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In January...

Nonfarm Employment

- Connecticut 1,661,200
- Change over month -0.2%
- Change over year 1.2%

United States 132,581,000

- Change over month 0.10%
- Change over year 1.7%

Unemployment Rate

- Connecticut 4.7%
- United States 5.2%

Consumer Price Index

- United States 190.7
- Change over year 3.0%

Economic Recovery Underway in 2004

By Jungmin Charles Joo, Research Analyst, DOL

Connecticut employment finally turned the corner in 2004 after three consecutive years of decline. The newly released revised annual average data show that Connecticut nonfarm employment increased by 0.4 percent, or 6,900 jobs. This follows losses of 20,400 jobs (-1.2 percent) in 2003, 16,200 (-1.0 percent) in 2002, and 12,100 (-0.7 percent) in 2001. Thus, using nonfarm employment as the proxy for Connecticut's economy, the current recession is over. More specifically, on a monthly basis, Connecticut's seasonally adjusted total nonfarm employment peaked in July 2000 at 1,700,200, and bottomed out in September 2003 at 1,638,800. Thus, the latest recession lasted 38 months and resulted in a net loss of 61,400 jobs, which compares to 46 months and 161,100 jobs lost during the previous February 1989–December 1992 recession. Although the State experienced its mildest job growth since

1993, and 41,800 more jobs still need to be added to reach its pre-recession level, last year's turnaround is a good news for Connecticut's economy.

As the table on page 3 shows, many other indicators support the State's economic recovery. After declining for two years, real personal income of Connecticut residents rose in 2004 by 2.4 percent. The annual average unemployment rate fell in 2004, to 4.9 percent, reversing three years of increases. Average weekly initial claims for unemployment dropped for a second year in 2004, as the Hartford help wanted index remained stable from a year ago.

Consumers evidently continued to take advantage of very low interest rates as new housing permit activity finished 2004 remarkably, rising for the third consecutive year and breaking the 10,000 mark. It was the highest level of housing activity since 1989, the peak year before the previous recession. The

This issue introduces the publication of data based on newly defined statistical areas. Each decade the U.S. Office of Management and Budget updates statistical area definitions based on results of the decennial Census. One important development is a new Bridgeport-Stamford area that more or less combines the former Bridgeport and Stamford areas. Another change is that five Connecticut towns - Enfield, East Windsor, Somers, Suffield and Windsor Locks - are now included in the Springfield, MA statistical area. To exhaust the geography of Connecticut, the State Labor Department will publish data for areas including all cities and towns in the State, so data for these five towns will be published here and in other department publications as the Enfield Labor Market Area. For more information about these and other changes in the labor market area definitions, please see the article, "Changes in Labor Market Areas" in the December 2004 issue of the Connecticut Economic Digest: <http://www.ctdol.state.ct.us/lmi/misc/ceddec04.pdf>.

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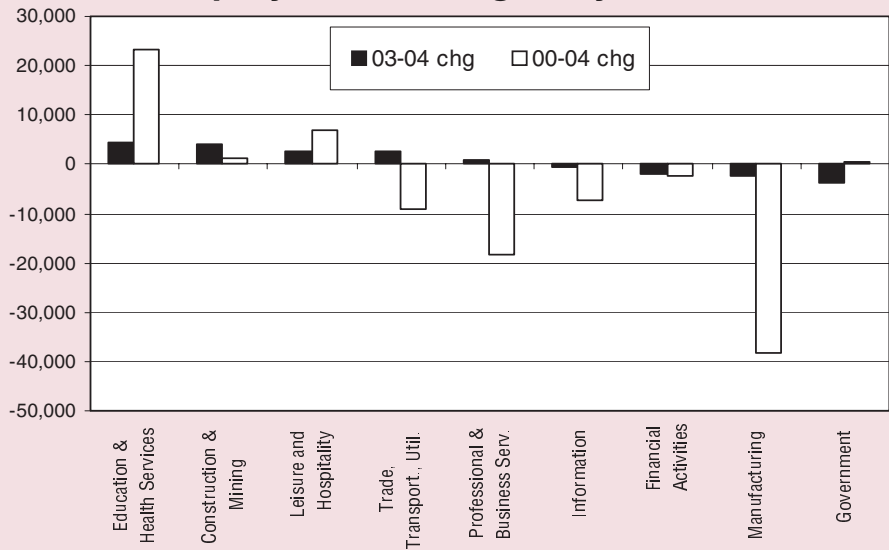
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Employment Changes by Sector



construction contracts index also went up for the third year in a row, to an all time record high since 1969. Moreover, air cargo tons also rose last year, reaching its highest level since 1992. Connecticut's exports reversed two years of decline as well in 2004.

Industry Sectors in 2004

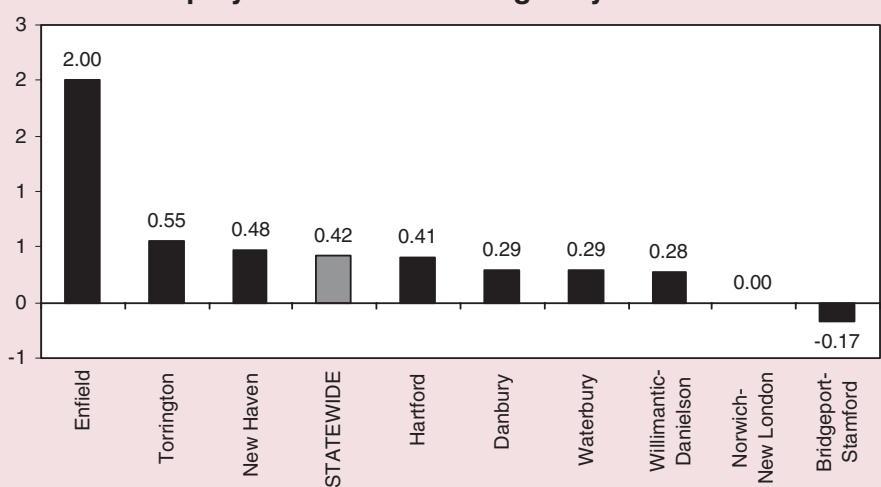
As the chart above shows, five of nine sectors added jobs in 2004 (as opposed to only three in 2003, see the March 2004 Digest). Educational and health services continued to create the largest number of jobs, followed by construction and mining (which bounced back from the

decline in 2003); leisure and hospitality; trade, transportation, and utilities (strong job growth after the decrease in 2003); and professional and business services (which also turned the corner from 2003).

On the other hand, government lost the largest number of jobs over the year. Manufacturing came in second, but with much fewer cuts than in 2003. Inflation-adjusted average hourly earnings of workers in manufacturing have sustained an increase for the fourth year, and manufacturing output, as measured by the Connecticut Manufacturing Production Index, also

--Continued on page 5--

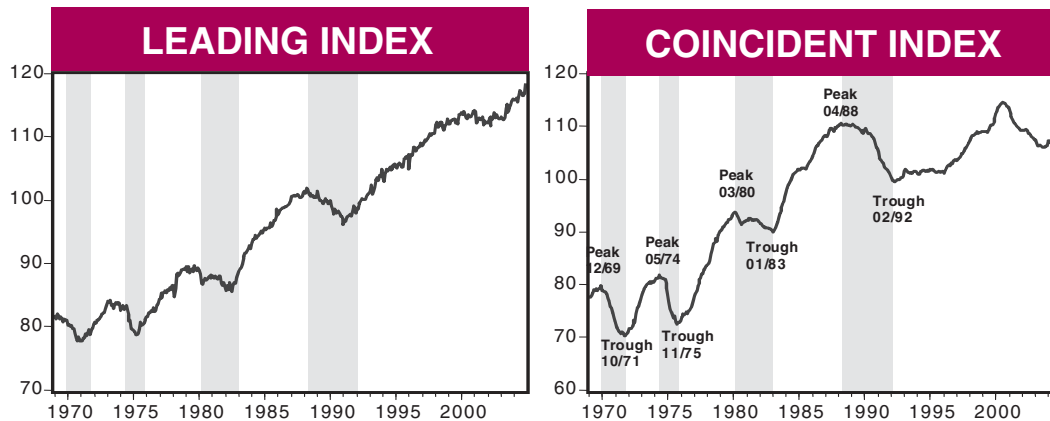
2003-04 Employment Percent Changes by Labor Market Area



