THE CONNECTICUT
ECONOMIC DIGEST

Vol.12 No.1 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

JANUARY 2007

IN THIS ISSUE...

In November...

Nonfarm Employment

Connecticut 1,677,700
Change over month 0.05%
Change over year 0.6%

United States 136,018,000
Change over month 0.10%
Change over year 1.3%

Unemployment Rate

Connecticut 4.4%
United States 4.5%

Consumer Price Index

United States 201.5
Change over year 2.0%

Connecticut Economic Outlook for 2007

By Stanley McMillen, Ph.D., Managing Economist, DECD

The Big Picture

The Federal Reserve inreased interest rates several times in the past year to dampen what it sees as increasing inflation. The fallout is predictable given historic, low interest rates of the past few years: attenuated residential construction and investment spending. As such, the housing market - nationally and locally - continues to undergo a correction that will reduce employment in the construction sector, reduce house prices as supplies catch up with demand, and reduce consumer spending as the wealth effect mitigates the extraction of cash from housing assets. The good news is that inflation and interest rates will not get out of hand in the foreseeable future. Low inflation, stable prices and interest rates are ingredients for economic growth.

The Nation

Moody's Economy.com national forecast sees the recent expansion dipping below potential GDP growth (the growth rate if the economy were at full employment) in 2007 and recovering to just about potential growth in 2008.

The Fed's current policy should have the desired effect with inflation moderating to about 2.4% by 2008 after experiencing a small spike to almost 3% in 2007.

This should be placed against the backdrop of robust corporate profits and broad-based, global growth (consequences include mitigating the housing wealth effect for high-income earners and increased tax receipts for the federal and state governments).

Threats to national and regional growth include additional monetary tightening if inflation does not quell, increased protectionism if the trade deficit does not moderate, and higher energy prices due to increased destabilization in the Middle East, Africa and South America. Large and growing federal deficits portend higher interest rates in the face of reduced domestic savings rates and the possible reluctance of foreigners to absorb additional U.S. debt.

Connecticut

Connecticut will experience slow job and population growth, as well as slower growth in median income and gross state product (compared with 2005), while average incomes will experience respectable gains in 2007. The first three growth issues are due to a variety of factors that have been exhibiting downward trends regionally and nationally for some time (excepting Connecticut's top income decile). However, current and foreseeable Fed monetary policy may lead to greater housing affordability in Connecticut as house prices attenuate relative to average income (not the median Connecticut income necessarily, which has experienced no real gains in several years).

The New England Economic Partnership (NEEP) forecasts that Connecticut's non-agricultural employment will grow from an estimated 1,673,000 in 2006 to 1,683,000 (+0.6%) in 2007.

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

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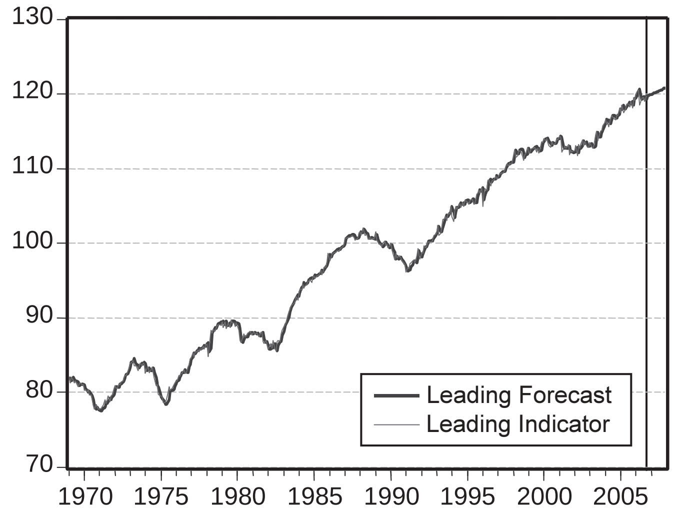
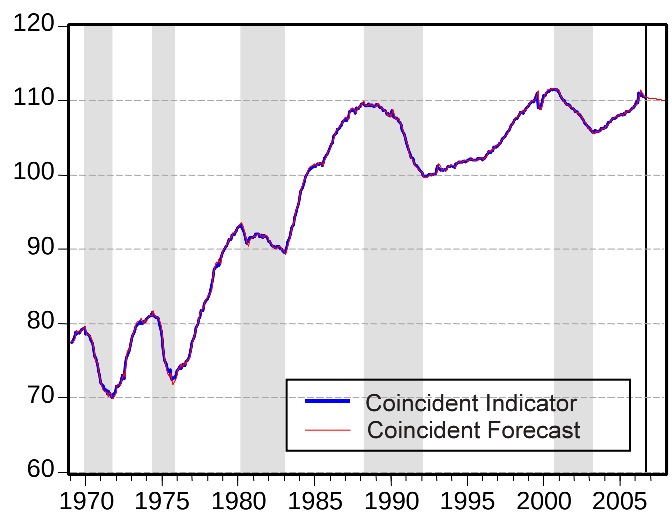
The NEEP manufacturing employment forecast for Connecticut calls for a decline of 2,200 jobs from an estimated 192,900 in 2006 to 190,700 in 2007 (-1.14%). Moody's Economy.com estimates the changes in non-agricultural and manufacturing employment are almost identical to the NEEP forecast. NEEP predicts Connecticut's labor force will grow by 8,000 workers from an estimated 1,829,000 in 2006 to 1,837,000 next year (0.44%). The statewide unemployment rate will remain steady at 4.5% in 2007. The NEEP population estimate for 2006 is 3,531,000 while for 2007 it is 3,549,000, an increase of 18,000 people.

To augment the above outlooks, I simply forecast[1] the Connecticut coincident and leading employment indicators that have appeared in this journal for several years (charts below). These indicators suggest current and potential levels of employment in Connecticut.

The latest down cycle had its peak in September 2000 and its trough in April 2003. Fifteen months of forecast (October 2006 through December 2007) appear to the right of the vertical line. The coincident employment indicator forecast suggests a flattening of the recent employment growth consistent with other forecasts for New





England and Connecticut. The leading indicator forecast is more optimistic and shows continued growth consistent with recent trends. There is in fact disagreement about employment growth in the state, but my take is, absent significant public and private investment in education and infrastructure, Connecticut will experience lack-luster employment and median wage growth. [2]

Why Slow Growth?

Connecticut's slow employment growth derives in part from continuing declines in manufacturing employment even while manufacturing productivity and output (value of shipments) continue to climb. This phenomenon is national in scope as the U.S. economy (and others) experience similar declines.

In addition, Connecticut's ingenuity produces manufacturing processes, once requiring high-skill labor, to become routinized and automated, therefore requiring less labor per unit of output and lower-skilled labor. Such processes are then moved to areas with lower labor costs such as the southern U.S. and Mexico and China.

Overall, payroll employment for Connecticut and the northeast lags the U.S. not because of layoffs and discharges, but because of comparatively soft hiring. More specifically, Connecticut does not offer the job (wage) growth potential of other areas of the U.S. As Connecticut firms downsize and outsource, as housing affordability lags and as urban amenities elsewhere sparkle in contrast to those in Connecticut, we lose working age population. New Jersey faces similar challenges.[3] Thus, we see an exodus of 25 to 44 year olds and an influx of Hispanics and a higher birth rate among this group.

These two observations suggest a lower-skilled Connecticut workforce in the future and a greater willingness of Connecticut firms to expand or relocate elsewhere (Coelen and Berger, 2006).[4]

Beyond 2007

What is Connecticut's likely labor force composition in 2007 and beyond? Given that the workforce is our most valuable asset in that it is what firms consider first when pondering expansion or relocation, we look closer at this aspect of future growth. Professors Coelen and Berger make the case that:

1)"The out-migration of the region's white population in the 1990s and the in-migration of minority populations have played out differently in each state. For example, the white exodus from Massachusetts in the 1990s was more than matched by a minority influx. In fact, the state's minority population, comprising just 16.4% of the Commonwealth's total population, is responsible for an inflow of residents that was almost twice (193%) the size of the state's outflow of residents;"

2)"On the other hand, Connecticut's white exodus was so large that even a substantial minority influx was not enough to make migration a net positive force for population growth;"

3)"By 2020 more than a quarter of Massachusetts (28%) and Connecticut's (28%) working-age population will be composed of minority populations;"

4)"Connecticut and Massachusetts, the most developed states in the region, will suffer the largest losses of four-year degree holders. Among the young, the number of those that will hold a baccalaureate or degree will shrink by 3%. Connecticut's forecast call[s] for a decline from 34% in 1993 to 30.5% in 2020."

5)"Connecticut and Massachusetts suffer persistent out-migration of their mid-life and older working-age populations. In Connecticut, the loss of 40- to 64- year olds (between 1990 and 2000) was significant—an 85,000-person loss. The loss in this age group represents 3.92% of the state's working-age population."

Coelen and Berger and others[5] argue that massive investment in education from preschool through university is necessary to create the workforce Connecticut (and this country) needs to compete in the global, high-tech economy.

Connecticut's near-term economic outlook is partly sunny, but there are storm clouds on the horizon five to ten years out unless we address the growing wage gap, housing affordability and our transportation infrastructure. Our workforce development strategy needs adjustment as well with focused investment in postsecondary and preschool education.[6] ■

[1] Using Holt-Winters exponential smoothing with no seasonals.

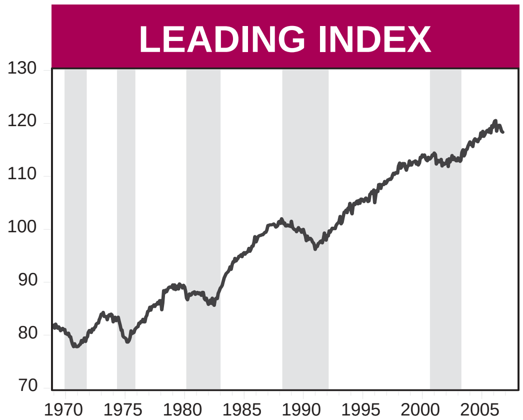
[2] Examples of investment/innovation initiatives are: Strengthening the Mid-Atlantic Region for Tomorrow (SMART) [www.smartstates.com], Connecticut Innovations (http://www.ctinnovations.com/about/about.php), and the Business Innovation Factory (BIF) [http://www.businessinnovationfactory.com]. For an assessment of Connecticut's position, see "Benchmarking Connecticut 2006: The Determinants of Economic Growth," http://www.cerc.com/benchmarks.html.

