THE CONNECTICUT
ECONOMIC DIGEST

Vol.17 No.7 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

JULY 2012

IN THIS ISSUE...

In May...

Nonfarm Employment

Connecticut	1,629,600
Change over month	+0.09%
Change over year	+0.4%
United States	133,009,000
Change over month	+0.05%
Change over year	+1.4%

Unemployment Rate

Connecticut	7.8%
United States	8.2%

Consumer Price Index

United States	229.8
Change over year	1.7%

State Housing Market Languished in 2011

By Kolie Sun, Senior Research Analyst, DECD, Kolie.Sun@ct.gov

The housing sector continued to be a drag on the economy through 2011 as suggested by a number of indicators, including record-low permit production and weak home sales. This article examines the 2011 housing market from several perspectives and includes some observations about 2012 as well.

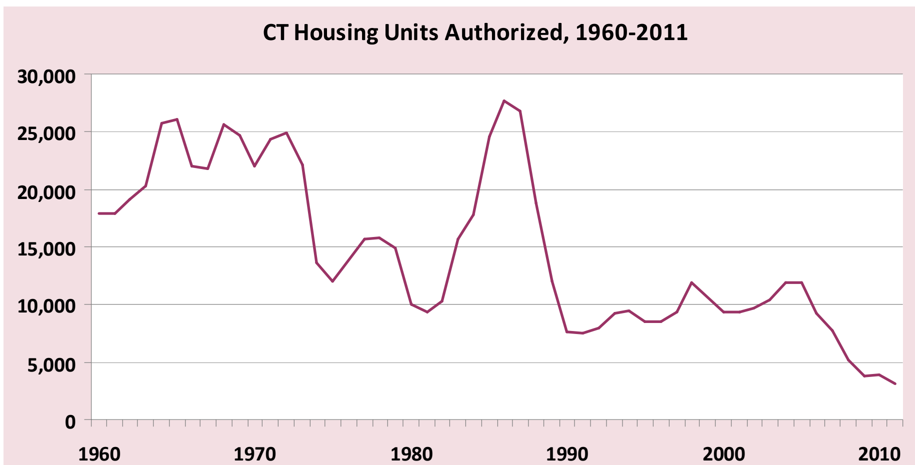
Housing Production

According to the recent Census release, Connecticut municipalities issued 3,173 housing permits in 2011, the lowest in more than six decades (see chart below). This level of permit production represents a 19.3 percent decrease from the 3,932 units authorized in 2010. The City of New Haven issued the largest number of permits (229), followed by Stamford (207), Bridgeport (126), Berlin (124) and Ellington (108). The combined permits issued for the top five municipalities accounted for 25 percent of total housing units the state authorized in 2011, while at the county level, Fairfield and New Haven counties accounted for more than half of the total housing units.

As in the past, the Connecticut Department of Economic and Community Development (DECD) sent out an annual demolition survey for all municipalities. The 128 cities and towns that responded reported 1,148 demolished housing units. This resulted in a net gain of 2,025 housing units in 2011, bringing the estimated state housing stock to a level of 1,489,916 units. (Note: Census 2010 total housing counts plus 2011 housing net gains)

Home Sales and Prices

Despite historic low mortgage rates, barriers for potential homebuyers were still prevalent in 2011, most notably relatively high unemployment, the tight credit



THE CONNECTICUT
ECONOMIC DIGEST

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. Its purpose is to regularly provide users with a comprehensive source for the most current, up-to-date data available on the workforce and economy of the state, within perspectives of the region and nation.

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

Managing Editor: Jungmin Charles Joo

Associate Editor: Sarah C. York

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

Connecticut Department of Labor

Glenn Marshall, Commissioner
Dennis Murphy, Deputy Commissioner

Andrew Condon, Ph.D., Director
Office of Research
200 Folly Brook Boulevard
Wethersfield, CT 06109-1114
Phone: (860) 263-6275
Fax: (860) 263-6263
E-Mail: dol.econdigest@ct.gov
Website: http://www.ctdol.state.ct.us/lmi

Connecticut Department of Economic and Community Development

Catherine Smith, Commissioner
Ronald Angelo, Deputy Commissioner
Christopher Bergstrom, Deputy Commissioner

505 Hudson Street
Hartford, CT 06106-2502
Phone: (860) 270-8000
Fax: (860) 270-8200
E-Mail: decd@ct.gov
Website: http://www.decd.org

market and overall economic uncertainty. According to the Warren Group, single-family home sales experienced the seventh consecutive year of sales decline to 21,141 in 2011, the worst year since it began tracking real estate transactions in 1987. This represents a 12.9 percent decrease from 24,270 in 2010 and is 50.6 percent lower than the 42,758 homes sold in 2005. The condo market followed a similar trend with a decline of more than 16 percent from 2010 and 66 percent from 2005.

Because the continued weak residential home sales, the 2011 single-family median home sales prices dropped 2.8 percent to $243,000 from $250,000 in 2010. When comparing to the pre-recession median home sales price of $295,000 in 2007, it has declined more than 17 percent. The condo median sales prices decreased 4.9 percent to $173,250 in 2011 from $182,250 in 2010.

According to the Prudential Connecticut Realty market report, "in a relatively healthy market, it generally takes 100 to 120 days for properties to sell." However, when the market is slow, it takes longer to sell. In 2011, on average, single-family homes remained 150 days on the market, compared to 141 days in 2010 and 136 days in 2009. It took seven more days for condominiums to sell in 2011 than in 2010, and 16 more days in 2009.

Home Building and Economic Impact

Housing is a major part of the economy because home building generates income and jobs for residents and revenue for governments. At the same time, home building imposes costs on local governments that supply education, police and fire protection, and other public services to support the new homes.

A report[1] done by National Association of Home Builders (NAHB) estimated the impact of building 2,130 single-family homes and 983 multi-unit housing in Connecticut during 2011. The result of the study shows that local and state governments received $145.5 million of tax revenues from the new households in the first year alone, while governments spent $20.9 million in providing public services such as roads, schools, water and sewage, and $47.4 million in capital investment for new structures and equipment. From the second year forward, the local and state governments received on average $45.4 million in tax and other revenues and spent on average $41.8 million in providing services annually. On a 15-year horizon, it will generate a cumulative $780.7 million in revenue and incur $656.4 million expenditures from government perspective. This indicates that residential construction and development will pay for itself with net revenue and therefore building new homes is supported.

Utilizing the underlying assumptions, NAHB also did another study[2] estimating the economic impact of home construction and the ripple effect throughout the economy in terms of income, jobs and taxes. The estimated one-year economic impact, including direct and indirect impacts, of building 2,130 single-family homes generated $628.1 million in income, $99.8 million in taxes and 7,119 jobs. The annual induced or ongoing economic impact generated $101.9 million in income, $34.7 million in tax revenue and 1,296 jobs. For multifamily construction, the estimated one-year economic impact generated $142.3 million in income, $23.1 million in taxes and 1,619 jobs. These numbers are significant and strengthen the argument that home building plays a pivotal role in the economic cycle.

Housing Affordability

As a state with a reputation for the highest per capita income in the nation and some of the greatest income disparity among its cities and towns, housing affordability remained an issue for

-continued on page 5-

Even in Tough Times, Education Improves Chances in Labor Market

By Patrick J. Flaherty, Economist, Patrick.Flaherty@ct.gov

During graduation season, there were a number of stories in the news about the difficulty that many new college graduates are having finding employment, particularly high paying employment within a field related to their course of study. In addition, announcements by many institutions of tuition and fee increases and the debates in Washington about the interest rate changed on student loans generated media attention on the high cost of higher education. Implicit in some of this coverage is the idea that given the high cost of going to college, and the short-term difficulty of some college graduates in the labor market, a college education might not be "worth it." While "individual results may vary" as they say (in fact they do vary significantly), on average additional education is still associated with increased employment and higher long term earnings prospects.

The first job or first year out of college is not the whole story – or even the most important story.

"The most firmly established fact about labor mobility of all kids is that it declines with age."[1] This was true in 1981 and it is still true today. Younger workers tend to change jobs more often than older workers. Workers of all ages are less likely to leave or lose a job the longer they have it. The pace of job change has slowed in recent years due to the very slow recovery from the recession, so job changes that might have happened in a year or two may take two or three years. Still, the historic data on job turnover by young people and those with new jobs shows that many, if not most, of the fresh college graduates who have started a new job that is less than ideal will move on to other jobs within a few years. Many will have several jobs before finally settling into a job that will last for many years.

There have been studies that show that students who graduate when the labor market is depressed have lower lifetime earnings than those who graduate when labor markets are tight and the economy is growing rapidly. The persistent effects of a recession are particularly disturbing given the severity of the recent economic contraction and the slow pace of growth experienced since the recession's end. But to say that good times are better than bad (which is obvious on its face) does not imply that education is not worth the investment. A recession depresses earnings throughout the economy and those with more education will be more likely to have the skills to take advantage of the opportunities that will come along.

Aggregate data show a large premium for education in terms of income and the probability of being employed even during these difficult times.

The probability of being employed increases with

Connecticut Population Age 24 to 26

	Age 24	Age 25	Age 26
In School	10,654	9,883	8,499
% employed	66.4%	73.0%	64.9%
Not in School			
Less than HS			
Employed	2,786	2,409	2,232
Unemployed	332	607	474
Not in Labor Force	955	1,811	1,285
High School or GED			
Employed	6,367	6,866	7,734
Unemployed	1,279	1,399	1,407
Not in Labor Force	978	2,096	1,658
Some College			
Employed	4,632	5,572	4,751
Unemployed	577	936	823
Not in Labor Force	611	420	773
Associate's			
Employed	1,443	1,258	1,276
Unemployed	99	48	159
Not in Labor Force	107	87	321
Bachelor's			
Employed	7,355	8,704	8,767
Unemployed	630	476	241
Not in Labor Force	283	201	293
More than Bachelor's			
Employed	1,064	1,738	2,581
Unemployed	79	119	21
Not in Labor Force	27	326	302
Total Population	40,258	44,956	43,597

Not in school, employed, earnings

Wage and Salary Income of the Employed not in School	Age		
	24	25	26
Less than High School	$14,068	$17,342	$20,729
High School Diploma or GED	$21,721	$27,457	$25,477
Some College	$27,402	$29,701	$32,264
Associate's Degree	$28,513	$39,658	$40,360
Bachelor's Degree	$34,541	$41,673	$46,967
More than Bachelor's	$39,255	$42,517	$46,046

education. In Connecticut, those with a BA or more have an unemployment rate of 4.1%, about half the statewide rate of 8.3% and dramatically lower than the 20.9% suffered by those without a high school diploma. Of course, even 4.1% is high compared to the past. Four years ago the unemployment rate for those with a bachelor's or more was just 2.4%.[2]

According to the U.S. Census' American Community Survey (ACS), median household income fell more than 6% in Connecticut in 2010. However, as the chart below shows, median income was higher for those with more education. Earned income is also higher for those with more education. (Note that earned income is the wage and salary income reported for the past twelve months for those who reported being employed when the survey was conducted. The average includes individuals who may not have been employed during the entire year.)

