thomaston	4,546	4,303	243	5.3
Tolland	8,551	8,186	365	4.3
Union	539	515	24	4.5
Vernon	17,082	16,128	954	5.6
West Hartford	30,311	28,924	1,387	4.6
Wethersfield	13,643	12,956	687	5.0
Willington	3,791	3,618	173	4.6
Windsor	16,379	15,476	903	5.5

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.

(By Place of Residence - Not Seasonally Adjusted)

DECEMBER 2014

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**317,184**	**298,860**	**18,324**	**5.8**
Bethany	3,155	3,003	152	4.8
Branford	16,804	15,973	831	4.9
Cheshire	14,828	14,167	661	4.5
Chester	2,529	2,424	105	4.2
Clinton	7,740	7,379	361	4.7
Deep River	2,545	2,423	122	4.8
Durham	4,294	4,116	178	4.1
East Haven	16,420	15,472	948	5.8
Essex	3,746	3,572	174	4.6
Guilford	13,032	12,524	508	3.9
Hamden	32,513	30,737	1,776	5.5
Killingworth	3,638	3,501	137	3.8
Madison	9,829	9,453	376	3.8
Meriden	32,660	30,234	2,426	7.4
New Haven	58,541	53,940	4,601	7.9
North Branford	8,378	7,975	403	4.8
North Haven	13,207	12,576	631	4.8
Old Saybrook	5,340	5,110	230	4.3
Orange	7,336	7,029	307	4.2
Wallingford	25,639	24,345	1,294	5.0
West Haven	31,131	29,222	1,909	6.1
Westbrook	3,876	3,683	193	5.0
*NORWICH-NEW LONDON				
	132,806	**124,711**	**8,095**	**6.1**
Bozrah	1,487	1,405	82	5.5
Canterbury	3,047	2,827	220	7.2
East Lyme	9,275	8,740	535	5.8
Franklin	1,163	1,099	64	5.5
Griswold	7,116	6,658	458	6.4
Groton	18,034	16,934	1,100	6.1
Ledyard	7,989	7,574	415	5.2
Lisbon	2,527	2,351	176	7.0
Lyme	1,234	1,179	55	4.5
Montville	10,245	9,646	599	5.8
New London	13,624	12,576	1,048	7.7
No. Stonington	3,118	2,959	159	5.1
Norwich	21,504	20,024	1,480	6.9
Old Lyme	4,032	3,840	192	4.8
Preston	2,615	2,462	153	5.9
Salem	2,492	2,373	119	4.8
Sprague	1,712	1,570	142	8.3
Stonington	9,950	9,501	449	4.5
Voluntown	1,508	1,415	93	6.2
Waterford	10,135	9,578	557	5.5

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**54,502**	**51,582**	**2,920**	**5.4**
Bethlehem	2,043	1,937	106	5.2
Canaan	673	646	27	4.0
Colebrook	802	770	32	4.0
Cornwall	794	758	36	4.5
Goshen	1,534	1,460	74	4.8
Kent	1,596	1,536	60	3.8
Litchfield	4,266	4,057	209	4.9
Morris	1,319	1,237	82	6.2
Norfolk	976	923	53	5.4
North Canaan	1,701	1,603	98	5.8
Roxbury	1,328	1,280	48	3.6
Salisbury	1,825	1,754	71	3.9
Sharon	1,431	1,371	60	4.2
Torrington	19,784	18,526	1,258	6.4
Warren	786	752	34	4.3
Washington	1,871	1,796	75	4.0
Winchester	6,169	5,805	364	5.9
Woodbury	5,604	5,370	234	4.2
WATERBURY	**102,138**	**94,372**	**7,766**	**7.6**
Beacon Falls	3,483	3,269	214	6.1
Middlebury	4,036	3,862	174	4.3
Naugatuck	16,984	15,815	1,169	6.9
Prospect	5,445	5,149	296	5.4
Waterbury	50,839	46,107	4,732	9.3
Watertown	12,187	11,527	660	5.4
Wolcott	9,165	8,643	522	5.7
WILLIMANTIC-DANIELSON				
	57,897	**54,093**	**3,804**	**6.6**
Brooklyn	4,066	3,811	255	6.3
Chaplin	1,320	1,259	61	4.6
Eastford	968	928	40	4.1
Hampton	1,088	1,028	60	5.5
Killingly	9,305	8,645	660	7.1
Plainfield	8,402	7,738	664	7.9
Pomfret	2,304	2,191	113	4.9
Putnam	5,342	5,016	326	6.1
Scotland	1,002	964	38	3.8
Sterling	2,167	2,010	157	7.2
Thompson	5,386	5,108	278	5.2
Windham	12,010	11,074	936	7.8
Woodstock	4,537	4,321	216	4.8