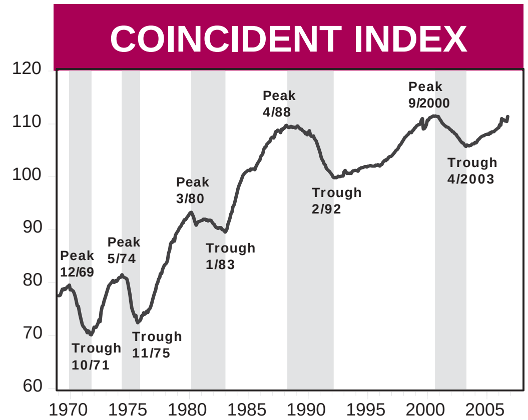
[3] Hughes, J. and J. J. Seneca (2006). "New Jersey's New Economy Growth Challenges," Rutgers Regional Report, Edward J. Bloustein School of Planning and Public Policy, Issue Paper Number 25, July.

[4] Coelen, S. and Joseph B. Berger (2006). "New England 2020, A Forecast of Educational Attainment and Its Implications for the Workforce of the New England States," www.nmefdn.org.

[5] See "Benchmarking Growth In Demand-Driven Labor Markets - 2006," forthcoming, and the CT child care industry study at http://ccea.uconn.edu/studies/Child%20Care%20Report.pdf, and the 2006 CED study, "The Economic Promise of Investing in High-Quality Preschool," at http://www.ced.org/docs/report/report_prek_econpromise.pdf.

[6] Christopher Mazzeo, et al. (2006). "Working Together: Aligning State Systems and Policies for Individual and Regional Prosperity," www.workforcestrategy.org.





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.

We Will Have a Good 2006, But What Will Happen in 2007?

To no one's surprise, the Federal Open Market Committee (FOMC) voted to keep the target federal funds rate at 5.25% at its December meeting. The inflation outlook appears benign; the seasonally adjusted Consumer Price Index for all Urban Consumers (CPI-U) was unchanged from October to November 2006. More importantly, the core inflation rate (CPI-U less the food and energy components) remained unchanged from October to November. The third quarter real Gross Domestic Product was revised from 2.2% to 2.0% (annual rate), reflecting the slowdown in the housing market. Meanwhile, responding to healthy corporate earnings growth, and anticipating that the FOMC may be at the end of the current interest rate hike cycle, both the Dow Jones Industrial Average and the S&P 500 index have so far registered healthy double-digit gains for the year. All in all, I expect that 2006 will end on a high note for the U.S. economy. However, the new Democratic Congress will face many challenges, both political and economic, as we enter the New Year.

In Connecticut, for the month of October 2006, the revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 108.85 in October 2005 to 111.40 in October 2006. Three of the four components of this index are positive contributors, with a lower total unemployment rate, higher total non-farm employment, and higher total employment. The insured unemployment rate remained constant from its year earlier level. On a sequential month-to-month basis, this index also rose from 110.40 in September 2006 to 111.40 in October 2006. There was a very small increase in the insured unemployment rate, while the total unemployment rate went down quite substantially from 4.7% in September to 4.2% in October. In addition, both higher total non-farm employment and total employment are positive contributors. The revised Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank rose from 152.58 in October 2005 to 158.84 in October 2006. On a sequential month-to-month basis, the Philadelphia Federal Reserve Bank's revised Connecticut Coincident Index also rose from 158.14 in September to 158.84 in October 2006. Thus, the CCEA-ECRI and the Philadelphia Federal Reserve Bank indexes are in agreement both on a month-to-month basis and on a year-to-year basis.

The revised CCEA-ECRI Connecticut leading employment index rose from 118.16 in October 2005 to 118.29 in October 2006. A higher Moody's Baa corporate bond yield, an increase in initial claims for unemployment insurance, and a lower Hartford help-wanted advertising index are the three negative contributors. Total housing permits increased from a year ago, while a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in manufacturing and construction are all positive contributors. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index fell slightly from 118.49 in September 2006 to 118.29 in October 2006. A marginally lower Moody's Baa corporate bond yield, higher total housing permits, and lower short duration (less than 15 weeks) unemployment rate are the three positive contributors to this index. An increase in initial claims for unemployment insurance, and a lower average weekly hours worked in manufacturing and construction are negative contributors, while the Hartford help-wanted advertising index remained constant from its level in September 2006.

As is the case with the national economy, Connecticut faces challenges going forward. Two recent reports show that Connecticut's population growth and real income growth are significantly below the national average. Clearly, they reflect the slow job growth in Connecticut during the past several years. While this issue is recognized, there does not seem to be a comprehensive plan to address it.

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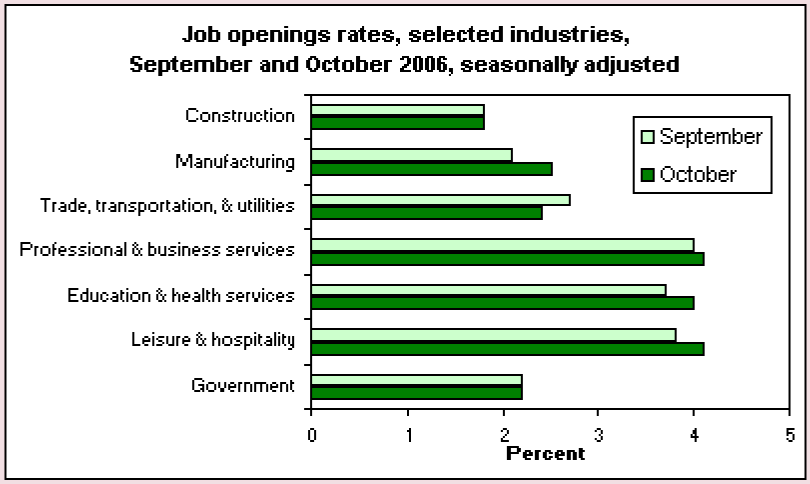
Job openings rates by industry in October 2006

On the last business day of October 2006, there were 4.2 million job openings in the United States and the job openings rate was 3.0 percent.

In October, the job openings rate rose in manufacturing and in education and health services. The rate fell in trade, transportation, and utilities.

The industries with the highest seasonally adjusted job openings rate in October 2006 were leisure and hospitality and professional and business services (4.1 percent each), and education and health services (4.0 percent).



The job openings rate is the number of job openings as a percent of total employment plus job openings. These data are from the Job Openings and Labor Turnover Survey. The above data are seasonally adjusted. Data for October 2006 are preliminary and subject to revision. Find additional information in "Job Openings and Labor Turnover: October 2006," news release USDL 06-2068.

Source: Bureau of Labor Statistics,
http://www.bls.gov/opub/ted/2006/dec/wk2/art03.htm

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	3Q 2006	3Q 2005	CHANGE NO.	CHANGE %	2Q 2006
Employment Indexes (1992=100)*					
Leading	119.5	118.7	0.8	0.7	119.1
Coincident	110.5	108.6	1.9	1.7	110.8
General Drift Indicator (1986=100)*					
Leading	102.9	102.6	0.3	0.3	102.9
Coincident	100.2	100.2	0.0	0.0	100.6
Banknorth Business Barometer (1992=100)**	120.7	119.8	0.8	0.7	120.4

*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)	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM	1,677.7	1,667.7	10.0	0.6	1,676.9
Natural Res & Mining (Not Sea. Adj.)	0.8	0.8	0.0	0.0	0.8
Construction	64.6	66.2	-1.6	-2.4	64.3
Manufacturing	193.4	194.2	-0.8	-0.4	193.4
Trade, Transportation & Utilities	312.4	312.9	-0.5	-0.2	312.5
Information	37.7	37.8	-0.1	-0.3	37.5
Financial Activities	144.9	142.7	2.2	1.5	144.9
Professional and Business Services	202.6	199.9	2.7	1.4	201.8
Educational and Health Services	278.7	274.1	4.6	1.7	279.2
Leisure and Hospitality Services	131.2	129.4	1.8	1.4	131.2
Other Services	62.6	62.7	-0.1	-0.2	62.8
Government*	248.8	247.0	1.8	0.7	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)	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
Unemployment Rate, resident (%)	4.4	4.7	-0.3	---	4.2
Labor Force, resident (000s)	1,867.7	1,819.2	48.5	2.7	1,856.7
Employed (000s)	1,786.1	1,733.7	52.4	3.0	1,778.3
Unemployed (000s)	81.6	85.5	-3.9	-4.6	78.4
Average Weekly Initial Claims	4,179	4,175	5	0.1	3,909
Help Wanted Index -- Htfd. (1987=100)	5	13	-8	-61.5	5
Avg. Insured Unemp. Rate (%)	2.88	2.50	0.38	---	2.87

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006	SEP 2006
Average Weekly Hours	42.0	42.3	-0.3	-0.7	42.2	--
Average Hourly Earnings	20.25	19.30	0.95	4.9	20.08	--
Average Weekly Earnings	850.50	816.39	34.11	4.2	847.38	--
CT Mfg. Production Index (2000=100)	101.7	99.4	2.4	2.4	106.2	100.3
Production Worker Hours (000s)	4,889	4,966	-77	-1.5	4,891	--
Industrial Electricity Sales (mil kWh)*	421	414	7.2	1.7	450	413

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

Personal income for first quarter 2007 is forecasted to increase 4.0 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	1Q* 2007	1Q 2006	CHANGE NO.	CHANGE %	4Q* 2006
Personal Income	$181,610	$174,579	$7,031	4.0	$180,734
UI Covered Wages	$94,351	$94,252	$98	0.1	$93,722

Source: Bureau of Economic Analysis: September 2006 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

New auto registrations increased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits*	NOV 2006	627	-45.3	8,552	10,667	-19.8
Electricity Sales (mil kWh)	SEP 2006	2,393	-11.0	24,097	25,065	-3.9
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	NOV 2006	374.1	-1.3	---	---	---
New Auto Registrations	NOV 2006	19,226	6.8	196,936	219,230	-10.2
Air Cargo Tons	NOV 2006	13,768	0.4	147,112	145,812	0.9
Exports (Bil. $)	3Q 2006	3.10	29.2	9.08	7.06	28.6

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	NOV 2006	2,247	0.4	28,422	27,525	3.3
Department of Labor*	1Q 2006	2,899	-1.9	2,899	2,954	-1.9
TERMINATIONS						
Secretary of the State	NOV 2006	828	2.5	8,452	7,791	8.5
Department of Labor*	1Q 2006	1,268	-23.9	1,268	1,666	-23.9

