THE CONNECTICUT
ECONOMIC DIGEST

Vol.7 No.3 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

MARCH 2002

ARTICLES

ALSO INSIDE

In January...

- Employment .... up 4,300
- Unemployment rate 3.5%
- Housing permits .. down 29.2%

2001: A Recession Odyssey

By Jungmin Charles Joo, Associate Research Analyst, DOL

What an economic odyssey 2001 turned out to be. The long streak of yearly solid job growth finally came to an end. The newly released revised annual average data confirmed that Connecticut nonfarm employment declined in 2001 by 0.6 percent, or 10,800 jobs, after having added jobs in the last eight years. The revised data show that Connecticut's seasonally adjusted total nonfarm employment peaked in July 2000, and rebounded somewhat in the beginning of 2001 before starting its descent. Since employment is a prominent measure of recession and recovery, July 2000 likely marks the beginning of our current recession. (In the article that follows this, "Employment Indicators: Is the Connecticut Economy in a Recession?" the author of that article arrives at another conclusion, working with data on the previous year's benchmark and different criteria for recession.) Last year's downturn was marked by severe job cuts in manufacturing and very weak employment growth in the services industries. It marked the ninth recession, on an annual average basis, in Connecticut since nonfarm employment estimation began in 1939. As the chart below shows, the longest recession with the largest number of jobs lost (-141,200, or 8.7 percent) occurred during the 1989-92 period (the years of annual average employment decline are indicated in gray bars). The most severe recession, in terms of percent changes, occurred towards the

Connecticut Nonfarm Employment, 1939-2001
Annual Averages, in Thousands

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, Public Affairs and Strategic Planning Division. 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 views expressed by authors are theirs alone and do not necessarily reflect those of the Departments of Labor or Economic and Community Development.

To receive this publication free of charge write to: ***The Connecticut Economic Digest***, Connecticut Department of Labor, Office of Research, 200 Folly Brook Boulevard, Wethersfield, CT 06109-1114; email to econdigest@po.state.ct.us; or call: (860) 263-6275. Current subscribers who do not wish to continue receiving the publication or who have a change of address are asked to fill out the information on the back cover and return it to the above address.

Contributing DOL Staff: Salvatore DiPillo, Lincoln S. Dyer, Arthur Famiglietti, Noreen Passardi, David F. Post, Joseph Slepski and Erin C. Wilkins. **Managing Editor:** Jungmin Charles Joo. **Contributing DECD Staff:** Todd Bentsen, Kolie Chang, Robert Damroth and Mark Prisloe. We would also like to thank our associates at the Connecticut Center for Economic Analysis, University of Connecticut, for their contributions to the Digest.

Connecticut Department of Labor

Shaun B. Cashman, Commissioner
Thomas E. Hutton, Deputy Commissioner
Ann Moore, Deputy Commissioner

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

Connecticut Department of Economic and Community Development

James F. Abromaitis, Commissioner
Rita Zangari, Deputy Commissioner
Timothy H. Coppage, Deputy Commissioner

Public Affairs and Strategic Planning Division
Research Unit
505 Hudson Street
Hartford, CT 06106-2502
Phone: (860) 270-8165
Fax: (860) 270-8188
E-Mail: decd@po.state.ct.us
Website: http://www.state.ct.us/ecd/research

end of World War II in 1944-45 when almost 15 percent of jobs were lost (-110,600).

There were other distressing economic indicators in 2001 that pointed to this inevitable reversal of economic growth. The unemployment rate rose a full percentage point to 3.3 percent last year, breaking four consecutive years of decline. The labor force declined also, making it the largest percentage drop since 1994. After steadily declining every year in the last decade, the number of initial claims for unemployment suddenly rose sharply last year. The Hartford help-wanted index dropped for the third consecutive year. The number of new business starts suddenly fell last year, reversing five years of positive trends, while the count of business terminations mounted. Also, the number of major attraction visitors to our State shrank for the second year, as the air passenger count declined over the year, particularly since the events of September 11. See page 5 for a full page of annual Connecticut economic indicators for the years 1992 to 2001.

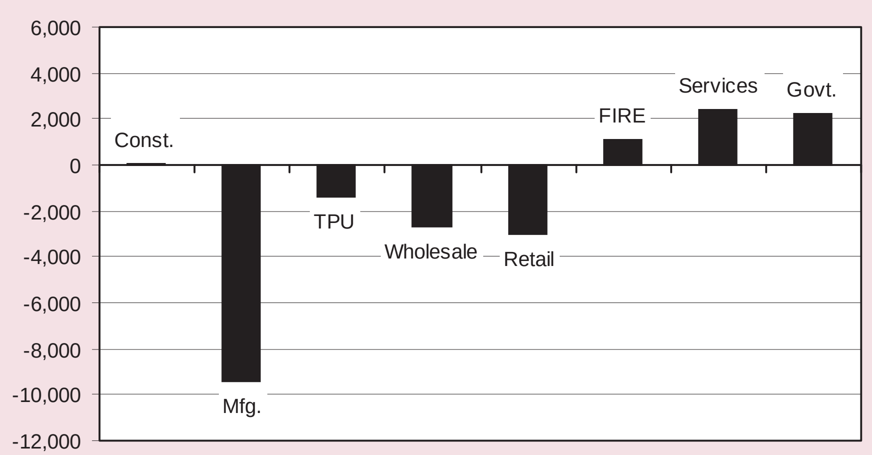
Industries

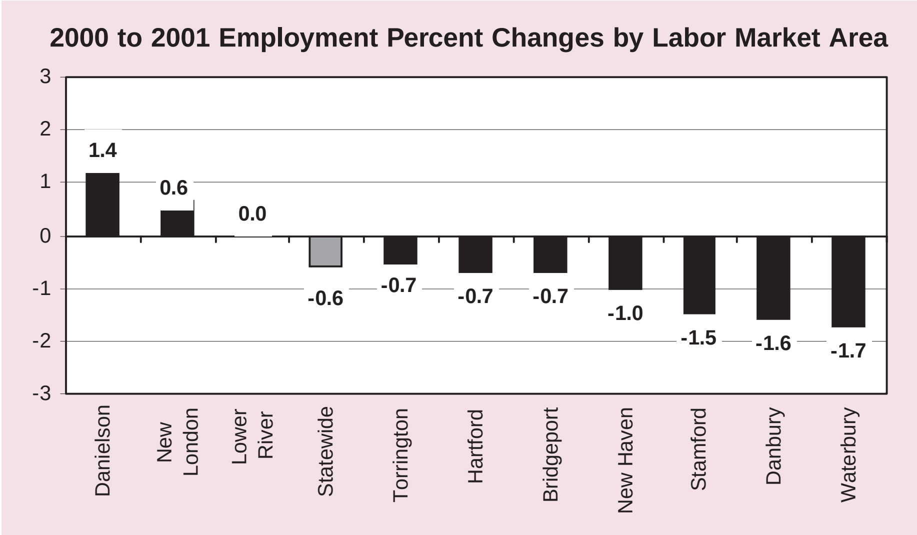
Of the 10,800 jobs Connecticut lost over the year, the manufacturing industry lost 9,400 (See chart below). After adding jobs in 1997 and 1998, manufacturing backslid for the next consecutive three years. In fact, 2001's job loss was the largest since 1993. Most of the layoffs were from fabricated metal, industrial machinery, electronic equipment, and printing & publishing manufacturers. Inflation-adjusted average hourly earnings of workers in manufacturing also dropped in 2001 to $9.26 after peaking in 1999 at $9.39. Even the revised Connecticut Manufacturing Production Index declined in 2001 by the largest percentage since 1993.

Wholesale trade, retail trade, and transportation and public utilities (TPU) industries also contributed to the overall employment decline in 2001. Wholesale trade employment, after successive years of increases and peaking in 1998, has fallen in the last three years. The State's deteriorating economic condition became more evident when retail trade and TPU employment decreased last year for the first time during the 1992-2001 period. The 2001 retail sales figure also broke the positive growth trends of the past ten years.

Even the services industry, which had been adding over 10,000 jobs each year in the past

2000 to 2001 Employment Changes by Major Industry Division





ten years, created only 2,400 new jobs last year, and was unable to offset the heavy downsizing in the manufacturing sector this time as it had in previous recessions. With the burst of the Internet "bubble," the number of business services jobs, which had been rapidly growing up until 2000, suddenly retreated last year. In addition, the construction industry was affected by the impact of September 11 and the sinking economy, despite the Fed's aggressive actions in lowering interest rates. This small but very sensitive industry, which had been the fastest growing in the past five years, now showed essentially zero growth.

The government, and finance, insurance, and real estate (FIRE) sectors also added more jobs over the year. Continued expansion of the casinos bolstered the local government sector, which helped to steadily increase overall employment in government. FIRE's employment reached a ten-year high in 2001, and has been gaining jobs in the last five years. Commercial banks and insurance carriers, in particular, fared better over the year.

Labor Market Areas

In 2000, seven of the ten labor market areas (LMAs) in Connecticut added jobs. Last year, however, the opposite was true—seven of the ten LMAs lost jobs. As the chart to the left shows, the percentages of job decline ranged from 0.7 percent in the Torrington LMA to 1.7 percent in the Waterbury LMA. The Danielson and New London LMAs were the only ones with positive employment growth over the year, undoubtedly the result of the casino expansions.

Among the ten LMAs, the largest percentage job decline in construction occurred in the Danbury area last year. All but the Danielson LMA (where there was no change) experienced job losses in manufacturing over the year—the largest percentage decline was in the Stamford area. Two of the areas—Danbury and Waterbury—actually lost services jobs from a year ago. The 2000-2001 changes in employment in all the major industry divisions of each LMA are shown in the table below.

From Here to Recovery

So, what about 2002? Will the current recession in the State and nation prove to be short-lived? Many private economists now say that the current national recession may already be over, based on various upbeat reports such as the fourth consecutive monthly increase in the Index of Leading Economic Indicators and the narrowing of the trade deficit. This would make the current downturn one of the shortest and mildest on record.

As for Connecticut, this year is off to a good start with the seasonally adjusted employment estimate for January showing an increase of 4,300 jobs over the month. There are other encouraging signs of improvement in Connecticut's economy, such as real personal income of resi-

2001 Labor Market Area Employment by Major Industry Division

	2001 Employment (000s)									
MID\LMA	Bridgeport	Danbury	Danielson	Hartford	Low.Riv.	N. Haven	N. London	Stamford	Torrington	Waterbury
Total	185.9	88.0	22.0	615.0	10.0	261.1	141.7	206.9	29.0	85.2
Con.&Min..	6.9	4.0	1.1	23.1	0.4	10.4	5.2	6.2	2.3	3.6
Mfg..........	36.0	18.0	5.7	89.1	2.8	37.0	22.7	23.6	5.1	16.9
TPU.........	7.9	2.9	0.5	27.6	0.4	15.9	6.3	9.8	0.4	3.8
Trade.......	40.9	20.5	5.4	120.6	2.0	52.8	28.1	43.3	6.7	17.5
Whole.....	8.6	3.0	1.0	27.5	0.4	12.6	2.7	9.9	0.6	3.0
Retail......	32.3	17.5	4.4	93.2	1.6	40.2	25.4	33.4	6.1	14.5
FIRE.........	12.2	5.6	0.5	73.4	0.3	12.7	3.4	27.4	0.8	3.5
Serv.........	60.8	25.6	5.4	181.5	3.2	96.9	36.8	77.9	10.0	27.2
Govt.........	21.2	11.4	3.4	99.7	0.9	35.2	39.1	18.8	3.6	12.8
	2000 to 2001 Employment Percent Changes									
Total	-0.7	-1.6	1.4	-0.7	0.0	-1.0	0.6	-1.5	-0.7	-1.7
Con.&Min..	1.5	-4.8	10.0	0.9	0.0	-2.8	-3.7	-4.6	4.5	2.9
Mfg..........	-2.2	-4.3	0.0	-2.0	-3.4	-3.4	-0.4	-6.0	-5.6	-5.1
TPU.........	2.6	0.0	0.0	-1.8	0.0	-1.9	-8.7	-1.0	-20.0	2.7
Trade.......	-2.9	-3.8	0.0	-3.0	0.0	-2.6	-0.4	-4.4	0.0	-3.3
Whole.....	-9.5	-3.2	-9.1	-5.2	0.0	-6.7	0.0	-7.5	0.0	0.0
Retail......	-0.9	-3.8	2.3	-2.2	0.0	-1.2	-0.4	-3.2	1.7	-4.0
FIRE.........	-3.2	0.0	-16.7	0.8	0.0	1.6	-2.9	2.2	-11.1	2.9
Serv.........	1.0	-1.2	3.8	0.4	6.7	0.3	1.4	0.3	2.0	-0.4
Govt.........	1.0	4.6	3.0	0.4	0.0	-0.6	3.4	0.5	0.0	-1.5

dents, which continued to rise even as employment fell last year. Despite the downturn in the State's overall employment, housing permits for 2001 fared well by nearly keeping pace with the 2000 levels. New automobile registrations processed were just slightly down from the record high in 2000. The number of air cargo tons bounced back from a decline in 2000. Over $8.6 billion worth of Connecticut products were exported to other countries in 2001, the largest amount in ten years and rising for the second year. Despite the decrease in the corporate taxes, overall State revenues rose, fueled by increases from the personal income tax and Indian gaming payments.

Plus, there are some encouraging developments in the pipeline, which hopefully will stop the decline in overall employment this year. Electric Boat of Groton, which makes Navy submarines, is planning to add 500 more workers this year for repair and overhaul work, which should help to slow the job decline in the manufacturing sector. Raymour & Flanigan, a furniture chain, is opening new stores, and new Home Depot stores will be built in Bloomfield and Bristol and are expected to add about 850 new jobs in retail trade. The expansion of UBS Warburg, a financial services firm in Stamford, will bring 500 additional jobs in the FIRE sector. Also, the expansion is continuing for hotel, gambling and shopping space at Mohegan Sun, which will involve another 500 new jobs. All these may be hinting that the worst of the job loss is behind us.

If Connecticut's economy does turn around this year, then the current recession could turn out to be the mildest the State has ever experienced. The last recession with the smallest rate of job loss was back in 1982, when employment fell by 0.7 percent.

The year 2001 will permanently become a chapter in American history books for events that include the March recession and September 11. How soon our State's and nation's economic recovery will come remains to be seen. One sure thing, however, is that we are moving towards reviving the economy of Connecticut and the United States of America. ■

Annual Revisions to Nonfarm Employment and Labor Force Estimates

Every year, nonfarm employment estimates are revised during the annual "benchmarking" process. The benchmarking reanchors the sample-based estimates to the universe levels, which account for approximately 98% of all Connecticut nonfarm employment. This year the revised statewide employment level for March 2001 was 12,100 lower than originally estimated, a downward revision of 0.7 percent. March is used because it is the most recent month for which the universe benchmark data are available when the revision process begins.