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

*NORWICH-NEW LONDON				
	144,512	**135,718**	**8,794**	**6.1**
Westerly, RI	11,706	11,007	699	6.0

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

Not Seasonally Adjusted:	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
CONNECTICUT	1,890,800	1,783,000	107,800	5.7
UNITED STATES	155,521,000	147,190,000	8,331,000	5.4
Seasonally Adjusted:				
CONNECTICUT	1,906,000	1,784,600	121,400	6.4
UNITED STATES	156,129,000	147,442,000	8,688,000	5.6

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 2014	YR TO DATE 2014	2013	TOWN	DEC 2014	YR TO DATE 2014	2013	TOWN	DEC 2014	YR TO DATE 2014	2013
Andover	0	2	5	Griswold	na	na	na	Preston	0	0	10
Ansonia	0	0	1	Groton	21	36	51	Prospect	na	na	na
Ashford	0	5	3	Guilford	1	17	35	Putnam	0	3	3
Avon	2	22	39	Haddam	0	11	9	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	0	5	2	Ridgefield	2	42	21
Beacon Falls	na	na	na	Hampton	0	1	3	Rocky Hill	36	49	100
Berlin	0	26	91	Hartford	0	17	27	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	1	6	7
Bethel	4	68	53	Harwinton	0	5	1	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	1	1
Bloomfield	na	na	na	Kent	0	1	3	Seymour	0	6	14
Bolton	0	8	13	Killingly	2	20	19	Sharon	1	6	5
Bozrah	0	2	3	Killingworth	na	na	na	Shelton	6	47	77
Branford	na	na	na	Lebanon	0	7	5	Sherman	na	na	na
Bridgeport	3	140	161	Ledyard	2	16	44	Simsbury	2	176	108
Bridgewater	na	na	na	Lisbon	0	3	6	Somers	1	12	11
Bristol	0	67	92	Litchfield	na	na	na	South Windsor	1	25	20
Brookfield	na	na	na	Lyme	0	4	4	Southbury	0	20	42
Brooklyn	0	13	12	Madison	4	19	18	Southington	9	70	112
Burlington	1	32	36	Manchester	0	71	21	Sprague	0	0	7
Canaan	0	1	0	Mansfield	1	13	14	Stafford	na	na	na
Canterbury	0	11	10	Marlborough	0	3	8	Stamford	4	318	251
Canton	2	10	11	Meriden	1	8	16	Sterling	na	na	na
Chaplin	0	0	0	Middlebury	na	na	na	Stonington	3	19	33
Cheshire	1	41	48	Middlefield	1	7	11	Stratford	1	43	270
Chester	na	na	na	Middletown	4	61	51	Suffield	3	29	29
Clinton	0	10	11	Milford	15	211	189	Thomaston	na	na	na
Colchester	3	31	34	Monroe	0	5	10	Thompson	na	na	na
Colebrook	0	2	1	Montville	0	12	11	Tolland	1	12	10
Columbia	0	2	9	Morris	1	1	0	Torrington	1	4	3
Cornwall	0	2	1	Naugatuck	3	19	17	Trumbull	1	4	11
Coventry	1	33	27	New Britain	na	na	na	Union	0	1	2
Cromwell	1	24	30	New Canaan	3	49	45	Vernon	0	13	35
Danbury	11	317	310	New Fairfield	na	na	na	Voluntown	1	4	1
Darien	na	na	na	New Hartford	0	6	6	Wallingford	2	28	29
Deep River	0	2	7	New Haven	0	412	39	Warren	0	2	1
Derby	na	na	na	New London	3	38	41	Washington	na	na	na
Durham	1	3	8	New Milford	1	20	18	Waterbury	2	48	34
East Granby	0	2	7	Newington	0	8	9	Waterford	1	14	16
East Haddam	1	9	17	Newtown	18	36	18	Watertown	1	31	25
East Hampton	1	20	17	Norfolk	0	2	0	West Hartford	6	69	62
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	1	11	20	North Canaan	0	0	0	Westbrook	1	16	13
East Lyme	7	363	37	North Haven	2	19	23	Weston	na	na	na
East Windsor	1	10	18	North Stonington	0	8	5	Westport	14	163	103
Eastford	10	12	4	Norwalk	10	236	79	Wethersfield	na	na	na
Easton	0	3	7	Norwich	0	25	6	Willington	0	2	2
Ellington	3	84	40	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	3	25	23	Winchester	2	27	29
Essex	0	6	9	Orange	na	na	na	Windham	0	10	5
Fairfield	14	111	155	Oxford	5	58	38	Windsor	na	na	na
Farmington	3	34	49	Plainfield	1	11	14	Windsor Locks	na	na	na
Franklin	1	3	1	Plainville	1	21	12	Wolcott	0	17	17
Glastonbury	1	25	31	Plymouth	0	6	5	Woodbridge	na	na	na
Goshen	0	9	3	Pomfret	0	2	2	Woodbury	0	2	9
Granby	0	11	10	Portland	0	8	9	Woodstock	0	8	9
Greenwich	8	106	82								