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)	NOV 2006	NOV 2005	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	772.8	713.6	8.3	11,542.7	10,685.3	8.0
Corporate Tax	19.7	21.8	-9.6	694.4	561.7	23.6
Personal Income Tax	344.5	305.9	12.6	5,721.5	5,151.3	11.1
Real Estate Conv. Tax	14.4	16.4	-12.2	175.6	197.2	-11.0
Sales & Use Tax	288.4	255.0	13.1	3,157.9	3,063.4	3.1
Indian Gaming Payments**	33.2	32.3	2.9	396.5	386.9	2.5

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

Gaming slots fell over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	NOV 2006	23,216	5.6	394,501	358,922	9.9
Major Attraction Visitors	NOV 2006	79,952	-29.0	1,573,851	1,624,609	-3.1
Air Passenger Count	NOV 2006	540,933	-10.8	6,387,114	6,790,904	-5.9
Indian Gaming Slots (Mil.$)*	NOV 2006	1,531	-1.5	18,202	18,156	0.3
Travel and Tourism Index**	3Q 2006	---	0.2	---	---	---

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

Private Industry Workers (Dec. 2005 = 100)	Seasonally Adjusted SEP 2006	JUN 2006	3-Mo % Chg	Not Seasonally Adjusted SEP 2006	SEP 2005	12-Mo % Chg
UNITED STATES TOTAL	102.5	101.6	0.9	102.5	99.5	3.0
Wages and Salaries	102.5	101.7	0.8	102.5	99.5	3.0
Benefit Costs	102.5	101.5	1.0	102.5	99.7	2.8
NORTHEAST TOTAL	---	---	---	102.5	99.2	3.3
Wages and Salaries	---	---	---	102.5	99.2	3.3

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

U.S. inflation rate increased 2.0 percent over the year.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE Y/Y	P/P*
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	NOV 2006	201.5	2.0	-0.1
Purchasing Power of $ (1982-84=$1.00)	NOV 2006	$0.496	-1.9	0.1
Northeast Region	NOV 2006	214.8	2.3	-0.2
NY-Northern NJ-Long Island	NOV 2006	220.9	2.6	-0.4
Boston-Brockton-Nashua**	NOV 2006	223.1	2.1	-0.6
CPI-W (1982-84=100)				
U.S. City Average	NOV 2006	196.8	1.8	-0.1
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	3Q 2006	NA	NA	NA
New England	NOV 2006	NA	NA	NA
U.S.	NOV 2006	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 rate fell to 6.24 percent over the month.

INTEREST RATES

(Percent)	NOV 2006	OCT 2006	NOV 2005
Prime	8.25	8.25	7.00
Federal Funds	5.25	5.25	4.00
3 Month Treasury Bill	5.07	5.05	3.97
6 Month Treasury Bill	5.15	5.12	4.30
1 Year Treasury Note	5.01	5.01	4.33
3 Year Treasury Note	4.64	4.72	4.43
5 Year Treasury Note	4.58	4.69	4.45
7 Year Treasury Note	4.58	4.69	4.48
10 Year Treasury Note	4.60	4.73	4.54
20 Year Treasury Note	4.78	4.94	4.83
Conventional Mortgage	6.24	6.36	6.33

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
Connecticut	1,677.7	1,667.7	10.0	0.6	1,676.9
Maine	615.5	612.1	3.4	0.6	614.6
Massachusetts	3,223.3	3,202.2	21.1	0.7	3,222.2
New Hampshire	644.4	635.4	9.0	1.4	642.8
New Jersey	4,083.7	4,061.7	22.0	0.5	4,082.8
New York	8,629.9	8,563.0	66.9	0.8	8,624.5
Pennsylvania	5,779.2	5,726.7	52.5	0.9	5,770.5
Rhode Island	493.9	493.5	0.4	0.1	493.9
Vermont	308.7	306.4	2.3	0.8	309.0
United States	136,018.0	134,231.0	1,787.0	1.3	135,886.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
Connecticut	1,867.7	1,819.2	48.5	2.7	1,856.7
Maine	723.6	717.1	6.5	0.9	720.9
Massachusetts	3,398.4	3,366.0	32.4	1.0	3,387.4
New Hampshire	747.1	734.0	13.1	1.8	745.5
New Jersey	4,491.7	4,463.3	28.4	0.6	4,472.2
New York	9,445.9	9,459.7	-13.8	-0.1	9,452.4
Pennsylvania	6,322.8	6,290.8	32.0	0.5	6,305.8
Rhode Island	578.0	574.1	3.9	0.7	578.2
Vermont	366.5	358.2	8.3	2.3	368.0
United States	152,381.0	150,183.0	2,198.0	1.5	151,998.0

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

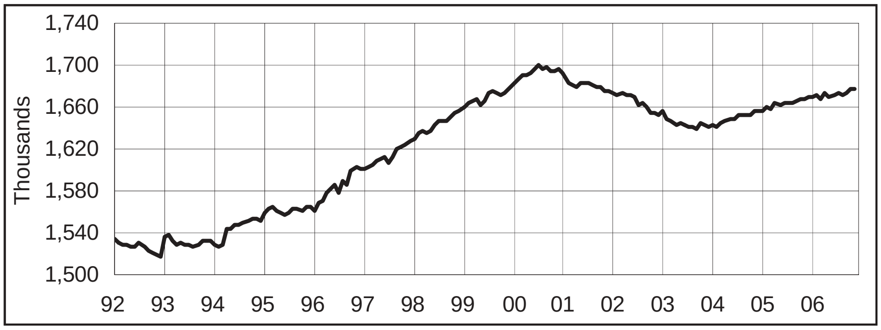
UNEMPLOYMENT RATES

Three of nine states showed a decrease in its unemployment rate over the year.

(Seasonally adjusted)	NOV 2006	NOV 2005	CHANGE	OCT 2006
Connecticut	4.4	4.7	-0.3	4.2
Maine	4.7	4.7	0.0	4.7
Massachusetts	5.0	4.8	0.2	4.6
New Hampshire	3.5	3.5	0.0	3.3
New Jersey	4.5	4.5	0.0	4.4
New York	4.2	5.1	-0.9	4.0
Pennsylvania	4.5	4.7	-0.2	4.3
Rhode Island	5.2	5.1	0.1	5.0
Vermont	3.7	3.4	0.3	3.6
United States	4.5	5.0	-0.5	4.4

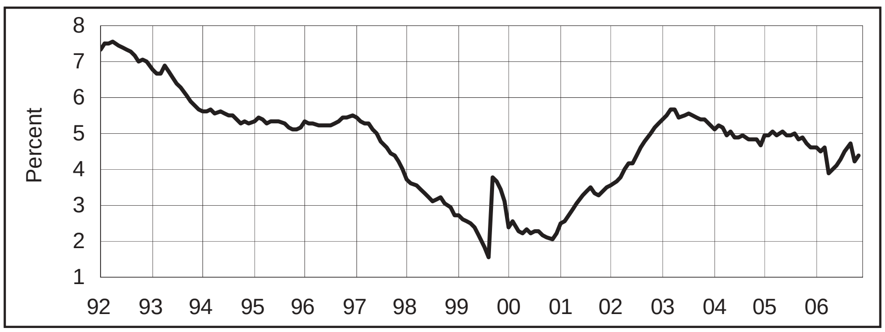
Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT *(Seasonally adjusted)*



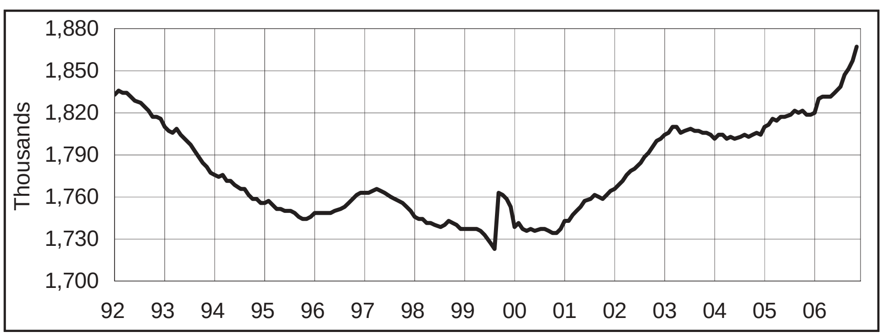
Month	2004	2005	2006
Jan	1,642.6	1,656.6	1,669.2
Feb	1,641.9	1,659.6	1,671.9
Mar	1,644.7	1,657.3	1,666.9
Apr	1,646.5	1,664.3	1,673.9
May	1,649.0	1,661.6	1,668.9
Jun	1,649.2	1,663.9	1,671.6
Jul	1,652.6	1,663.8	1,672.6
Aug	1,653.3	1,663.7	1,672.3
Sep	1,653.0	1,665.4	1,674.2
Oct	1,652.8	1,667.6	1,676.9
Nov	1,655.3	1,667.7	1,677.7
Dec	1,656.1	1,668.6	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



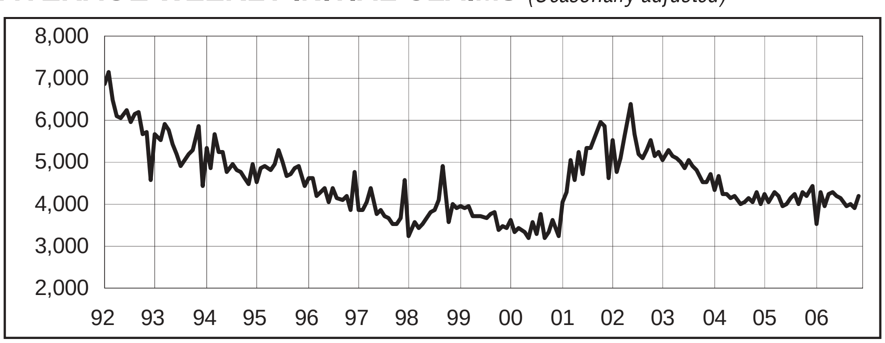
Month	2004	2005	2006
Jan	5.1	4.9	4.6
Feb	5.2	5.0	4.5
Mar	5.2	5.1	4.6
Apr	5.0	4.9	3.9
May	5.0	5.0	4.0
Jun	4.9	4.9	4.1
Jul	4.9	4.9	4.3
Aug	4.9	5.0	4.5
Sep	4.8	4.9	4.7
Oct	4.8	4.9	4.2
Nov	4.8	4.7	4.4
Dec	4.7	4.6	