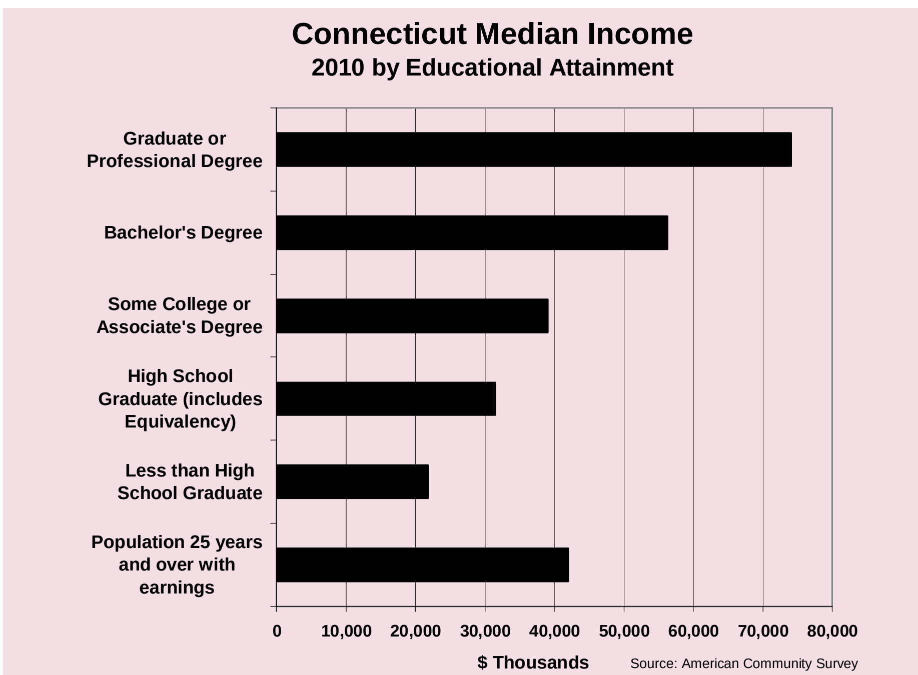
Data from the American Community Survey also allow us to calculate estimates of employment and income by age and educational attainment. The ACS samples 1% of the population each year, so the estimates must be considered with caution. Nevertheless, the evidence that data provides is that young people with more education are faring better than their peers with less. For 24-26 year olds not still in school who have not completed an associate's or bachelor's degree the unemployment rates are in double digits. The young population with degrees has an unemployment rate significantly lower. There are a significant number of 24-year-olds with bachelor's degrees who report being unemployed, but many of them may be recent graduates looking for a first job – there are very few out-of-school unemployed 26-year-olds with bachelor's degrees.

Education is for the long term

Nearly everyone has a more difficult time finding a job when the economy is weak – that is one of the definitions of a weak economy. One of the reasons for the lifetime earnings loss suffered by those who graduate during a recession is that they take longer to start their careers. The search for a career-oriented job takes longer. However, those careers will eventually start and the long term prospects for those with some post-secondary education are bright. Recently released 10-year projections for national job demand show a 14.3% increase in employment from 2010 to 2020, with occupations requiring more than a high school diploma growing faster than average while those requiring a high school diploma or less will grow slower. American's competitive advantage in the global economy remains its highly-skilled, productive workforce. Those with the right education and skills will be in the best position to take advantage of opportunities that will come when the national and global economies emerge from the current economic doldrums. ■

Source for the two tables:

American Community Survey, 2010 ACS 3-year. Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. **Integrated Public Use Microdata Series: Version 5.0** [Machine-readable database]. Minneapolis: University of Minnesota, 2010.



---

[1] Mincer, Jacob and Boyan Jovanovic, "Labor Mobility and Wages" in *Studies in Labor Markets,* Sherwin Rosen, ed. Chicago: University of Chicago Press, 1981, p. 24.

[2] These unemployment rates were calculated using the Current Population Survey (CPS) microdata. The latest data is the average for the 12 months ending April 2012.

-continued from page 2-

Connecticut in 2011. Moreover, the ability of employers to find workers—and for employees to accept jobs—can be negatively impacted when affordability presents a challenge.

In its 2011 report the National Low Income Housing Coalition (NLIHC) found that for Connecticut, the Fair Market Rent (FMR) for a two-bedroom apartment is $1,215. In order to afford this level of rent and utilities – without paying more than 30% of income on housing – a household must earn $4,052 monthly, or $48,619 annually. Assuming a 40-hour work week, 52 weeks per year, and this level of income translates into a Housing Wage of $23.37 per hour.

The NLIHC in 2011 also observed that a minimum wage worker earning an hourly wage of $8.25 in Connecticut must work 113 hours per week, 52 weeks per year in order to afford the FMR for a two-bedroom apartment. Or a household must include 2.8 minimum wage earners working 40 hours per week year-round to make the two-bedroom FMR affordable.

Likewise in Connecticut, the estimated average hourly wage for a renter is $15.10. In order to afford the FMR for a two-bedroom apartment at this wage rate, a renter must work 62 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.5 workers earning the mean renter wage in order to make the two-bedroom FMR affordable.

New State Investments

In 2011, the Malloy administration committed $130 million for affordable and supportive housing. An additional $20 million was added during the 2012 legislative session. This increased funding is a clear recognition of housing's positive impact on the economy, jobs and the quality of life for state residents.

Outlook

The residential permit data through April 2012 has grown by more than 50 percent compared to the same period a year ago. Both single-family and condo sales in Connecticut rose more than 5 percent and 1.4 percent, respectively, for the first quarter of 2012, while home prices declined further as reported by the Warren Group.

Will 2012 be the year of a housing turnaround? The Freddie Mac report says economic growth will strengthen by 2.1 percent in the first quarter of 2012, while mortgage rates will remain low at least through spring. In addition, the Freddie Mac survey predicts home sales will grow between 2 and 5 percent more than last year. Frank Nothaft, vice president and chief economist of Freddie Mac, said: "…a variety of encouraging indicators suggest that the housing market may be feeling a nascent recovery, and more neighborhoods may see stabilization in overall demand and housing values this spring."

The New England Economic Partnership (NEEP) also has a positive outlook. U.S. housing starts should grow modestly in 2012 and 2013. The gains in home construction should support both consumer spending and real GDP growth in 2014 and 2015. Median home sales prices should rise going forward.

In conclusion, the housing market may have hit bottom in 2011, but the near-term outlook appears brighter. ■

[1] "The Economic Impact of Home Building in Connecticut: Comparing Costs to Revenue for Local Governments," by National Association of Home Builders, March 2012.

[2] "The Economic Impact of Home Building in Connecticut: Income, Jobs, and Taxes Generated," by National Association of Home Builders, March 2012.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	1Q 2012	1Q 2011	CHANGE NO.	CHANGE %	4Q 2011
General Drift Indicator (1986=100)*					
Leading	106.4	102.3	4.1	4.0	101.4
Coincident	107.5	106.9	0.6	0.6	106.9
Farmington Bank Business Barometer (1992=100)**	125.2	125.0	0.2	0.2	125.3
Philadelphia Fed's Coincident Index (July 1992=100)***	**MAY**	**MAY**			**APR**
(Seasonally adjusted)	**2012**	**2011**			**2012**
Connecticut	152.93	149.23	3.70	2.5	152.93
United States	150.53	146.40	4.13	2.8	150.25

*Sources: *The Connecticut Economy, University of Connecticut **Farmington Bank ***Federal Reserve Bank of Philadelphia*

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 **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)	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM	1,629.6	1,623.4	6.2	0.4	1,628.2
Natural Res & Mining	0.5	0.6	-0.1	-16.7	0.5
Construction	50.4	50.9	-0.5	-1.0	49.7
Manufacturing	165.5	166.5	-1.0	-0.6	164.9
Trade, Transportation & Utilities	297.0	293.8	3.2	1.1	297.5
Information	32.0	31.3	0.7	2.2	32.0
Financial Activities	132.5	135.5	-3.0	-2.2	132.4
Professional and Business Services	195.5	195.0	0.5	0.3	197.1
Education and Health Services	322.9	313.5	9.4	3.0	321.3
Leisure and Hospitality	137.3	135.5	1.8	1.3	137.2
Other Services	59.4	60.5	-1.1	-1.8	60.6
Government*	236.6	240.3	-3.7	-1.5	235.0

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

Initial claims for unemployment insurance decreased from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
Unemployment Rate, resident (%)	7.8	8.9	-1.1	---	7.7
Labor Force, resident (000s)	1,918.1	1,917.1	1.0	0.1	1,912.8
Employed (000s)	1,767.8	1,745.6	22.2	1.3	1,765.7
Unemployed (000s)	150.3	171.5	-21.2	-12.4	147.2
Average Weekly Initial Claims	4,872	5,290	-418	-7.9	4,798
Avg. Insured Unemp. Rate (%)	3.34	3.85	-0.51	---	3.47
	1Q2012	**1Q2011**			**2011**
U-6 Unemployment Rate (%)	14.8	15.7	-0.9	---	15.4

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

The production worker weekly earnings fell over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012	MAR 2012
Production Worker Avg Weekly Hours	40.4	40.7	-0.3	-0.7	40.5	--
Prod. Worker Avg Hourly Earnings	24.27	24.59	-0.32	-1.3	24.81	--
Prod. Worker Avg Weekly Earnings	980.51	1,000.81	-20.30	-2.0	1,004.81	--
CT Mfg. Production Index (2005=100)	90.8	98.3	-7.5	-7.6	86.4	87.6
Production Worker Hours (000s)	4,230	4,204	26	0.6	4,220	--
Industrial Electricity Sales (mil kWh)*	291	340	-48.7	-14.3	271	277

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

Personal income for third quarter 2012 is forecasted to increase 2.9 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	3Q* 2012	3Q 2011	CHANGE NO.	CHANGE %	2Q* 2012
Personal Income	$209,862	$203,901	5,961	2.9	$209,043
UI Covered Wages	$100,618	$100,036	582	0.6	$99,170

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

BUSINESS ACTIVITY

New auto registrations fell over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
New Housing Permits*	MAY 2012	358	57.0	1,470	974	50.9
Electricity Sales (mil kWh)	MAR 2012	2,349	-2.9	7,368	7,804	-5.6
Construction Contracts Index (1980=100)	MAY 2012	338.9	63.5	---	---	---
New Auto Registrations	MAY 2012	18,882	-6.9	76,442	80,504	-5.0
Air Cargo Tons (000s)	MAY 2012	NA	NA	NA	NA	NA
Exports (Bil. $)	1Q 2012	3.99	-2.9	3.99	4.11	-2.9
S&P 500: Monthly Close	MAY 2012	1,310.33	-2.6	---	---	---

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	YEAR TO DATE PRIOR	% CHG
STARTS						
Secretary of the State	MAY 2012	2,530	9.2	12,716	11,707	8.6
Department of Labor	4Q2011	1,341	-11.6	6,763	7,124	-5.1
TERMINATIONS						
Secretary of the State	MAY 2012	947	14.8	5,044	4,933	2.3
Department of Labor	4Q2011	2,112	-35.8	7,179	8,867	-19.0

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

STATE REVENUES

Total tax revenues were up from a year ago.