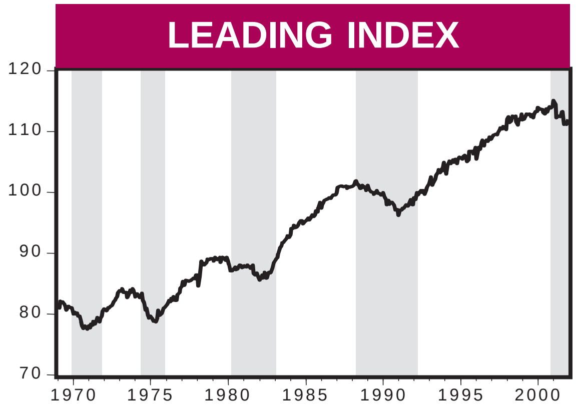
Somewhat less industry data detail is contained in this year's goods producing industries employment tables, particularly for the smaller labor market areas. This is due to a change in the basis on which employment estimates are made. The survey methodology, which produces the employment estimates, is transitioning from a quota sample to a probability sample. The probability sample is optimally allocated to maximize the reliability of the statewide estimates, shifting sample out of less densely populated areas into larger ones. Additionally, the overall sample size has been reduced because a probability sample is more expensive to maintain than the older quota sample, thus yielding less detailed industry data. For more on probability sampling see the December 2000 Digest article, "Employment Estimating Methods Evolving."

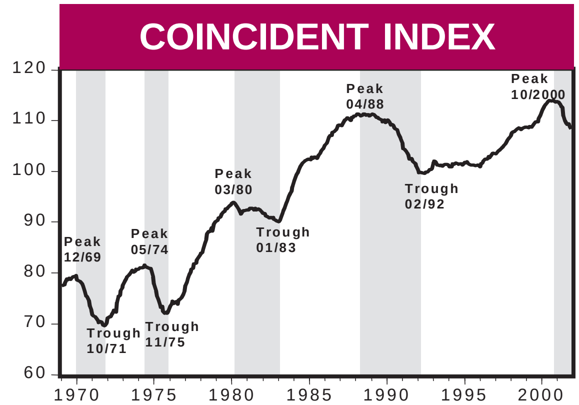
Monthly labor force estimates, like the nonfarm employment estimates, are considered preliminary and are also revised annually after the end of each calendar year to correspond with the annual average of the findings from the Current Population Survey (CPS), a monthly canvas of households throughout the nation. Unlike the preliminary monthly estimates, which are produced using a regression model designed by the U.S. Bureau of Labor Statistics (BLS), the degree of statistical error can be calculated on the survey data, and is smallest for annual averages. Therefore, the annual average estimates from the CPS become the official estimates, and are used to replace the monthly preliminary numbers. For 2001, the annual average unemployment rate for Connecticut was revised upward by three-tenths of a percentage point, from 3.0 percent (based on the preliminary monthly data) to 3.3 percent. Monthly estimates have been adjusted to reflect this change.

The revised series are available on line at http://www.ctdol.state.ct.us/lmi/ or by contacting the Connecticut Department of Labor, Office of Research at (860) 263-6291.

Connecticut Economic Indicators, 1992-2001

Indicator \ Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	*00 -> 01*
NONFARM EMPLOYMENT (000s)											
Statewide											
Total, All Industries	1,526.2	1,531.1	1,543.7	1,561.5	1,583.6	1,612.6	1,643.4	1,669.1	1,693.1	1,682.3	*-0.6%*
Construction & Mining	48.3	48.6	50.0	51.1	53.1	57.1	59.7	62.2	65.6	65.8	*0.3%*
Construction	47.4	47.6	49.3	50.4	52.4	56.3	58.9	61.4	64.8	64.9	*0.2%*
Mining	0.9	0.9	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.9	*12.5%*
Manufacturing	305.7	294.1	285.1	279.0	274.8	276.1	276.9	268.4	263.2	253.8	*-3.6%*
Durable	221.5	210.6	201.4	196.3	193.7	194.1	194.8	187.1	183.5	177.4	*-3.3%*
Nondurable	84.2	83.6	83.7	82.8	81.1	82.1	82.1	81.3	79.7	76.5	*-4.0%*
Transportation & Public Utilities	68.0	69.5	70.4	71.3	73.7	75.0	75.7	77.5	79.7	78.3	*-1.8%*
Trade	331.3	330.3	335.4	341.0	347.0	351.5	355.8	359.3	364.0	358.3	*-1.6%*
Wholesale	77.5	75.3	76.1	77.9	80.5	82.4	82.8	81.6	81.5	78.8	*-3.3%*
Retail	253.8	255.0	259.3	263.1	266.6	269.2	273.0	277.7	282.5	279.5	*-1.1%*
Finance, Insurance, Real Estate	142.4	139.8	135.6	132.5	130.2	132.1	136.5	140.1	141.4	142.5	*0.8%*
Services	423.1	438.1	449.9	465.7	482.0	495.0	511.0	526.5	537.2	539.6	*0.4%*
Government	207.4	210.7	217.2	220.9	222.8	225.7	227.8	235.1	241.8	244.1	*1.0%*
Labor Market Areas											
Bridgeport	176.0	175.7	178.0	178.9	179.8	184.3	186.3	187.3	187.2	185.9	*-0.7%*
Danbury	81.3	81.8	82.8	83.2	83.8	85.8	88.1	88.3	89.4	88.0	*-1.6%*
Danielson	17.8	18.2	18.8	19.6	20.3	19.9	20.4	21.1	21.7	22.0	*1.4%*
Hartford	588.3	585.5	586.5	584.5	590.2	597.8	603.9	612.9	619.3	615.0	*-0.7%*
Lower River	8.3	8.6	8.7	8.7	9.3	9.3	9.4	9.8	10.0	10.0	*0.0%*
New Haven	237.0	238.4	238.9	241.0	244.7	249.4	256.5	258.9	263.8	261.1	*-1.0%*
New London	121.7	124.1	128.4	131.6	132.6	136.2	137.6	140.4	140.8	141.7	*0.6%*
Stamford	179.3	183.6	185.2	190.4	196.1	201.5	205.6	208.7	210.0	206.9	*-1.5%*
Torrington	26.6	27.0	27.1	27.6	27.6	28.6	29.5	29.8	29.2	29.0	*-0.7%*
Waterbury	79.6	80.1	80.5	82.0	83.9	85.8	86.7	87.5	86.7	85.2	*-1.7%*
UNEMPLOYMENT											
Labor Force (000s)	1,819.5	1,784.4	1,737.3	1,711.1	1,718.5	1,722.6	1,706.6	1,708.4	1,746.5	1,717.6	*-1.7%*
Employed (000s)	1,680.8	1,672.6	1,640.6	1,616.9	1,619.8	1,634.8	1,649.3	1,654.5	1,707.1	1,661.3	*-2.7%*
Unemployed (000s)	138.7	111.8	96.8	94.3	98.7	87.9	57.3	54.0	39.3	56.4	*43.5%*
Unemployment Rate	7.6%	6.3%	5.6%	5.5%	5.7%	5.1%	3.4%	3.2%	2.3%	3.3%	
Average Weekly Initial Claims	6,094	5,334	4,998	4,795	4,345	3,902	3,743	3,723	3,426	4,928	*43.8%*
Hartford Help Wanted (1987=100)	25	29	33	34	35	36	36	33	32	22	*-31.3%*
Insured Unemployment Rate	3.91%	3.53%	3.39%	3.10%	2.80%	2.31%	2.06%	2.00%	1.77%	2.35%	
MANUFACTURING ACTIVITY											
Average Weekly Hours	41.7	42.1	42.8	42.8	42.5	42.6	42.7	42.4	42.6	42.5	*-0.2%*
Average Hourly Earnings	$12.46	$13.01	$13.53	$13.71	$14.01	$14.46	$14.83	$15.33	$15.70	$16.07	*2.4%*
Average Weekly Earnings	$519.58	$547.72	$579.08	$586.79	$595.43	$616.00	$633.24	$649.99	$668.82	$682.98	*2.1%*
Production Index (1986=100)	99.2	95.7	96.5	100.6	101.8	110.6	114.6	112.6	112.8	109.6	*-2.8%*
INCOME (mil.$)											
Personal Income	$93,779	$96,867	$99,788	$104,315	$109,354	$116,420	$124,971	$130,196	$139,305	$146,655	*5.3%*
UI Covered Wages	$49,131	$50,083	$51,621	$54,191	$57,198	$61,797	$66,347	$70,495	$76,167	$79,351	*4.2%*
BUSINESS ACTIVITY											
New Housing Permits	8,280	8,972	9,445	8,374	7,817	9,349	11,863	10,637	9,311	9,254	*-0.6%*
Electricity Sales (mil kWh)	26,742	26,931	27,887	27,851	28,387	28,432	28,956	29,791	29,917	30,699	*2.6%*
Retail Sales (bil.$)	$27.01	$28.47	$29.98	$31.23	$33.19	$35.54	$38.88	$40.58	$43.08	$42.65	*-1.0%*
Construction Contracts (1980=100)	215.0	176.3	196.7	200.8	183.4	222.7	322.0	308.8	315.1	306.8	*-2.6%*
New Auto Registrations	139,225	176,372	211,724	189,962	177,464	178,599	212,060	228,895	249,779	237,905	*-4.8%*
Air Cargo Tons	110,508	117,930	127,454	115,040	130,536	135,294	141,825	149,934	141,481	143,006	*1.1%*
Exports (bil.$)	$5.71	$6.33	$6.39	$6.55	$6.83	$7.06	$7.30	$7.23	$8.05	$8.61	*7.0%*
Business Starts (SOS)	NA	NA	NA	13,694	14,145	17,682	20,113	21,999	23,825	22,831	*-4.2%*
Business Terminations (SOS)	NA	NA	NA	2,880	2,984	4,328	4,500	4,651	5,265	6,173	*17.2%*
STATE TAX COLLECTIONS (mil.$)											
Total All Taxes	$5,765.2	$6,141.9	$6,424.1	$6,846.9	$7,258.2	$7,698.7	$8,237.6	$8,502.9	$8,982.3	$9,192.1	*2.3%*
Corporate Tax	$663.6	$719.3	$698.9	$750.1	$669.4	$639.5	$628.1	$573.9	$591.4	$474.7	*-19.7%*
Personal Income Tax	$2,255.2	$2,475.5	$2,517.4	$2,646.7	$2,791.0	$3,083.9	$3,497.9	$3,727.8	$4,132.8	$4,550.3	*10.1%*
Real Estate Conveyance Tax	$51.7	$57.8	$62.4	$61.2	$67.4	$85.2	$97.6	$109.7	$112.5	$111.0	*-1.3%*
Sales & Use Tax	$1,997.8	$2,100.5	$2,267.3	$2,400.8	$2,264.9	$2,410.5	$2,550.5	$2,683.0	$2,839.1	$2,824.6	*-0.5%*
Indian Gaming Payments	NA	$80.0	$129.8	$144.2	$166.9	$231.7	$276.2	$303.8	$327.1	$350.4	*7.1%*
TOURISM AND TRAVEL											
Info Center Visitors	NA	NA	397,296	538,535	545,026	550,958	605,939	602,013	620,119	659,729	*6.4%*
Major Attraction Visitors (000s)	1,844.8	1,843.1	1,856.7	1,930.1	1,648.9	1,752.4	2,017.7	2,083.0	1,990.2	1,845.4	*-7.3%*
Air Passenger Count (000s)	4,579.5	4,570.7	4,662.5	4,998.0	5,377.8	5,421.9	5,636.5	6,335.8	7,338.7	6,888.0	*-6.1%*
Indian Gaming Slots (mil.$)	NA	$2,986	$5,692	$7,278	$9,221	$12,211	$13,906	$15,188	$16,079	$17,159	*6.7%*





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

Is the Connecticut Economy in a Recession?

We have been reporting a slowdown in the Connecticut economy for about a year now. Many of you are probably wondering whether a slowdown is the same as a recession, and if not, will a slowdown eventually turn into a recession. A slowdown is not the same as a recession and it may or may not turn into a recession. A slowdown simply means that the economy is growing at a slower rate than previously. It is more difficult to determine when a slowdown becomes a recession, however. A recession is generally defined as a decline in economic activities, spread across many sectors of the economy, and lasting a period of at least several months. The dating of cyclical peaks is more an art than a science. At the national level, the National Bureau of Economic Research is the widely acknowledged authority on business cycle dating. There is, however, no comparable organization at the state level to date state cyclical peaks, at least not in Connecticut. Nevertheless, Anirvan Banerji of the Economic Cycle Research Institute (ECRI) in New York recently determined that Connecticut's employment cycle reached a cyclical peak in October 2000. However, Mr. Banerji also cautioned against interpreting this as the starting date of a recession in Connecticut because the employment cycle does not meet the test of a recession. We will have to wait until we have more information before we can determine whether or not and when the Connecticut economy is in a recession.

In Connecticut, the CCEA-ECRI coincident and leading employment indexes both fell in December 2001 on a year-to-year basis. The CCEA-ECRI Connecticut coincident employment index declined for the ninth time in 2001, from 113.7 in December 2000 to 108.4 in December 2001. Once again, all four components are negative contributors to the index on a year-to-year basis, with a higher insured unemployment rate, a higher total unemployment rate, lower total employment, and lower total nonfarm employment. On a sequential month-to-month basis, the CCEA-ECRI Connecticut coincident employment index fell from 108.8 in November to 108.4 in December 2001. Contributing to the declines are a higher insured unemployment rate, a higher total unemployment rate, and lower total nonfarm employment. Total employment edged up from November to December of 2001, however.

The CCEA-ECRI leading employment index declined from 114.1 in December 2000 to 112.0 in December 2001. Four components of this index are negative contributors, with a lower Hartford help-wanted advertising index, a higher short duration (less than 15 weeks) unemployment rate, higher initial claims for unemployment insurance, and lower average weekly hours worked in manufacturing and construction. The two positive contributors to this index are a lower Moody's Baa corporate bond yield, and higher total housing permits. The leading employment index rose from a revised 111.1 in November to 112.0 in December 2001 on a sequential month-to-month basis. The sole negative contributor is a lower Hartford help-wanted index. Four components are positive contributors to this index with an increase in total housing permits, lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in manufacturing and construction, while the Moody's Baa corporate remained steady at 7.81% from the month earlier.

This is the second time in three months that the leading indicator has turned up on a month-to-month basis. The upturn last time proved to be short-lived. This time, we will reserve our judgment of what this may imply. ■

Francis W. Ahking, Department of Economics, University of Connecticut, Storrs, CT 06269. Phone: (860) 486-3026. Stan McMillen [(860) 486-0485, Storrs Campus], Connecticut Center for Economic Analysis, University of Connecticut, provided research support. Leading and coincident employment indexes were developed by Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute. Components of Indexes are described in the Technical Notes on page 27.