Connecticut Economic Indicators, 1992 - 2004

STATEWIDE	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
NONFARM EMPLOYMENT (000s)													
TOTAL NONFARM.....	1,526.3	1,531.2	1,543.8	1,561.5	1,583.6	1,612.5	1,643.4	1,669.1	1,693.2	1,681.1	1,664.9	1,644.5	1,651.4
CONST., NAT. RES. & MIN.....	48.5	48.7	49.9	51.1	53.2	56.5	59.3	61.6	65.4	66.1	64.2	62.6	66.5
MANUFACTURING.....	273.6	261.5	253.5	248.5	245.3	245.4	247.8	240.2	235.7	226.7	211.2	200.0	197.5
Durable Goods.....	209.3	198.5	190.4	185.8	184.3	184.2	186.8	179.1	175.2	168.5	156.3	147.7	146.6
Non-Durable Goods.....	64.3	63.1	63.0	62.7	61.1	61.2	61.1	61.1	60.5	58.2	54.8	52.4	50.9
TRADE, TRANSPORT., UTILITIES.....	290.0	288.2	290.7	294.8	299.2	302.6	308.6	312.2	317.5	312.2	309.2	305.5	308.3
Wholesale Trade.....	65.4	63.9	62.5	63.7	64.2	64.7	66.4	66.1	68.2	67.4	66.0	65.5	65.7
Retail Trade.....	177.1	175.8	178.9	181.8	184.9	189.0	191.7	194.7	197.4	194.5	194.2	191.3	193.2
Transport., Warehousing, & Utilities.....	47.6	48.4	49.3	49.3	50.0	48.9	50.5	51.4	51.9	50.3	49.0	48.8	49.4
INFORMATION.....	39.4	39.6	40.4	41.5	43.3	44.5	44.3	44.7	46.4	44.7	41.0	39.6	39.1
FINANCIAL ACTIVITIES.....	142.8	140.3	135.6	132.4	128.6	130.1	137.0	140.8	143.0	142.9	142.6	142.7	140.7
Finance and Insurance.....	123.6	121.0	116.9	113.2	109.0	110.1	116.6	119.9	121.2	121.9	122.2	122.4	120.5
Real Estate and Rental and Leasing.....	19.2	19.3	18.8	19.2	19.6	20.0	20.4	21.0	21.8	21.0	20.4	20.3	20.2
PROFESSIONAL & BUSINESS SERV.....	163.8	166.2	171.3	177.0	187.8	194.2	203.9	211.6	215.9	209.9	202.0	196.8	197.7
Professional, Scientific.....	73.7	73.9	74.5	75.9	79.6	82.5	86.5	90.7	95.0	94.1	91.0	87.8	87.7
Legal Services.....	14.6	14.9	14.8	14.5	14.3	14.3	14.8	15.1	14.9	14.7	14.9	14.9	14.8
Computer Systems Design.....	10.7	10.3	10.2	11.5	13.9	16.3	18.4	20.6	23.4	23.0	20.0	18.3	18.5
Management of Companies.....	25.6	26.3	26.9	27.8	29.0	29.5	31.1	30.5	29.7	28.6	28.0	27.4	25.6
Administrative and Support.....	64.5	66.1	69.9	73.2	79.2	82.2	86.4	90.4	91.2	87.1	83.1	81.5	84.4
EDUCATIONAL & HEALTH SERV.....	207.9	215.6	220.9	225.6	230.1	234.4	237.8	242.4	245.3	252.7	259.7	264.0	268.4
Educational Services.....	37.3	39.7	38.2	38.0	37.9	40.4	37.9	39.2	40.4	45.1	46.4	48.2	49.6
Health Care and Social Assistance.....	170.6	175.8	182.7	187.6	192.1	194.1	199.9	203.2	204.9	207.6	213.3	215.8	218.8
LEISURE AND HOSPITALITY.....	100.8	103.2	106.1	110.6	113.7	118.9	116.8	119.7	121.1	119.5	122.8	125.1	127.9
Arts, Entertainment, and Recreation.....	16.5	17.1	17.8	18.9	20.6	25.0	21.5	21.9	22.7	23.1	23.5	23.9	24.7
Accommodation and Food Services.....	84.3	86.1	88.4	91.7	93.1	93.9	95.3	97.9	98.4	96.5	99.4	101.2	103.2
OTHER SERVICES.....	52.0	57.2	58.1	59.2	59.9	60.2	60.1	60.7	61.0	62.1	62.8	62.2	62.7
GOVERNMENT.....	207.4	210.7	217.2	220.9	222.8	225.7	227.8	235.1	241.8	244.4	249.3	246.0	242.4
Federal Government.....	25.1	24.6	24.2	24.0	23.5	22.6	22.4	22.3	23.5	21.6	21.2	20.8	20.1
State Government.....	64.1	65.9	67.6	69.0	66.7	64.5	64.3	66.9	68.8	69.6	70.2	66.2	63.8
Local Government.....	118.2	120.2	125.4	127.9	132.6	138.6	141.1	145.9	149.5	153.2	157.9	159.0	158.5
TOTAL NONFARM EMPLOYMENT BY LABOR MARKET AREAS													
Bridgeport-Stamford.....	375.2	379.4	385.5	391.8	398.3	409.9	416.5	420.7	426.4	422.2	414.4	410.4	409.7
Danbury.....	64.8	65.6	65.7	66.6	66.9	67.5	69.2	69.2	70.1	69.2	69.3	68.4	68.6
Hartford.....	532.3	527.4	528.8	528.9	530.0	535.8	541.1	549.3	555.6	552.6	543.5	535.4	537.6
New Haven.....	256.4	254.1	252.8	255.0	257.3	261.0	267.8	272.8	274.5	273.5	274.5	270.0	271.3
Norwich-New London.....	108.7	110.9	114.2	117.6	120.2	123.7	125.6	127.5	128.1	130.8	133.8	134.0	134.0
Waterbury.....	65.6	65.1	66.1	67.5	68.8	70.5	71.1	71.5	71.4	69.7	69.0	68.5	68.7
Enfield.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	45.1	46.0
Torrington.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	36.4	36.6
Willimantic-Danielson.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	36.0	36.1
UNEMPLOYMENT													
Labor Force (000s).....	1,826.8	1,796.6	1,767.0	1,750.1	1,752.8	1,759.9	1,741.6	1,742.1	1,738.8	1,753.1	1,784.6	1,804.9	1,797.3
Employed (000s).....	1,693.6	1,682.3	1,670.1	1,657.7	1,659.6	1,674.9	1,684.8	1,695.2	1,697.7	1,698.3	1,706.1	1,706.2	1,709.8
Unemployed (000s).....	133.2	114.4	97.0	92.3	93.1	84.9	56.8	47.0	41.2	54.8	78.5	98.8	87.5
Unemployment Rate.....	7.3%	6.4%	5.5%	5.3%	5.3%	4.8%	3.3%	2.7%	2.4%	3.1%	4.4%	5.5%	4.9%
Average Weekly Initial Claims.....	6,094	5,334	4,998	4,795	4,345	3,902	3,743	3,723	3,426	4,928	5,379	4,934	4,212
Hartford Help Wanted (1987=100).....	25	29	33	34	35	36	36	33	32	22	16	10	10
Insured Unemployment Rate.....	3.91%	3.53%	3.39%	3.10%	2.80%	2.31%	2.06%	2.00%	1.77%	2.35%	3.21%	3.34%	2.80%
MANUFACTURING ACTIVITY													
Average Weekly Hours.....	41.7	42.1	42.8	42.8	42.5	42.6	42.7	42.4	42.6	41.7	41.6	41.4	41.8
Average Hourly Earnings.....	\$12.45	\$13.01	\$13.53	\$13.72	\$14.01	\$14.46	\$14.83	\$15.33	\$15.70	\$16.42	\$17.24	\$17.74	\$18.35
Average Weekly Earnings.....	\$519.17	\$547.72	\$579.08	\$587.22	\$595.43	\$616.00	\$633.24	\$649.99	\$668.82	\$684.71	\$717.18	\$734.44	\$767.03
Production Index (1986=100).....	94.0	90.3	91.1	95.1	97.0	109.9	114.8	113.7	116.6	116.7	113.9	115.1	116.1
INCOME (mil.\$)													
Personal Income.....	\$93,779	\$96,867	\$99,788	\$104,315	\$109,354	\$116,420	\$124,880	\$130,579	\$141,413	\$147,323	\$147,856	\$150,801	\$158,524
UI Covered Wages.....	\$49,131	\$50,083	\$51,621	\$54,191	\$57,198	\$61,936	\$66,347	\$70,488	\$76,150	\$78,278	\$77,260	\$78,561	\$82,700
OTHER INDICATORS													
New Housing Permits.....	8,259	8,969	9,494	8,374	7,817	9,349	11,863	10,637	9,311	9,254	9,607	9,985	11,958
Construction Contracts (1980=100).....	180.1	203.3	203.5	216.2	242.6	268.6	258.4	316.5	358.5	297.9	330.7	334.6	358.6
New Auto Registrations.....	139,225	176,372	211,724	189,962	177,464	178,599	212,060	228,895	249,779	237,905	229,935	253,176	235,587
Air Cargo Tons.....	110,508	117,930	127,454	115,040	130,536	135,294	141,825	149,934	141,481	143,006	143,073	142,293	154,850
Exports (bil.\$).....	\$5.71	\$6.33	\$6.39	\$6.55	\$6.83	\$7.06	\$7.30	\$7.23	\$8.05	\$8.61	\$8.31	\$8.14	\$8.56

EMPLOYMENT INDICATORS



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.