(Millions of dollars)	MAY 2012	MAY 2011	% CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
TOTAL ALL REVENUES*	992.0	962.5	3.1	7,589.3	6,551.0	15.8
Corporate Tax	20.1	20.9	-3.8	308.3	381.1	-19.1
Personal Income Tax	524.7	400.0	31.2	4,310.2	3,739.6	15.3
Real Estate Conv. Tax	11.6	8.7	33.3	47.1	34.9	35.0
Sales & Use Tax	317.0	361.1	-12.2	1,694.6	1,410.7	20.1
Indian Gaming Payments**	28.2	30.9	-8.9	139.7	148.6	-6.0

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

TOURISM AND TRAVEL

Indian gaming slots fell over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
Info Center Visitors***	MAY 2012	22,451	-12.2	71,053	83,236	-14.6
Major Attraction Visitors	MAY 2012	153,049	-0.8	574,234	522,113	10.0
Air Passenger Count	MAY 2012	NA	NA	NA	NA	NA
Indian Gaming Slots (Mil.$)*	MAY 2012	1,261	-11.6	6,319	6,869	-8.0
Travel and Tourism Index**	1Q 2012	---	12.3	---	---	---

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*
****Due to state budget cuts CT Info Centers suspended some services causing a drop in visitors.*

Compensation cost for the nation rose 2.1 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (Dec. 2005 = 100)	Seasonally Adjusted MAR 2012	DEC 2011	3-Mo % Chg	Not Seasonally Adjusted MAR 2012	MAR 2011	12-Mo % Chg
UNITED STATES TOTAL	115.7	115.2	0.4	115.7	113.3	2.1
Wages and Salaries	115.3	114.7	0.5	115.3	113.2	1.9
Benefit Costs	116.7	116.3	0.3	116.9	113.7	2.8
NORTHEAST TOTAL	---	---	---	116.5	114.4	1.8
Wages and Salaries	---	---	---	115.8	113.7	1.8

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

U.S. inflation rate increased 1.7 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	MAY 2012	229.8	1.7	-0.1
Purchasing Power of $ (1982-84=$1.00)	MAY 2012	$0.435	-1.7	0.1
Northeast Region	MAY 2012	245.7	1.7	-0.1
NY-Northern NJ-Long Island	MAY 2012	252.7	1.8	0.1
Boston-Brockton-Nashua**	MAY 2012	246.6	0.8	-0.2
CPI-W (1982-84=100)				
U.S. City Average	MAY 2012	226.6	1.6	-0.2

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 fell to 3.80 percent over the month.

INTEREST RATES

(Percent)	MAY 2012	APR 2012	MAY 2011
Prime	3.25	3.25	3.25
Federal Funds	0.16	0.14	0.09
3 Month Treasury Bill	0.09	0.08	0.04
6 Month Treasury Bill	0.15	0.14	0.09
1 Year Treasury Note	0.19	0.18	0.19
3 Year Treasury Note	0.39	0.43	0.94
5 Year Treasury Note	0.76	0.89	1.84
7 Year Treasury Note	1.21	1.43	2.51
10 Year Treasury Note	1.80	2.05	3.17
20 Year Treasury Note	2.53	2.82	4.01
Conventional Mortgage	3.80	3.91	4.64

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

Eight of nine states in the region gained jobs over the year.

(Seasonally adjusted; 000s)	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
Connecticut	1,629.6	1,623.4	6.2	0.4	1,628.2
Maine	592.7	591.1	1.6	0.3	592.7
Massachusetts	3,249.6	3,212.5	37.1	1.2	3,242.1
New Hampshire	626.5	625.5	1.0	0.2	624.2
New Jersey	3,907.5	3,847.7	59.8	1.6	3,889.9
New York	8,808.8	8,677.3	131.5	1.5	8,802.9
Pennsylvania	5,713.3	5,685.5	27.8	0.5	5,723.2
Rhode Island	458.1	461.8	-3.7	-0.8	458.3
Vermont	303.5	299.0	4.5	1.5	300.2
United States	133,009.0	131,227.0	1,782.0	1.4	132,940.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
Connecticut	1,918.1	1,917.1	1.0	0.1	1,912.8
Maine	708.4	702.6	5.8	0.8	709.9
Massachusetts	3,458.7	3,455.4	3.3	0.1	3,455.0
New Hampshire	741.0	737.0	4.0	0.5	741.7
New Jersey	4,595.7	4,546.0	49.7	1.1	4,584.5
New York	9,568.6	9,491.7	76.9	0.8	9,540.4
Pennsylvania	6,451.8	6,384.0	67.8	1.1	6,428.7
Rhode Island	556.8	563.7	-6.9	-1.2	556.3
Vermont	357.9	358.3	-0.4	-0.1	358.7
United States	155,007.0	153,700.0	1,307.0	0.9	154,365.0

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

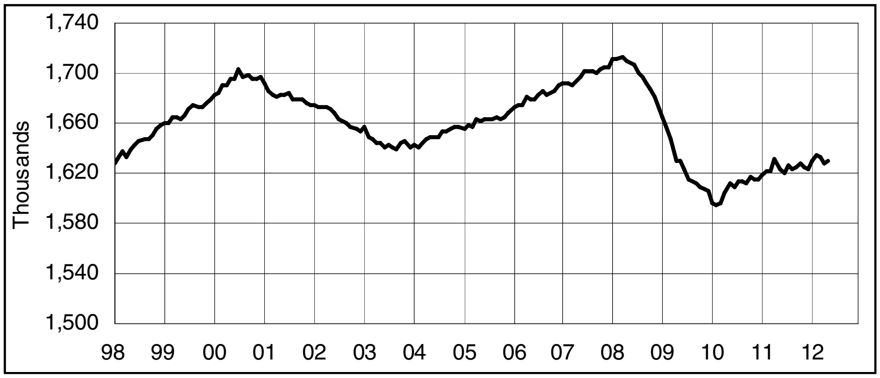
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	MAY 2012	MAY 2011	CHANGE	APR 2012
Connecticut	7.8	8.9	-1.1	7.7
Maine	7.4	7.7	-0.3	7.2
Massachusetts	6.0	7.4	-1.4	6.3
New Hampshire	5.0	5.4	-0.4	5.0
New Jersey	9.2	9.3	-0.1	9.1
New York	8.6	8.1	0.5	8.5
Pennsylvania	7.4	8.0	-0.6	7.4
Rhode Island	11.0	11.3	-0.3	11.2
Vermont	4.6	5.6	-1.0	4.6
United States	8.2	9.0	-0.8	8.1

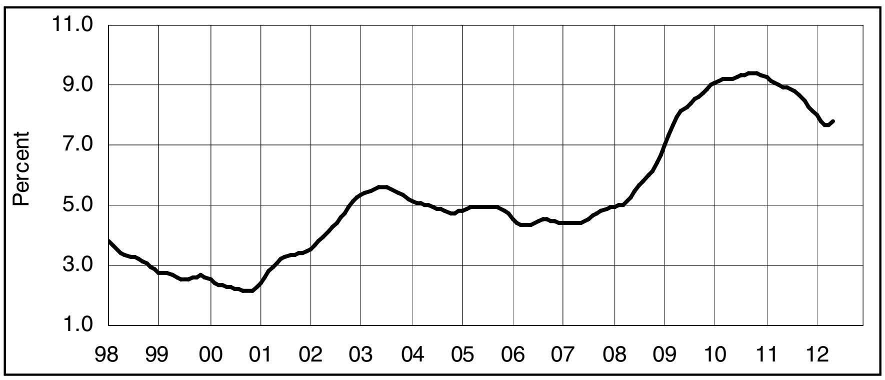
Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT *(Seasonally adjusted)*



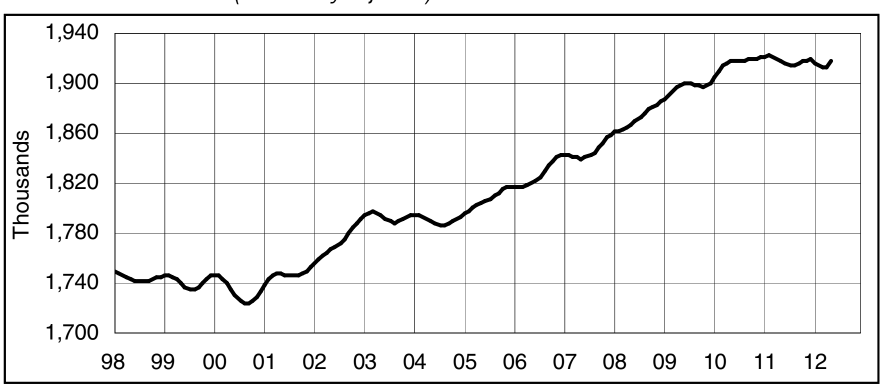
Month	2010	2011	2012
Jan	1,595.3	1,618.7	1,628.9
Feb	1,594.7	1,621.7	1,634.9
Mar	1,595.9	1,621.7	1,632.9
Apr	1,603.3	1,631.1	1,628.2
May	1,611.4	1,623.4	1,629.6
Jun	1,608.3	1,620.8	
Jul	1,613.0	1,626.1	
Aug	1,614.1	1,623.7	
Sep	1,612.1	1,624.2	
Oct	1,616.1	1,627.7	
Nov	1,614.9	1,624.5	
Dec	1,615.7	1,623.5	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



Month	2010	2011	2012
Jan	9.1	9.3	8.0
Feb	9.2	9.2	7.8
Mar	9.2	9.1	7.7
Apr	9.2	9.0	7.7
May	9.2	8.9	7.8
Jun	9.3	8.9	
Jul	9.3	8.9	
Aug	9.4	8.8	
Sep	9.4	8.6	
Oct	9.4	8.5	
Nov	9.4	8.3	
Dec	9.4	8.1	