LABOR FORCE *(Seasonally adjusted)*



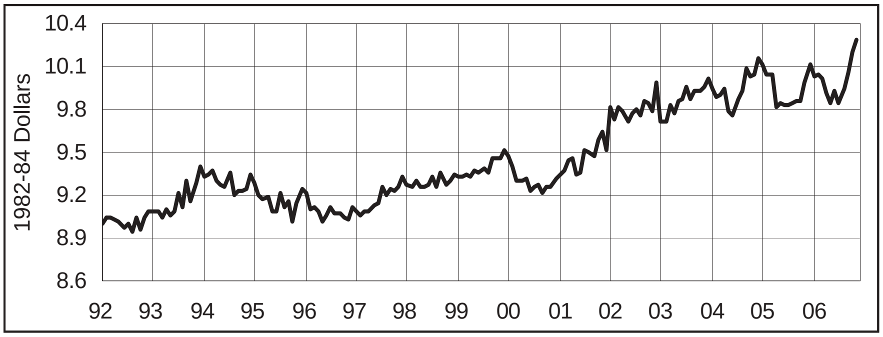
Month	2004	2005	2006
Jan	1,802.0	1,810.1	1,820.0
Feb	1,804.5	1,811.8	1,829.4
Mar	1,803.8	1,815.1	1,831.6
Apr	1,801.1	1,814.2	1,830.8
May	1,803.1	1,817.7	1,831.7
Jun	1,800.9	1,817.2	1,834.8
Jul	1,802.3	1,818.1	1,838.3
Aug	1,803.8	1,821.3	1,846.8
Sep	1,803.1	1,819.5	1,851.8
Oct	1,803.9	1,821.0	1,856.7
Nov	1,805.1	1,819.2	1,867.7
Dec	1,804.2	1,818.9	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*



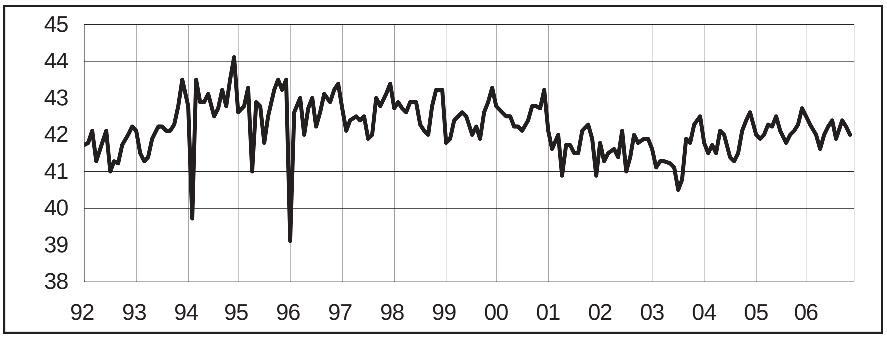
Month	2004	2005	2006
Jan	4,355	4,248	3,524
Feb	4,669	4,046	4,281
Mar	4,223	4,298	3,941
Apr	4,240	4,203	4,229
May	4,166	3,972	4,277
Jun	4,199	3,995	4,180
Jul	4,000	4,160	4,140
Aug	4,049	4,232	3,947
Sep	4,162	4,022	4,011
Oct	4,025	4,294	3,909
Nov	4,271	4,175	4,179
Dec	4,020	4,435	

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



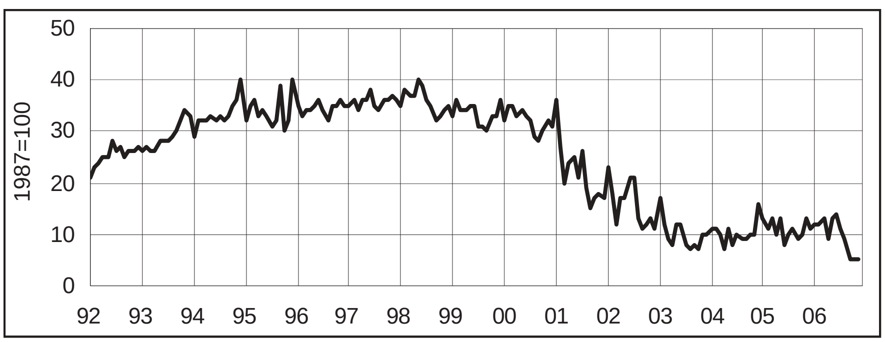
Month	2004	2005	2006
Jan	$9.94	$10.12	$10.03
Feb	$9.89	$10.05	$10.05
Mar	$9.90	$10.04	$10.02
Apr	$9.94	$9.82	$9.91
May	$9.78	$9.84	$9.84
Jun	$9.76	$9.83	$9.93
Jul	$9.88	$9.82	$9.84
Aug	$9.92	$9.85	$9.94
Sep	$10.08	$9.85	$10.06
Oct	$10.02	$9.86	$10.19
Nov	$10.05	$9.98	$10.29
Dec	$10.16	$10.11	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



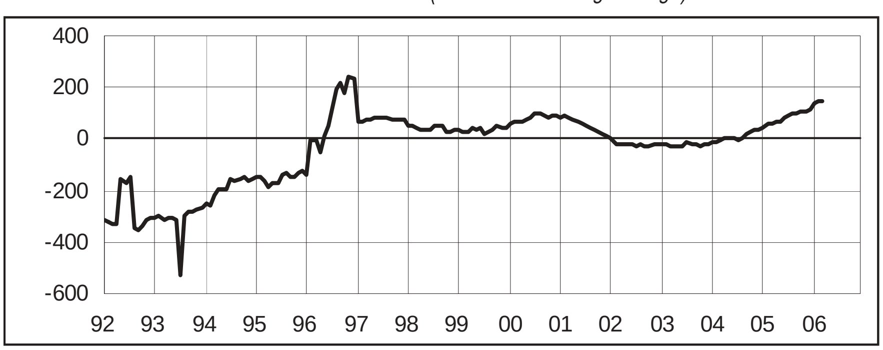
Month	2004	2005	2006
Jan	41.8	42.0	42.5
Feb	41.5	41.9	42.3
Mar	41.7	42.0	42.0
Apr	41.5	42.3	41.6
May	42.1	42.2	42.0
Jun	42.0	42.5	42.2
Jul	41.4	42.1	42.4
Aug	41.3	41.8	41.9
Sep	41.5	42.0	42.4
Oct	42.1	42.1	42.2
Nov	42.4	42.3	42.0
Dec	42.6	42.7	

HARTFORD HELP WANTED INDEX *(Seasonally adjusted)*



Month	2004	2005	2006
Jan	11	13	12
Feb	11	11	12
Mar	10	13	13
Apr	7	10	9
May	11	13	13
Jun	8	8	14
Jul	10	10	11
Aug	9	11	9
Sep	9	9	5
Oct	10	10	5
Nov	10	13	5
Dec	16	11	

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



Month	2004	2005	2006
Jan	-15	45	136
Feb	-12	57	143
Mar	-2	55	149
Apr	0	66	
May	2	70	
Jun	2	80	
Jul	-7	93	
Aug	6	96	
Sep	15	95	
Oct	27	106	
Nov	31	106	
Dec	35	111	

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

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

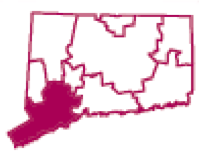
CONNECTICUT

Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**1,695,400**	**1,685,200**	**10,200**	**0.6**	**1,687,100**
GOODS PRODUCING INDUSTRIES	**260,800**	**263,200**	**-2,400**	**-0.9**	**260,800**
CONSTRUCTION, NAT. RES. & MINING	**66,900**	**68,500**	**-1,600**	**-2.3**	**67,300**
MANUFACTURING	**193,900**	**194,700**	**-800**	**-0.4**	**193,500**
Durable Goods	**145,600**	**145,100**	**500**	**0.3**	**145,300**
Fabricated Metal	34,200	33,600	600	1.8	34,000
Machinery	17,900	17,900	0	0.0	17,800
Computer and Electronic Product	14,600	14,800	-200	-1.4	14,500
Electrical Equipment	10,600	10,700	-100	-0.9	10,600
Transportation Equipment	43,800	43,300	500	1.2	43,900
Aerospace Product and Parts	31,200	30,100	1,100	3.7	31,400
Non-Durable Goods	**48,300**	**49,600**	**-1,300**	**-2.6**	**48,200**
Printing and Related	7,900	8,000	-100	-1.3	7,800
Chemical	16,500	17,000	-500	-2.9	16,500
Plastics and Rubber Products	7,300	7,400	-100	-1.4	7,300
SERVICE PROVIDING INDUSTRIES	**1,434,600**	**1,422,000**	**12,600**	**0.9**	**1,426,300**
TRADE, TRANSPORTATION, UTILITIES	**318,400**	**318,900**	**-500**	**-0.2**	**312,500**
Wholesale Trade	67,100	66,700	400	0.6	67,100
Retail Trade	197,700	197,900	-200	-0.1	191,700
Motor Vehicle and Parts Dealers	23,100	22,800	300	1.3	23,100
Building Material	15,600	15,800	-200	-1.3	15,700
Food and Beverage Stores	41,700	42,400	-700	-1.7	41,300
General Merchandise Stores	27,100	27,500	-400	-1.5	26,200
Transportation, Warehousing, & Utilities	53,600	54,300	-700	-1.3	53,700
Utilities	7,600	8,500	-900	-10.6	7,700
Transportation and Warehousing	46,000	45,800	200	0.4	46,000
INFORMATION	**37,700**	**37,800**	**-100**	**-0.3**	**37,500**
Telecommunications	12,500	12,700	-200	-1.6	12,500
FINANCIAL ACTIVITIES	**145,100**	**142,900**	**2,200**	**1.5**	**145,100**
Finance and Insurance	124,100	122,000	2,100	1.7	123,800
Credit Intermediation	32,300	32,000	300	0.9	32,200
Securities and Commodity Contracts	20,800	20,000	800	4.0	20,600
Insurance Carriers & Related Activities	65,900	65,100	800	1.2	65,900
Real Estate and Rental and Leasing	21,000	20,900	100	0.5	21,300
PROFESSIONAL & BUSINESS SERVICES	**204,400**	**201,600**	**2,800**	**1.4**	**203,300**
Professional, Scientific	89,900	88,600	1,300	1.5	89,100
Legal Services	14,300	14,300	0	0.0	14,300
Computer Systems Design	19,400	19,100	300	1.6	19,300
Management of Companies	25,100	25,100	0	0.0	25,000
Administrative and Support	89,400	87,900	1,500	1.7	89,200
Employment Services	33,600	32,300	1,300	4.0	33,100
EDUCATIONAL AND HEALTH SERVICES	**282,700**	**278,000**	**4,700**	**1.7**	**282,200**
Educational Services	56,100	55,100	1,000	1.8	55,500
Health Care and Social Assistance	226,600	222,900	3,700	1.7	226,700
Hospitals	57,200	56,100	1,100	2.0	57,300
Nursing & Residential Care Facilities	58,100	57,500	600	1.0	58,000
Social Assistance	37,100	36,400	700	1.9	37,200
LEISURE AND HOSPITALITY	**128,500**	**126,700**	**1,800**	**1.4**	**130,700**
Arts, Entertainment, and Recreation	22,000	21,600	400	1.9	23,400
Accommodation and Food Services	106,500	105,100	1,400	1.3	107,300
Food Serv., Restaurants, Drinking Places	94,300	93,200	1,100	1.2	95,000
OTHER SERVICES	**62,500**	**62,600**	**-100**	**-0.2**	**62,400**
GOVERNMENT	**255,300**	**253,500**	**1,800**	**0.7**	**252,600**
Federal Government	19,600	19,800	-200	-1.0	19,600
State Government	69,300	68,900	400	0.6	68,700
Local Government**	166,400	164,800	1,600	1.0	164,300