STATE

Permits Off To A Slow Start

Commissioner James F. Abromaitis of the Connecticut Department of Economic and Community Development announced that Connecticut communities authorized 601 new housing units in January 2002, a 29.2 percent decrease compared to January of 2001 when 849 units were authorized. This decrease may be attributed to the one large complex of 341 units permitted in Stamford in January 2001.

The Department further indicated that the 601 units permitted in January 2002 represent a 5.5 percent decrease from the 636 units permitted in December 2001.

Clinton led all Connecticut communities with 26 units, followed by Vernon with 22 and Danbury with 21 units. The Stamford Labor Market Area recorded the biggest reduction in authorized units in January (329), a 90 percent decrease compared to a year ago. From a county perspective, all but Fairfield (down 321 units) and Hartford (down 5 units) counties surpassed last year's levels. ■

See data tables on pages 23 and 26.

Confidence in Connecticut Business Climate Sustained

The latest first quarter 2002 Business Climate Index, released by the DECD, decreased slightly to 66.4, from 69.0 in the fourth quarter 2001 survey. The Index has a maximum score of 100, meaning that all businesses in the state are completely confident. The score of 66.4 indicates that two thirds of Connecticut businesses are confident with current economic conditions.

Connecticut businesses remain confident about the U.S. and Connecticut economies, with the overall mean ranking on the one- to eight-point scale for the U.S. economy at 4.87, and for the Connecticut economy, 5.05.

Just over two thirds (67%) are either very or somewhat confident in the U.S. economy and about two thirds (65%) are either very or somewhat confident in the Connecticut economy, over the next few years. An even larger majority of businesses continues to express confidence in their own business with 77% of businesses saying they are either very (47%) or somewhat (30%) confident in their future.

Compared to other states, a majority of businesses feel that Connecticut is about the same or a better place to run their business, with 80% or more rating Connecticut as better or about the same as other states.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q 2001	4Q 2000	CHANGE NO.	CHANGE %	3Q 2001
Employment Indexes (1992=100)*					
Leading	111.5	114.0	-2.5	-2.2	112.3
Coincident	108.9	113.9	-5.0	-4.4	109.6
General Drift Indicator (1986=100)*					
Leading	92.1	96.0	-3.9	-4.1	93.2
Coincident	115.7	116.6	-0.9	-0.8	115.4
Business Barometer (1992=100)**	118.1	117.7	0.4	0.3	118.3
Business Climate Index***	69.0	68.7	0.3	0.4	60.2

*Sources: *The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut*
***People's Bank ***Connecticut Department of Economic and Community Development*

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 **People's 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 index is calculated by DataCore Partners, Inc for People's Bank.

The **Connecticut Business Climate Index** assesses the current economic conditions and the future expectations of the business community in the State. The Index has a maximum score of 100, meaning that all businesses in the State are completely confident with the current economic conditions and in the future of the economy and job market.

Total nonfarm employment decreased by 21,200 over the year.

EMPLOYMENT BY MAJOR INDUSTRY DIVISION

(Seasonally adjusted; 000s)	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM	1,676.4	1,697.6	-21.2	-1.2	1,672.1
Private Sector	1,428.4	1,453.8	-25.4	-1.7	1,425.8
Construction and Mining	66.0	65.5	0.5	0.8	65.7
Manufacturing	245.9	261.8	-15.9	-6.1	246.5
Transportation, Public Utilities	76.5	80.0	-3.5	-4.4	77.3
Wholesale, Retail Trade	358.9	360.4	-1.5	-0.4	356.3
Finance, Insurance & Real Estate	142.9	142.7	0.2	0.1	142.1
Services	538.2	543.4	-5.2	-1.0	537.9
Government	248.0	243.8	4.2	1.7	246.3

Source: Connecticut Department of Labor

The unemployment rate rose as the labor force dropped from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
Unemployment Rate, resident (%)	3.5	2.5	1.0	---	4.0
Labor Force, resident (000s)	1,711.5	1,736.2	-24.7	-1.4	1,708.8
Employed (000s)	1,651.7	1,693.7	-42.0	-2.5	1,639.7
Unemployed (000s)	59.8	42.6	17.2	40.4	69.1
Average Weekly Initial Claims	5,432	4,003	1,429	35.7	5,099
Help Wanted Index -- Htfd. (1987=100)	23	36	-13	-36.1	17
Avg. Insured Unemp. Rate (%)	3.00	1.66	1.34	---	2.95

Sources: Connecticut Department of Labor; The Conference Board

Both production worker weekly earnings and output increased over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001	NOV 2001
Average Weekly Hours	42.8	43.0	-0.2	-0.5	41.7	--
Average Hourly Earnings	$16.20	$15.88	$0.32	2.0	$15.92	--
Average Weekly Earnings	693.36	682.84	$10.52	1.5	$663.86	--
CT Mfg. Production Index (1986=100)*	104.8	100.9	3.9	3.9	108.6	110.0
Production Worker Hours (000s)	5,786	6,222	-436	-7.0	5,675	--
Industrial Electricity Sales (mil kWh)**	397	363	34.0	9.4	456	475

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

Personal income for second quarter 2002 is forecasted to increase 2.8 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	2Q* 2002	2Q 2001	CHANGE NO.	CHANGE %	1Q* 2002
Personal Income	$150,618	$146,503	$4,115	2.8	$148,969
UI Covered Wages	$80,832	$78,809	$2,023	2.6	$79,832

Source: Bureau of Economic Analysis: January 2002 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

Exports increased by 7.0 percent in 2001.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits	JAN 2002	601	-29.2	601	849	-29.2
Electricity Sales (mil kWh)	OCT 2001	2,360	1.2	25,424	24,709	2.9
Retail Sales (Bil. $)	NOV 2001	3.31	1.2	36.28	36.91	-1.7
Construction Contracts						
Index (1980=100)	DEC 2001	322.0	68.0	---	---	---
New Auto Registrations	JAN 2002	22,780	1.6	22,780	22,418	1.6
Air Cargo Tons	JAN 2002	9,844	-5.6	9,844	10,423	-5.6
Exports (Bil. $)	4Q 2001	2.20	-4.3	8.61	8.05	7.0

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

BUSINESS STARTS AND TERMINATIONS

Net business formation, as measured by starts minus stops registered with the Secretary of the State, was up 16.1 percent to 1,782.

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	JAN 2002	2,391	13.5	2,391	2,107	13.5
Department of Labor*	3Q 2001	1,851	-22.4	6,971	8,096	-13.9
TERMINATIONS						
Secretary of the State	JAN 2002	609	6.5	609	572	6.5
Department of Labor*	3Q 2001	336	-82.6	2,973	5,599	-46.9

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

STATE REVENUES

Overall, January's revenues were down 18.5 percent.

(Millions of dollars)	JAN 2002	JAN 2001	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	985.0	1,209.1	-18.5	985.0	1,209.1	-18.5
Corporate Tax	10.8	35.2	-69.3	10.8	35.2	-69.3
Personal Income Tax	495.7	670.7	-26.1	495.7	670.7	-26.1
Real Estate Conv. Tax	9.6	9.4	2.1	9.6	9.4	2.1
Sales & Use Tax	346.0	348.6	-0.7	346.0	348.6	-0.7
Indian Gaming Payments**	26.8	24.7	8.6	26.8	24.7	8.6

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

TOURISM AND TRAVEL

January's air passenger traffic was down 16.6 percent from a year ago. The Travel and Tourism Index rose 5.4 percent in 4Q 2001.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	JAN 2002	27,563	29.8	27,563	21,230	29.8
Major Attraction Visitors	JAN 2002	65,702	18.0	65,702	55,667	18.0
Air Passenger Count	JAN 2002	437,681	-16.6	437,681	524,718	-16.6
Indian Gaming Slots (Mil.$)*	JAN 2002	1,330	8.4	1,330	1,227	8.4
Travel and Tourism Index**	4Q 2001	---	5.4	---	---	---

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 27 for explanation*
***The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut*

Compensation costs for the nation rose 4.2 percent over the year, while the Northeast's increased by 4.0 percent.

EMPLOYMENT COST INDEX

	Seasonally Adjusted			Not Seasonally Adjusted		
Private Industry Workers	DEC	SEP	3-Mo	DEC	DEC	12-Mo
(June 1989=100)	2001	2001	% Chg	2001	2000	% Chg
UNITED STATES TOTAL	157.2	155.6	1.0	157.2	150.9	4.2
Wages and Salaries	153.4	152.0	0.9	153.3	147.7	3.8
Benefit Costs	166.8	164.7	1.3	166.7	158.6	5.1
NORTHEAST TOTAL	---	---	---	156.3	150.3	4.0
Wages and Salaries	---	---	---	151.7	146.0	3.9

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

The January U.S. inflation rate was 1.1 percent, while the U.S. and New England consumer confidence decreased 15.9 and 19.8 percent, respectively. Connecticut's 4Q 2001 consumer confidence rose from a year ago.

CONSUMER NEWS

			% CHANGE	
(Not seasonally adjusted)	MO/QTR	LEVEL	Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	4Q 2000	---	4.3	---
CPI-U (1982-84=100)				
U.S. City Average	JAN 2002	177.1	1.1	0.3
Purchasing Power of $ (1982-84=$1.00)	JAN 2002	$0.565	-1.1	-0.3
Northeast Region	JAN 2002	184.9	1.5	0.4
NY-Northern NJ-Long Island	JAN 2002	188.5	1.9	0.6
Boston-Brockton-Nashua***	JAN 2002	192.9	2.1	0.1
CPI-W (1982-84=100)				
U.S. City Average	JAN 2002	173.2	0.9	0.2
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	4Q 2001	118.2	2.9	9.2
New England	JAN 2002	89.7	-19.8	-13.2
U.S.	JAN 2002	97.3	-15.9	2.9

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

All interest rates were uniformly lower than a year ago, including a 7.00 percent 30-year conventional mortgage rate.

INTEREST RATES

	JAN	DEC	JAN
(Percent)	2002	2001	2001
Prime	4.75	4.84	9.05
Federal Funds	1.73	1.82	5.98
3 Month Treasury Bill	1.65	1.69	5.15
6 Month Treasury Bill	1.73	1.78	4.95
1 Year Treasury Bill	2.16	2.22	4.81
3 Year Treasury Note	3.56	3.62	4.77
5 Year Treasury Note	4.34	4.39	4.86
7 Year Treasury Note	4.79	4.86	5.13
10 Year Treasury Note	5.04	5.09	5.16
30 Year Teasury Bond	5.45	5.48	5.54
Conventional Mortgage	7.00	7.07	7.03

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

(Seasonally adjusted; 000s)	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
Connecticut	1,676.4	1,697.6	-21.2	-1.2	1,672.1
Maine	609.3	609.4	-0.1	0.0	608.1
Massachusetts	3,306.2	3,368.1	-61.9	-1.8	3,307.1
New Hampshire	628.3	633.1	-4.8	-0.8	624.6
New Jersey	4,026.5	4,025.4	1.1	0.0	4,023.3
New York	8,562.7	8,694.2	-131.5	-1.5	8,568.5
Pennsylvania	5,649.7	5,723.6	-73.9	-1.3	5,663.1
Rhode Island	480.1	478.7	1.4	0.3	477.9
Vermont	297.0	301.6	-4.6	-1.5	297.4
United States	131,208.0	132,428.0	-1,220.0	-0.9	131,297.0

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

Rhode Island led the region with the strongest job growth over the year.

LABOR FORCE

(Seasonally adjusted; 000s)	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
Connecticut	1,711.5	1,736.2	-24.7	-1.4	1,708.8
Maine	683.1	684.8	-1.7	-0.2	684.1
Massachusetts	3,356.2	3,256.3	99.9	3.1	3,297.1
New Hampshire	709.3	690.1	19.2	2.8	688.6
New Jersey	4,267.9	4,170.7	97.2	2.3	4,201.1
New York	8,940.5	8,883.2	57.3	0.6	8,812.4
Pennsylvania	6,107.0	6,037.9	69.1	1.1	6,078.3
Rhode Island	507.5	504.3	3.2	0.6	501.8
Vermont	345.4	334.4	11.0	3.3	336.5
United States	141,390.0	141,757.0	-367.0	-0.3	142,314.0

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

Seven out of the nine states posted increases in the labor force over the year.

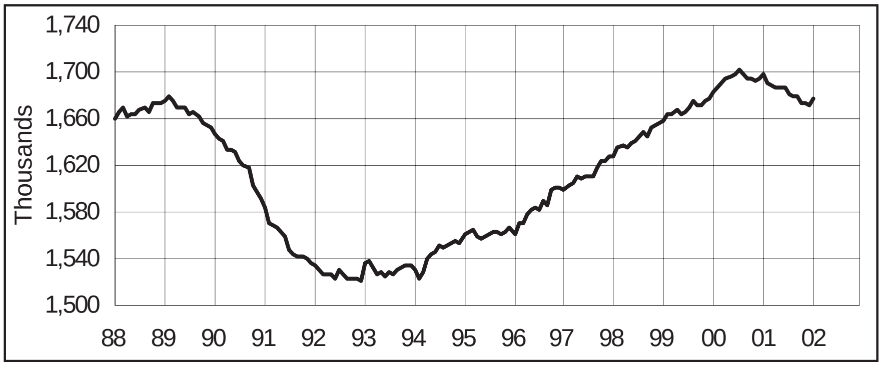
UNEMPLOYMENT RATES

(Seasonally adjusted)	JAN 2002	JAN 2001	CHANGE	DEC 2001
Connecticut	3.5	2.5	1.0	4.0
Maine	3.9	3.3	0.6	4.3
Massachusetts	4.4	2.7	1.7	4.4
New Hampshire	4.0	2.9	1.1	3.9
New Jersey	4.9	3.6	1.3	4.8
New York	5.7	4.3	1.4	5.7
Pennsylvania	5.6	4.4	1.2	5.1
Rhode Island	5.0	4.2	0.8	5.0
Vermont	3.7	3.1	0.6	4.3
United States	5.6	4.2	1.4	5.8

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

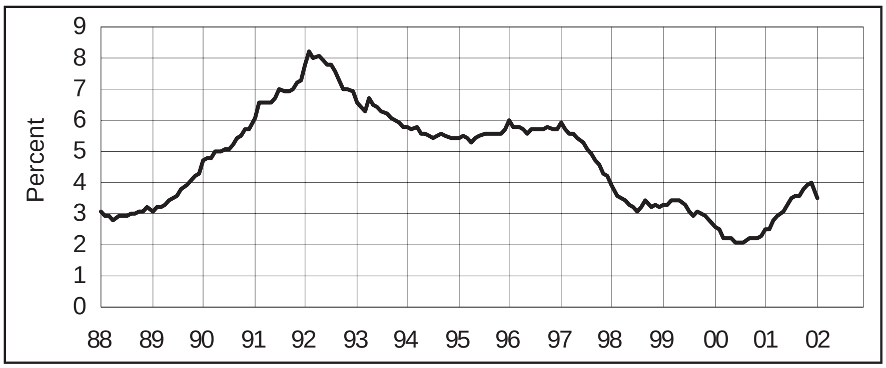
Connecticut posted the lowest January unemployment rate in the region.