LABOR FORCE *(Seasonally adjusted)*

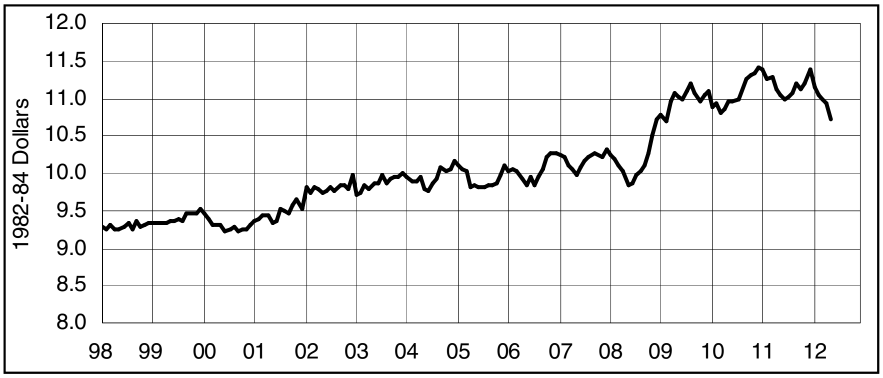


Month	2010	2011	2012
Jan	1,904.9	1,921.3	1,916.0
Feb	1,909.8	1,921.8	1,914.5
Mar	1,913.9	1,921.3	1,913.1
Apr	1,916.6	1,919.5	1,912.8
May	1,917.9	1,917.1	1,918.1
Jun	1,918.2	1,915.2	
Jul	1,918.1	1,914.5	
Aug	1,918.3	1,915.0	
Sep	1,918.7	1,916.3	
Oct	1,919.2	1,917.4	
Nov	1,919.9	1,918.1	
Dec	1,920.5	1,918.8	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*

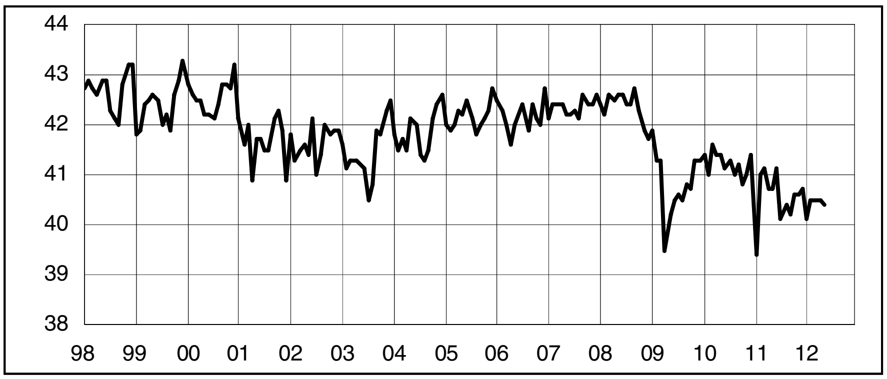
Month	2010	2011	2012
Jan	5,457	5,506	5,191
Feb	5,441	5,057	4,298
Mar	6,197	5,097	4,923
Apr	5,337	5,176	4,798
May	5,289	5,290	4,872
Jun	5,377	5,079	
Jul	5,338	5,022	
Aug	6,159	4,924	
Sep	5,272	5,927	
Oct	5,445	5,070	
Nov	5,012	8,694	
Dec	4,983	5,052	

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



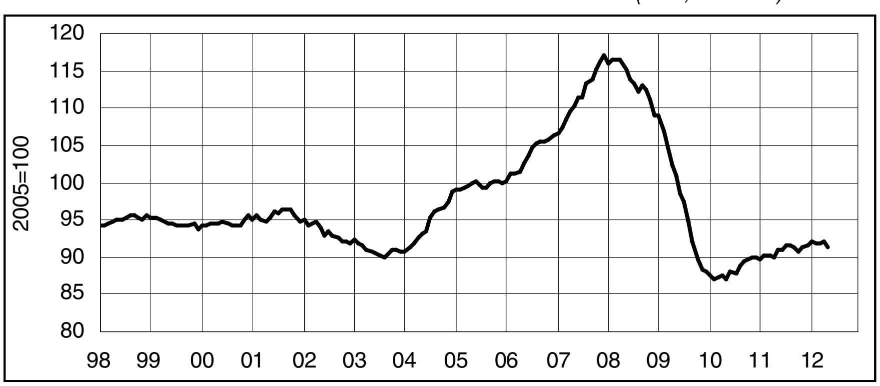
Month	2010	2011	2012
Jan	$10.88	$11.40	$11.14
Feb	$10.92	$11.26	$11.04
Mar	$10.81	$11.29	$10.98
Apr	$10.84	$11.13	$10.93
May	$10.95	$11.03	$10.71
Jun	$10.96	$10.99	
Jul	$11.00	$11.01	
Aug	$11.11	$11.07	
Sep	$11.25	$11.20	
Oct	$11.31	$11.13	
Nov	$11.34	$11.21	
Dec	$11.42	$11.40	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



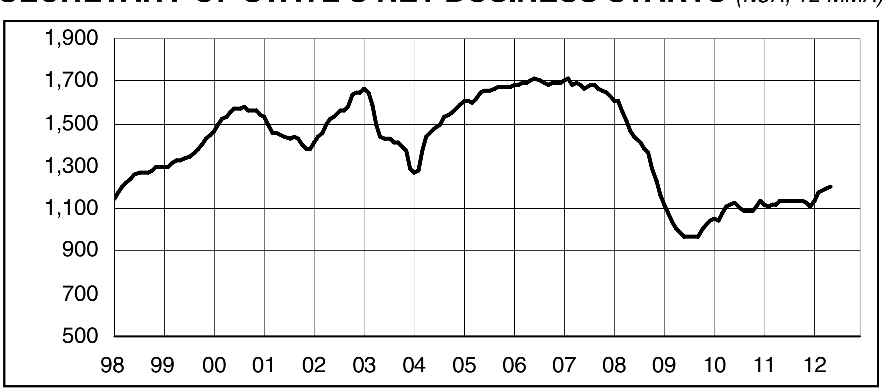
Month	2010	2011	2012
Jan	41.4	39.4	40.1
Feb	41.0	41.0	40.5
Mar	41.6	41.1	40.5
Apr	41.4	40.7	40.5
May	41.4	40.7	40.4
Jun	41.1	41.1	
Jul	41.3	40.1	
Aug	41.0	40.4	
Sep	41.2	40.2	
Oct	40.8	40.6	
Nov	41.0	40.6	
Dec	41.4	40.7	

CT MANUFACTURING PRODUCTION INDEX *(NSA, 12 MMA)*



Month	2010	2011	2012
Jan	87.5	89.6	92.1
Feb	87.0	90.1	91.9
Mar	87.1	90.2	91.8
Apr	87.4	90.0	91.9
May	87.1	91.0	91.3
Jun	88.1	90.9	
Jul	87.8	91.6	
Aug	88.7	91.5	
Sep	89.4	91.2	
Oct	89.7	90.9	
Nov	89.8	91.4	
Dec	89.9	91.6	

SECRETARY OF STATE'S NET BUSINESS STARTS *(NSA, 12 MMA)*



Month	2010	2011	2012
Jan	1,050	1,119	1,137
Feb	1,043	1,115	1,175
Mar	1,080	1,124	1,190
Apr	1,109	1,125	1,197
May	1,121	1,136	1,205
Jun	1,125	1,137	
Jul	1,101	1,138	
Aug	1,093	1,142	
Sep	1,092	1,142	
Oct	1,092	1,138	
Nov	1,114	1,131	
Dec	1,134	1,115	

CONNECTICUT

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**1,639,200**	**1,634,500**	**4,700**	**0.3**	**1,628,600**
TOTAL PRIVATE	**1,398,800**	**1,389,600**	**9,200**	**0.7**	**1,389,100**
GOODS PRODUCING INDUSTRIES	**216,500**	**218,900**	**-2,400**	**-1.1**	**212,500**
CONSTRUCTION, NAT. RES. & MINING	**51,100**	**52,600**	**-1,500**	**-2.9**	**48,000**
MANUFACTURING	**165,400**	**166,300**	**-900**	**-0.5**	**164,500**
Durable Goods	**127,200**	**128,400**	**-1,200**	**-0.9**	**126,600**
Fabricated Metal	29,900	28,700	1,200	4.2	29,300
Machinery	14,600	14,800	-200	-1.4	14,500
Computer and Electronic Product	13,700	13,500	200	1.5	13,800
Transportation Equipment	41,600	42,000	-400	-1.0	41,400
Aerospace Product and Parts	29,700	30,300	-600	-2.0	29,700
Non-Durable Goods	**38,200**	**37,900**	**300**	**0.8**	**37,900**
Chemical	12,400	12,500	-100	-0.8	12,400
SERVICE PROVIDING INDUSTRIES	**1,422,700**	**1,415,600**	**7,100**	**0.5**	**1,416,100**
TRADE, TRANSPORTATION, UTILITIES	**296,800**	**293,500**	**3,300**	**1.1**	**294,300**
Wholesale Trade	63,300	63,600	-300	-0.5	64,500
Retail Trade	182,400	179,400	3,000	1.7	179,100
Motor Vehicle and Parts Dealers	20,000	19,900	100	0.5	19,800
Building Material	15,500	15,500	0	0.0	15,000
Food and Beverage Stores	43,300	42,600	700	1.6	42,300
General Merchandise Stores	28,000	27,300	700	2.6	27,600
Transportation, Warehousing, & Utilities	51,100	50,500	600	1.2	50,700
Utilities	7,700	7,800	-100	-1.3	7,800
Transportation and Warehousing	43,400	42,700	700	1.6	42,900
INFORMATION	**31,900**	**31,300**	**600**	**1.9**	**31,800**
Telecommunications	9,500	9,500	0	0.0	9,400
FINANCIAL ACTIVITIES	**132,000**	**135,000**	**-3,000**	**-2.2**	**131,800**
Finance and Insurance	113,600	116,200	-2,600	-2.2	113,700
Credit Intermediation	25,700	26,700	-1,000	-3.7	25,800
Securities and Commodity Contracts	23,000	23,400	-400	-1.7	22,900
Insurance Carriers & Related Activities	60,100	61,300	-1,200	-2.0	60,200
Real Estate and Rental and Leasing	18,400	18,800	-400	-2.1	18,100
PROFESSIONAL & BUSINESS SERVICES	**197,100**	**196,100**	**1,000**	**0.5**	**198,400**
Professional, Scientific	87,300	87,100	200	0.2	89,400
Legal Services	12,700	12,900	-200	-1.6	12,700
Computer Systems Design	23,700	22,100	1,600	7.2	23,600
Management of Companies	26,800	27,000	-200	-0.7	26,700
Administrative and Support	83,000	82,000	1,000	1.2	82,300
Employment Services	27,800	26,500	1,300	4.9	28,600
EDUCATION AND HEALTH SERVICES	**324,400**	**314,600**	**9,800**	**3.1**	**325,400**
Educational Services	64,700	62,300	2,400	3.9	67,100
Health Care and Social Assistance	259,700	252,300	7,400	2.9	258,300
Hospitals	62,800	61,400	1,400	2.3	62,900
Nursing & Residential Care Facilities	63,300	61,800	1,500	2.4	63,400
Social Assistance	49,200	47,700	1,500	3.1	48,700
LEISURE AND HOSPITALITY	**141,200**	**139,700**	**1,500**	**1.1**	**134,900**
Arts, Entertainment, and Recreation	25,600	25,300	300	1.2	23,300
Accommodation and Food Services	115,600	114,400	1,200	1.0	111,600
Food Serv., Restaurants, Drinking Places	104,500	103,300	1,200	1.2	100,900
OTHER SERVICES	**58,900**	**60,500**	**-1,600**	**-2.6**	**60,000**
GOVERNMENT	**240,400**	**244,900**	**-4,500**	**-1.8**	**239,500**
Federal Government	17,500	18,000	-500	-2.8	17,700
State Government	65,900	67,100	-1,200	-1.8	68,800
Local Government**	157,000	159,800	-2,800	-1.8	153,000