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA

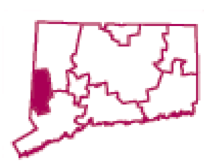


Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT……………	**419,400**	**416,500**	**2,900**	**0.7**	**417,700**
GOODS PRODUCING INDUSTRIES…………	**57,500**	**56,400**	**1,100**	**2.0**	**57,500**
CONSTRUCTION, NAT. RES. & MINING….	**16,200**	**15,400**	**800**	**5.2**	**16,400**
MANUFACTURING………………………….	**41,300**	**41,000**	**300**	**0.7**	**41,100**
Durable Goods………………………………	**29,700**	**29,800**	**-100**	**-0.3**	**29,700**
SERVICE PROVIDING INDUSTRIES……….	**361,900**	**360,100**	**1,800**	**0.5**	**360,200**
TRADE, TRANSPORTATION, UTILITIES…..	**75,200**	**76,400**	**-1,200**	**-1.6**	**73,900**
Wholesale Trade…………………………….	14,600	14,600	0	0.0	14,600
Retail Trade………………………………….	49,900	51,000	-1,100	-2.2	48,600
Transportation, Warehousing, & Utilities….	10,700	10,800	-100	-0.9	10,700
INFORMATION……………………………….	**11,200**	**11,300**	**-100**	**-0.9**	**11,200**
FINANCIAL ACTIVITIES…………………….	**45,900**	**43,900**	**2,000**	**4.6**	**45,800**
Finance and Insurance……………………….	39,000	37,300	1,700	4.6	38,800
PROFESSIONAL & BUSINESS SERVICES	**70,700**	**70,600**	**100**	**0.1**	**70,700**
EDUCATIONAL AND HEALTH SERVICES	**60,900**	**60,900**	**0**	**0.0**	**60,700**
Health Care and Social Assistance……….	52,000	51,200	800	1.6	51,900
LEISURE AND HOSPITALITY……………….	**33,400**	**32,400**	**1,000**	**3.1**	**33,900**
Accommodation and Food Services……….	24,700	24,100	600	2.5	24,700
OTHER SERVICES………………………….	**16,900**	**16,800**	**100**	**0.6**	**16,900**
GOVERNMENT ………………………………	**47,700**	**47,800**	**-100**	**-0.2**	**47,100**
Federal……………………………………….	3,500	3,500	0	0.0	3,500
State & Local………………………………….	44,200	44,300	-100	-0.2	43,600

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

DANBURY LMA



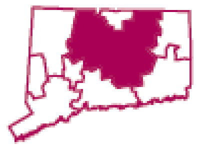
Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT……………	**70,100**	**70,000**	**100**	**0.1**	**69,400**
GOODS PRODUCING INDUSTRIES…………	**13,000**	**12,800**	**200**	**1.6**	**13,100**
SERVICE PROVIDING INDUSTRIES…………	**57,100**	**57,200**	**-100**	**-0.2**	**56,300**
TRADE, TRANSPORTATION, UTILITIES…..	**15,800**	**16,200**	**-400**	**-2.5**	**15,300**
Retail Trade………………………………….	11,700	12,200	-500	-4.1	11,300
PROFESSIONAL & BUSINESS SERVICES	**7,700**	**8,600**	**-900**	**-10.5**	**7,800**
LEISURE AND HOSPITALITY……………….	**5,300**	**4,900**	**400**	**8.2**	**5,400**
GOVERNMENT ………………………………	**8,300**	**8,600**	**-300**	**-3.5**	**8,100**
Federal……………………………………….	600	600	0	0.0	600
State & Local………………………………….	7,700	8,000	-300	-3.8	7,500

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

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**559,000**	**553,300**	**5,700**	**1.0**	**556,300**
GOODS PRODUCING INDUSTRIES	**86,500**	**86,500**	**0**	**0.0**	**86,400**
CONSTRUCTION, NAT. RES. & MINING	**23,100**	**22,700**	**400**	**1.8**	**23,100**
MANUFACTURING	**63,400**	**63,800**	**-400**	**-0.6**	**63,300**
Durable Goods	**52,600**	**53,300**	**-700**	**-1.3**	**52,700**
Transportation Equipment	17,900	18,300	-400	-2.2	18,000
SERVICE PROVIDING INDUSTRIES	**472,500**	**466,800**	**5,700**	**1.2**	**469,900**
TRADE, TRANSPORTATION, UTILITIES	**92,600**	**92,100**	**500**	**0.5**	**91,000**
Wholesale Trade	19,800	19,400	400	2.1	19,700
Retail Trade	57,900	57,300	600	1.0	56,400
Transportation, Warehousing, & Utilities	14,900	15,400	-500	-3.2	14,900
Transportation and Warehousing	11,600	11,900	-300	-2.5	11,600
INFORMATION	**11,600**	**11,500**	**100**	**0.9**	**11,500**
FINANCIAL ACTIVITIES	**68,100**	**67,600**	**500**	**0.7**	**67,900**
Depository Credit Institutions	7,600	7,500	100	1.3	7,600
Insurance Carriers & Related Activities	45,900	45,600	300	0.7	45,800
PROFESSIONAL & BUSINESS SERVICES	**61,100**	**59,700**	**1,400**	**2.3**	**60,900**
Professional, Scientific	28,100	27,800	300	1.1	27,900
Administrative and Support	26,900	26,100	800	3.1	27,100
EDUCATIONAL AND HEALTH SERVICES	**87,200**	**86,300**	**900**	**1.0**	**86,700**
Health Care and Social Assistance	75,800	74,400	1,400	1.9	75,600
Ambulatory Health Care	22,900	22,700	200	0.9	22,800
LEISURE AND HOSPITALITY	**39,500**	**38,200**	**1,300**	**3.4**	**40,700**
Accommodation and Food Services	33,700	32,500	1,200	3.7	33,900
OTHER SERVICES	**20,600**	**20,600**	**0**	**0.0**	**20,600**
GOVERNMENT	**91,800**	**90,800**	**1,000**	**1.1**	**90,600**
Federal	5,900	6,000	-100	-1.7	5,900
State & Local	85,900	84,800	1,100	1.3	84,700

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 2005.
**Total excludes workers idled due to labor-management disputes.*

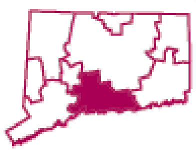
BUSINESS AND ECONOMIC NEWS

- **Employment trends in residential and nonresidential construction**
  Following the recession of 2001, construction industries serving residential customers have thrived, and those serving nonresidential customers stagnated or declined. Demographic trends and favorable economic developments created strong demand for residential construction. Low mortgage rates, surging sales of second homes, baby boomers with large amounts of home equity, affluent and educated young people moving within the United States, and immigration into the United States fueled activity in the housing market.

  This increased housing activity carried through to residential building employment, which grew through virtually all of the 2001 recession, adding 194,000 jobs following its last employment trough in April 2001.

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**278,200**	**276,300**	**1,900**	**0.7**	**276,800**
GOODS PRODUCING INDUSTRIES	**44,100**	**44,300**	**-200**	**-0.5**	**44,600**
CONSTRUCTION, NAT. RES. & MINING	**11,100**	**11,300**	**-200**	**-1.8**	**11,500**
MANUFACTURING	**33,000**	**33,000**	**0**	**0.0**	**33,100**
Durable Goods	**22,500**	**22,500**	**0**	**0.0**	**22,600**
SERVICE PROVIDING INDUSTRIES	**234,100**	**232,000**	**2,100**	**0.9**	**232,200**
TRADE, TRANSPORTATION, UTILITIES	**52,900**	**52,200**	**700**	**1.3**	**51,900**
Wholesale Trade	11,900	11,400	500	4.4	11,700
Retail Trade	31,700	31,000	700	2.3	30,700
Transportation, Warehousing, & Utilities	9,300	9,800	-500	-5.1	9,500
INFORMATION	**8,300**	**8,400**	**-100**	**-1.2**	**8,400**
FINANCIAL ACTIVITIES	**14,100**	**13,800**	**300**	**2.2**	**14,100**
Finance and Insurance	10,800	10,400	400	3.8	10,700
PROFESSIONAL & BUSINESS SERVICES	**25,600**	**25,500**	**100**	**0.4**	**25,800**
Administrative and Support	13,000	12,600	400	3.2	13,000
EDUCATIONAL AND HEALTH SERVICES	**66,700**	**66,100**	**600**	**0.9**	**66,100**
Educational Services	24,700	24,900	-200	-0.8	24,400
Health Care and Social Assistance	42,000	41,200	800	1.9	41,700
LEISURE AND HOSPITALITY	**21,200**	**20,000**	**1,200**	**6.0**	**21,500**
Accommodation and Food Services	17,400	17,500	-100	-0.6	17,300
OTHER SERVICES	**10,400**	**10,800**	**-400**	**-3.7**	**10,400**
GOVERNMENT	**34,900**	**35,200**	**-300**	**-0.9**	**34,000**
Federal	5,300	5,500	-200	-3.6	5,300
State & Local	29,600	29,700	-100	-0.3	28,700

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

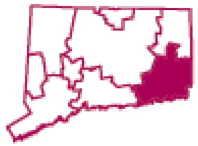
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

The picture for nonresidential construction has not been nearly as rosy. Driven by generally bleak business conditions, especially following the collapse of the "dot com" economy of the 1990s, employment in office-using industries experienced a decline. This same trend is seen in industrial construction, which has been negatively affected by long-term weakness in manufacturing. This has led to greatly diminished nonresidential construction investment. Employment in nonresidential building construction entered a period of nearly 3 years of decline in October 2000. By the time it reached its trough in February 2004, the industry had lost almost 95,000 jobs. Since then, the industry has recovered about a third of the lost jobs.