NONFARM EMPLOYMENT *(Seasonally adjusted)*



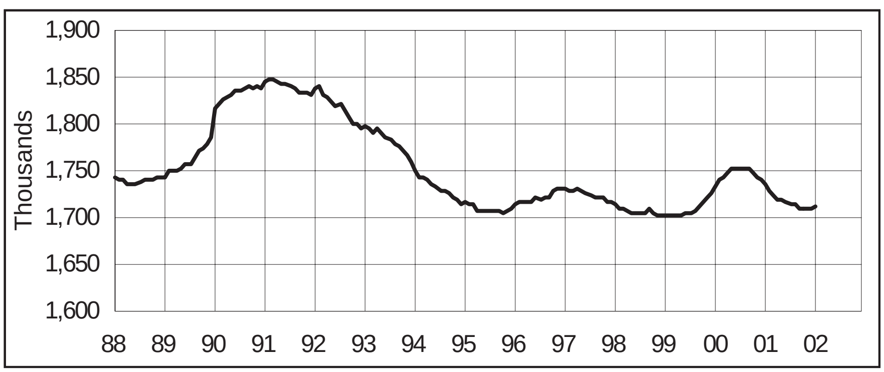
Month	2000	2001	2002
Jan	1,682.3	1,697.6	1,676.4
Feb	1,686.3	1,691.3	
Mar	1,690.7	1,687.8	
Apr	1,694.3	1,685.8	
May	1,697.0	1,687.0	
Jun	1,698.0	1,686.5	
Jul	1,701.0	1,681.1	
Aug	1,697.2	1,680.0	
Sep	1,695.2	1,678.6	
Oct	1,693.8	1,673.4	
Nov	1,692.5	1,672.4	
Dec	1,694.2	1,672.1	

UNEMPLOYMENT RATE *(Seasonally adjusted)*



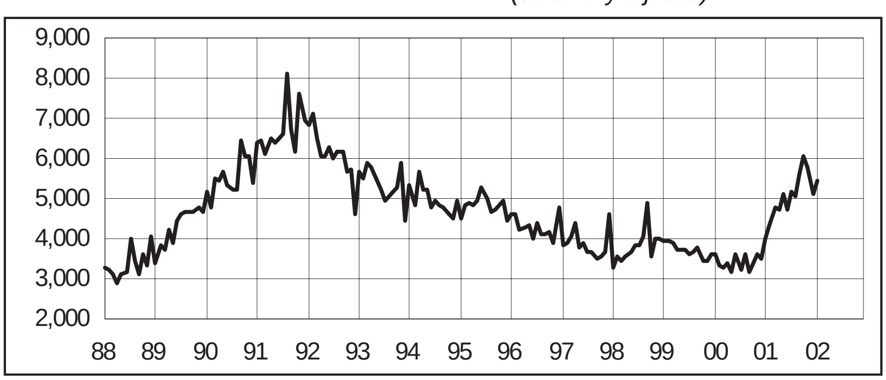
Month	2000	2001	2002
Jan	2.6	2.5	3.5
Feb	2.5	2.5	
Mar	2.2	2.8	
Apr	2.2	2.9	
May	2.2	3.1	
Jun	2.1	3.3	
Jul	2.1	3.5	
Aug	2.1	3.6	
Sep	2.2	3.6	
Oct	2.2	3.8	
Nov	2.2	3.9	
Dec	2.3	4.0	

LABOR FORCE *(Seasonally adjusted)*



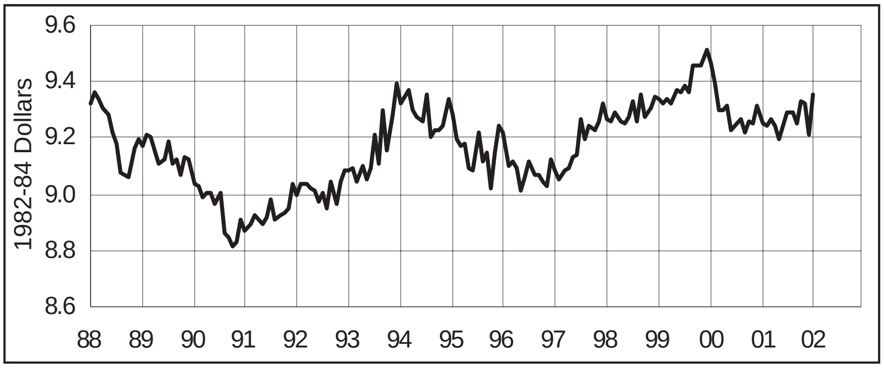
Month	2000	2001	2002
Jan	1,733.5	1,736.2	1,711.5
Feb	1,740.5	1,728.0	
Mar	1,743.1	1,723.8	
Apr	1,747.6	1,719.8	
May	1,752.1	1,719.0	
Jun	1,753.0	1,717.2	
Jul	1,753.3	1,715.5	
Aug	1,752.2	1,714.7	
Sep	1,751.7	1,710.2	
Oct	1,746.7	1,710.0	
Nov	1,742.9	1,709.7	
Dec	1,740.0	1,708.8	

AVERAGE WEEKLY INITIAL CLAIMS *(Seasonally adjusted)*



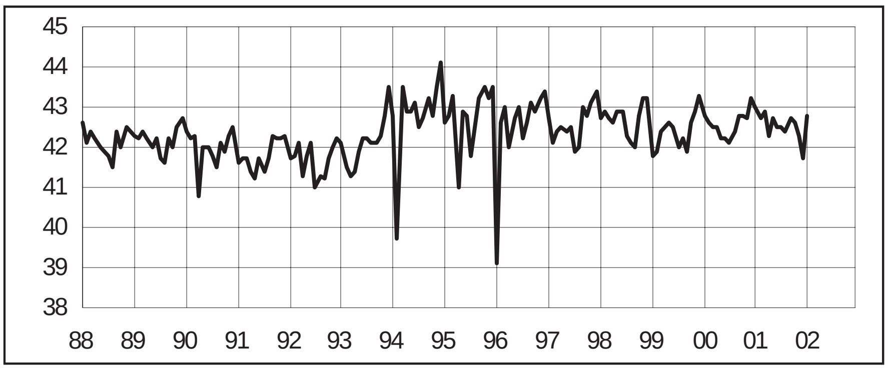
Month	2000	2001	2002
Jan	3,612	4,003	5,432
Feb	3,351	4,312	
Mar	3,276	4,761	
Apr	3,387	4,741	
May	3,182	5,138	
Jun	3,601	4,738	
Jul	3,233	5,182	
Aug	3,607	5,060	
Sep	3,168	5,637	
Oct	3,388	6,054	
Nov	3,608	5,791	
Dec	3,479	5,099	

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



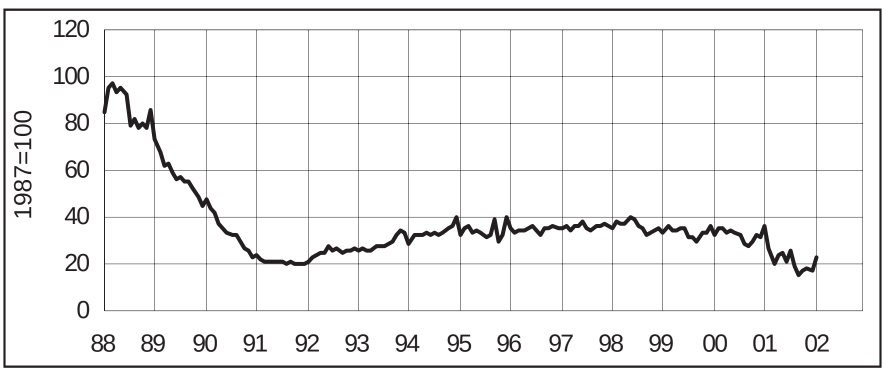
Month	2000	2001	2002
Jan	$9.47	$9.25	$9.35
Feb	9.39	9.25	
Mar	9.30	9.27	
Apr	9.30	9.24	
May	9.31	9.20	
Jun	9.23	9.24	
Jul	9.25	9.29	
Aug	9.27	9.29	
Sep	9.22	9.25	
Oct	9.26	9.33	
Nov	9.25	9.32	
Dec	9.31	9.21	

AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



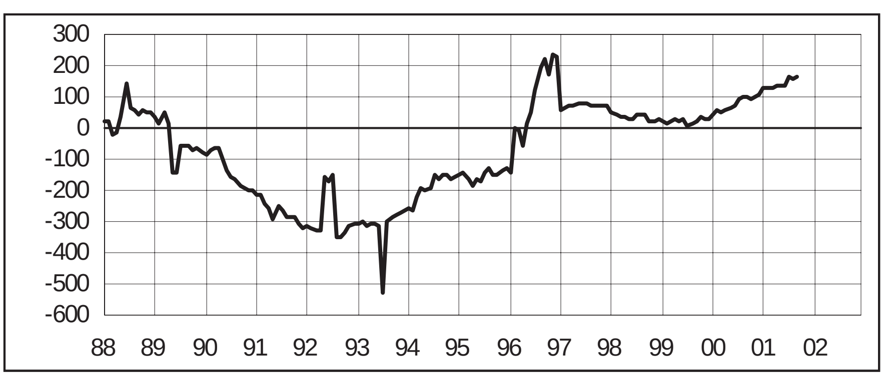
Month	2000	2001	2002
Jan	42.8	43.0	42.8
Feb	42.6	42.7	
Mar	42.5	42.9	
Apr	42.5	42.3	
May	42.2	42.7	
Jun	42.2	42.5	
Jul	42.1	42.5	
Aug	42.4	42.4	
Sep	42.8	42.7	
Oct	42.8	42.6	
Nov	42.7	42.3	
Dec	43.2	41.7	

HARTFORD HELP WANTED INDEX *(Seasonally adjusted)*



Month	2000	2001	2002
Jan	32	36	23
Feb	35	27	
Mar	35	20	
Apr	33	24	
May	34	25	
Jun	33	21	
Jul	32	26	
Aug	29	19	
Sep	28	15	
Oct	30	17	
Nov	32	18	
Dec	31	17	

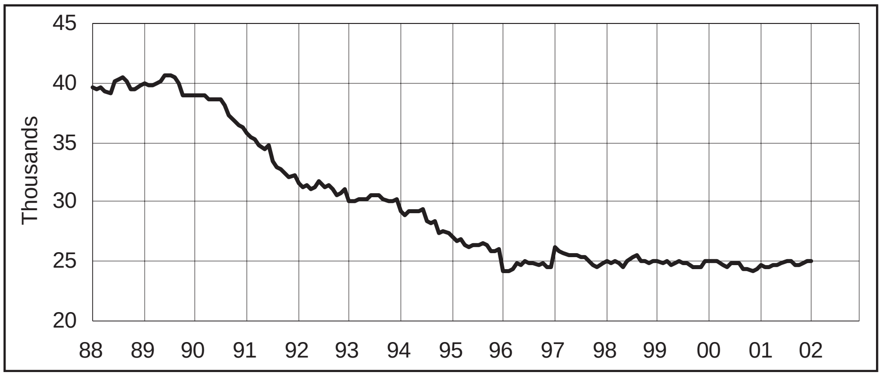
DOL NET BUSINESS STARTS *(12-month moving average)**



Month	2000	2001	2002
Jan	46	126	
Feb	54	128	
Mar	53	131	
Apr	59	134	
May	68	138	
Jun	74	139	
Jul	96	163	
Aug	99	157	
Sep	97	167	
Oct	94		
Nov	103		
Dec	109		

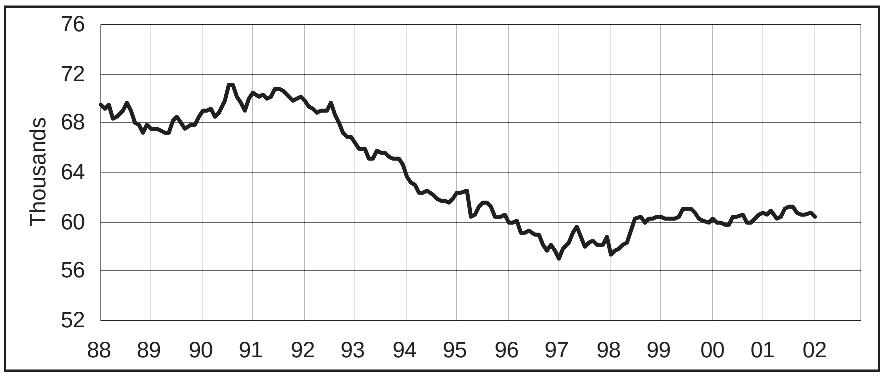
**New series began in 1996; prior years are not directly comparable*

DEPOSITORY BANKING (SIC 60) EMPLOYMENT *(Not seasonally adjusted)*



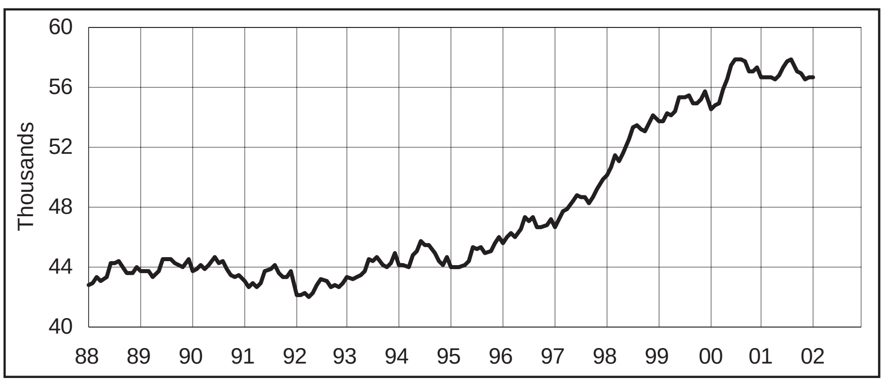
Month	2000	2001	2002
Jan	25.0	24.7	25.1
Feb	25.0	24.6	
Mar	25.0	24.6	
Apr	24.7	24.7	
May	24.6	24.7	
Jun	24.8	24.9	
Jul	24.9	25.1	
Aug	24.8	25.0	
Sep	24.4	24.7	
Oct	24.4	24.7	
Nov	24.2	24.9	
Dec	24.4	25.0	