2004 Was a Ho-Hum Year for Connecticut

With the release of the December 2004 Leading and Coincident employment indices for Connecticut, we now have a complete reading for 2004. Accordingly, I will start by examining the December indices, and finish with a preliminary look at the performance of the Connecticut economy for 2004.

The two employment indices finished the year with an up note, with both indices providing us with encouraging signs. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 106.26 in December 2003 to 108.74 in December 2004. All four components of this index are positive contributors, with a lower insured unemployment rate, a lower total unemployment rate, higher total non-farm employment, and higher total employment. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index rose from 107.98 in November 2004 to 108.74 in December 2004. Three components contributed positively to this index, with a decline in the total unemployment rate from 4.7% to 4.3% in December, and an increase in both total non-farm employment and total employment. The insured unemployment rate remained at its November level of 2.67%.

The revised CCEA-ECRI Connecticut leading employment index also provided encouraging news. It rose from 116.15 in December 2003

to 118.54 in December 2004. Four components of this index are positive contributors, with a lower Moody's Baa corporate bond yield, an increase in the number of total housing permits, lower initial claims for unemployment insurance, and a lower short duration (less than 15 weeks) unemployment rate. A lower Hartford help-wanted advertising index is the sole negative contributor, while average weekly hours worked in manufacturing and construction remained at its level a year ago. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose from 116.86 in November to 118.54 in December 2004. Five of the six components are positive contributors, with a decline of the Moody's Baa corporate bond yield, a decrease in initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, a higher Hartford help-wanted advertising index, and an increase in average weekly hours worked in manufacturing and construction. A fairly large decline (48%) in total housing permits from November to December is the sole negative contributor.

2004 was a ho-hum year for Connecticut. We did make progress, but it was modest. Total employment in Connecticut rose by 9,800 in 2004 to 1,719,600 in December, about 39,500 less than the peak in July 2000. The same is

true for total non-farm employment; it rose by 8,400 for the year to 1,647,700 thousands in December 2004, about 53,000 less than its peak in July 2000. The total unemployment rate fell from 4.7% in January to 4.3% in December 2004, but that is very different from the 2.1% rate it reached in July and August 2000.

We did not have a promising start to 2005. First, we learned in early February that Connecticut-based Sikorsky Aircraft lost the \$6.1 billion contract bid to build the next presidential helicopter fleet to Maryland-based Lockheed Martin. This was hardly offset by the Defense Department's supplemental request for the Iraq war that included \$50.8 million for five additional Black Hawk helicopters to be built by Sikorsky Aircraft, and \$55.3 million for Colt Defense for automatic rifles. Second, MetLife acquired Hartford-based Travelers Life and Annuity from Citigroup, which will likely result in job losses in Connecticut. Third, the Governor's proposed budget contains the usual expenditure reductions and tax increases to close the projected budget shortfall. Unfortunately, I don't see any new initiatives in the budget that address the most pressing issue in Connecticut - that of job creation.

I want very much to be positive and optimistic for the new year. So far, I am not seeing any encouraging signs. ■

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--Continued from page 2--

rose for the second year. Financial activities, which had added jobs in 2003, shed jobs last year. The information sector also lost jobs, although not as many as in 2003.

As the chart also shows, since the peak of 2000, four of the nine sectors experienced job gains. Educational and health services gained the most jobs, while manufacturing and professional and business services posted the

largest job losses over the four years.

Labor Market Areas in 2004

Among the new labor market areas (see "Changes in Labor Market Areas," December 2004 Digest), seven of the nine areas added jobs, while the Norwich-New London LMA showed no change and Bridgeport-Stamford area lost jobs (see the bottom chart on page 2) in 2004. Enfield LMA employment grew the most

(2.0 percent), while the Danbury, Waterbury and Willimantic-Danielson LMAs all experienced very modest job growth of 0.3 percent.

While these gains are not great, they are certainly welcome. We can hope that 2004 was only the prelude to a recovery period similar in length to that which Connecticut experienced in the 1990s. ■

HOUSING UPDATE

Permit Activity Slows in January

Commissioner James F. Abromaitis of the Connecticut Department of Economic and Community Development (DECD) announced that Connecticut communities authorized 627 new housing units in January 2005, a 9.0 percent decrease compared to January of 2004 when 689 units were authorized.

The Department further indicated that the 627 units permitted in January 2005 represent a 37.4 percent decrease from the 1,002 units permitted in December 2004.

Norwich led all municipalities with 80 units in January, followed by Groton with 69 and Danbury with 29. Five of the new nine Labor Market

Areas (LMAs) showed gains compared to a year ago. From a county perspective, New London County experienced the largest gain of 129 units (or 280 percent) from last year.

See data tables on pages 19 and 22.

GENERAL ECONOMIC INDICATORS

<i>(Seasonally adjusted)</i>	4Q	4Q	CHANGE		3Q
	2004	2003	NO.	%	2004
Employment Indexes (1992=100)*					
Leading	117.4	115.6	1.8	1.5	116.6
Coincident	108.2	106.3	1.9	1.8	107.8
General Drift Indicator (1986=100)*					
Leading	102.4	101.4	1.0	1.0	102.5
Coincident	101.8	101.1	0.7	0.7	102.2
Banknorth Business Barometer (1992=100)**	119.5	117.2	2.3	2.0	118.3

Sources: *The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut

**Banknorth Bank

The Connecticut Economy's **General Drift Indicators** are composite measures of the four-quarter change in three coincident (Connecticut Manufacturing Production Index, nonfarm employment, and real personal income) and four leading (housing permits, manufacturing average weekly hours, Hartford help-wanted advertising, and initial unemployment claims) economic variables, and are indexed so 1986 = 100.

The **Banknorth Business Barometer** is a measure of overall economic growth in the state of Connecticut that is derived from non-manufacturing employment, real disposable personal income, and manufacturing production.

Total nonfarm employment increased by 19,100 over the year.

EMPLOYMENT BY INDUSTRY SECTOR

	JAN		CHANGE		DEC
	2005	2004	NO.	%	2004
TOTAL NONFARM	1661.2	1,642.1	19.1	1.2	1,664.6
Construction	67.7	63.4	4.3	6.8	68.1
Manufacturing	197.6	197.3	0.3	0.2	197.9
Trade, Transportation and Utilities	309.7	305.5	4.2	1.4	311.7
Information	39.5	39.6	-0.1	-0.3	39.3
Financial Activities	140.5	140.8	-0.3	-0.2	140.8
Professional and Business Services	197.8	196.6	1.2	0.6	199.5
Leisure and Hospitality	128.8	126.7	2.1	1.7	128.1
Government*	242.5	243.1	-0.6	-0.2	242.0

Source: Connecticut Department of Labor (see page 12 for other industries, not seasonally adjusted)
* Includes Native American tribal government employment

Initial claims for unemployment insurance fell from a year ago.