These data are from the Current Employment Statistics program. To learn more, see "Recent employment trends in residential and nonresidential construction" by John P. Mullins, Monthly Labor Review, October 2006. (The Editor's Desk, Bureau of Labor Statistics, November 30, 2006)

NORWICH - NEW LONDON LMA

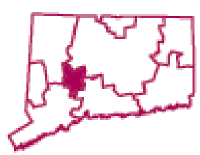


Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**134,900**	**135,900**	**-1,000**	**-0.7**	**135,500**
GOODS PRODUCING INDUSTRIES	**21,400**	**22,800**	**-1,400**	**-6.1**	**21,600**
CONSTRUCTION, NAT. RES. & MINING	**4,300**	**4,700**	**-400**	**-8.5**	**4,500**
MANUFACTURING	**17,100**	**18,100**	**-1,000**	**-5.5**	**17,100**
Durable Goods	**11,000**	**11,600**	**-600**	**-5.2**	**11,000**
Non-Durable Goods	**6,100**	**6,500**	**-400**	**-6.2**	**6,100**
SERVICE PROVIDING INDUSTRIES	**113,500**	**113,100**	**400**	**0.4**	**113,900**
TRADE, TRANSPORTATION, UTILITIES	**23,100**	**22,800**	**300**	**1.3**	**22,800**
Wholesale Trade	2,100	2,000	100	5.0	2,100
Retail Trade	16,600	16,400	200	1.2	16,300
Transportation, Warehousing, & Utilities	4,400	4,400	0	0.0	4,400
INFORMATION	**2,000**	**2,000**	**0**	**0.0**	**2,000**
FINANCIAL ACTIVITIES	**3,500**	**3,600**	**-100**	**-2.8**	**3,600**
PROFESSIONAL & BUSINESS SERVICES	**9,700**	**9,700**	**0**	**0.0**	**9,700**
EDUCATIONAL AND HEALTH SERVICES	**19,300**	**19,000**	**300**	**1.6**	**19,200**
Health Care and Social Assistance	16,600	16,400	200	1.2	16,500
LEISURE AND HOSPITALITY	**12,300**	**12,200**	**100**	**0.8**	**13,100**
Accommodation and Food Services	10,300	10,200	100	1.0	10,900
Food Serv., Restaurants, Drinking Places	8,400	8,100	300	3.7	8,700
OTHER SERVICES	**3,800**	**3,700**	**100**	**2.7**	**3,800**
GOVERNMENT	**39,800**	**40,100**	**-300**	**-0.7**	**39,700**
Federal	2,500	2,300	200	8.7	2,400
State & Local**	37,300	37,800	-500	-1.3	37,300

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

WATERBURY LMA



Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**68,700**	**69,800**	**-1,100**	**-1.6**	**68,600**
GOODS PRODUCING INDUSTRIES	**12,800**	**13,200**	**-400**	**-3.0**	**12,800**
CONSTRUCTION, NAT. RES. & MINING	**2,900**	**2,900**	**0**	**0.0**	**2,900**
MANUFACTURING	**9,900**	**10,300**	**-400**	**-3.9**	**9,900**
SERVICE PROVIDING INDUSTRIES	**55,900**	**56,600**	**-700**	**-1.2**	**55,800**
TRADE, TRANSPORTATION, UTILITIES	**14,200**	**14,200**	**0**	**0.0**	**13,800**
Wholesale Trade	2,200	2,200	0	0.0	2,200
Retail Trade	10,000	9,800	200	2.0	9,600
Transportation, Warehousing, & Utilities	2,000	2,200	-200	-9.1	2,000
INFORMATION	**900**	**900**	**0**	**0.0**	**900**
FINANCIAL ACTIVITIES	**2,600**	**2,600**	**0**	**0.0**	**2,600**
PROFESSIONAL & BUSINESS SERVICES	**6,900**	**6,500**	**400**	**6.2**	**7,100**
EDUCATIONAL AND HEALTH SERVICES	**14,200**	**14,200**	**0**	**0.0**	**14,100**
Health Care and Social Assistance	13,000	12,900	100	0.8	12,900
LEISURE AND HOSPITALITY	**4,600**	**5,100**	**-500**	**-9.8**	**4,800**
OTHER SERVICES	**2,700**	**2,700**	**0**	**0.0**	**2,700**
GOVERNMENT	**9,800**	**10,400**	**-600**	**-5.8**	**9,800**
Federal	600	600	0	0.0	600
State & Local	9,200	9,800	-600	-6.1	9,200

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 2005.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**47,100**	**48,000**	**-900**	**-1.9**	**46,900**
TORRINGTON LMA	**36,800**	**37,900**	**-1,100**	**-2.9**	**37,100**
WILLIMANTIC - DANIELSON LMA	**37,900**	**37,300**	**600**	**1.6**	**37,800**

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

	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
TOTAL NONFARM EMPLOYMENT	**301,000**	**298,500**	**2,500**	**0.8**	**301,100**
GOODS PRODUCING INDUSTRIES	**49,700**	**49,700**	**0**	**0.0**	**50,000**
CONSTRUCTION, NAT. RES. & MINING	**11,400**	**11,500**	**-100**	**-0.9**	**11,600**
MANUFACTURING	**38,300**	**38,200**	**100**	**0.3**	**38,400**
Durable Goods	**24,300**	**24,100**	**200**	**0.8**	**24,400**
Non-Durable Goods	**14,000**	**14,100**	**-100**	**-0.7**	**14,000**
SERVICE PROVIDING INDUSTRIES	**251,300**	**248,800**	**2,500**	**1.0**	**251,100**
TRADE, TRANSPORTATION, UTILITIES	**63,300**	**62,900**	**400**	**0.6**	**62,100**
Wholesale Trade	11,800	11,500	300	2.6	11,700
Retail Trade	37,800	37,900	-100	-0.3	36,600
Transportation, Warehousing, & Utilities	13,700	13,500	200	1.5	13,800
INFORMATION	**4,300**	**4,600**	**-300**	**-6.5**	**4,300**
FINANCIAL ACTIVITIES	**15,900**	**15,900**	**0**	**0.0**	**15,900**
Finance and Insurance	12,200	12,200	0	0.0	12,200
Insurance Carriers & Related Activities	7,300	7,500	-200	-2.7	7,300
PROFESSIONAL & BUSINESS SERVICES	**25,100**	**24,600**	**500**	**2.0**	**25,200**
EDUCATIONAL AND HEALTH SERVICES	**56,400**	**55,100**	**1,300**	**2.4**	**56,300**
Educational Services	13,500	13,300	200	1.5	13,400
Health Care and Social Assistance	42,900	41,800	1,100	2.6	42,900
LEISURE AND HOSPITALITY	**25,700**	**25,400**	**300**	**1.2**	**27,000**
OTHER SERVICES	**11,700**	**11,600**	**100**	**0.9**	**11,800**
GOVERNMENT	**48,900**	**48,700**	**200**	**0.4**	**48,500**
Federal	6,600	6,600	0	0.0	6,600
State & Local	42,300	42,100	200	0.5	41,900

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.

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

LMA LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	NOV 2006	NOV 2005	CHANGE NO.	CHANGE %	OCT 2006
CONNECTICUT	Civilian Labor Force	1,865,200	1,820,400	44,800	2.5	1,853,400
	Employed	1,789,200	1,737,400	51,800	3.0	1,783,600
	Unemployed	76,100	83,000	-6,900	-8.3	69,800
	Unemployment Rate	4.1	4.6	-0.5	---	3.8
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	473,900	461,500	12,400	2.7	470,900
	Employed	456,400	442,000	14,400	3.3	454,800
	Unemployed	17,500	19,600	-2,100	-10.7	16,100
	Unemployment Rate	3.7	4.2	-0.5	---	3.4
DANBURY LMA	Civilian Labor Force	92,200	89,900	2,300	2.6	91,200
	Employed	89,300	86,900	2,400	2.8	88,600
	Unemployed	2,900	3,000	-100	-3.3	2,600
	Unemployment Rate	3.1	3.4	-0.3	---	2.9
ENFIELD LMA	Civilian Labor Force	49,800	48,400	1,400	2.9	49,400
	Employed	47,600	46,100	1,500	3.3	47,600
	Unemployed	2,100	2,200	-100	-4.5	1,800
	Unemployment Rate	4.2	4.6	-0.4	---	3.7
HARTFORD LMA	Civilian Labor Force	588,300	572,000	16,300	2.8	583,500
	Employed	563,500	545,000	18,500	3.4	560,800
	Unemployed	24,800	26,900	-2,100	-7.8	22,800
	Unemployment Rate	4.2	4.7	-0.5	---	3.9
NEW HAVEN LMA	Civilian Labor Force	311,300	303,200	8,100	2.7	309,300
	Employed	297,900	289,100	8,800	3.0	296,900
	Unemployed	13,300	14,100	-800	-5.7	12,400
	Unemployment Rate	4.3	4.7	-0.4	---	4.0
NORWICH - NEW LONDON LMA	Civilian Labor Force	150,000	148,200	1,800	1.2	149,900
	Employed	144,000	141,700	2,300	1.6	144,600
	Unemployed	5,900	6,500	-600	-9.2	5,300
	Unemployment Rate	3.9	4.4	-0.5	---	3.5
TORRINGTON LMA	Civilian Labor Force	54,500	54,300	200	0.4	54,500
	Employed	52,600	52,100	500	1.0	52,700
	Unemployed	2,000	2,200	-200	-9.1	1,700
	Unemployment Rate	3.6	4.1	-0.5	---	3.2
WATERBURY LMA	Civilian Labor Force	101,300	100,300	1,000	1.0	101,000
	Employed	96,000	94,300	1,700	1.8	96,100
	Unemployed	5,300	6,000	-700	-11.7	4,900
	Unemployment Rate	5.2	5.9	-0.7	---	4.9
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	57,300	56,000	1,300	2.3	56,900
	Employed	54,500	52,900	1,600	3.0	54,300
	Unemployed	2,800	3,000	-200	-6.7	2,600
	Unemployment Rate	4.9	5.4	-0.5	---	4.5
UNITED STATES	Civilian Labor Force	152,590,000	150,239,000	2,351,000	1.6	152,397,000
	Employed	146,014,000	142,968,000	3,046,000	2.1	146,125,000
	Unemployed	6,576,000	7,271,000	-695,000	-9.6	6,272,000
	Unemployment Rate	4.3	4.8	-0.5	---	4.1