INSURANCE CARRIERS (SIC 63) EMPLOYMENT *(Not seasonally adjusted)*



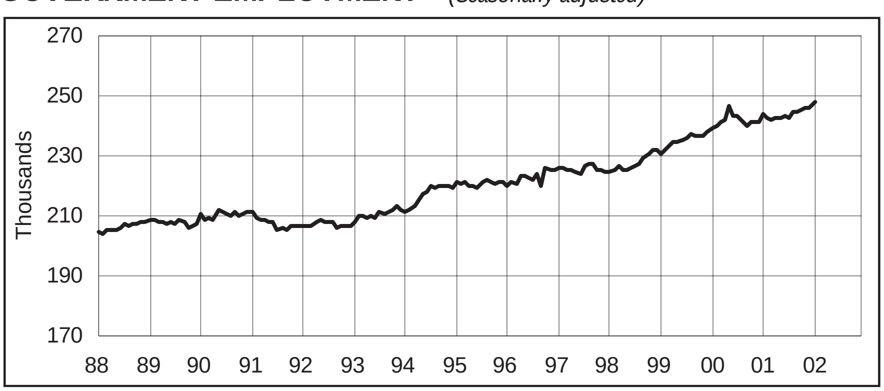
Month	2000	2001	2002
Jan	60.3	60.7	60.5
Feb	59.9	60.6	
Mar	60.0	60.9	
Apr	59.8	60.3	
May	59.8	60.5	
Jun	60.5	61.1	
Jul	60.5	61.2	
Aug	60.6	61.3	
Sep	59.9	60.7	
Oct	59.9	60.6	
Nov	60.2	60.6	
Dec	60.6	60.7	

OTHER FIN., INS., REAL EST. EMPLOYMENT *(Not seasonally adjusted)*



Month	2000	2001	2002
Jan	54.5	56.7	56.7
Feb	54.8	56.6	
Mar	55.0	56.6	
Apr	55.8	56.6	
May	56.5	56.8	
Jun	57.5	57.3	
Jul	57.9	57.7	
Aug	57.9	57.9	
Sep	57.7	57.1	
Oct	57.0	56.9	
Nov	57.1	56.6	
Dec	57.4	56.7	

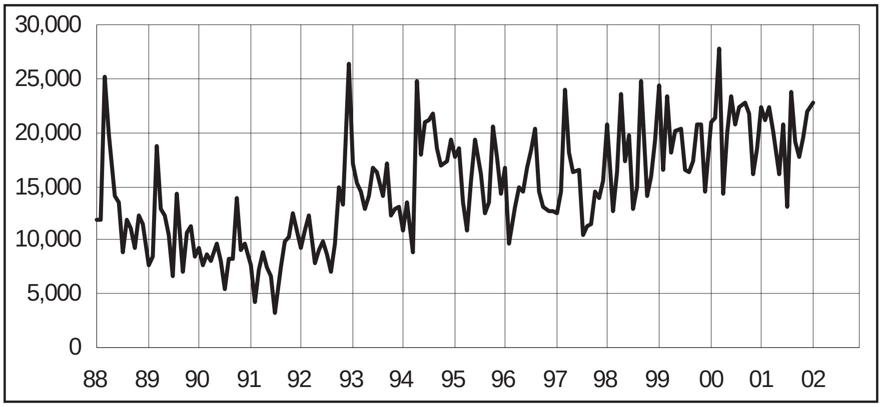
GOVERNMENT EMPLOYMENT* *(Seasonally adjusted)*



Month	2000	2001	2002
Jan	239.6	243.8	248.0
Feb	240.1	242.4	
Mar	241.6	242.0	
Apr	242.3	242.4	
May	246.8	243.0	
Jun	243.5	243.4	
Jul	243.2	242.8	
Aug	242.2	244.6	
Sep	240.3	244.6	
Oct	241.2	245.1	
Nov	241.2	245.7	
Dec	241.2	246.3	

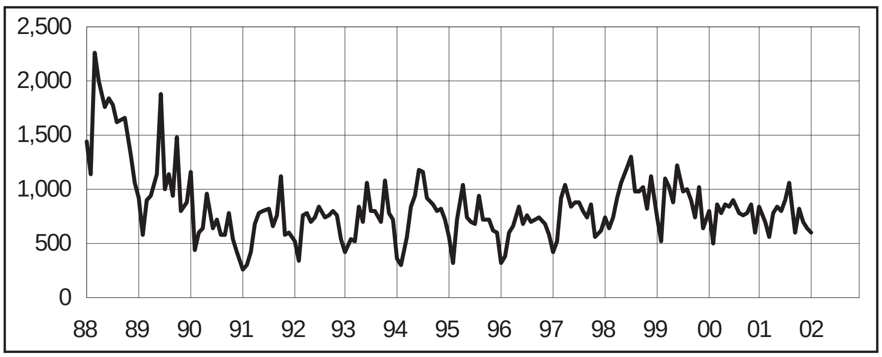
*Includes Indian tribal government employment

NEW AUTO REGISTRATIONS PROCESSED *(Not seasonally adjusted)*



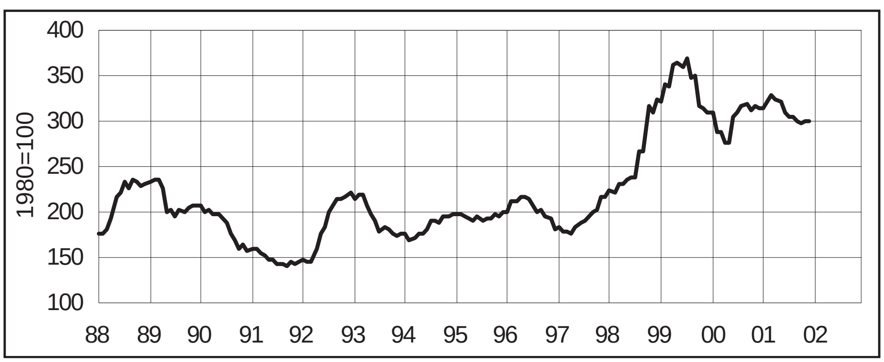
Month	2000	2001	2002
Jan	20,875	22,418	22,780
Feb	21,245	21,096	
Mar	27,856	22,374	
Apr	14,285	20,171	
May	19,956	16,121	
Jun	23,356	20,647	
Jul	20,707	13,038	
Aug	22,249	23,854	
Sep	22,784	19,074	
Oct	21,841	17,654	
Nov	16,117	19,500	
Dec	18,508	21,958	

NEW HOUSING PERMITS *(Not seasonally adjusted)*



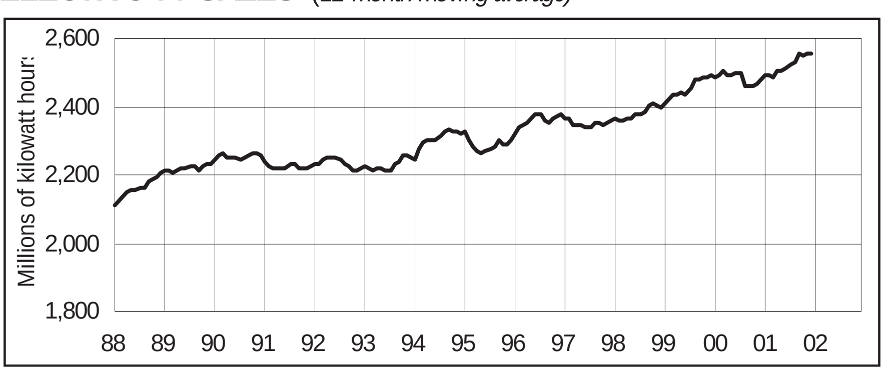
Month	2000	2001	2002
Jan	803	849	601
Feb	508	706	
Mar	859	561	
Apr	771	779	
May	863	841	
Jun	844	793	
Jul	898	910	
Aug	777	1,055	
Sep	751	598	
Oct	776	820	
Nov	863	706	
Dec	598	636	

CONSTRUCTION CONTRACTS INDEX *(12-month moving average)*



Month	2000	2001	2002
Jan	308.8	315.1	
Feb	288.6	322.1	
Mar	287.8	329.0	
Apr	275.5	324.7	
May	276.2	322.1	
Jun	303.6	309.3	
Jul	310.4	304.0	
Aug	316.2	304.8	
Sep	319.2	299.4	
Oct	312.3	298.7	
Nov	315.5	300.4	
Dec	314.9	300.6	

ELECTRICITY SALES *(12-month moving average)*



Month	2000	2001	2002
Jan	2,483	2,493	
Feb	2,491	2,492	
Mar	2,505	2,487	
Apr	2,492	2,502	
May	2,493	2,506	
Jun	2,500	2,512	
Jul	2,496	2,522	
Aug	2,463	2,530	
Sep	2,462	2,555	
Oct	2,463	2,552	
Nov	2,467	2,554	
Dec	2,476	2,559	

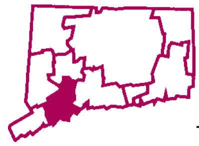
CONNECTICUT

	Not Seasonally Adjusted				
	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**1,652,700**	**1,671,100**	**-18,400**	**-1.1**	**1,697,600**
GOODS PRODUCING INDUSTRIES	**306,400**	**321,200**	**-14,800**	**-4.6**	**312,600**
CONSTRUCTION & MINING	**60,400**	**59,900**	**500**	**0.8**	**65,300**
MANUFACTURING	**246,000**	**261,300**	**-15,300**	**-5.9**	**247,300**
Durable	**171,600**	**183,000**	**-11,400**	**-6.2**	**172,300**
Lumber & Furniture	5,800	6,000	-200	-3.3	5,800
Stone, Clay & Glass	2,800	2,800	0	0.0	2,800
Primary Metals	8,100	9,400	-1,300	-13.8	8,400
Fabricated Metals	30,500	33,200	-2,700	-8.1	30,600
Machinery & Computer Equipment	29,800	32,400	-2,600	-8.0	30,200
Electronic & Electrical Equipment	24,800	27,500	-2,700	-9.8	25,000
Transportation Equipment	45,900	46,100	-200	-0.4	45,600
Instruments	18,300	19,400	-1,100	-5.7	18,200
Miscellaneous Manufacturing	5,600	6,200	-600	-9.7	5,700
Nondurable	**74,400**	**78,300**	**-3,900**	**-5.0**	**75,000**
Food	7,900	7,900	0	0.0	8,100
Paper	7,000	7,500	-500	-6.7	7,100
Printing & Publishing	21,600	23,500	-1,900	-8.1	21,700
Chemicals	22,200	22,300	-100	-0.4	22,200
Rubber & Plastics	10,200	10,500	-300	-2.9	10,200
Other Nondurable Manufacturing	5,500	6,600	-1,100	-16.7	5,700
SERVICE PRODUCING INDUSTRIES	**1,346,300**	**1,349,900**	**-3,600**	**-0.3**	**1,385,000**
TRANS., COMM. & UTILITIES	**76,600**	**79,400**	**-2,800**	**-3.5**	**78,200**
Transportation	44,000	45,600	-1,600	-3.5	45,500
Motor Freight & Warehousing	11,700	11,700	0	0.0	12,100
Other Transportation	32,300	33,900	-1,600	-4.7	33,400
Communications	20,300	20,800	-500	-2.4	20,400
Utilities	12,300	13,000	-700	-5.4	12,300
TRADE	**354,900**	**356,700**	**-1,800**	**-0.5**	**369,900**
Wholesale	78,400	79,300	-900	-1.1	79,000
Retail	276,500	277,400	-900	-0.3	290,900
General Merchandise	26,300	28,400	-2,100	-7.4	29,700
Food Stores	50,100	49,500	600	1.2	51,300
Auto Dealers & Gas Stations	27,700	26,900	800	3.0	27,800
Restaurants	76,400	75,800	600	0.8	80,200
Other Retail Trade	96,000	96,800	-800	-0.8	101,900
FINANCE, INS. & REAL ESTATE	**142,300**	**142,100**	**200**	**0.1**	**142,400**
Finance	54,300	53,300	1,000	1.9	54,200
Banking	25,100	24,700	400	1.6	25,000
Securities	15,600	15,500	100	0.6	15,600
Insurance	71,900	72,000	-100	-0.1	72,000
Insurance Carriers	60,500	60,700	-200	-0.3	60,700
Real Estate	16,100	16,800	-700	-4.2	16,100
SERVICES	**526,400**	**529,600**	**-3,200**	**-0.6**	**541,700**
Hotels & Lodging Places	10,900	10,900	0	0.0	11,500
Personal Services	18,300	18,700	-400	-2.1	18,700
Business Services	108,300	115,800	-7,500	-6.5	111,400
Health Services	161,500	158,500	3,000	1.9	162,500
Legal & Engineering Services	53,500	54,500	-1,000	-1.8	54,600
Educational Services	43,700	43,700	0	0.0	48,300
Other Services	130,200	127,500	2,700	2.1	134,700
GOVERNMENT	**246,100**	**242,100**	**4,000**	**1.7**	**252,800**
Federal	21,300	21,800	-500	-2.3	21,900
**State, Local & Other Government	224,800	220,300	4,500	2.0	230,900

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2001.