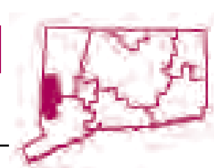
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

BRIDGEPORT - STAMFORD LMA

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**404,300**	**403,400**	**900**	**0.2**	**398,100**
TOTAL PRIVATE	**357,600**	**356,600**	**1,000**	**0.3**	**353,000**
GOODS PRODUCING INDUSTRIES	**47,000**	**47,100**	**-100**	**-0.2**	**45,500**
CONSTRUCTION, NAT. RES. & MINING	**11,900**	**11,600**	**300**	**2.6**	**10,600**
MANUFACTURING	**35,100**	**35,500**	**-400**	**-1.1**	**34,900**
Durable Goods	**26,500**	**27,000**	**-500**	**-1.9**	**26,500**
SERVICE PROVIDING INDUSTRIES	**357,300**	**356,300**	**1,000**	**0.3**	**352,600**
TRADE, TRANSPORTATION, UTILITIES	**71,900**	**71,400**	**500**	**0.7**	**71,300**
Wholesale Trade	13,900	13,800	100	0.7	14,000
Retail Trade	47,200	47,100	100	0.2	46,600
Transportation, Warehousing, & Utilities	10,800	10,500	300	2.9	10,700
INFORMATION	**10,800**	**10,800**	**0**	**0.0**	**10,800**
FINANCIAL ACTIVITIES	**40,600**	**42,600**	**-2,000**	**-4.7**	**41,000**
Finance and Insurance	34,300	36,700	-2,400	-6.5	35,000
PROFESSIONAL & BUSINESS SERVICES	**65,300**	**65,800**	**-500**	**-0.8**	**65,600**
EDUCATION AND HEALTH SERVICES	**71,100**	**67,200**	**3,900**	**5.8**	**70,200**
Health Care and Social Assistance	58,200	56,300	1,900	3.4	57,500
LEISURE AND HOSPITALITY	**34,700**	**35,200**	**-500**	**-1.4**	**32,300**
Accommodation and Food Services	26,200	26,500	-300	-1.1	24,800
OTHER SERVICES	**16,200**	**16,500**	**-300**	**-1.8**	**16,300**
GOVERNMENT	**46,700**	**46,800**	**-100**	**-0.2**	**45,100**
Federal	2,700	2,800	-100	-3.6	2,700
State & Local	44,000	44,000	0	0.0	42,400

DANBURY LMA



Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**68,600**	**66,900**	**1,700**	**2.5**	**67,800**
TOTAL PRIVATE	**59,700**	**58,100**	**1,600**	**2.8**	**59,000**
GOODS PRODUCING INDUSTRIES	**11,000**	**11,300**	**-300**	**-2.7**	**10,900**
SERVICE PROVIDING INDUSTRIES	**57,600**	**55,600**	**2,000**	**3.6**	**56,900**
TRADE, TRANSPORTATION, UTILITIES	**15,400**	**14,900**	**500**	**3.4**	**15,200**
Retail Trade	11,700	11,300	400	3.5	11,500
PROFESSIONAL & BUSINESS SERVICES	**7,600**	**7,600**	**0**	**0.0**	**7,600**
LEISURE AND HOSPITALITY	**6,000**	**6,000**	**0**	**0.0**	**5,800**
GOVERNMENT	**8,900**	**8,800**	**100**	**1.1**	**8,800**
Federal	600	600	0	0.0	600
State & Local	8,300	8,200	100	1.2	8,200

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**543,600**	**540,700**	**2,900**	**0.5**	**544,100**
TOTAL PRIVATE	**462,700**	**456,900**	**5,800**	**1.3**	**459,900**
GOODS PRODUCING INDUSTRIES	**73,500**	**74,600**	**-1,100**	**-1.5**	**72,800**
CONSTRUCTION, NAT. RES. & MINING	**15,700**	**17,400**	**-1,700**	**-9.8**	**15,300**
MANUFACTURING	**57,800**	**57,200**	**600**	**1.0**	**57,500**
Durable Goods	**48,200**	**47,700**	**500**	**1.0**	**47,900**
SERVICE PROVIDING INDUSTRIES	**470,100**	**466,100**	**4,000**	**0.9**	**471,300**
TRADE, TRANSPORTATION, UTILITIES	**87,700**	**86,400**	**1,300**	**1.5**	**87,200**
Wholesale Trade	18,700	18,500	200	1.1	18,700
Retail Trade	54,100	52,700	1,400	2.7	53,700
Transportation, Warehousing, & Utilities	14,900	15,200	-300	-2.0	14,800
Transportation and Warehousing	12,100	12,300	-200	-1.6	11,900
INFORMATION	**11,500**	**11,200**	**300**	**2.7**	**11,500**
FINANCIAL ACTIVITIES	**61,800**	**61,600**	**200**	**0.3**	**61,300**
Depository Credit Institutions	6,900	7,000	-100	-1.4	6,900
Insurance Carriers & Related Activities	41,800	41,500	300	0.7	41,600
PROFESSIONAL & BUSINESS SERVICES	**61,100**	**60,200**	**900**	**1.5**	**61,300**
Professional, Scientific	28,600	28,700	-100	-0.3	29,400
Administrative and Support	24,800	24,500	300	1.2	24,400
EDUCATION AND HEALTH SERVICES	**102,500**	**99,200**	**3,300**	**3.3**	**103,000**
Health Care and Social Assistance	87,700	85,500	2,200	2.6	87,500
Ambulatory Health Care	26,100	25,900	200	0.8	25,900
LEISURE AND HOSPITALITY	**45,200**	**43,300**	**1,900**	**4.4**	**42,900**
Accommodation and Food Services	36,900	35,700	1,200	3.4	34,800
OTHER SERVICES	**19,400**	**20,400**	**-1,000**	**-4.9**	**19,900**
GOVERNMENT	**80,900**	**83,800**	**-2,900**	**-3.5**	**84,200**
Federal	5,000	5,200	-200	-3.8	5,100
State & Local	75,900	78,600	-2,700	-3.4	79,100

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes.*

SEASONALLY ADJUSTED TOTAL NONFARM EMPLOYMENT

Seasonally Adjusted

Labor Market Areas	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
BRIDGEPORT-STAMFORD LMA	**401,100**	**400,000**	**1,100**	**0.3**	**398,600**
DANBURY LMA	**68,200**	**66,300**	**1,900**	**2.9**	**68,200**
HARTFORD LMA	**541,600**	**538,200**	**3,400**	**0.6**	**543,000**
NEW HAVEN LMA	**268,500**	**266,400**	**2,100**	**0.8**	**268,400**
NORWICH-NEW LONDON LMA	**126,600**	**129,200**	**-2,600**	**-2.0**	**125,300**
WATERBURY LMA	**64,300**	**62,000**	**2,300**	**3.7**	**63,500**

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes.*

NEW HAVEN LMA

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**269,900**	**269,100**	**800**	**0.3**	**269,400**
TOTAL PRIVATE	**235,600**	**234,800**	**800**	**0.3**	**235,400**
GOODS PRODUCING INDUSTRIES	**35,200**	**35,200**	**0**	**0.0**	**34,100**
CONSTRUCTION, NAT. RES. & MINING	**9,000**	**9,100**	**-100**	**-1.1**	**8,100**
MANUFACTURING	**26,200**	**26,100**	**100**	**0.4**	**26,000**
Durable Goods	**19,000**	**18,800**	**200**	**1.1**	**18,800**
SERVICE PROVIDING INDUSTRIES	**234,700**	**233,900**	**800**	**0.3**	**235,300**
TRADE, TRANSPORTATION, UTILITIES	**48,400**	**48,600**	**-200**	**-0.4**	**48,000**
Wholesale Trade	11,300	11,400	-100	-0.9	11,400
Retail Trade	28,600	28,500	100	0.4	28,200
Transportation, Warehousing, & Utilities	8,500	8,700	-200	-2.3	8,400
INFORMATION	**4,700**	**4,700**	**0**	**0.0**	**4,700**
FINANCIAL ACTIVITIES	**12,200**	**12,200**	**0**	**0.0**	**12,100**
Finance and Insurance	8,600	8,800	-200	-2.3	8,600
PROFESSIONAL & BUSINESS SERVICES	**24,300**	**25,600**	**-1,300**	**-5.1**	**24,800**
Administrative and Support	13,000	12,700	300	2.4	12,800
EDUCATION AND HEALTH SERVICES	**75,200**	**75,300**	**-100**	**-0.1**	**76,800**
Educational Services	28,000	28,100	-100	-0.4	29,400
Health Care and Social Assistance	47,200	47,200	0	0.0	47,400
LEISURE AND HOSPITALITY	**25,300**	**22,900**	**2,400**	**10.5**	**24,600**
Accommodation and Food Services	21,700	19,600	2,100	10.7	21,800
OTHER SERVICES	**10,300**	**10,300**	**0**	**0.0**	**10,300**
GOVERNMENT	**34,300**	**34,300**	**0**	**0.0**	**34,000**
Federal	4,700	4,900	-200	-4.1	4,800
State & Local	29,600	29,400	200	0.7	29,200

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS

Multifactor productivity in private nonfarm business

Private nonfarm business sector multifactor productivity increased at a 0.5-percent annual rate in 2011. This reflects a 2.4-percent increase in output, and a 1.9-percent increase in the combined inputs of capital and labor (its largest annual rate of growth since 2006). Multifactor productivity in the private nonfarm business sector grew 0.9 percent annually from 1987 to 2011. This was primarily due to output rising at a 2.8-percent annual rate, faster than the 1.9-percent increase in combined inputs. For the 2007–2011 period, multifactor productivity grew 0.4 percent as combined inputs fell 0.5 percent, a larger decrease than the 0.1-percent decline in output. The 2011 gains in output and combined inputs, 2.4 and 1.9 percent respectively, more closely resembled the long-term trend from 1987 to 2011 than during the 2007–2011 period.

These data are from the Multifactor Productivity program. To learn more, see "Preliminary Multifactor Productivity Trends – 2011," news release USDL-12-0893. Multifactor productivity measures the change in output per unit of combined capital and labor input. It is designed to measure the joint influences of technological change, efficiency improvements, returns to scale, reallocation of resources, and other factors on economic growth, allowing for the effects of capital and labor.