UNEMPLOYMENT

	JAN		CHANGE		DEC
	2005	2004	NO.	%	2004
Unemployment Rate, resident (%)	4.7	5.2	-0.5	---	4.5
Labor Force, resident (000s)	1,782.6	1,800.9	-18.3	-1.0	1,791.5
Employed (000s)	1,698.0	1,707.6	-9.6	-0.6	1,711.6
Unemployed (000s)	84.5	93.3	-8.8	-9.4	79.9
Average Weekly Initial Claims	4,287	4,382	-95	-2.2	4,030
Help Wanted Index -- Htfd. (1987=100)	14	11	3	27.3	11
Avg. Insured Unemp. Rate (%)	2.71	3.22	-0.51	---	2.64

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

	JAN		CHANGE		DEC	NOV
	2005	2004	NO.	%	2004	2004
Average Weekly Hours	42.0	41.8	0.2	0.5	42.6	--
Average Hourly Earnings	18.85	17.99	0.86	4.8	18.90	--
Average Weekly Earnings	791.70	751.98	39.72	5.3	805.14	--
CT Mfg. Production Index (1986=100)*	114.5	117.2	-2.7	-2.3	115.4	108.7
Production Worker Hours (000s)	5,002	4,898	104	2.1	5,135	--
Industrial Electricity Sales (mil kWh)**	382	414	-31.9	-7.7	392	363

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

Personal income for second quarter 2005 is forecasted to increase 4.9 percent from a year earlier.

INCOME

	2Q*		CHANGE		1Q*
	2005	2004	NO.	%	2005
Personal Income	\$165,467	\$157,751	\$7,716	4.9	\$164,749
UI Covered Wages	\$85,161	\$80,868	\$4,293	5.3	\$87,804

Source: Bureau of Economic Analysis: January 2005 release
*Forecasted by Connecticut Department of Labor

BUSINESS ACTIVITY

Exports in 2004 were up 5.2 percent over the year.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
New Housing Permits	JAN 2005	627	-9.0	627	689	-9.0
Electricity Sales (mil kWh)	NOV 2004	2,469	2.3	29,061	29,049	0.0
Retail Sales (Bil. \$)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts						
Index (1980=100)	JAN 2005	364.1	65.4	---	---	---
New Auto Registrations	JAN 2005	16,156	-24.4	16,156	21,377	-24.4
Air Cargo Tons	JAN 2005	11,817	-0.1	11,817	11,825	-0.1
Exports (Bil. \$)	4Q 2004	2.23	5.2	8.56	8.14	5.2

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 11.9 percent to 1,918 over the year.

	MO/QTR	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
STARTS						
Secretary of the State	JAN 2005	2,739	6.6	2,739	2,569	6.6
Department of Labor*	2Q 2004	2,204	-2.2	4,894	4,952	-1.2
TERMINATIONS						
Secretary of the State	JAN 2005	821	-4.0	821	855	-4.0
Department of Labor*	2Q 2004	1,220	-28.2	2,684	3,485	-23.0

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

STATE REVENUES

January State revenues were up 14 percent from a year ago.

	YEAR TO DATE			YEAR TO DATE		
	JAN 2005	JAN 2004	% CHG	CURRENT	PRIOR	% CHG
(Millions of dollars)						
TOTAL ALL REVENUES*	1,221.4	1,071.8	14.0	1,221.4	1,071.8	14.0
Corporate Tax	12.5	15.5	-19.4	12.5	15.5	-19.4
Personal Income Tax	645.6	566.3	14.0	645.6	566.3	14.0
Real Estate Conv. Tax	14.7	11.7	25.6	14.7	11.7	25.6
Sales & Use Tax	371.1	361.8	2.6	371.1	361.8	2.6
Indian Gaming Payments**	29.6	30.4	-2.4	29.6	30.4	-2.4

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

The Travel and Tourism Index rose 3.4 percent over the year.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Info Center Visitors	JAN 2005	16,035	0.1	16,035	16,022	0.1
Major Attraction Visitors	JAN 2005	56,058	-26.5	56,058	76,308	-26.5
Air Passenger Count	JAN 2005	531,070	15.5	531,070	459,911	15.5
Indian Gaming Slots (Mil.\$)*	JAN 2005	1,448	-5.5	1,448	1,533	-5.5
Travel and Tourism Index**	4Q 2004	---	3.4	---	---	---

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 23 for explanation

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

Compensation cost for the nation rose 3.8 percent over the year.

EMPLOYMENT COST INDEX

	Seasonally Adjusted			Not Seasonally Adjusted		
	DEC 2004	SEP 2004	3-Mo % Chg	DEC 2004	DEC 2003	12-Mo % Chg
Private Industry Workers <i>(June 1989=100)</i>						
UNITED STATES TOTAL	175.8	174.5	0.7	175.2	168.8	3.8
Wages and Salaries	166.4	165.8	0.4	166.2	162.3	2.4
Benefit Costs	199.3	196.4	1.5	198.7	185.8	6.9
NORTHEAST TOTAL	---	---	---	174.2	167.9	3.8
Wages and Salaries	---	---	---	165.0	160.9	2.5

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

U.S. inflation rate increased 3.0 percent over the year.

CONSUMER NEWS

<i>(Not seasonally adjusted)</i>	MO/QTR	LEVEL	% CHANGE	
			Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	4Q 2004	---	NA	---
CPI-U (1982-84=100)				
U.S. City Average	JAN 2005	190.7	3.0	0.2
Purchasing Power of \$ (1982-84=\$1.00)	JAN 2005	\$0.524	-2.9	-0.2
Northeast Region	JAN 2005	202.6	3.4	0.3
NY-Northern NJ-Long Island	JAN 2005	208.1	4.1	0.6
Boston-Brockton-Nashua***	JAN 2005	211.3	1.4	-0.2
CPI-W (1982-84=100)				
U.S. City Average	JAN 2005	186.3	3.0	0.2
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	4Q 2004	96.3	-4.2	-10.0
New England	JAN 2005	110.8	36.3	12.0
U.S.	JAN 2005	104.0	17.5	-1.0

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.

30-year conventional mortgage rate fell to 5.71 percent over the month.

INTEREST RATES

<i>(Percent)</i>	JAN 2005	DEC 2004	JAN 2004
	Prime	5.25	5.14
Federal Funds	2.28	2.16	1.00
3 Month Treasury Bill	2.33	2.19	0.90
6 Month Treasury Bill	2.61	2.43	0.99
1 Year Treasury Bill	2.86	2.67	1.42
3 Year Treasury Note	3.39	3.21	2.65
5 Year Treasury Note	3.71	3.60	3.48
7 Year Treasury Note	3.97	3.93	4.01
10 Year Treasury Note	4.22	4.23	4.50
20 Year Treasury Note	4.77	4.88	5.29
Conventional Mortgage	5.71	5.75	5.74

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

<i>(Seasonally adjusted; 000s)</i>	JAN	JAN	CHANGE		DEC
	2005	2004	NO.	%	2004
Connecticut	1,661.2	1,642.1	19.1	1.2	1,664.6
Maine	615.7	610.4	5.3	0.9	616.2
Massachusetts	3,191.2	3,165.1	26.1	0.8	3,188.1
New Hampshire	634.8	620.2	14.6	2.4	632.7
New Jersey	4,030.0	3,979.7	50.3	1.3	4,032.2
New York	8,481.5	8,404.8	76.7	0.9	8,491.5
Pennsylvania	5,676.7	5,612.6	64.1	1.1	5,665.9
Rhode Island	491.5	485.9	5.6	1.2	490.2
Vermont	305.3	300.2	5.1	1.7	306.6
United States	132,581.0	130,372.0	2,209.0	1.7	132,449.0

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

LABOR FORCE

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

<i>(Seasonally adjusted; 000s)</i>	JAN	JAN	CHANGE		DEC
	2005	2004	NO.	%	2004
Connecticut	1,782.6	1,800.9	-18.3	-1.0	1,791.5
Maine	698.8	696.0	2.8	0.4	702.9
Massachusetts	3,371.8	3,402.0	-30.2	-0.9	3,385.1
New Hampshire	727.3	720.2	7.1	1.0	725.5
New Jersey	4,391.5	4,375.2	16.3	0.4	4,389.6
New York	9,353.8	9,330.5	23.3	0.2	9,392.8
Pennsylvania	6,338.8	6,220.3	118.5	1.9	6,325.7
Rhode Island	558.6	562.7	-4.1	-0.7	560.1
Vermont	353.1	353.1	0.0	0.0	354.7
United States	147,979.0	146,785.0	1,194.0	0.8	148,203.0