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

BRIDGEPORT LMA

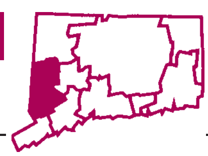


Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**181,200**	**185,600**	**-4,400**	**-2.4**	**186,600**
GOODS PRODUCING INDUSTRIES	**41,300**	**43,100**	**-1,800**	**-4.2**	**42,100**
CONSTRUCTION & MINING	**5,900**	**6,200**	**-300**	**-4.8**	**6,600**
MANUFACTURING	**35,400**	**36,900**	**-1,500**	**-4.1**	**35,500**
Durable Goods	28,600	29,600	-1,000	-3.4	28,700
Nondurable Goods	6,800	7,300	-500	-6.8	6,800
SERVICE PRODUCING INDUSTRIES	**139,900**	**142,500**	**-2,600**	**-1.8**	**144,500**
TRANS., COMM. & UTILITIES	**8,100**	**7,800**	**300**	**3.8**	**8,100**
TRADE	**40,100**	**41,200**	**-1,100**	**-2.7**	**42,400**
Wholesale	8,200	9,000	-800	-8.9	8,400
Retail	31,900	32,200	-300	-0.9	34,000
FINANCE, INS. & REAL ESTATE	**11,900**	**12,400**	**-500**	**-4.0**	**12,000**
SERVICES	**58,700**	**59,600**	**-900**	**-1.5**	**60,600**
Business Services	12,800	13,400	-600	-4.5	13,100
Health Services	20,700	21,000	-300	-1.4	21,000
GOVERNMENT	**21,100**	**21,500**	**-400**	**-1.9**	**21,400**
Federal	1,900	2,000	-100	-5.0	2,000
State & Local	19,200	19,500	-300	-1.5	19,400

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

DANBURY LMA



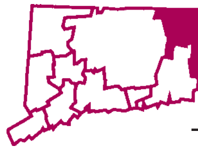
Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**85,800**	**87,500**	**-1,700**	**-1.9**	**89,300**
GOODS PRODUCING INDUSTRIES	**21,200**	**22,100**	**-900**	**-4.1**	**21,800**
CONSTRUCTION & MINING	**3,700**	**3,700**	**0**	**0.0**	**4,100**
MANUFACTURING	**17,500**	**18,400**	**-900**	**-4.9**	**17,700**
Durable Goods	9,900	10,300	-400	-3.9	10,000
Nondurable Goods	7,600	8,100	-500	-6.2	7,700
SERVICE PRODUCING INDUSTRIES	**64,600**	**65,400**	**-800**	**-1.2**	**67,500**
TRANS., COMM. & UTILITIES	**2,800**	**2,800**	**0**	**0.0**	**3,000**
TRADE	**20,100**	**20,600**	**-500**	**-2.4**	**21,300**
Wholesale	3,000	3,000	0	0.0	3,000
Retail	17,100	17,600	-500	-2.8	18,300
FINANCE, INS. & REAL ESTATE	**5,600**	**5,600**	**0**	**0.0**	**5,600**
SERVICES	**24,700**	**25,400**	**-700**	**-2.8**	**25,400**
GOVERNMENT	**11,400**	**11,000**	**400**	**3.6**	**12,200**
Federal	800	800	0	0.0	800
State & Local	10,600	10,200	400	3.9	11,400

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 2001.
**Total excludes workers idled due to labor-management disputes.*

DANIELSON LMA

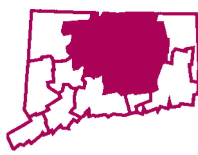


Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**21,800**	**21,800**	**0**	**0.0**	**22,000**
GOODS PRODUCING INDUSTRIES	**6,600**	**6,900**	**-300**	**-4.3**	**6,600**
CONSTRUCTION & MINING	**1,100**	**1,000**	**100**	**10.0**	**1,100**
MANUFACTURING	**5,500**	**5,900**	**-400**	**-6.8**	**5,500**
Durable Goods	1,900	2,100	-200	-9.5	2,000
Nondurable Goods	3,600	3,800	-200	-5.3	3,500
SERVICE PRODUCING INDUSTRIES	**15,200**	**14,900**	**300**	**2.0**	**15,400**
TRANS., COMM. & UTILITIES	**500**	**500**	**0**	**0.0**	**500**
TRADE	**5,400**	**5,200**	**200**	**3.8**	**5,500**
Wholesale	1,000	1,000	0	0.0	900
Retail	4,400	4,200	200	4.8	4,600
FINANCE, INS. & REAL ESTATE	**500**	**500**	**0**	**0.0**	**500**
SERVICES	**5,300**	**5,400**	**-100**	**-1.9**	**5,400**
GOVERNMENT	**3,500**	**3,300**	**200**	**6.1**	**3,500**
Federal	100	100	0	0.0	100
State & Local	3,400	3,200	200	6.3	3,400

For further information on the Danielson Labor Market Area contact Noreen Passardi at (860) 263-6299.

HARTFORD LMA



Not Seasonally Adjusted

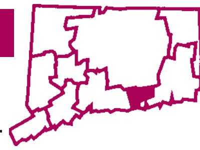
	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**600,200**	**613,000**	**-12,800**	**-2.1**	**616,200**
GOODS PRODUCING INDUSTRIES	**108,000**	**112,500**	**-4,500**	**-4.0**	**110,400**
CONSTRUCTION & MINING	**20,900**	**21,200**	**-300**	**-1.4**	**22,900**
MANUFACTURING	**87,100**	**91,300**	**-4,200**	**-4.6**	**87,500**
Durable Goods	69,800	72,800	-3,000	-4.1	70,000
Primary & Fabricated Metals	15,700	17,000	-1,300	-7.6	15,700
Industrial Machinery	12,900	13,700	-800	-5.8	13,200
Electronic Equipment	6,900	7,700	-800	-10.4	6,900
Transportation Equipment	26,200	25,800	400	1.6	26,000
Nondurable Goods	17,300	18,500	-1,200	-6.5	17,500
Printing & Publishing	7,300	7,600	-300	-3.9	7,200
SERVICE PRODUCING INDUSTRIES	**492,200**	**500,500**	**-8,300**	**-1.7**	**505,800**
TRANS., COMM. & UTILITIES	**27,300**	**27,900**	**-600**	**-2.2**	**28,000**
Transportation	15,700	16,200	-500	-3.1	16,300
Communications & Utilities	11,600	11,700	-100	-0.9	11,700
TRADE	**117,000**	**121,300**	**-4,300**	**-3.5**	**122,100**
Wholesale	26,500	28,200	-1,700	-6.0	26,400
Retail	90,500	93,100	-2,600	-2.8	95,700
FINANCE, INS. & REAL ESTATE	**73,200**	**73,200**	**0**	**0.0**	**73,400**
Deposit & Nondeposit Institutions	11,900	11,600	300	2.6	11,800
Insurance Carriers	48,500	48,400	100	0.2	48,500
SERVICES	**176,100**	**179,500**	**-3,400**	**-1.9**	**180,300**
Business Services	33,600	36,500	-2,900	-7.9	34,900
Health Services	59,000	59,000	0	0.0	59,200
GOVERNMENT	**98,600**	**98,600**	**0**	**0.0**	**102,000**
Federal	7,200	7,400	-200	-2.7	7,200
State & Local	91,400	91,200	200	0.2	94,800

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 2001.

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

LOWER RIVER LMA

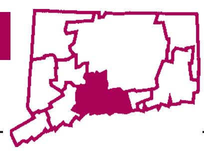


Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**9,900**	**9,700**	**200**	**2.1**	**9,900**
GOODS PRODUCING INDUSTRIES	**3,100**	**3,200**	**-100**	**-3.1**	**3,100**
CONSTRUCTION & MINING	**400**	**300**	**100**	**33.3**	**400**
MANUFACTURING	**2,700**	**2,900**	**-200**	**-6.9**	**2,700**
Durable Goods	2,300	2,500	-200	-8.0	2,300
Nondurable Goods	400	400	0	0.0	400
SERVICE PRODUCING INDUSTRIES	**6,800**	**6,500**	**300**	**4.6**	**6,800**
TRANS., COMM. & UTILITIES	**300**	**400**	**-100**	**-25.0**	**300**
TRADE	**1,900**	**1,900**	**0**	**0.0**	**1,900**
Wholesale	400	400	0	0.0	400
Retail	1,500	1,500	0	0.0	1,500
FINANCE, INS. & REAL ESTATE	**300**	**300**	**0**	**0.0**	**300**
SERVICES	**3,300**	**3,000**	**300**	**10.0**	**3,300**
GOVERNMENT	**1,000**	**900**	**100**	**11.1**	**1,000**
Federal	100	0**	-	-	100
State & Local	900	900	0	0.0	900

For further information on the Lower River Labor Market Area contact Noreen Passardi at (860) 263-6299.

NEW HAVEN LMA



Not Seasonally Adjusted

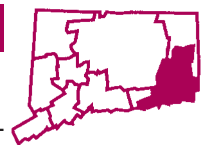
	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**257,600**	**257,500**	**100**	**0.0**	**265,300**
GOODS PRODUCING INDUSTRIES	**46,000**	**47,100**	**-1,100**	**-2.3**	**46,800**
CONSTRUCTION & MINING	**9,200**	**9,300**	**-100**	**-1.1**	**10,100**
MANUFACTURING	**36,800**	**37,800**	**-1,000**	**-2.6**	**36,700**
Durable Goods	23,800	24,300	-500	-2.1	23,700
Primary & Fabricated Metals	6,800	7,000	-200	-2.9	7,000
Electronic Equipment	4,600	5,100	-500	-9.8	4,600
Nondurable Goods	13,000	13,500	-500	-3.7	13,000
Paper, Printing & Publishing	4,700	5,100	-400	-7.8	4,900
Chemicals & Allied	5,400	5,500	-100	-1.8	5,400
SERVICE PRODUCING INDUSTRIES	**211,600**	**210,400**	**1,200**	**0.6**	**218,500**
TRANS., COMM. & UTILITIES	**15,700**	**16,000**	**-300**	**-1.9**	**16,300**
Communications & Utilities	8,500	8,800	-300	-3.4	8,800
TRADE	**51,800**	**52,100**	**-300**	**-0.6**	**54,500**
Wholesale	12,700	12,400	300	2.4	13,000
Retail	39,100	39,700	-600	-1.5	41,500
Eating & Drinking Places	10,700	10,900	-200	-1.8	11,200
FINANCE, INS. & REAL ESTATE	**13,000**	**12,700**	**300**	**2.4**	**12,800**
Finance	4,200	4,200	0	0.0	4,200
Insurance	6,300	6,100	200	3.3	6,300
SERVICES	**95,900**	**94,300**	**1,600**	**1.7**	**99,500**
Business Services	15,900	14,900	1,000	6.7	16,000
Health Services	28,800	28,700	100	0.3	29,700
GOVERNMENT	**35,200**	**35,300**	**-100**	**-0.3**	**35,400**
Federal	5,700	5,800	-100	-1.7	5,900
State & Local	29,500	29,500	0	0.0	29,500

For further information on the New Haven Labor Market Area contact Jungmin Charles Joo at (860) 263-6293.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2001.

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

NEW LONDON LMA

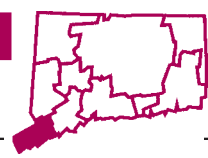


Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**140,500**	**138,400**	**2,100**	**1.5**	**143,400**
GOODS PRODUCING INDUSTRIES	**27,600**	**28,100**	**-500**	**-1.8**	**27,800**
CONSTRUCTION & MINING	**5,000**	**5,100**	**-100**	**-2.0**	**5,200**
MANUFACTURING	**22,600**	**23,000**	**-400**	**-1.7**	**22,600**
Durable Goods	12,500	12,800	-300	-2.3	12,500
Primary & Fabricated Metals	1,500	1,700	-200	-11.8	1,600
Other Durable Goods	11,000	11,100	-100	-0.9	10,900
Nondurable Goods	10,100	10,200	-100	-1.0	10,100
Other Nondurable Goods	8,800	8,800	0	0.0	8,800
SERVICE PRODUCING INDUSTRIES	**112,900**	**110,300**	**2,600**	**2.4**	**115,600**
TRANS., COMM. & UTILITIES	**6,000**	**6,600**	**-600**	**-9.1**	**6,200**
TRADE	**27,200**	**27,000**	**200**	**0.7**	**28,400**
Wholesale	2,700	2,700	0	0.0	2,700
Retail	24,500	24,300	200	0.8	25,700
Eating & Drinking Places	6,600	6,600	0	0.0	7,000
Other Retail	17,900	17,700	200	1.1	18,700
FINANCE, INS. & REAL ESTATE	**3,400**	**3,400**	**0**	**0.0**	**3,400**
SERVICES	**35,400**	**35,300**	**100**	**0.3**	**36,300**
Personal & Business Services	6,900	6,800	100	1.5	6,700
Health Services	11,500	11,300	200	1.8	11,500
GOVERNMENT	**40,900**	**38,000**	**2,900**	**7.6**	**41,300**
Federal	2,800	2,900	-100	-3.4	2,800
State & Local	38,100	35,100	3,000	8.5	38,500
**Local	33,600	30,600	3,000	9.8	34,000

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

STAMFORD LMA



Not Seasonally Adjusted

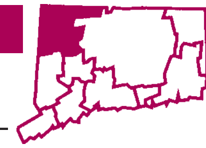
	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**203,300**	**205,000**	**-1,700**	**-0.8**	**209,200**
GOODS PRODUCING INDUSTRIES	**28,800**	**29,700**	**-900**	**-3.0**	**29,700**
CONSTRUCTION & MINING	**6,100**	**5,600**	**500**	**8.9**	**6,500**
MANUFACTURING	**22,700**	**24,100**	**-1,400**	**-5.8**	**23,200**
Durable Goods	10,600	11,500	-900	-7.8	10,700
Industrial Machinery	2,700	3,200	-500	-15.6	2,700
Electronic Equipment	1,800	1,800	0	0.0	1,800
Nondurable Goods	12,100	12,600	-500	-4.0	12,500
Paper, Printing & Publishing	4,400	5,000	-600	-12.0	4,400
Chemicals & Allied	4,100	4,100	0	0.0	4,200
Other Nondurable	3,600	3,500	100	2.9	3,900
SERVICE PRODUCING INDUSTRIES	**174,500**	**175,300**	**-800**	**-0.5**	**179,500**
TRANS., COMM. & UTILITIES	**9,600**	**9,600**	**0**	**0.0**	**9,900**
Communications & Utilities	3,200	3,000	200	6.7	3,200
TRADE	**42,600**	**43,800**	**-1,200**	**-2.7**	**44,500**
Wholesale	10,000	9,600	400	4.2	10,200
Retail	32,600	34,200	-1,600	-4.7	34,300
FINANCE, INS. & REAL ESTATE	**27,600**	**27,000**	**600**	**2.2**	**27,900**
SERVICES	**75,900**	**76,300**	**-400**	**-0.5**	**78,100**
Business Services	22,500	24,100	-1,600	-6.6	22,600
Engineering & Mgmnt. Services	11,000	11,400	-400	-3.5	11,700
Other Services	42,400	40,800	1,600	3.9	43,800
GOVERNMENT	**18,800**	**18,600**	**200**	**1.1**	**19,100**
Federal	1,800	1,800	0	0.0	1,900
State & Local	17,000	16,800	200	1.2	17,200

For further information on the Stamford 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 2001.