Source: The Editor's Desk, Bureau of Labor Statistics, May 25, 2012

NORWICH - NEW LONDON LMA

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**127,400**	**130,300**	**-2,900**	**-2.2**	**124,300**
TOTAL PRIVATE	**93,100**	**94,500**	**-1,400**	**-1.5**	**90,000**
GOODS PRODUCING INDUSTRIES	**18,200**	**18,400**	**-200**	**-1.1**	**18,100**
CONSTRUCTION, NAT. RES. & MINING	**3,600**	**3,700**	**-100**	**-2.7**	**3,500**
MANUFACTURING	**14,600**	**14,700**	**-100**	**-0.7**	**14,600**
Durable Goods	**10,800**	**10,700**	**100**	**0.9**	**10,800**
Non-Durable Goods	**3,800**	**4,000**	**-200**	**-5.0**	**3,800**
SERVICE PROVIDING INDUSTRIES	**109,200**	**111,900**	**-2,700**	**-2.4**	**106,200**
TRADE, TRANSPORTATION, UTILITIES	**22,500**	**22,900**	**-400**	**-1.7**	**21,800**
Wholesale Trade	2,400	2,400	0	0.0	2,400
Retail Trade	14,900	15,300	-400	-2.6	14,300
Transportation, Warehousing, & Utilities	5,200	5,200	0	0.0	5,100
INFORMATION	**1,500**	**1,500**	**0**	**0.0**	**1,500**
FINANCIAL ACTIVITIES	**3,100**	**3,100**	**0**	**0.0**	**3,000**
PROFESSIONAL & BUSINESS SERVICES	**9,100**	**9,300**	**-200**	**-2.2**	**9,000**
EDUCATION AND HEALTH SERVICES	**20,900**	**21,100**	**-200**	**-0.9**	**20,700**
Health Care and Social Assistance	18,200	18,100	100	0.6	18,000
LEISURE AND HOSPITALITY	**14,700**	**15,000**	**-300**	**-2.0**	**12,700**
Accommodation and Food Services	12,300	12,800	-500	-3.9	11,700
Food Serv., Restaurants, Drinking Places	10,600	10,700	-100	-0.9	10,000
OTHER SERVICES	**3,100**	**3,200**	**-100**	**-3.1**	**3,200**
GOVERNMENT	**34,300**	**35,800**	**-1,500**	**-4.2**	**34,300**
Federal	2,700	2,600	100	3.8	2,700
State & Local**	31,600	33,200	-1,600	-4.8	31,600

WATERBURY LMA

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**64,400**	**62,500**	**1,900**	**3.0**	**63,400**
TOTAL PRIVATE	**54,700**	**52,700**	**2,000**	**3.8**	**53,500**
GOODS PRODUCING INDUSTRIES	**9,700**	**9,800**	**-100**	**-1.0**	**9,600**
CONSTRUCTION, NAT. RES. & MINING	**2,100**	**2,200**	**-100**	**-4.5**	**2,000**
MANUFACTURING	**7,600**	**7,600**	**0**	**0.0**	**7,600**
SERVICE PROVIDING INDUSTRIES	**54,700**	**52,700**	**2,000**	**3.8**	**53,800**
TRADE, TRANSPORTATION, UTILITIES	**12,900**	**12,300**	**600**	**4.9**	**12,500**
Wholesale Trade	2,200	2,100	100	4.8	2,200
Retail Trade	8,800	8,400	400	4.8	8,500
Transportation, Warehousing, & Utilities	1,900	1,800	100	5.6	1,800
INFORMATION	**700**	**600**	**100**	**16.7**	**700**
FINANCIAL ACTIVITIES	**2,000**	**2,000**	**0**	**0.0**	**2,000**
PROFESSIONAL & BUSINESS SERVICES	**4,700**	**4,500**	**200**	**4.4**	**4,600**
EDUCATION AND HEALTH SERVICES	**17,200**	**16,000**	**1,200**	**7.5**	**16,900**
Health Care and Social Assistance	15,500	14,500	1,000	6.9	15,100
LEISURE AND HOSPITALITY	**5,200**	**5,100**	**100**	**2.0**	**4,900**
OTHER SERVICES	**2,300**	**2,400**	**-100**	**-4.2**	**2,300**
GOVERNMENT	**9,700**	**9,800**	**-100**	**-1.0**	**9,900**
Federal	400	500	-100	-20.0	500
State & Local	9,300	9,300	0	0.0	9,400

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**44,600**	**44,300**	**300**	**0.7**	**45,100**
TORRINGTON LMA	**36,000**	**35,600**	**400**	**1.1**	**35,400**
WILLIMANTIC - DANIELSON LMA	**36,400**	**36,200**	**200**	**0.6**	**36,100**

Not Seasonally Adjusted

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.

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

SPRINGFIELD, MA-CT NECTA**

Not Seasonally Adjusted

	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
TOTAL NONFARM EMPLOYMENT	**288,900**	**288,200**	**700**	**0.2**	**286,900**
TOTAL PRIVATE	**238,500**	**239,000**	**-500**	**-0.2**	**236,500**
GOODS PRODUCING INDUSTRIES	**39,300**	**40,800**	**-1,500**	**-3.7**	**38,100**
CONSTRUCTION, NAT. RES. & MINING	**7,900**	**9,700**	**-1,800**	**-18.6**	**7,000**
MANUFACTURING	**31,400**	**31,100**	**300**	**1.0**	**31,100**
Durable Goods	**21,000**	**20,500**	**500**	**2.4**	**20,800**
Non-Durable Goods	**10,400**	**10,600**	**-200**	**-1.9**	**10,300**
SERVICE PROVIDING INDUSTRIES	**249,600**	**247,400**	**2,200**	**0.9**	**248,800**
TRADE, TRANSPORTATION, UTILITIES	**57,800**	**57,200**	**600**	**1.0**	**57,200**
Wholesale Trade	11,100	11,100	0	0.0	11,100
Retail Trade	34,300	33,900	400	1.2	34,000
Transportation, Warehousing, & Utilities	12,400	12,200	200	1.6	12,100
INFORMATION	**3,900**	**3,800**	**100**	**2.6**	**3,900**
FINANCIAL ACTIVITIES	**15,400**	**15,400**	**0**	**0.0**	**15,300**
Finance and Insurance	12,400	12,400	0	0.0	12,400
Insurance Carriers & Related Activities	7,700	7,700	0	0.0	7,700
PROFESSIONAL & BUSINESS SERVICES	**24,700**	**23,300**	**1,400**	**6.0**	**24,700**
EDUCATION AND HEALTH SERVICES	**58,800**	**59,600**	**-800**	**-1.3**	**60,500**
Educational Services	12,500	12,700	-200	-1.6	14,400
Health Care and Social Assistance	46,300	46,900	-600	-1.3	46,100
LEISURE AND HOSPITALITY	**27,900**	**28,200**	**-300**	**-1.1**	**26,300**
OTHER SERVICES	**10,700**	**10,700**	**0**	**0.0**	**10,500**
GOVERNMENT	**50,400**	**49,200**	**1,200**	**2.4**	**50,400**
Federal	6,000	6,200	-200	-3.2	6,400
State & Local	44,400	43,000	1,400	3.3	44,000

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.
**Total excludes workers idled due to labor-management disputes.*

** New England City and Town Area

LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	MAY 2012	MAY 2011	CHANGE NO.	CHANGE %	APR 2012
CONNECTICUT	Civilian Labor Force	1,923,300	1,917,300	6,000	0.3	1,898,100
	Employed	1,769,700	1,748,400	21,300	1.2	1,754,900
	Unemployed	153,600	168,900	-15,300	-9.1	143,200
	Unemployment Rate	8.0	8.8	-0.8	---	7.5
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	488,500	486,700	1,800	0.4	478,700
	Employed	452,000	446,600	5,400	1.2	445,100
	Unemployed	36,500	40,200	-3,700	-9.2	33,600
	Unemployment Rate	7.5	8.2	-0.7	---	7.0
DANBURY LMA	Civilian Labor Force	95,200	93,300	1,900	2.0	93,400
	Employed	89,200	86,800	2,400	2.8	87,900
	Unemployed	6,000	6,500	-500	-7.7	5,500
	Unemployment Rate	6.3	6.9	-0.6	---	5.9
ENFIELD LMA	Civilian Labor Force	51,200	51,300	-100	-0.2	51,000
	Employed	47,400	46,900	500	1.1	47,100
	Unemployed	3,800	4,300	-500	-11.6	3,800
	Unemployment Rate	7.4	8.5	-1.1	---	7.5
HARTFORD LMA	Civilian Labor Force	607,700	605,400	2,300	0.4	604,300
	Employed	559,000	552,000	7,000	1.3	559,300
	Unemployed	48,700	53,400	-4,700	-8.8	45,000
	Unemployment Rate	8.0	8.8	-0.8	---	7.4
NEW HAVEN LMA	Civilian Labor Force	321,300	320,900	400	0.1	317,800
	Employed	294,500	291,300	3,200	1.1	293,200
	Unemployed	26,800	29,600	-2,800	-9.5	24,600
	Unemployment Rate	8.3	9.2	-0.9	---	7.7
NORWICH - NEW LONDON LMA	Civilian Labor Force	151,500	154,000	-2,500	-1.6	147,900
	Employed	139,000	140,600	-1,600	-1.1	135,800
	Unemployed	12,500	13,400	-900	-6.7	12,100
	Unemployment Rate	8.3	8.7	-0.4	---	8.2
TORRINGTON LMA	Civilian Labor Force	56,000	55,400	600	1.1	55,100
	Employed	51,900	50,900	1,000	2.0	51,200
	Unemployed	4,100	4,600	-500	-10.9	3,900
	Unemployment Rate	7.3	8.2	-0.9	---	7.1
WATERBURY LMA	Civilian Labor Force	104,200	103,000	1,200	1.2	102,700
	Employed	93,400	90,900	2,500	2.8	92,200
	Unemployed	10,800	12,100	-1,300	-10.7	10,500
	Unemployment Rate	10.4	11.7	-1.3	---	10.2
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	59,500	59,400	100	0.2	58,900
	Employed	54,100	53,500	600	1.1	53,700
	Unemployed	5,400	5,900	-500	-8.5	5,200
	Unemployment Rate	9.1	9.9	-0.8	---	8.8
UNITED STATES	Civilian Labor Force	154,998,000	153,449,000	1,549,000	1.0	153,905,000
	Employed	142,727,000	140,028,000	2,699,000	1.9	141,995,000
	Unemployed	12,271,000	13,421,000	-1,150,000	-8.6	11,910,000
	Unemployment Rate	7.9	8.7	-0.8	---	7.7

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.