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

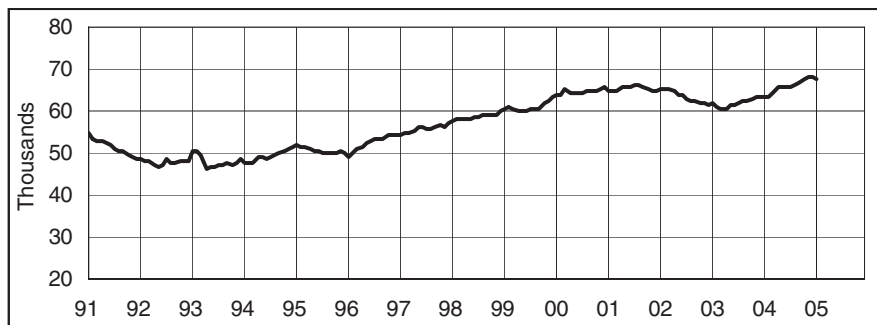
UNEMPLOYMENT RATES

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

<i>(Seasonally adjusted)</i>	JAN	JAN	CHANGE	DEC
	2005	2004		2004
Connecticut	4.7	5.2	-0.5	4.5
Maine	4.1	4.7	-0.6	4.6
Massachusetts	4.8	5.6	-0.8	4.7
New Hampshire	3.5	4.2	-0.7	3.4
New Jersey	3.9	5.4	-1.5	4.2
New York	5.0	6.3	-1.3	5.6
Pennsylvania	5.1	5.5	-0.4	5.7
Rhode Island	4.4	5.4	-1.0	4.8
Vermont	3.5	4.3	-0.8	3.6
United States	5.2	5.7	-0.5	5.4

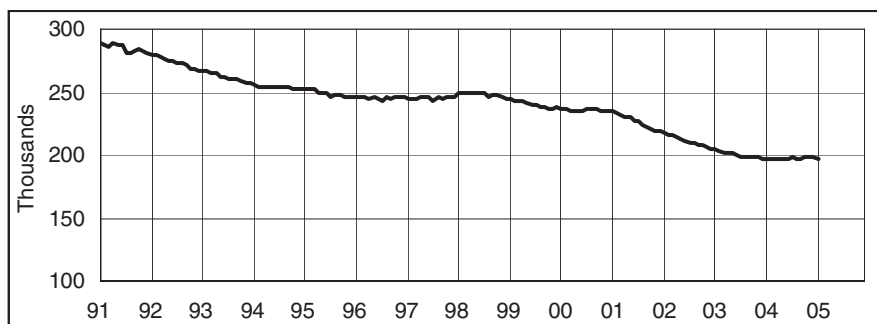
Source: U.S. Department of Labor, Bureau of Labor Statistics

CONSTRUCTION EMPLOYMENT *(Seasonally adjusted)*



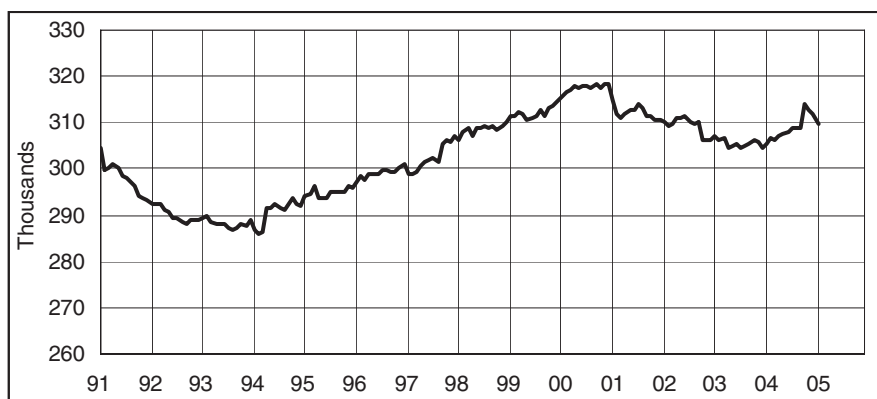
Month	2003	2004	2005
Jan	62.0	63.4	67.7
Feb	61.0	63.2	
Mar	60.7	64.2	
Apr	60.5	65.6	
May	61.3	65.6	
Jun	61.2	65.8	
Jul	62.1	65.8	
Aug	62.3	66.1	
Sep	62.4	66.5	
Oct	63.0	67.6	
Nov	63.3	68.1	
Dec	63.3	68.1	

MANUFACTURING EMPLOYMENT *(Seasonally adjusted)*



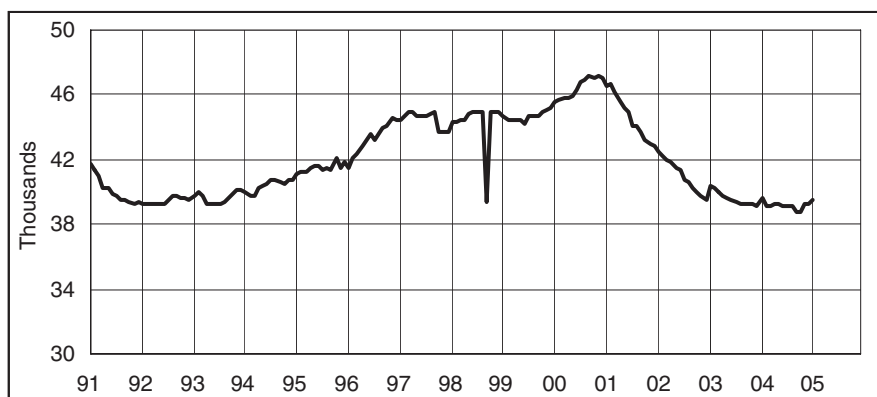
Month	2003	2004	2005
Jan	204.5	197.3	197.6
Feb	203.2	197.2	
Mar	202.2	197.3	
Apr	201.6	197.5	
May	200.9	197.4	
Jun	200.0	197.5	
Jul	199.1	198.1	
Aug	198.4	197.3	
Sep	197.7	197.0	
Oct	197.9	197.7	
Nov	197.7	197.7	
Dec	197.3	197.9	

TRADE, TRANSPORTATION, & UTILITIES EMP. *(Seasonally adjusted)*



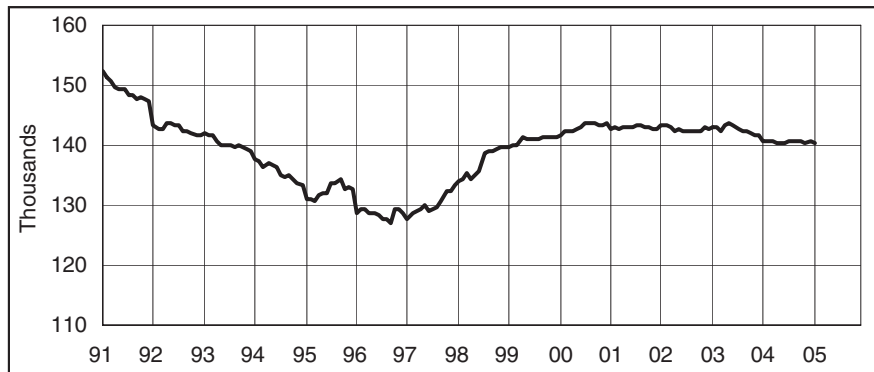
Month	2003	2004	2005
Jan	306.9	305.5	309.7
Feb	306.4	306.5	
Mar	306.7	306.4	
Apr	304.5	307.0	
May	305.1	307.6	
Jun	305.4	308.0	
Jul	304.6	308.9	
Aug	304.8	308.7	
Sep	305.4	308.9	
Oct	306.4	313.8	
Nov	305.6	312.9	
Dec	304.3	311.7	