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.

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 4-8 for reference months or quarters)

Leading General Drift Indicator ..... +0.2
Coincident General Drift Indicator +0.3
Farmington Bank Bus. Barometer . -0.2
Phil. Fed's CT Coincident Index .... +3.9

Total Nonfarm Employment .... +1.6

Labor Force .... +3.3
Employed .... +4.4
Unemployed .... -11.0
Unemployment Rate .... -1.0*

Average Weekly Initial Claims .... -9.6
Avg Insured Unempl. Rate ....-0.63*
U-6 Rate .... -1.3*

Prod. Worker Avg Wkly Hrs, Mfg ..... -3.1
PW Avg Hourly Earnings, Mfg ..... +11.3
PW Avg Weekly Earnings, Mfg ...... +7.8
CT Mfg. Production Index .... -1.6
  Production Worker Hours .... +1.3
  Industrial Electricity Sales .... -5.7

Personal Income .... +3.1
UI Covered Wages .... +2.0

Business Activity

New Housing Permits .... -7.9
Electricity Sales .... +2.9
Construction Contracts Index .... +24.0
New Auto Registrations .... -8.1
Air Cargo Tons .... NA
Exports .... -3.1
S&P 500: Monthly Close .... +11.4

Business Starts

Secretary of the State .... NA
Dept. of Labor .... -10.7

Business Terminations

Secretary of the State .... NA
Dept. of Labor .... -26.7

State Revenues .... +5.4
Corporate Tax .... -10.8
Personal Income Tax .... +8.9
Real Estate Conveyance Tax .... -5.1
Sales & Use Tax .... +2.4
Indian Gaming Payments .... +3.0

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

Tourism and Travel

Info Center Visitors .... -38.1
Attraction Visitors .... +9.1
Air Passenger Count .... NA
Indian Gaming Slots .... +4.4

Employment Cost Index (U.S.)

Total .... +2.3
Wages & Salaries .... +2.2
Benefit Costs .... +2.5

Consumer Prices

U.S. City Average .... +0.8
Northeast Region .... +0.4
NY-NJ-Long Island .... +0.3
Boston-Brockton-Nashua .... +1.6

Interest Rates

Prime 0.00*
Conventional Mortgage ....-0.60*

THE CONNECTICUT ECONOMIC DIGEST

February 2015

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