(Not seasonally adjusted)	AVG WEEKLY EARNINGS MAY 2012	2011	CHG Y/Y	APR 2012	AVG WEEKLY HOURS MAY 2012	2011	CHG Y/Y	APR 2012	AVG HOURLY EARNINGS MAY 2012	2011	CHG Y/Y	APR 2012
PRODUCTION WORKER												
MANUFACTURING	**$980.51**	**$1,000.81**	**-$20.31**	**$1,004.81**	**40.4**	**40.7**	**-0.3**	**40.5**	**$24.27**	**$24.59**	**-$0.32**	**$24.81**
DURABLE GOODS	**1,051.65**	**1,056.17**	**-4.52**	**1,085.09**	**41.0**	**40.7**	**0.3**	**41.4**	**25.65**	**25.95**	**-0.30**	**26.21**
NON-DUR. GOODS	**753.02**	**827.43**	**-74.41**	**748.35**	**38.4**	**40.7**	**-2.3**	**37.7**	**19.61**	**20.33**	**-0.72**	**19.85**
CONSTRUCTION	**986.99**	**980.53**	**6.45**	**1,016.79**	**37.7**	**37.8**	**-0.1**	**38.5**	**26.18**	**25.94**	**0.24**	**26.41**
ALL EMPLOYEES												
STATEWIDE												
TOTAL PRIVATE	**945.72**	**962.98**	**-17.26**	**977.21**	**33.8**	**34.1**	**-0.3**	**34.3**	**27.98**	**28.24**	**-0.26**	**28.49**
GOODS PRODUCING	**1,181.39**	**1,152.21**	**29.18**	**1,216.91**	**38.9**	**38.6**	**0.3**	**39.6**	**30.37**	**29.85**	**0.52**	**30.73**
Construction	1,072.13	1,034.78	37.35	1,076.86	37.5	36.5	1.0	37.6	28.59	28.35	0.24	28.64
Manufacturing	1,209.97	1,196.46	13.52	1,254.94	39.4	39.5	-0.1	40.3	30.71	30.29	0.42	31.14
SERVICE PROVIDING	**903.43**	**925.95**	**-22.51**	**932.73**	**32.9**	**33.2**	**-0.3**	**33.3**	**27.46**	**27.89**	**-0.43**	**28.01**
Trade, Transp., Utilities	872.20	880.69	-8.49	895.19	35.0	34.7	0.3	34.9	24.92	25.38	-0.46	25.65
Financial Activities	1,495.41	1,629.14	-133.74	1,580.15	36.5	37.4	-0.9	37.4	40.97	43.56	-2.59	42.25
Prof. & Business Serv.	1,052.35	1,060.22	-7.87	1,068.90	34.8	35.2	-0.4	35.0	30.24	30.12	0.12	30.54
Education & Health Ser.	806.31	808.96	-2.65	822.25	31.0	30.9	0.1	31.3	26.01	26.18	-0.17	26.27
Leisure & Hospitality	392.64	409.11	-16.46	401.34	25.9	26.6	-0.7	26.3	15.16	15.38	-0.22	15.26
Other Services	616.92	641.56	-24.64	625.92	30.8	30.8	0.0	32.0	20.03	20.83	-0.80	19.56
LABOR MARKET AREAS: TOTAL PRIVATE												
Bridgeport-Stamford	1,070.40	1,061.87	8.53	1,112.21	34.1	34.1	0.0	34.8	31.39	31.14	0.25	31.96
Danbury	913.00	959.08	-46.08	927.74	33.2	35.8	-2.6	33.3	27.50	26.79	0.71	27.86
Hartford	1,004.15	1,059.68	-55.52	1,049.13	35.0	35.5	-0.5	35.6	28.69	29.85	-1.16	29.47
New Haven	881.45	872.51	8.94	891.42	33.3	32.9	0.4	33.2	26.47	26.52	-0.05	26.85
Norwich-New London	765.53	693.51	72.02	771.98	31.4	30.7	0.7	31.9	24.38	22.59	1.79	24.20
Waterbury	779.22	813.62	-34.40	788.51	33.3	35.1	-1.8	33.9	23.40	23.18	0.22	23.26

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2011.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In May 2012, Rockhouse BBQ & Wings announced it will be opening in Manchester in June and will hire 15 employees. CVS will create 40 jobs in Hartford when it opens in January 2013. Work on the new busway from New Britain to Hartford, CTfastrak, began and will create 100 permanent positions. A new restaurant, The Main Street Grill, opened in Watertown in April, creating 12 jobs. Forty jobs were generated in the Norwalk area when Wine Nation, a wine retailer, opened in May. Approximately 65 jobs will be available this summer when Plan B, a restaurant, opens in Stamford.

- In May 2012, Pratt and Whitney of East Hartford will be eliminating 200 jobs as it aligns staffing levels to business needs. Hostess Brands announced it will be cutting 187 jobs in July in Bridgeport, Cheshire, East Windsor, Montville, and Norwich due to restructuring after filing for bankruptcy. The town of Ansonia will be cutting 18 positions in 2012 as a result of budget cuts. RR Donnelley of Danbury will close its printing plant in July, leaving 150 employees without jobs.

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)

MAY 2012

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	488,493	**452,014**	**36,479**	**7.5**
Ansonia	10,600	9,556	1,044	9.8
Bridgeport	67,770	59,699	8,071	11.9
Darien	9,558	8,951	607	6.4
Derby	7,271	6,632	639	8.8
Easton	3,820	3,606	214	5.6
Fairfield	29,855	27,723	2,132	7.1
Greenwich	30,303	28,527	1,776	5.9
Milford	30,987	28,820	2,167	7.0
Monroe	10,760	10,066	694	6.4
New Canaan	8,965	8,464	501	5.6
Newtown	14,808	13,966	842	5.7
Norwalk	50,165	46,840	3,325	6.6
Oxford	7,563	7,122	441	5.8
Redding	4,927	4,633	294	6.0
Ridgefield	12,122	11,490	632	5.2
Seymour	9,620	8,856	764	7.9
Shelton	23,115	21,463	1,652	7.1
Southbury	9,351	8,727	624	6.7
Stamford	69,458	64,781	4,677	6.7
Stratford	27,653	25,270	2,383	8.6
Trumbull	18,709	17,462	1,247	6.7
Weston	4,951	4,687	264	5.3
Westport	12,824	12,058	766	6.0
Wilton	8,545	8,058	487	5.7
Woodbridge	4,792	4,557	235	4.9
DANBURY	**95,205**	**89,198**	**6,007**	**6.3**
Bethel	11,229	10,528	701	6.2
Bridgewater	971	927	44	4.5
Brookfield	9,433	8,866	567	6.0
Danbury	47,106	44,134	2,972	6.3
New Fairfield	7,723	7,237	486	6.3
New Milford	16,805	15,673	1,132	6.7
Sherman	1,937	1,832	105	5.4
ENFIELD	**51,220**	**47,422**	**3,798**	**7.4**
East Windsor	6,730	6,197	533	7.9
Enfield	24,094	22,349	1,745	7.2
Somers	5,068	4,698	370	7.3
Suffield	7,957	7,452	505	6.3
Windsor Locks	7,371	6,726	645	8.8
HARTFORD	**607,746**	**559,045**	**48,701**	**8.0**
Andover	2,071	1,942	129	6.2
Ashford	2,627	2,418	209	8.0
Avon	9,706	9,195	511	5.3
Barkhamsted	2,350	2,160	190	8.1
Berlin	11,312	10,579	733	6.5
Bloomfield	10,335	9,312	1,023	9.9
Bolton	2,991	2,806	185	6.2
Bristol	34,580	31,604	2,976	8.6
Burlington	5,503	5,184	319	5.8

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont...				
Canton	5,920	5,607	313	5.3
Colchester	9,313	8,644	669	7.2
Columbia	3,177	2,979	198	6.2
Coventry	7,320	6,765	555	7.6
Cromwell	8,171	7,635	536	6.6
East Granby	2,993	2,825	168	5.6
East Haddam	5,400	5,055	345	6.4
East Hampton	7,343	6,831	512	7.0
East Hartford	27,283	24,530	2,753	10.1
Ellington	9,524	8,988	536	5.6
Farmington	13,252	12,441	811	6.1
Glastonbury	19,104	18,060	1,044	5.5
Granby	6,448	6,065	383	5.9
Haddam	5,297	4,978	319	6.0
Hartford	51,118	43,751	7,367	14.4
Hartland	1,230	1,162	68	5.5
Harwinton	3,258	3,029	229	7.0
Hebron	5,808	5,486	322	5.5
Lebanon	4,408	4,069	339	7.7
Manchester	34,461	31,459	3,002	8.7
Mansfield	14,176	13,269	907	6.4
Marlborough	3,712	3,493	219	5.9
Middlefield	2,511	2,334	177	7.0
Middletown	27,046	25,035	2,011	7.4
New Britain	36,620	32,664	3,956	10.8
New Hartford	3,961	3,717	244	6.2
Newington	17,400	16,200	1,200	6.9
Plainville	10,509	9,679	830	7.9
Plymouth	7,091	6,441	650	9.2
Portland	5,415	5,042	373	6.9
Rocky Hill	11,311	10,660	651	5.8
Simsbury	12,120	11,455	665	5.5
Southington	25,121	23,341	1,780	7.1
South Windsor	14,769	13,902	867	5.9
Stafford	7,130	6,560	570	8.0
Thomaston	4,734	4,333	401	8.5
Tolland	8,668	8,188	480	5.5
Union	537	513	24	4.5
Vernon	17,463	16,070	1,393	8.0
West Hartford	30,818	28,761	2,057	6.7
Wethersfield	13,772	12,863	909	6.6
Willington	3,883	3,626	257	6.6
Windsor	16,676	15,340	1,336	8.0

All Labor Market Areas(LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Stamford-Norwalk NECTA is referred to in Connecticut DOL publications as the 'Bridgeport-Stamford LMA', and the Hartford-West Hartford-East Hartford NECTA is referred to as the 'Hartford LMA'. The Bureau of Labor Statistics has identified 17 towns in the northwest part of the State as a separate area for reporting labor force data. For the convenience of our data users, these towns are included in the Torrington LMA. For the same 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

Town

(By Place of Residence - Not Seasonally Adjusted)

MAY 2012

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**321,283**	**294,477**	**26,806**	**8.3**
Bethany	3,157	2,968	189	6.0
Branford	16,907	15,747	1,160	6.9
Cheshire	14,867	13,948	919	6.2
Chester	2,374	2,249	125	5.3
Clinton	7,794	7,310	484	6.2
Deep River	2,597	2,403	194	7.5
Durham	4,316	4,068	248	5.7
East Haven	16,753	15,289	1,464	8.7
Essex	3,732	3,541	191	5.1
Guilford	13,048	12,332	716	5.5
Hamden	32,954	30,351	2,603	7.9
Killingworth	3,705	3,463	242	6.5
Madison	9,868	9,308	560	5.7
Meriden	33,138	29,919	3,219	9.7
New Haven	59,723	52,785	6,938	11.6
North Branford	8,445	7,878	567	6.7
North Haven	13,395	12,429	966	7.2
Old Saybrook	5,403	5,040	363	6.7
Orange	7,413	6,940	473	6.4
Wallingford	25,938	23,977	1,961	7.6
West Haven	31,871	28,891	2,980	9.4
Westbrook	3,887	3,643	244	6.3
*NORWICH-NEW LONDON	**139,656**	**128,145**	**11,511**	**8.2**
Bozrah	1,537	1,439	98	6.4
Canterbury	3,167	2,920	247	7.8
East Lyme	9,843	9,108	735	7.5
Franklin	1,158	1,090	68	5.9
Griswold	7,443	6,822	621	8.3
Groton	19,176	17,497	1,679	8.8
Ledyard	8,380	7,770	610	7.3
Lisbon	2,599	2,406	193	7.4
Lyme	1,278	1,213	65	5.1
Montville	10,758	9,853	905	8.4
New London	14,512	12,882	1,630	11.2
No. Stonington	3,252	3,038	214	6.6
Norwich	22,608	20,572	2,036	9.0
Old Lyme	4,218	3,951	267	6.3
Preston	2,725	2,516	209	7.7
Salem	2,605	2,417	188	7.2
Sprague	1,820	1,611	209	11.5
Stonington	10,358	9,757	601	5.8
Voluntown	1,603	1,450	153	9.5
Waterford	10,614	9,834	780	7.3