INFORMATION EMPLOYMENT *(Seasonally adjusted)*



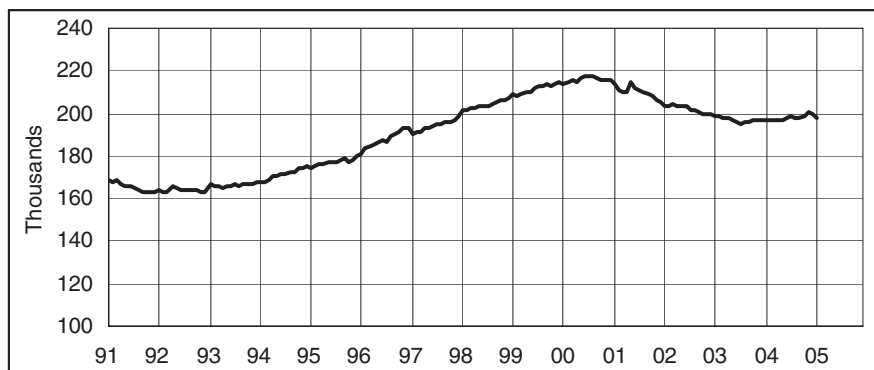
Month	2003	2004	2005
Jan	40.4	39.6	39.5
Feb	40.2	39.1	
Mar	40.0	39.1	
Apr	39.8	39.2	
May	39.6	39.2	
Jun	39.5	39.1	
Jul	39.4	39.1	
Aug	39.3	39.1	
Sep	39.2	38.8	
Oct	39.2	38.8	
Nov	39.2	39.2	
Dec	39.1	39.3	

FINANCIAL ACTIVITIES EMPLOYMENT *(Seasonally adjusted)*



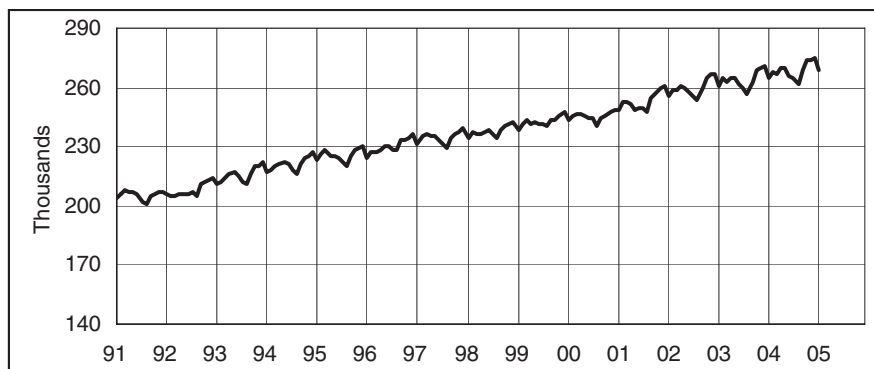
Month	2003	2004	2005
Jan	143.1	140.8	140.5
Feb	142.9	140.8	
Mar	142.5	140.6	
Apr	143.4	140.5	
May	143.7	140.4	
Jun	143.5	140.5	
Jul	142.7	140.6	
Aug	142.5	140.6	
Sep	142.3	140.7	
Oct	142.1	140.8	
Nov	141.7	140.4	
Dec	141.6	140.8	

PROFESSIONAL & BUSINESS SERV. EMPLOYMENT *(Seasonally adjusted)*



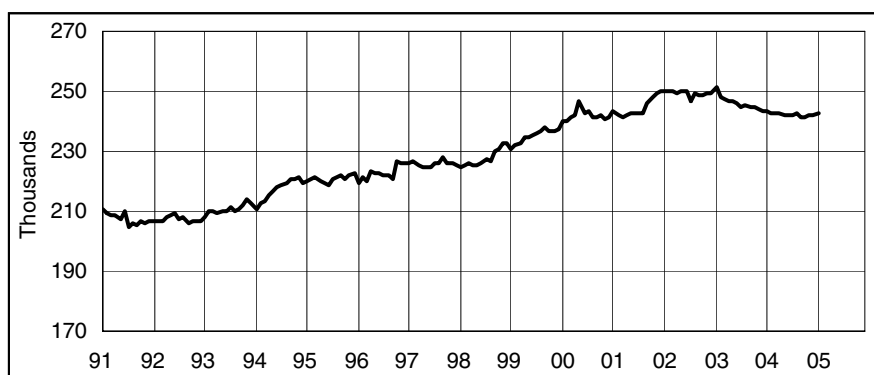
Month	2003	2004	2005
Jan	199.1	196.6	197.8
Feb	198.9	196.6	
Mar	197.8	196.7	
Apr	197.3	196.9	
May	196.6	197.1	
Jun	195.6	197.6	
Jul	195.3	198.2	
Aug	195.4	198.0	
Sep	195.6	198.0	
Oct	196.4	199.0	
Nov	196.9	200.1	
Dec	196.5	199.5	

EDUCATIONAL & HEALTH SERV. EMPLOYMENT *(Not seasonally adjusted)*



Month	2003	2004	2005
Jan	261.1	264.4	268.9
Feb	264.3	268.2	
Mar	263.0	267.0	
Apr	265.1	269.5	
May	264.6	269.8	
Jun	261.4	266.0	
Jul	260.0	264.5	
Aug	257.0	261.5	
Sep	262.4	268.3	
Oct	268.5	273.5	
Nov	270.0	274.1	
Dec	270.3	274.3	

GOVERNMENT EMPLOYMENT* *(Seasonally adjusted)*



Month	2003	2004	2005
Jan	251.3	243.1	242.5
Feb	247.9	242.7	
Mar	247.3	242.9	
Apr	246.4	243.0	
May	246.6	242.1	
Jun	246.0	241.9	
Jul	244.6	241.7	
Aug	245.3	243.0	
Sep	244.6	241.6	
Oct	244.6	241.2	
Nov	244.0	241.8	
Dec	243.2	242.0	

*Includes Indian tribal government employment

CONNECTICUT*Not Seasonally Adjusted*

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	1,638,100	1,616,600	21,500	1.3	1,686,300
GOODS PRODUCING INDUSTRIES	260,100	255,100	5,000	2.0	267,700
CONSTRUCTION, NAT. RES. & MINING	62,400	58,100	4,300	7.4	68,700
MANUFACTURING	197,700	197,000	700	0.4	199,000
Durable Goods	147,200	145,900	1,300	0.9	148,000
Fabricated Metal.....	34,100	33,500	600	1.8	34,300
Machinery.....	18,700	18,500	200	1.1	18,800
Computer and Electronic Product.....	15,400	15,300	100	0.7	15,500
Electrical Equipment.....	10,300	10,500	-200	-1.9	10,400
Transportation Equipment.....	43,300	43,100	200	0.5	43,400
Aerospace Product and Parts.....	30,000	30,000	0	0.0	30,000
Non-Durable Goods	50,500	51,100	-600	-1.2	51,000
Printing and Related.....	8,300	8,500	-200	-2.4	8,400
Chemical.....	17,000	17,200	-200	-1.2	17,300
Plastics and Rubber Products.....	7,600	7,600	0	0.0	7,600
SERVICE PROVIDING INDUSTRIES	1,378,000	1,361,500	16,500	1.2	1,418,600
TRADE, TRANSPORTATION, UTILITIES	311,700	304,900	6,800	2.2	325,400
Wholesale Trade.....	64,800	64,800	0	0.0	65,900
Retail Trade.....	196,700	191,100	5,600	2.9	207,700
Motor Vehicle and Parts Dealers.....	22,700	22,400	300	1.3	23,200
Building Material.....	16,100	14,900	1,200	8.1	16,700
Food and Beverage Stores.....	44,100	43,700	400	0.9	44,500
General Merchandise Stores.....	26,500	24,200	2,300	9.5	29,500
Transportation, Warehousing, & Utilities....	50,200	49,000	1,200	2.4	51,800
Utilities.....	8,800	8,700	100	1.1	8,900
Transportation and Warehousing.....	41,400	40,300	1,100	2.7	42,900
INFORMATION	39,200	39,200	0	0.0	39,300
Telecommunications.....	13,600	14,000	-400	-2.9	13,700
FINANCIAL ACTIVITIES	139,800	140,100	-300	-0.2	141,000
Finance and Insurance.....	120,000	120,300	-300	-0.2	120,600
Credit Intermediation.....	31,200	31,400	-200	-0.6	31,300
Securities and Commodity Contracts.....	19,100	17,500	1,600	9.1	19,200
Insurance Carriers & Related Activities....	65,000	66,700	-1,700	-2.5	65,400
Real Estate and Rental and Leasing.....	19,800	19,800	0	0.0	20,400
PROFESSIONAL & BUSINESS SERVICES	193,400	191,200	2,200	1.2	200,600
Professional, Scientific.....	86,600	87,600	-1,000	-1.1	88,600
Legal Services.....	14,700	14,800	-100	-0.7	14,900
Computer Systems Design.....	18,300	18,100	200	1.1	19,000
Management of Companies.....	25,200	25,900	-700	-2.7	25,500
Administrative and Support.....	81,600	77,700	3,900	5.0	86,500
Employment Services.....	28,400	26,300	2,100	8.0	31,400
EDUCATIONAL AND HEALTH SERVICES	268,900	264,400	4,500	1.7	274,300
Educational Services.....	49,500	47,600	1,900	4.0	53,700
Health Care and Social Assistance.....	219,400	216,800	2,600	1.2	220,600
Hospitals.....	55,800	54,900	900	1.6	55,700
Nursing & Residential Care Facilities.....	57,100	56,700	400	0.7	57,700
Social Assistance.....	35,200	34,300	900	2.6	35,200
LEISURE AND HOSPITALITY	120,900	117,900	3,000	2.5	127,300
Arts, Entertainment, and Recreation.....	21,400	20,400	1,000	4.9	23,500
Accommodation and Food Services.....	99,500	97,500	2,000	2.1	103,800
Food Serv., Restaurants, Drinking Places.	89,100	87,200	1,900	2.2	92,800
OTHER SERVICES	62,000	61,500	500	0.8	63,200
GOVERNMENT	242,100	242,300	-200	-0.1	247,500
Federal Government.....	19,900	20,200	-300	-1.5	20,000
State Government.....	61,600	62,900	-1,300	-2.1	65,600
**Local Government.....	160,600	159,200	1,400	0.9	161,900