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

TORRINGTON LMA

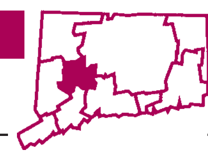


Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**28,900**	**28,200**	**700**	**2.5**	**29,500**
GOODS PRODUCING INDUSTRIES	**7,300**	**7,300**	**0**	**0.0**	**7,500**
CONSTRUCTION & MINING	**2,200**	**2,000**	**200**	**10.0**	**2,400**
MANUFACTURING	**5,100**	**5,300**	**-200**	**-3.8**	**5,100**
Durable Goods	3,800	3,900	-100	-2.6	3,800
Nondurable Goods	1,300	1,400	-100	-7.1	1,300
SERVICE PRODUCING INDUSTRIES	**21,600**	**20,900**	**700**	**3.3**	**22,000**
TRANS., COMM. & UTILITIES	**300**	**400**	**-100**	**-25.0**	**400**
TRADE	**6,700**	**6,500**	**200**	**3.1**	**7,000**
Wholesale	600	600	0	0.0	600
Retail	6,100	5,900	200	3.4	6,400
FINANCE, INS. & REAL ESTATE	**800**	**800**	**0**	**0.0**	**800**
SERVICES	**10,000**	**9,600**	**400**	**4.2**	**10,000**
GOVERNMENT	**3,800**	**3,600**	**200**	**5.6**	**3,800**
Federal	200	200	0	0.0	200
State & Local	3,600	3,400	200	5.9	3,600

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

WATERBURY LMA



Not Seasonally Adjusted

	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
TOTAL NONFARM EMPLOYMENT	**84,300**	**84,600**	**-300**	**-0.4**	**86,100**
GOODS PRODUCING INDUSTRIES	**19,500**	**20,600**	**-1,100**	**-5.3**	**20,000**
CONSTRUCTION & MINING	**3,300**	**3,100**	**200**	**6.5**	**3,600**
MANUFACTURING	**16,200**	**17,500**	**-1,300**	**-7.4**	**16,400**
Durable Goods	13,000	14,000	-1,000	-7.1	13,200
Primary Metals	1,100	1,000	100	10.0	1,100
Fabricated Metals	5,800	6,700	-900	-13.4	5,900
Machinery & Electric Equipment	3,200	3,700	-500	-13.5	3,500
Nondurable Goods	3,200	3,500	-300	-8.6	3,200
Paper, Printing & Publishing	1,100	1,100	0	0.0	1,100
SERVICE PRODUCING INDUSTRIES	**64,800**	**64,000**	**800**	**1.3**	**66,100**
TRANS., COMM. & UTILITIES	**3,800**	**3,700**	**100**	**2.7**	**3,800**
TRADE	**17,200**	**17,400**	**-200**	**-1.1**	**18,300**
Wholesale	3,100	3,000	100	3.3	3,100
Retail	14,100	14,400	-300	-2.1	15,200
FINANCE, INS. & REAL ESTATE	**3,600**	**3,500**	**100**	**2.9**	**3,600**
SERVICES	**27,400**	**26,400**	**1,000**	**3.8**	**27,700**
Personal & Business	6,300	6,800	-500	-7.4	6,500
Health Services	10,700	10,400	300	2.9	10,600
GOVERNMENT	**12,800**	**13,000**	**-200**	**-1.5**	**12,700**
Federal	800	800	0	0.0	800
State & Local	12,000	12,200	-200	-1.6	11,900

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 2001.

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

(Not seasonally adjusted)	EMPLOYMENT STATUS	JAN 2002	JAN 2001	CHANGE NO.	CHANGE %	DEC 2001
CONNECTICUT	Civilian Labor Force	1,691,500	1,714,800	-23,300	-1.4	1,694,300
	Employed	1,623,600	1,664,000	-40,400	-2.4	1,634,800
	Unemployed	68,000	50,800	17,200	33.9	59,500
	Unemployment Rate	4.0	3.0	1.0	---	3.5
BRIDGEPORT LMA	Civilian Labor Force	212,100	216,100	-4,000	-1.9	212,400
	Employed	200,800	208,600	-7,800	-3.7	202,800
	Unemployed	11,300	7,500	3,800	50.7	9,600
	Unemployment Rate	5.3	3.5	1.8	---	4.5
DANBURY LMA	Civilian Labor Force	106,200	108,600	-2,400	-2.2	107,900
	Employed	102,900	106,300	-3,400	-3.2	104,900
	Unemployed	3,400	2,200	1,200	54.5	3,000
	Unemployment Rate	3.2	2.1	1.1	---	2.8
DANIELSON LMA	Civilian Labor Force	34,500	34,600	-100	-0.3	34,100
	Employed	32,900	33,300	-400	-1.2	32,700
	Unemployed	1,600	1,300	300	23.1	1,300
	Unemployment Rate	4.6	3.7	0.9	---	3.9
HARTFORD LMA	Civilian Labor Force	575,300	589,100	-13,800	-2.3	575,500
	Employed	552,000	570,700	-18,700	-3.3	555,400
	Unemployed	23,300	18,400	4,900	26.6	20,100
	Unemployment Rate	4.0	3.1	0.9	---	3.5
LOWER RIVER LMA	Civilian Labor Force	12,300	12,300	0	0.0	12,100
	Employed	11,900	12,000	-100	-0.8	11,800
	Unemployed	300	300	0	0.0	300
	Unemployment Rate	2.6	2.1	0.5	---	2.2
NEW HAVEN LMA	Civilian Labor Force	273,000	275,300	-2,300	-0.8	274,600
	Employed	263,400	267,000	-3,600	-1.3	265,500
	Unemployed	9,600	8,300	1,300	15.7	9,100
	Unemployment Rate	3.5	3.0	0.5	---	3.3
NEW LONDON LMA	Civilian Labor Force	152,700	151,800	900	0.6	152,100
	Employed	147,600	147,400	200	0.1	147,800
	Unemployed	5,100	4,300	800	18.6	4,200
	Unemployment Rate	3.3	2.9	0.4	---	2.8
STAMFORD LMA	Civilian Labor Force	189,800	192,600	-2,800	-1.5	191,000
	Employed	184,000	188,800	-4,800	-2.5	185,700
	Unemployed	5,800	3,700	2,100	56.8	5,400
	Unemployment Rate	3.1	1.9	1.2	---	2.8
TORRINGTON LMA	Civilian Labor Force	38,500	37,600	900	2.4	38,200
	Employed	36,900	36,600	300	0.8	36,900
	Unemployed	1,600	1,000	600	60.0	1,300
	Unemployment Rate	4.2	2.8	1.4	---	3.3
WATERBURY LMA	Civilian Labor Force	113,900	113,500	400	0.4	113,200
	Employed	107,200	109,100	-1,900	-1.7	107,400
	Unemployed	6,700	4,400	2,300	52.3	5,800
	Unemployment Rate	5.9	3.9	2.0	---	5.1
UNITED STATES	Civilian Labor Force	141,074,000	141,049,000	25,000	0.0	141,912,000
	Employed	132,139,000	134,462,000	-2,323,000	-1.7	134,235,000
	Unemployed	8,935,000	6,587,000	2,348,000	35.6	7,678,000
	Unemployment Rate	6.3	4.7	1.6	---	5.4

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2001.

MANUFACTURING HOURS AND EARNINGS

LMA

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001	AVG WEEKLY HOURS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001	AVG HOURLY EARNINGS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001
MANUFACTURING	**$693.36**	**$682.84**	**$10.52**	**$663.86**	**42.8**	**43.0**	**-0.2**	**41.7**	**$16.20**	**$15.88**	**$0.32**	**$15.92**
DURABLE GOODS	**716.18**	**699.73**	**16.45**	**670.27**	**43.3**	**43.3**	**0.0**	**41.4**	**16.54**	**16.16**	**0.38**	**16.19**
Lumber & Furniture	579.51	542.75	36.76	601.09	42.3	41.4	0.9	43.4	13.70	13.11	0.59	13.85
Stone, Clay and Glass	662.81	634.69	28.12	655.19	42.9	42.2	0.7	42.6	15.45	15.04	0.41	15.38
Primary Metals	694.58	695.09	-0.51	682.68	44.1	44.7	-0.6	43.4	15.75	15.55	0.20	15.73
Fabricated Metals	604.56	615.04	-10.49	631.31	42.1	42.3	-0.2	43.3	14.36	14.54	-0.18	14.58
Machinery	776.44	761.85	14.59	788.10	44.7	45.0	-0.3	44.5	17.37	16.93	0.44	17.71
Electrical Equipment	587.29	590.54	-3.25	586.93	43.6	43.2	0.4	42.5	13.47	13.67	-0.20	13.81
Trans. Equipment	947.27	899.03	48.24	711.29	44.1	44.2	-0.1	35.6	21.48	20.34	1.14	19.98
Instruments	622.01	628.67	-6.66	625.33	42.4	41.8	0.6	41.8	14.67	15.04	-0.37	14.96
Miscellaneous Mfg	695.12	680.52	14.60	658.37	41.9	42.8	-0.9	39.4	16.59	15.90	0.69	16.71
NONDUR. GOODS	**634.40**	**635.71**	**-1.31**	**647.28**	**41.6**	**42.1**	**-0.5**	**42.5**	**15.25**	**15.10**	**0.15**	**15.23**
Food	551.86	538.89	12.97	548.33	41.0	42.6	-1.6	40.2	13.46	12.65	0.81	13.64
Paper	754.68	752.58	2.10	733.95	45.6	45.2	0.4	45.0	16.55	16.65	-0.10	16.31
Printing & Publishing	640.77	658.07	-17.30	677.95	40.3	40.2	0.1	42.8	15.90	16.37	-0.47	15.84
Chemicals	758.50	786.40	-27.90	767.94	41.0	42.6	-1.6	41.6	18.50	18.46	0.04	18.46
Rubber & Misc. Plast.	552.02	556.25	-4.22	575.40	40.8	42.3	-1.5	42.0	13.53	13.15	0.38	13.70
CONSTRUCTION	**888.03**	**868.40**	**19.63**	**892.80**	**39.0**	**40.0**	**-1.0**	**39.4**	**22.77**	**21.71**	**1.06**	**22.66**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001	AVG WEEKLY HOURS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001	AVG HOURLY EARNINGS JAN 2002	JAN 2001	CHG Y/Y	DEC 2001
Bridgeport	$657.90	$611.12	$46.78	$655.08	42.2	40.1	2.1	42.1	$15.59	$15.24	$0.35	$15.56
Danbury	585.49	648.13	-62.64	584.06	38.8	41.6	-2.8	38.4	15.09	15.58	-0.49	15.21
Danielson	547.69	540.88	6.81	550.22	40.6	41.1	-0.5	41.0	13.49	13.16	0.33	13.42
Hartford	755.59	713.12	42.47	676.08	43.4	42.6	0.8	40.9	17.41	16.74	0.67	16.53
Lower River	596.66	576.14	20.52	606.32	41.9	41.3	0.6	42.4	14.24	13.95	0.29	14.30
New Haven	703.20	645.39	57.81	692.30	42.8	42.1	0.7	43.0	16.43	15.33	1.10	16.10
New London	731.17	705.58	25.59	739.20	41.1	41.8	-0.7	42.0	17.79	16.88	0.91	17.60
Stamford	596.16	552.83	43.33	591.64	41.4	40.5	0.9	42.2	14.40	13.65	0.75	14.02
Torrington	642.11	592.50	49.61	610.24	41.4	39.5	1.9	40.2	15.51	15.00	0.51	15.18
Waterbury	614.23	635.58	-21.35	630.77	39.5	42.8	-3.3	39.3	15.55	14.85	0.70	16.05

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2001.

NEW HOUSING PERMITS

LMA

	JAN 2002	JAN 2001	CHANGE Y/Y UNITS	CHANGE Y/Y %	YTD 2002	YTD 2001	CHANGE YTD UNITS	CHANGE YTD %	DEC 2001
Connecticut	601	849	-248	-29.2	601	849	-248	-29.2	636
LMAs:									
Bridgeport	56	49	7	14.3	56	49	7	14.3	82
Danbury	48	53	-5	-9.4	48	53	-5	-9.4	41
Danielson	14	17	-3	-17.6	14	17	-3	-17.6	24
Hartford	223	220	3	1.4	223	220	3	1.4	248
Lower River	6	6	0	0.0	6	6	0	0.0	11
New Haven	110	61	49	80.3	110	61	49	80.3	72
New London	53	44	9	20.5	53	44	9	20.5	61
Stamford	35	364	-329	-90.4	35	364	-329	-90.4	45
Torrington	11	6	5	83.3	11	6	5	83.3	12
Waterbury	45	29	16	55.2	45	29	16	55.2	40

Additional data by town are on page 26.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

JANUARY 2002

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT	**212,134**	**200,846**	**11,288**	**5.3**
Ansonia	8,316	7,776	540	6.5
Beacon Falls	2,710	2,624	86	3.2
BRIDGEPORT	**59,436**	**54,690**	**4,746**	**8.0**
Derby	6,171	5,773	398	6.4
Easton	3,190	3,095	95	3.0
Fairfield	25,701	24,851	850	3.3
Milford	25,321	24,249	1,072	4.2
Monroe	9,607	9,265	342	3.6
Oxford	4,680	4,463	217	4.6
Seymour	7,488	7,132	356	4.8
Shelton	19,552	18,668	884	4.5
Stratford	23,742	22,656	1,086	4.6
Trumbull	16,219	15,605	614	3.8
DANBURY	**106,248**	**102,890**	**3,358**	**3.2**
Bethel	9,330	9,054	276	3.0
Bridgewater	920	898	22	2.4
Brookfield	7,903	7,653	250	3.2
DANBURY	**35,184**	**33,715**	**1,469**	**4.2**
New Fairfield	6,751	6,582	169	2.5
New Milford	13,389	13,068	321	2.4
Newtown	12,005	11,659	346	2.9
Redding	4,281	4,184	97	2.3
Ridgefield	11,848	11,554	294	2.5
Roxbury	1,011	992	19	1.9
Sherman	1,634	1,590	44	2.7
Washington	1,991	1,941	50	2.5
DANIELSON	**34,494**	**32,891**	**1,603**	**4.6**
Brooklyn	3,937	3,814	123	3.1
Eastford	899	865	34	3.8
Hampton	1,119	1,087	32	2.9
KILLINGLY	**8,678**	**8,112**	**566**	**6.5**
Pomfret	2,141	2,095	46	2.1
Putnam	4,834	4,582	252	5.2
Scotland	887	859	28	3.2
Sterling	1,661	1,561	100	6.0
Thompson	4,575	4,371	204	4.5
Union	396	390	6	1.5
Voluntown	1,381	1,309	72	5.2
Woodstock	3,983	3,844	139	3.5
HARTFORD	**575,298**	**552,013**	**23,285**	**4.0**
Andover	1,584	1,539	45	2.8
Ashford	2,100	2,030	70	3.3
Avon	7,234	7,078	156	2.2
Barkhamsted	2,023	1,943	80	4.0
Berlin	8,816	8,467	349	4.0
Bloomfield	9,661	9,242	419	4.3
Bolton	2,629	2,565	64	2.4
Bristol	31,161	29,437	1,724	5.5
HARTFORD cont....				
Burlington	4,286	4,143	143	3.3
Canton	4,499	4,360	139	3.1
Chaplin	1,164	1,123	41	3.5
Colchester	6,535	6,259	276	4.2
Columbia	2,572	2,514	58	2.3
Coventry	5,985	5,770	215	3.6
Cromwell	6,695	6,442	253	3.8
Durham	3,445	3,338	107	3.1
East Granby	2,370	2,307	63	2.7
East Haddam	4,005	3,865	140	3.5
East Hampton	5,996	5,802	194	3.2
East Hartford	24,306	23,390	916	3.8
East Windsor	5,416	5,194	222	4.1
Ellington	6,710	6,481	229	3.4
Enfield	22,128	21,253	875	4.0
Farmington	10,875	10,558	317	2.9
Glastonbury	15,213	14,830	383	2.5
Granby	5,153	4,984	169	3.3
Haddam	4,054	3,951	103	2.5
HARTFORD	**51,666**	**47,617**	**4,049**	**7.8**
Harwinton	2,868	2,777	91	3.2
Hebron	4,238	4,124	114	2.7
Lebanon	3,243	3,121	122	3.8
Manchester	27,555	26,442	1,113	4.0
Mansfield	8,789	8,643	146	1.7
Marlborough	2,965	2,890	75	2.5
Middlefield	2,173	2,107	66	3.0
Middletown	23,405	22,437	968	4.1
New Britain	32,892	31,006	1,886	5.7
New Hartford	3,516	3,433	83	2.4
Newington	15,060	14,521	539	3.6
Plainville	9,059	8,635	424	4.7
Plymouth	6,290	5,935	355	5.6
Portland	4,490	4,326	164	3.7
Rocky Hill	9,319	9,089	230	2.5
Simsbury	11,157	10,923	234	2.1
Somers	3,971	3,835	136	3.4
Southington	20,529	19,745	784	3.8
South Windsor	12,838	12,579	259	2.0
Stafford	5,653	5,473	180	3.2
Suffield	5,722	5,513	209	3.7
Tolland	6,901	6,736	165	2.4
Vernon	15,964	15,437	527	3.3
West Hartford	27,244	26,685	559	2.1
Wethersfield	11,792	11,421	371	3.1
Willington	3,348	3,252	96	2.9
Winchester	5,737	5,415	322	5.6
Windham	9,764	9,284	480	4.9
Windsor	14,088	13,529	559	4.0
Windsor Locks	6,447	6,219	228	3.5