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006	AVG WEEKLY HOURS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006	AVG HOURLY EARNINGS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006
MANUFACTURING	**$850.50**	**$816.39**	**$34.11**	**$847.38**	**42.0**	**42.3**	**-0.3**	**42.2**	**$20.25**	**$19.30**	**$0.95**	**$20.08**
DURABLE GOODS	**879.48**	**842.06**	**37.42**	**874.86**	**41.9**	**42.4**	**-0.5**	**42.0**	**20.99**	**19.86**	**1.13**	**20.83**
Fabricated Metal	800.74	771.26	29.49	798.22	42.1	42.8	-0.7	42.1	19.02	18.02	1.00	18.96
Machinery	847.02	824.51	22.50	850.72	41.5	41.6	-0.1	41.6	20.41	19.82	0.59	20.45
Computer & Electronic	724.61	704.26	20.35	687.89	40.8	41.5	-0.7	40.8	17.76	16.97	0.79	16.86
Transport. Equipment	1,088.43	1,030.43	58.00	1,099.10	42.6	42.3	0.3	42.8	25.55	24.36	1.19	25.68
NON-DUR. GOODS	**769.59**	**753.69**	**15.90**	**772.34**	**42.1**	**42.2**	-0.1	**42.6**	**18.28**	**17.86**	**0.42**	**18.13**
CONSTRUCTION	**899.84**	**890.76**	**9.08**	**915.54**	**38.0**	**39.0**	**-1.0**	**38.1**	**23.68**	**22.84**	**0.84**	**24.03**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006	AVG WEEKLY HOURS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006	AVG HOURLY EARNINGS NOV 2006	NOV 2005	CHG Y/Y	OCT 2006
Bridgeport - Stamford	$863.20	$830.98	$32.22	$934.53	41.5	41.8	-0.3	44.8	$20.80	$19.88	$0.92	$20.86
New Haven	790.02	643.01	147.01	759.06	41.8	39.4	2.4	42.1	18.90	16.32	2.58	18.03
Norwich - New London	854.36	822.40	31.96	841.85	42.4	42.7	-0.3	41.8	20.15	19.26	0.89	20.14

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 2005.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- November 7, 2006 had the opening of houseware retailer, Tuesday Morning's new store in Wallingford, which employs 20-30 people. Construction project manager, John Moriarty & Associates, is hiring 150 construction workers to complete the new ING headquarters in Windsor. The Mohegan Sun Casino in Uncasville is planning another expansion in addition to the one already in progress. The newly announced expansion, scheduled to be completed in 2010, will add another 2,000 employees. The city of New Haven will hire 85 new police officers in 2007-2008.

- In November it was announced that Bayer is closing its research operations in West Haven by March of 2008. More than one thousand people work at this facility. General Electric has announced its intention to stop making rotary appliance switches at its Bridgeport site by the fall of 2007, resulting in 32 layoffs.

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)

NOVEMBER 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**473,876**	**456,388**	**17,488**	**3.7**
Ansonia	10,042	9,575	467	4.7
Bridgeport	63,186	59,272	3,914	6.2
Darien	9,298	9,061	237	2.5
Derby	6,955	6,633	322	4.6
Easton	3,813	3,694	119	3.1
Fairfield	28,532	27,613	919	3.2
Greenwich	30,573	29,707	866	2.8
Milford	31,582	30,461	1,121	3.5
Monroe	10,769	10,424	345	3.2
New Canaan	8,995	8,762	233	2.6
Newtown	14,313	13,901	412	2.9
Norwalk	48,955	47,268	1,687	3.4
Oxford	6,582	6,399	183	2.8
Redding	4,608	4,481	127	2.8
Ridgefield	11,877	11,568	309	2.6
Seymour	9,222	8,845	377	4.1
Shelton	22,609	21,835	774	3.4
Southbury	9,060	8,773	287	3.2
Stamford	67,262	64,996	2,266	3.4
Stratford	26,459	25,296	1,163	4.4
Trumbull	18,085	17,529	556	3.1
Weston	4,974	4,844	130	2.6
Westport	12,730	12,413	317	2.5
Wilton	8,447	8,214	233	2.8
Woodbridge	4,948	4,823	125	2.5
DANBURY	**92,153**	**89,299**	**2,854**	**3.1**
Bethel	11,057	10,724	333	3.0
Bridgewater	1,062	1,025	37	3.5
Brookfield	9,124	8,827	297	3.3
Danbury	44,433	43,079	1,354	3.0
New Fairfield	7,732	7,497	235	3.0
New Milford	16,572	16,028	544	3.3
Sherman	2,173	2,119	54	2.5
ENFIELD	**49,758**	**47,648**	**2,110**	**4.2**
East Windsor	6,125	5,839	286	4.7
Enfield	24,461	23,370	1,091	4.5
Somers	4,773	4,580	193	4.0
Suffield	7,325	7,061	264	3.6
Windsor Locks	7,072	6,797	275	3.9
HARTFORD	**588,345**	**563,506**	**24,839**	**4.2**
Andover	1,996	1,932	64	3.2
Ashford	2,620	2,525	95	3.6
Avon	9,215	8,956	259	2.8
Barkhamsted	2,250	2,171	79	3.5
Berlin	11,094	10,730	364	3.3
Bloomfield	10,113	9,608	505	5.0
Bolton	3,109	3,015	94	3.0
Bristol	34,547	32,976	1,571	4.5
Burlington	5,344	5,176	168	3.1

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,565	5,413	152	2.7
Colchester	8,844	8,554	290	3.3
Columbia	3,077	2,976	101	3.3
Coventry	7,052	6,844	208	2.9
Cromwell	7,906	7,631	275	3.5
East Granby	2,935	2,854	81	2.8
East Haddam	5,191	5,035	156	3.0
East Hampton	6,767	6,502	265	3.9
East Hartford	25,840	24,439	1,401	5.4
Ellington	8,727	8,433	294	3.4
Farmington	12,990	12,562	428	3.3
Glastonbury	18,398	17,862	536	2.9
Granby	6,294	6,120	174	2.8
Haddam	4,783	4,649	134	2.8
Hartford	49,396	45,282	4,114	8.3
Hartland	1,219	1,182	37	3.0
Harwinton	3,179	3,069	110	3.5
Hebron	5,511	5,333	178	3.2
Lebanon	4,309	4,168	141	3.3
Manchester	32,337	31,034	1,303	4.0
Mansfield	12,885	12,528	357	2.8
Marlborough	3,608	3,496	112	3.1
Middlefield	2,429	2,347	82	3.4
Middletown	26,635	25,629	1,006	3.8
New Britain	35,233	33,091	2,142	6.1
New Hartford	3,796	3,678	118	3.1
Newington	16,862	16,271	591	3.5
Plainville	10,244	9,817	427	4.2
Plymouth	6,911	6,590	321	4.6
Portland	5,293	5,117	176	3.3
Rocky Hill	10,822	10,443	379	3.5
Simsbury	12,186	11,846	340	2.8
Southington	24,247	23,413	834	3.4
South Windsor	14,819	14,347	472	3.2
Stafford	6,908	6,621	287	4.2
Thomaston	4,664	4,488	176	3.8
Tolland	8,349	8,125	224	2.7
Union	484	462	22	4.5
Vernon	17,411	16,697	714	4.1
West Hartford	29,947	28,803	1,144	3.8
Wethersfield	13,712	13,151	561	4.1
Willington	3,959	3,849	110	2.8
Windsor	16,333	15,666	667	4.1

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 purpuse, five towns which are part of the Springfield, MA area are published as the 'Enfield LMA'. Similarly the towns of Putnam, Thompson and Woodstock (part of the Worcester, MA area), plus four towns estimated separately are included in the Willimantic-Danielson LMA.

LABOR FORCE CONCEPTS

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

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

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

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

NOVEMBER 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**311,263**	**297,939**	**13,324**	**4.3**
Bethany	3,061	2,982	79	2.6
Branford	17,466	16,908	558	3.2
Cheshire	14,884	14,424	460	3.1
Chester	2,291	2,231	60	2.6
Clinton	7,995	7,749	246	3.1
Deep River	2,597	2,530	67	2.6
Durham	4,213	4,093	120	2.8
East Haven	16,223	15,528	695	4.3
Essex	3,827	3,721	106	2.8
Guilford	13,020	12,662	358	2.7
Hamden	31,155	29,978	1,177	3.8
Killingworth	3,598	3,497	101	2.8
Madison	10,167	9,882	285	2.8
Meriden	31,778	29,965	1,813	5.7
New Haven	55,979	52,339	3,640	6.5
North Branford	8,383	8,072	311	3.7
North Haven	13,094	12,616	478	3.7
Old Saybrook	5,521	5,334	187	3.4
Orange	7,174	6,967	207	2.9
Wallingford	25,328	24,440	888	3.5
Westbrook	3,695	3,567	128	3.5
West Haven	29,818	28,456	1,362	4.6
***NORWICH-NEW LONDON**	**136,720**	**131,366**	**5,354**	**3.9**
Bozrah	1,463	1,413	50	3.4
Canterbury	3,139	3,011	128	4.1
East Lyme	9,641	9,346	295	3.1
Franklin	1,200	1,154	46	3.8
Griswold	7,040	6,739	301	4.3
Groton	19,405	18,643	762	3.9
Ledyard	8,559	8,259	300	3.5
Lisbon	2,568	2,477	91	3.5
Lyme	1,171	1,124	47	4.0
Montville	10,977	10,543	434	4.0
New London	13,655	12,943	712	5.2
No. Stonington	3,241	3,147	94	2.9
Norwich	20,612	19,629	983	4.8
Old Lyme	4,240	4,129	111	2.6
Preston	2,830	2,723	107	3.8
Salem	2,581	2,495	86	3.3
Sprague	1,802	1,710	92	5.1
Stonington	10,469	10,189	280	2.7
Voluntown	1,606	1,549	57	3.5
Waterford	10,517	10,142	375	3.6