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

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

BRIDGEPORT - STAMFORD LMA



	<i>Not Seasonally Adjusted</i>				
	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	403,100	402,500	600	0.1	414,900
GOODS PRODUCING INDUSTRIES	54,100	54,800	-700	-1.3	55,700
CONSTRUCTION, NAT. RES. & MINING	13,100	12,900	200	1.6	14,400
MANUFACTURING	41,000	41,900	-900	-2.1	41,300
Durable Goods.....	29,800	30,500	-700	-2.3	30,100
SERVICE PROVIDING INDUSTRIES	349,000	347,700	1,300	0.4	359,200
TRADE, TRANSPORTATION, UTILITIES	74,900	74,800	100	0.1	78,200
Wholesale Trade.....	14,700	14,900	-200	-1.3	14,800
Retail Trade.....	49,900	49,500	400	0.8	52,700
Transportation, Warehousing, & Utilities....	10,300	10,400	-100	-1.0	10,700
INFORMATION	12,100	12,200	-100	-0.8	12,000
FINANCIAL ACTIVITIES	41,800	40,900	900	2.2	42,300
Finance and Insurance.....	35,300	34,600	700	2.0	35,600
PROFESSIONAL & BUSINESS SERVICES	66,800	67,700	-900	-1.3	69,600
EDUCATIONAL AND HEALTH SERVICES	59,100	58,400	700	1.2	60,700
Health Care and Social Assistance.....	51,100	50,300	800	1.6	51,600
LEISURE AND HOSPITALITY	29,900	29,800	100	0.3	31,800
Accommodation and Food Services.....	22,300	22,600	-300	-1.3	23,200
OTHER SERVICES	16,800	16,400	400	2.4	16,900
GOVERNMENT	47,600	47,500	100	0.2	47,700
Federal.....	3,600	3,700	-100	-2.7	3,600
State & Local.....	44,000	43,800	200	0.5	44,100

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

DANBURY LMA



	<i>Not Seasonally Adjusted</i>				
	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	67,600	67,500	100	0.1	69,900
GOODS PRODUCING INDUSTRIES	12,900	13,000	-100	-0.8	13,100
SERVICE PROVIDING INDUSTRIES	54,700	54,500	200	0.4	56,800
TRADE, TRANSPORTATION, UTILITIES	16,000	15,700	300	1.9	16,900
Retail Trade.....	12,200	12,100	100	0.8	13,100
PROFESSIONAL & BUSINESS SERVICES	8,300	8,000	300	3.8	8,300
LEISURE AND HOSPITALITY	4,900	4,800	100	2.1	5,200
GOVERNMENT	7,900	7,800	100	1.3	8,400
Federal.....	600	600	0	0.0	600
State & Local.....	7,300	7,200	100	1.4	7,800

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 2004.

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

HARTFORD LMA*Not Seasonally Adjusted*

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT.....	533,800	528,300	5,500	1.0	547,300
GOODS PRODUCING INDUSTRIES.....	82,900	82,400	500	0.6	85,600
CONSTRUCTION, NAT. RES. & MINING.....	19,300	18,500	800	4.3	21,600
MANUFACTURING.....	63,600	63,900	-300	-0.5	64,000
Durable Goods.....	53,700	53,300	400	0.8	53,700
Transportation Equipment.....	18,500	18,200	300	1.6	18,300
SERVICE PROVIDING INDUSTRIES.....	450,900	445,900	5,000	1.1	461,700
TRADE, TRANSPORTATION, UTILITIES.....	88,900	88,000	900	1.0	91,800
Wholesale Trade.....	18,400	18,700	-300	-1.6	18,600
Retail Trade.....	56,400	55,200	1,200	2.2	58,600
Transportation, Warehousing, & Utilities....	14,100	14,100	0	0.0	14,600
Transportation and Warehousing.....	10,400	10,600	-200	-1.9	11,000
INFORMATION.....	11,500	11,300	200	1.8	11,400
FINANCIAL ACTIVITIES.....	67,300	68,200	-900	-1.3	67,900
Depository Credit Institutions.....	7,900	7,900	0	0.0	7,800
Insurance Carriers & Related Activities....	45,600	46,800	-1,200	-2.6	45,800
PROFESSIONAL & BUSINESS SERVICES	57,100	55,700	1,400	2.5	57,800
Professional, Scientific.....	27,500	26,900	600	2.2	27,200
Administrative and Support.....	23,900	23,000	900	3.9	24,800
EDUCATIONAL AND HEALTH SERVICES	84,400	82,900	1,500	1.8	85,800
Health Care and Social Assistance.....	73,200	72,300	900	1.2	73,700
Ambulatory Health Care.....	22,200	21,900	300	1.4	22,400
LEISURE AND HOSPITALITY.....	36,300	35,500	800	2.3	38,000
Accommodation and Food Services.....	29,900	29,400	500	1.7	31,300
OTHER SERVICES.....	20,600	20,500	100	0.5	20,900
GOVERNMENT	84,800	83,800	1,000	1.2	88,100
Federal.....	6,100	6,100	0	0.0	6,100
State & Local.....	78,700	77,700	1,000	1.3	82,000

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 2004.

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

BUSINESS AND ECONOMIC NEWS

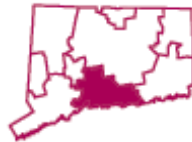
■ **Absence rates by industry and occupation, 2004**

Full-time private sector workers (in U.S.) in education and health services had an absence rate of 3.9 percent in 2004. The rate in education and health services was well above the average of 3.1 percent for all full-time wage and salary workers in the private sector. In comparison, the absence rate for workers in agriculture and related industries was 1.7 percent.

Workers in natural resources, construction, and maintenance occupations and in management, professional, and related occupations had the lowest absence rates in 2004. Full-time workers in natural resources, construction, and maintenance occupations had an absence rate of 2.7 percent while those in management, professional, and related occupations had an absence rate of 2.8 percent. Both were well below the average of 3.2 percent for all occupations. Sales and office occupations had the highest absence rate at 3.7 percent. Production, transportation, and material moving occupations had an absence rate of 3.5 percent followed closely by service occupations at 3.4 percent.