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

NORWICH-NEW LONDON	**151,540**	**139,019**	**12,521**	**8.3**
Westerly, RI	11,884	10,874	1,010	8.5

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

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**55,979**	**51,887**	**4,092**	**7.3**
Bethlehem	2,086	1,955	131	6.3
Canaan	696	653	43	6.2
Colebrook	827	779	48	5.8
Cornwall	809	767	42	5.2
Goshen	1,584	1,468	116	7.3
Kent	1,643	1,547	96	5.8
Litchfield	4,384	4,102	282	6.4
Morris	1,322	1,250	72	5.4
Norfolk	997	934	63	6.3
North Canaan	1,758	1,627	131	7.5
Roxbury	1,368	1,291	77	5.6
Salisbury	1,872	1,768	104	5.6
Sharon	1,460	1,385	75	5.1
Torrington	20,265	18,485	1,780	8.8
Warren	816	757	59	7.2
Washington	1,929	1,814	115	6.0
Winchester	6,373	5,880	493	7.7
Woodbury	5,789	5,426	363	6.3
WATERBURY	**104,192**	**93,394**	**10,798**	**10.4**
Beacon Falls	3,511	3,219	292	8.3
Middlebury	4,084	3,816	268	6.6
Naugatuck	17,273	15,660	1,613	9.3
Prospect	5,356	4,960	396	7.4
Waterbury	52,137	45,716	6,421	12.3
Watertown	12,502	11,512	990	7.9
Wolcott	9,330	8,512	818	8.8
WILLIMANTIC-DANIELSON	**59,525**	**54,097**	**5,428**	**9.1**
Brooklyn	4,104	3,764	340	8.3
Chaplin	1,362	1,262	100	7.3
Eastford	994	934	60	6.0
Hampton	1,114	1,019	95	8.5
Killingly	9,590	8,580	1,010	10.5
Plainfield	8,560	7,704	856	10.0
Pomfret	2,342	2,178	164	7.0
Putnam	5,515	5,052	463	8.4
Scotland	1,019	968	51	5.0
Sterling	2,227	2,000	227	10.2
Thompson	5,593	5,141	452	8.1
Windham	12,479	11,153	1,326	10.6
Woodstock	4,625	4,342	283	6.1

Not Seasonally Adjusted:				
CONNECTICUT	**1,923,300**	**1,769,700**	**153,600**	**8.0**
UNITED STATES	**154,998,000**	**142,727,000**	**12,271,000**	**7.9**
Seasonally Adjusted:				
CONNECTICUT	**1,918,100**	**1,767,800**	**150,300**	**7.8**
UNITED STATES	**155,007,000**	**142,287,000**	**12,720,000**	**8.2**

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	MAY 2012	YR TO DATE 2012	YR TO DATE 2011	TOWN	MAY 2012	YR TO DATE 2012	YR TO DATE 2011	TOWN	MAY 2012	YR TO DATE 2012	YR TO DATE 2011
Andover	1	2	0	Griswold	na	na	na	Preston	0	2	3
Ansonia	0	2	1	Groton	2	4	7	Prospect	na	na	na
Ashford	1	3	2	Guilford	3	6	8	Putnam	0	2	4
Avon	3	9	14	Haddam	3	8	4	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	0	3	1	Ridgefield	1	2	4
Beacon Falls	na	na	na	Hampton	0	2	3	Rocky Hill	1	6	6
Berlin	13	28	25	Hartford	0	8	11	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	0	3	0
Bethel	6	12	26	Harwinton	0	5	2	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	0	0
Bloomfield	na	na	na	Kent	0	0	3	Seymour	3	11	6
Bolton	1	2	1	Killingly	2	7	3	Sharon	1	1	2
Bozrah	0	0	2	Killingworth	na	na	na	Shelton	6	271	12
Branford	na	na	na	Lebanon	0	0	3	Sherman	na	na	na
Bridgeport	13	60	51	Ledyard	2	8	6	Simsbury	2	4	4
Bridgewater	na	na	na	Lisbon	1	1	2	Somers	3	3	5
Bristol	0	8	4	Litchfield	na	na	na	South Windsor	2	4	3
Brookfield	na	na	na	Lyme	0	2	0	Southbury	2	3	1
Brooklyn	0	12	9	Madison	2	9	4	Southington	8	37	29
Burlington	0	10	5	Manchester	2	6	5	Sprague	0	0	1
Canaan	0	0	1	Mansfield	0	4	3	Stafford	na	na	na
Canterbury	0	1	1	Marlborough	0	1	2	Stamford	7	14	15
Canton	1	4	6	Meriden	0	2	3	Sterling	na	na	na
Chaplin	0	0	0	Middlebury	na	na	na	Stonington	7	17	4
Cheshire	4	6	6	Middlefield	1	1	2	Stratford	0	2	7
Chester	na	na	na	Middletown	2	6	18	Suffield	0	11	10
Clinton	0	11	2	Milford	11	51	33	Thomaston	na	na	na
Colchester	2	11	6	Monroe	1	2	3	Thompson	na	na	na
Colebrook	0	0	0	Montville	0	6	4	Tolland	1	5	2
Columbia	1	3	0	Morris	0	0	1	Torrington	1	1	2
Cornwall	1	11	0	Naugatuck	1	1	4	Trumbull	1	2	3
Coventry	1	5	6	New Britain	na	na	na	Union	1	1	2
Cromwell	5	18	13	New Canaan	3	14	8	Vernon	1	40	38
Danbury	100	141	50	New Fairfield	na	na	na	Voluntown	0	0	1
Darien	na	na	na	New Hartford	1	3	3	Wallingford	5	20	17
Deep River	0	1	0	New Haven	2	6	3	Warren	0	0	2
Derby	na	na	na	New London	3	12	10	Washington	na	na	na
Durham	0	1	1	New Milford	2	9	6	Waterbury	3	6	5
East Granby	0	3	4	Newington	0	0	3	Waterford	0	6	5
East Haddam	0	3	6	Newtown	2	5	5	Watertown	2	7	7
East Hampton	1	5	5	Norfolk	0	0	1	West Hartford	6	30	13
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	1	4	13	North Canaan	0	0	0	Westbrook	0	1	3
East Lyme	2	13	12	North Haven	2	6	2	Weston	na	na	na
East Windsor	0	6	8	North Stonington	0	1	0	Westport	7	25	26
Eastford	1	1	1	Norwalk	0	38	14	Wethersfield	na	na	na
Easton	0	1	1	Norwich	0	2	3	Willington	0	1	1
Ellington	5	14	7	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	1	5	21	Winchester	1	1	1
Essex	1	4	0	Orange	na	na	na	Windham	1	3	2
Fairfield	6	18	18	Oxford	1	5	7	Windsor	na	na	na
Farmington	4	18	9	Plainfield	0	6	11	Windsor Locks	na	na	na
Franklin	0	0	1	Plainville	2	5	10	Wolcott	2	7	3
Glastonbury	3	17	12	Plymouth	1	3	1	Woodbridge	na	na	na
Goshen	0	2	0	Pomfret	0	1	0	Woodbury	1	2	5
Granby	0	1	1	Portland	0	3	3	Woodstock	0	0	3
Greenwich	7	23	26								

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 ..... +4.0
Coincident General Drift Indicator +0.6
Farmington Bank Bus. Barometer +0.2
Phil. Fed's CT Coincident Index .... +2.5

Total Nonfarm Employment........... +0.4

Unemployment Rate .... -1.1*
Labor Force .... +0.1
Employed .... +1.3
Unemployed .... -12.4

Average Weekly Initial Claims .... -7.9
Avg Insured Unempl. Rate ....-0.51*
U-6 Unemployment Rate............... -0.9*

Prod. Worker Avg Wkly Hours, Mfg -0.7
PW Avg Hourly Earnings, Mfg .... -1.3
PW Avg Weekly Earnings, Mfg .... -2.0
CT Mfg. Production Index .... -7.6
Production Worker Hours .... +0.6
Industrial Electricity Sales .... -14.3

Personal Income .... +2.9
UI Covered Wages .... +0.6

Business Activity
New Housing Permits .... +57.0
Electricity Sales .... -2.9
Construction Contracts Index .... +63.5
New Auto Registrations .... -6.9
Air Cargo Tons .... NA
Exports .... -2.9
S&P 500: Monthly Close .... -2.6

Business Starts
Secretary of the State .... +9.2
Dept. of Labor .... -11.6

Business Terminations
Secretary of the State .... +14.8
Dept. of Labor .... -35.8

State Revenues .... +3.1
Corporate Tax .... -3.8
Personal Income Tax .... +31.2
Real Estate Conveyance Tax .... +33.3
Sales & Use Tax .... -12.2
Indian Gaming Payments .... -8.9

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

Tourism and Travel
Info Center Visitors .... -12.2
Attraction Visitors .... -0.8
Air Passenger Count .... NA
Indian Gaming Slots .... -11.6
Travel and Tourism Index .... +12.3

Employment Cost Index (U.S.)
Total .... +2.1
Wages & Salaries .... +1.9
Benefit Costs .... +2.8

Consumer Prices
U.S. City Average .... +1.7
Northeast Region .... +1.7
NY-NJ-Long Island .... +1.8
Boston-Brockton-Nashua .... +0.8

Interest Rates
Prime 0.00*
Conventional Mortgage ....-0.84*

THE CONNECTICUT ECONOMIC DIGEST

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

Opportunity • Guidance • Support
CONNECTICUT DEPARTMENT OF LABOR

DECD

Mailing address:

Connecticut Economic Digest
Connecticut Department of Labor
Office of Research
200 Folly Brook Boulevard
Wethersfield, CT 06109-1114

The Connecticut Economic Digest is available on the internet at:
http://www.ctdol.state.ct.us/lmi

NEED A COPY OF THE CONNECTICUT ECONOMIC DIGEST?

To receive a staple-bound, color copy of the Digest each month, or for further information, please call the Office of Research at (860) 263-6290, or send an e-mail to dol.econdigest@ct.gov.

❑ If you wish to have your name removed from our mailing list, please check here and return this page (or a photocopy) to the address at left.

❑ If your address has changed, please check here, make the necessary changes to your address label and return this page to the address at left.

❑ If you receive more than one copy of this publication, please check here and return this page from the duplicate copy to the address at left.