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

NORWICH-NEW LONDON	**149,960**	**144,042**	**5,918**	**3.9**
Westerly, RI	13,240	12,676	564	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	**54,547**	**52,569**	**1,978**	**3.6**
Bethlehem	2,042	1,980	62	3.0
Canaan	612	592	20	3.3
Colebrook	833	816	17	2.0
Cornwall	835	811	24	2.9
Goshen	1,548	1,508	40	2.6
Kent	1,594	1,552	42	2.6
Litchfield	4,350	4,225	125	2.9
Morris	1,314	1,273	41	3.1
Norfolk	975	933	42	4.3
North Canaan	1,740	1,687	53	3.0
Roxbury	1,366	1,338	28	2.0
Salisbury	2,004	1,946	58	2.9
Sharon	1,569	1,531	38	2.4
Torrington	19,545	18,655	890	4.6
Warren	732	706	26	3.6
Washington	1,956	1,902	54	2.8
Winchester	6,035	5,767	268	4.4
Woodbury	5,499	5,349	150	2.7
WATERBURY	**101,297**	**95,993**	**5,304**	**5.2**
Beacon Falls	3,219	3,103	116	3.6
Middlebury	3,722	3,620	102	2.7
Naugatuck	17,161	16,409	752	4.4
Prospect	5,302	5,104	198	3.7
Waterbury	50,417	47,144	3,273	6.5
Watertown	12,484	11,954	530	4.2
Wolcott	8,994	8,660	334	3.7
WILLIMANTIC-DANIELSON	**57,264**	**54,461**	**2,803**	**4.9**
Brooklyn	3,819	3,664	155	4.1
Chaplin	1,422	1,370	52	3.7
Eastford	978	954	24	2.5
Hampton	1,158	1,114	44	3.8
Killingly	9,339	8,867	472	5.1
Plainfield	8,445	8,008	437	5.2
Pomfret	2,271	2,186	85	3.7
Putnam	5,226	4,935	291	5.6
Scotland	992	967	25	2.5
Sterling	1,925	1,846	79	4.1
Thompson	5,343	5,109	234	4.4
Windham	11,825	11,087	738	6.2
Woodstock	4,520	4,354	166	3.7

Not Seasonally Adjusted:				
CONNECTICUT	**1,865,200**	**1,789,200**	**76,100**	**4.1**
UNITED STATES	**152,590,000**	**146,014,000**	**6,576,000**	**4.3**
Seasonally Adjusted:				
CONNECTICUT	**1,867,700**	**1,786,100**	**81,600**	**4.4**
UNITED STATES	**152,381,000**	**145,564,000**	**6,817,000**	**4.5**

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	NOV 2006	YR TO DATE 2006	YR TO DATE 2005
Andover	1	6	13
Ansonia	1	9	13
Ashford	2	20	15
Avon	4	62	63
Barkhamsted	na	na	na
Beacon Falls	na	na	na
Berlin	4	125	171
Bethany	na	na	na
Bethel	1	43	16
Bethlehem	na	na	na
Bloomfield	na	na	na
Bolton	2	18	5
Bozrah	0	12	11
Branford	na	na	na
Bridgeport	11	172	200
Bridgewater	na	na	na
Bristol	4	64	104
Brookfield	na	na	na
Brooklyn	2	54	59
Burlington	3	23	33
Canaan	1	4	5
Canterbury	0	21	19
Canton	3	29	97
Chaplin	1	16	18
Cheshire	3	65	37
Chester	na	na	na
Clinton	2	25	33
Colchester	5	68	82
Colebrook	0	3	7
Columbia	2	21	30
Cornwall	1	9	9
Coventry	3	55	43
Cromwell	7	40	22
Danbury	6	303	445
Darien	na	na	na
Deep River	0	7	4
Derby	na	na	na
Durham	3	36	44
East Granby	1	32	21
East Haddam	4	35	48
East Hampton	7	82	132
East Hartford	na	na	na
East Haven	3	48	70
East Lyme	9	142	99
East Windsor	7	62	80
Eastford	0	9	14
Easton	0	6	11
Ellington	5	115	87
Enfield	na	na	na
Essex	2	11	10
Fairfield	5	105	141
Farmington	3	102	95
Franklin	0	4	2
Glastonbury	11	137	68
Goshen	3	37	42
Granby	3	42	58
Greenwich	16	193	192
Griswold	na	na	na
Groton	12	64	145
Guilford	8	56	80
Haddam	6	49	55
Hamden	1	22	26
Hampton	1	21	22
Hartford	8	306	129
Hartland	na	na	na
Harwinton	2	23	23
Hebron	na	na	na
Kent	1	10	13
Killingly	6	105	115
Killingworth	na	na	na
Lebanon	2	37	36
Ledyard	4	34	44
Lisbon	0	15	18
Litchfield	na	na	na
Lyme	0	3	8
Madison	8	39	43
Manchester	8	144	260
Mansfield	6	64	50
Marlborough	2	25	30
Meriden	3	57	113
Middlebury	na	na	na
Middlefield	0	4	4
Middletown	15	192	234
Milford	18	254	292
Monroe	2	23	43
Montville	0	25	74
Morris	0	5	9
Naugatuck	6	76	90
New Britain	na	na	na
New Canaan	10	67	63
New Fairfield	na	na	na
New Hartford	1	19	33
New Haven	7	223	112
New London	4	62	72
New Milford	8	81	75
Newington	21	114	41
Newtown	1	33	96
Norfolk	0	3	6
North Branford	na	na	na
North Canaan	2	5	8
North Haven	3	29	141
North Stonington	0	15	27
Norwalk	22	97	331
Norwich	18	123	276
Old Lyme	na	na	na
Old Saybrook	0	21	48
Orange	na	na	na
Oxford	14	136	224
Plainfield	2	39	46
Plainville	1	16	19
Plymouth	2	20	21
Pomfret	1	12	17
Portland	2	18	46
Preston	2	29	29
Prospect	na	na	na
Putnam	2	30	35
Redding	na	na	na
Ridgefield	1	38	32
Rocky Hill	4	55	81
Roxbury	na	na	na
Salem	1	14	27
Salisbury	na	na	na
Scotland	0	8	10
Seymour	4	46	90
Sharon	0	8	13
Shelton	17	131	210
Sherman	na	na	na
Simsbury	0	67	54
Somers	3	24	23
South Windsor	3	57	74
Southbury	3	31	62
Southington	8	87	154
Sprague	1	7	16
Stafford	na	na	na
Stamford	19	245	251
Sterling	na	na	na
Stonington	7	99	74
Stratford	2	37	41
Suffield	12	62	85
Thomaston	na	na	na
Thompson	na	na	na
Tolland	5	55	91
Torrington	6	71	90
Trumbull	1	67	45
Union	1	5	6
Vernon	13	174	201
Voluntown	0	9	6
Wallingford	7	92	146
Warren	1	11	12
Washington	na	na	na
Waterbury	14	179	138
Waterford	2	36	53
Watertown	4	59	61
West Hartford	0	65	20
West Haven	na	na	na
Westbrook	1	30	30
Weston	na	na	na
Westport	6	82	106
Wethersfield	na	na	na
Willington	0	14	18
Wilton	na	na	na
Winchester	1	34	43
Windham	2	20	61
Windsor	na	na	na
Windsor Locks	na	na	na
Wolcott	8	61	54
Woodbridge	na	na	na
Woodbury	4	23	32
Woodstock	1	49	72

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	**+0.1**
Coincident Employment Index	**+2.3**
Leading General Drift Indicator	**+0.3**
Coincident General Drift Indicator	**0.0**
Banknorth Business Barometer	**+0.7**
Total Nonfarm Employment	**+0.6**
Unemployment Rate	**-0.3**
Labor Force	+2.7
Employed	+3.0
Unemployed	-4.6
Average Weekly Initial Claims	**+0.1**
Help Wanted Index -- Hartford	**-61.5**
Avg Insured Unempl. Rate	**+0.38***
Average Weekly Hours, Mfg	**-0.7**
Average Hourly Earnings, Mfg	**+4.9**
Average Weekly Earnings, Mfg	**+4.2**
CT Mfg. Production Index	**+2.4**
Production Worker Hours	-1.5
Industrial Electricity Sales	+1.7
Personal Income	**+4.0**
UI Covered Wages	**+0.1**

Business Activity	
New Housing Permits	-45.3
Electricity Sales	-11.0
Retail Sales	-0.6
Construction Contracts Index	-1.3
New Auto Registrations	+6.8
Air Cargo Tons	+0.4
Exports	+29.2
Business Starts	
Secretary of the State	+0.4
Dept. of Labor	-1.9
Business Terminations	
Secretary of the State	+2.5
Dept. of Labor	-23.9
State Revenues	**+8.3**
Corporate Tax	-9.6
Personal Income Tax	+12.6
Real Estate Conveyance Tax	-12.2
Sales & Use Tax	+13.1
Indian Gaming Payments	+2.9

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

Tourism and Travel	
Info Center Visitors	+5.6
Attraction Visitors	-29.0
Air Passenger Count	-10.8
Indian Gaming Slots	-1.5
Travel and Tourism Index	+0.2
Employment Cost Index (U.S.)	
Total	+3.0
Wages & Salaries	+3.0
Benefit Costs	+2.8
Consumer Prices	
U.S. City Average	+2.0
Northeast Region	+2.3
NY-NJ-Long Island	+2.6
Boston-Brockton-Nashua	+2.1
Consumer Confidence	
Connecticut	NA
New England	NA
U.S.	NA
Interest Rates	
Prime	+1.25*
Conventional Mortgage	-0.09*

THE CONNECTICUT ECONOMIC DIGEST

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

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CONNECTICUT DEPARTMENT OF LABOR

DECD

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- **What article topics would you like to see covered in future issues?**
- **What additional data would you like to see included in the Digest?**

Please send your comments, questions, and suggestions regarding the Digest to dol.econdigest@po.state.ct.us. Thank you!

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