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)

JANUARY 2002

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
LOWER RIVER	**12,256**	**11,937**	**319**	**2.6**
Chester	2,127	2,079	48	2.3
Deep River	2,652	2,590	62	2.3
Essex	3,260	3,176	84	2.6
Lyme	1,069	1,048	21	2.0
Westbrook	3,146	3,043	103	3.3
NEW HAVEN	**273,043**	**263,429**	**9,614**	**3.5**
Bethany	2,587	2,510	77	3.0
Branford	15,780	15,245	535	3.4
Cheshire	13,497	13,166	331	2.5
Clinton	7,379	7,177	202	2.7
East Haven	14,614	14,118	496	3.4
Guilford	11,454	11,191	263	2.3
Hamden	29,000	27,955	1,045	3.6
Killingworth	2,957	2,863	94	3.2
Madison	8,279	8,071	208	2.5
MERIDEN	**29,789**	**28,350**	**1,439**	**4.8**
NEW HAVEN	**55,999**	**53,713**	**2,286**	**4.1**
North Branford	8,102	7,856	246	3.0
North Haven	12,210	11,925	285	2.3
Orange	6,480	6,316	164	2.5
Wallingford	22,769	21,903	866	3.8
West Haven	27,862	26,873	989	3.5
Woodbridge	4,286	4,199	87	2.0
***NEW LONDON**	**135,877**	**131,524**	**4,353**	**3.2**
Bozrah	1,440	1,398	42	2.9
Canterbury	2,763	2,654	109	3.9
East Lyme	9,207	9,007	200	2.2
Franklin	1,093	1,058	35	3.2
Griswold	5,711	5,534	177	3.1
Groton	17,143	16,608	535	3.1
Ledyard	7,933	7,760	173	2.2
Lisbon	2,214	2,149	65	2.9
Montville	9,668	9,342	326	3.4
NEW LONDON	**12,827**	**12,401**	**426**	**3.3**
No. Stonington	2,879	2,812	67	2.3
NORWICH	**18,671**	**17,859**	**812**	**4.3**
Old Lyme	3,752	3,688	64	1.7
Old Saybrook	5,768	5,627	141	2.4
Plainfield	8,630	8,217	413	4.8
Preston	2,543	2,462	81	3.2
Salem	2,036	1,967	69	3.4
Sprague	1,660	1,577	83	5.0
Stonington	9,675	9,443	232	2.4
Waterford	10,265	9,962	303	3.0

*Connecticut portion only. For whole MSA, including Rhode Island towns, see below.

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW LONDON	**152,696**	**147,624**	**5,072**	**3.3**
Hopkinton, RI	4,288	4,125	163	3.8
Westerly, RI	12,531	11,975	556	4.4

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
STAMFORD	**189,798**	**183,994**	**5,804**	**3.1**
Darien	9,399	9,174	225	2.4
Greenwich	30,776	30,083	693	2.3
New Canaan	9,249	9,114	135	1.5
NORWALK	**47,805**	**46,030**	**1,775**	**3.7**
STAMFORD	**64,930**	**62,643**	**2,287**	**3.5**
Weston	4,711	4,611	100	2.1
Westport	14,042	13,672	370	2.6
Wilton	8,885	8,667	218	2.5
TORRINGTON	**38,460**	**36,851**	**1,609**	**4.2**
Canaan**	689	673	16	2.3
Colebrook	774	761	13	1.7
Cornwall	776	764	12	1.5
Goshen	1,336	1,288	48	3.6
Hartland	984	952	32	3.3
Kent**	2,018	1,969	49	2.4
Litchfield	4,318	4,180	138	3.2
Morris	1,119	1,071	48	4.3
Norfolk	1,060	1,024	36	3.4
North Canaan**	2,135	2,070	65	3.0
Salisbury**	2,330	2,276	54	2.3
Sharon**	1,939	1,909	30	1.5
TORRINGTON	**18,319**	**17,264**	**1,055**	**5.8**
Warren	666	652	14	2.1
WATERBURY	**113,926**	**107,208**	**6,718**	**5.9**
Bethlehem	1,912	1,828	84	4.4
Middlebury	3,278	3,162	116	3.5
Naugatuck	16,245	15,375	870	5.4
Prospect	4,620	4,450	170	3.7
Southbury	6,695	6,462	233	3.5
Thomaston	4,077	3,860	217	5.3
WATERBURY	**51,508**	**47,585**	**3,923**	**7.6**
Watertown	12,015	11,456	559	4.7
Wolcott	8,542	8,187	355	4.2
Woodbury	5,033	4,843	190	3.8

Not Seasonally Adjusted:				
CONNECTICUT	**1,691,500**	**1,623,600**	**68,000**	**4.0**
UNITED STATES	**141,074,000**	**132,139,000**	**8,935,000**	**6.3**
Seasonally Adjusted:				
CONNECTICUT	**1,711,500**	**1,651,700**	**59,800**	**3.5**
UNITED STATES	**141,390,000**	**133,468,000**	**7,922,000**	**5.6**

**The Bureau of Labor Statistics has identified these five towns as a separate area to report 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 town of Thompson, which is officially part of the Worcester, MA MSA, is included in the Danielson LMA.

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	JAN 2002	YR TO DATE 2002	YR TO DATE 2001	TOWN	JAN 2002	YR TO DATE 2002	YR TO DATE 2001	TOWN	JAN 2002	YR TO DATE 2002	YR TO DATE 2001
Andover	1	1	0	Griswold	0	0	2	Preston	1	1	1
Ansonia	2	2	1	Groton	6	6	6	Prospect	0	0	4
Ashford	3	3	0	Guilford	8	8	3	Putnam	0	0	0
Avon	5	5	11	Haddam	3	3	2	Redding	2	2	2
Barkhamsted	0	0	1	Hamden	14	14	7	Ridgefield	3	3	4
Beacon Falls	1	1	3	Hampton	1	1	1	Rocky Hill	11	11	1
Berlin	9	9	1	Hartford	5	5	1	Roxbury	1	1	1
Bethany	0	0	0	Hartland	0	0	0	Salem	1	1	0
Bethel	1	1	0	Harwinton	0	0	3	Salisbury	0	0	3
Bethlehem	2	2	0	Hebron	2	2	4	Scotland	1	1	1
Bloomfield	3	3	4	Kent	1	1	0	Seymour	4	4	2
Bolton	0	0	2	Killingly	2	2	2	Sharon	0	0	0
Bozrah	0	0	1	Killingworth	2	2	3	Shelton	7	7	8
Branford	6	6	6	Lebanon	1	1	4	Sherman	0	0	3
Bridgeport	8	8	2	Ledyard	2	2	1	Simsbury	5	5	2
Bridgewater	1	1	0	Lisbon	2	2	2	Somers	4	4	6
Bristol	5	5	5	Litchfield	1	1	1	South Windsor	3	3	1
Brookfield	1	1	1	Lyme	1	1	0	Southbury	6	6	4
Brooklyn	4	4	3	Madison	1	1	5	Southington	14	14	24
Burlington	8	8	3	Manchester	7	7	19	Sprague	0	0	2
Canaan	0	0	0	Mansfield	2	2	1	Stafford	0	0	0
Canterbury	5	5	2	Marlborough	2	2	4	Stamford	0	0	341
Canton	5	5	1	Meriden	11	11	1	Sterling	1	1	2
Chaplin	1	1	1	Middlebury	0	0	3	Stonington	6	6	3
Cheshire	8	8	2	Middlefield	0	0	1	Stratford	2	2	1
Chester	1	1	0	Middletown	11	11	10	Suffield	5	5	3
Clinton	26	26	2	Milford	12	12	20	Thomaston	3	3	0
Colchester	1	1	5	Monroe	2	2	1	Thompson	1	1	7
Colebrook	0	0	0	Montville	3	3	2	Tolland	11	11	6
Columbia	1	1	1	Morris	1	1	0	Torrington	4	4	1
Cornwall	1	1	0	Naugatuck	5	5	1	Trumbull	7	7	3
Coventry	6	6	4	New Britain	1	1	0	Union	0	0	0
Cromwell	5	5	9	New Canaan	3	3	3	Vernon	22	22	4
Danbury	21	21	21	New Fairfield	0	0	0	Voluntown	1	1	0
Darien	3	3	2	New Hartford	1	1	9	Wallingford	11	11	13
Deep River	0	0	1	New Haven	9	9	0	Warren	0	0	1
Derby	1	1	3	New London	0	0	0	Washington	1	1	1
Durham	5	5	3	New Milford	10	10	7	Waterbury	10	10	2
East Granby	2	2	0	Newington	3	3	10	Waterford	4	4	12
East Haddam	5	5	4	Newtown	7	7	13	Watertown	7	7	6
East Hampton	4	4	5	Norfolk	0	0	0	West Hartford	5	5	2
East Hartford	1	1	2	North Branford	2	2	1	West Haven	2	2	2
East Haven	3	3	2	North Canaan	1	1	0	Westbrook	2	2	2
East Lyme	5	5	2	North Haven	2	2	11	Weston	2	2	1
East Windsor	1	1	2	North Stonington	1	1	0	Westport	5	5	5
Eastford	0	0	0	Norwalk	11	11	4	Wethersfield	3	3	1
Easton	0	0	0	Norwich	11	11	1	Willington	1	1	1
Ellington	10	10	8	Old Lyme	2	2	2	Wilton	3	3	2
Enfield	0	0	0	Old Saybrook	2	2	2	Winchester	2	2	0
Essex	2	2	3	Orange	1	1	1	Windham	1	1	0
Fairfield	7	7	1	Oxford	3	3	4	Windsor	3	3	2
Farmington	0	0	7	Plainfield	2	2	3	Windsor Locks	0	0	0
Franklin	0	0	0	Plainville	2	2	1	Wolcott	7	7	7
Glastonbury	10	10	12	Plymouth	0	0	0	Woodbridge	4	4	2
Goshen	2	2	0	Pomfret	1	1	1	Woodbury	5	5	2
Granby	2	2	6	Portland	0	0	1	Woodstock	2	2	0
Greenwich	8	8	6								

For further information on the housing permit data, contact Kolie Chang 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.

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 multiple variable coefficient regression 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. Due to the small size of the sample taken in Connecticut, the CPS results are subject to significant sampling error and produce considerable month-to-month fluctuations in estimates derived from the sample. In general, the CPS estimates, at the 90 percent confidence level, have an error range of about 1.5 percentage points on a rate of 6.0 percent. An accepted method for calculating the error range for model estimates is currently not available. 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 in Connecticut except three are federally designated areas for developing labor statistics. Industry employment data for the Danielson, Lower River and Torrington Labor Market Areas are prepared exclusively by the Connecticut Department of Labor, following the same statistical procedures used to prepare estimates for the other Labor Market Areas, which are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The Bureau of Labor Statistics has identified the five towns of Canaan, Kent, North Canaan, Salisbury and Sharon 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 Labor Market Area. For the same purpose, data for the town of Thompson, which is officially part of the Worcester Metropolitan Statistical Area, are included in the Danielson Labor Market Area. Also, data for Hopkinton and Westerly, Rhode Island are included in the New London Labor Market Area.

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.

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 6-10 for reference months or quarters)

Leading Employment Index	**-1.8**
Coincident Employment Index	**-4.7**
Leading General Drift Indicator	**-4.1**
Coincident General Drift Indicator	**-0.8**
Business Barometer	**+0.3**
Business Climate Index	**+0.4**
Total Nonfarm Employment	**-1.2**
Unemployment	**+1.0***
Labor Force	-1.4
Employed	-2.5
Unemployed	+40.4
Average Weekly Initial Claims	**+35.7**
Help Wanted Index -- Hartford	**-36.1**
Average Ins. Unempl. Rate	**+1.34***
Average Weekly Hours, Mfg	**-0.5**
Average Hourly Earnings, Mfg	**+2.0**
Average Weekly Earnings, Mfg	**+1.5**
CT Mfg. Production Index	**+3.9**
Production Worker Hours	-7.0
Industrial Electricity Sales	+9.4
Personal Income	**+2.8**
UI Covered Wages	**+2.6**

Business Activity	
New Housing Permits	-29.2
Electricity Sales	+1.2
Retail Sales	+1.2
Construction Contracts Index	+68.0
New Auto Registrations	+1.6
Air Cargo Tons	-5.6
Exports	-4.3
Business Starts	
Secretary of the State	+13.5
Dept. of Labor	-22.4
Business Terminations	
Secretary of the State	+6.5
Dept. of Labor	-82.6
State Revenues	**-18.5**
Corporate Tax	-69.3
Personal Income Tax	-26.1
Real Estate Conveyance Tax	+2.1
Sales & Use Tax	-0.7
Indian Gaming Payments	+8.6

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

Tourism and Travel	
Info Center Visitors	+29.8
Attraction Visitors	+18.0
Air Passenger Count	-16.6
Indian Gaming Slots	+8.4
Travel and Tourism Index	+5.4
Employment Cost Index (U.S.)	
Total	+4.2
Wages & Salaries	+3.8
Benefit Costs	+5.1
Consumer Prices	
Connecticut	+4.3
U.S. City Average	+1.1
Northeast Region	+1.5
NY-NJ-Long Island	+1.9
Boston-Brockton-Nashua	+2.1
Consumer Confidence	
Connecticut	+2.9
New England	-19.8
U.S.	-15.9
Interest Rates	
Prime	-4.30*
Conventional Mortgage	-0.03*

THE CONNECTICUT
ECONOMIC DIGEST

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

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
or
http://www.state.ct.us/ecd/research

We would appreciate your input:

- **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!

❑ 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.