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	268,900	266,600	2,300	0.9	274,500
GOODS PRODUCING INDUSTRIES	44,800	43,900	900	2.1	45,600
CONSTRUCTION, NAT. RES. & MINING	10,700	9,900	800	8.1	11,400
MANUFACTURING	34,100	34,000	100	0.3	34,200
Durable Goods.....	23,100	23,000	100	0.4	23,400
SERVICE PROVIDING INDUSTRIES	224,100	222,700	1,400	0.6	228,900
TRADE, TRANSPORTATION, UTILITIES	50,200	49,800	400	0.8	52,300
Wholesale Trade.....	11,200	11,400	-200	-1.8	11,400
Retail Trade.....	31,900	30,400	1,500	4.9	33,700
Transportation, Warehousing, & Utilities....	7,100	8,000	-900	-11.3	7,200
INFORMATION	8,900	8,700	200	2.3	9,100
Telecommunications.....	5,400	5,500	-100	-1.8	5,500
FINANCIAL ACTIVITIES	13,400	14,100	-700	-5.0	13,800
Finance and Insurance.....	10,300	10,500	-200	-1.9	10,300
PROFESSIONAL & BUSINESS SERVICES	24,900	25,200	-300	-1.2	26,000
Administrative and Support.....	11,100	11,000	100	0.9	11,700
EDUCATIONAL AND HEALTH SERVICES	61,400	61,500	-100	-0.2	62,200
Educational Services.....	21,100	21,700	-600	-2.8	22,000
Health Care and Social Assistance.....	40,300	39,800	500	1.3	40,200
LEISURE AND HOSPITALITY	20,400	18,400	2,000	10.9	20,600
Accommodation and Food Services.....	16,600	15,600	1,000	6.4	17,300
OTHER SERVICES	10,600	10,200	400	3.9	10,700
GOVERNMENT	34,300	34,800	-500	-1.4	34,200
Federal.....	5,500	5,500	0	0.0	5,500
State & Local.....	28,800	29,300	-500	-1.7	28,700

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

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

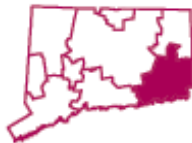
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

These data are a product of the Current Population Survey. More information on absence rates in 2004 can be found in Table 47 (PDF) of the January 2005 Employment and Earnings. The absence rate is the ratio of workers with absences to total full-time wage and salary employment. Absences are defined as instances in which persons who usually work 35 or more hours per week worked less than 35 hours during the reference week for one of the following reasons: own illness, injury, or medical problems; child-care problems; other family or personal obligations; civic or military duty; and maternity or paternity leave. (*The Editor's Desk, Bureau of Labor Statistics, February 14 and 15, 2005*)

■ Unionization rates by industry, 2004

In 2004, the union membership rate for private industry workers (in U.S.) was 7.9 percent, about half what it had been in 1983. Among major private industries, transportation and utilities had the highest union membership rate in 2004, at 24.9 percent. Construction, information industries, and manufacturing also had higher-than-average rates. Financial activities had the lowest unionization rate in 2004-2.0 percent. These 2004 data on union membership are from the Current Population Survey. Unionization data are for wage and salary workers. Find out more in "Union Members in 2004," news release USDL 05-112. (*The Editor's Desk, Bureau of Labor Statistics, January 28, 2005*)

**NORWICH - NEW
LONDON LMA***Not Seasonally Adjusted*

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	131,700	129,800	1,900	1.5	135,500
GOODS PRODUCING INDUSTRIES	21,800	21,300	-400	-1.8	22,200
CONSTRUCTION, NAT. RES. & MINING	4,200	4,000	-200	-4.5	4,400
MANUFACTURING	17,600	17,300	-200	-1.1	17,800
Durable Goods.....	11,100	10,800	0	0.0	11,100
Non-Durable Goods.....	6,500	6,500	-200	-3.0	6,700
SERVICE PROVIDING INDUSTRIES	109,900	108,500	-2,300	-2.0	112,200
TRADE, TRANSPORTATION, UTILITIES	21,900	21,600	-1,300	-5.6	23,200
Wholesale Trade.....	1,900	1,800	0	0.0	1,900
Retail Trade.....	15,900	15,800	-1,200	-7.0	17,100
Transportation, Warehousing, & Utilities....	4,100	4,000	-100	-2.4	4,200
INFORMATION	2,100	2,100	0	0.0	2,100
FINANCIAL ACTIVITIES	3,200	3,200	-100	-3.0	3,300
PROFESSIONAL & BUSINESS SERVICES	9,600	9,600	-600	-5.9	10,200
EDUCATIONAL AND HEALTH SERVICES	18,100	17,800	-300	-1.6	18,400
Health Care and Social Assistance.....	15,700	15,500	-100	-0.6	15,800
LEISURE AND HOSPITALITY	11,400	11,400	-800	-6.6	12,200
Accommodation and Food Services.....	9,700	9,700	-600	-5.8	10,300
Food Serv., Restaurants, Drinking Places.	8,000	7,800	200	2.6	8,400
OTHER SERVICES	3,900	3,800	100	2.6	3,900
GOVERNMENT	39,700	39,000	700	1.8	40,000
Federal.....	2,300	2,400	-100	-4.2	2,400
**State & Local.....	37,400	36,600	800	2.2	37,600

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

WATERBURY LMA*Not Seasonally Adjusted*

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	67,600	67,300	300	0.4	69,400
GOODS PRODUCING INDUSTRIES	13,400	13,500	-100	-0.7	13,700
CONSTRUCTION, NAT. RES. & MINING	2,700	2,600	100	3.8	2,900
MANUFACTURING	10,700	10,900	-200	-1.8	10,800
SERVICE PROVIDING INDUSTRIES	54,200	53,800	400	0.7	55,700
TRADE, TRANSPORTATION, UTILITIES	13,400	13,500	-100	-0.7	13,800
Wholesale Trade.....	2,100	2,100	0	0.0	2,100
Retail Trade.....	9,000	9,100	-100	-1.1	9,400
Transportation, Warehousing, & Utilities....	2,300	2,300	0	0.0	2,300
INFORMATION	1,100	1,100	0	0.0	1,100
FINANCIAL ACTIVITIES	2,800	2,800	0	0.0	2,800
PROFESSIONAL & BUSINESS SERVICES	5,800	5,300	500	9.4	6,300
EDUCATIONAL AND HEALTH SERVICES	14,100	13,800	300	2.2	14,300
Health Care and Social Assistance.....	12,900	12,600	300	2.4	13,000
LEISURE AND HOSPITALITY	4,200	4,200	0	0.0	4,500
OTHER SERVICES	2,800	2,800	0	0.0	2,800
GOVERNMENT	10,000	10,300	-300	-2.9	10,100
Federal.....	600	600	0	0.0	600
State & Local.....	9,400	9,700	-300	-3.1	9,500

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

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

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

SPRINGFIELD, MA LMAS



Not Seasonally Adjusted

	JAN 2005	JAN 2004	CHANGE		DEC 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA.....	45,600	45,200	400	0.9	46,500
TORRINGTON LMA.....	35,600	35,600	0	0.0	36,600
WILLIMANTIC - DANIELSON LMA.....	36,700	35,500	1,200	3.4	37,600

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

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

NOTE: More industry detail data is available for the State and its nine labor market areas at: <http://www.ctdol.state.ct.us/lmi/202/covered.htm>. The data published there differ from the data in the preceding tables in that they are developed from a near-universe count of Connecticut employment covered by the unemployment insurance (UI) program, while the data here is sample-based. The data drawn from the UI program does not contain estimates of employment not covered by unemployment insurance, and is lagged several months behind the current employment estimates presented here.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- January of 2005 saw the opening of the new Wal-Mart store in Hartford which employs 400 workers. Basta Trattoria, a new restaurant, has opened in New Haven, employing 15 people. February of 2005 saw the announcement that NewMil Bank will open new branches in the spring, in Danbury and Shelton, with fourteen new jobs being created. Z-Medica, a maker of hemostatic agents, will be moving from Newington to Wallingford, and 25-30 more employees will be needed. The Mashantucket Pequots announced an expansion, scheduled to be completed in 2008, that will employ 2,300 additional workers. Woodbridge is the home of the Seafarer, a new restaurant, which employs 12 people. Kohl's Department Stores will hire 150 people for its new store in Rocky Hill.
- January 2005 had Tommy K's video store in Waterbury disclose that they will close in March, with between 10 and 20 people losing their jobs. February 2005 had no formal announcements of future layoffs. There were some reports of firms planning cutbacks but nothing specific was announced.
- **DEPARTMENT NEWS:** Connecticut Department of Labor Job Fairs will resume on March 22nd, at the Waterbury Armory from 11:00 a.m.-3:00 p.m. Other Job Fairs are scheduled for April 9th in Manchester, April 27th in New London and May 24th in North Haven. For further information, visit www.ctdol.state.ct.us or call the Job Fair & Conference hotline at (860) 263-6306.

Business & Employment Changes Announced in the News Media lists start-ups, expansions, staff reductions, and layoffs reported by the media, both current and future. The report provides company name, the number of workers involved, date of the action, the principal product or service of the company, a brief synopsis of the action, and the source and date of the media article. This publication is available in both HTML and PDF formats at the Connecticut Department of Labor Web site, <http://www.ctdol.state.ct.us/lmi/busemp.htm>.

LMA LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	JAN 2005	JAN 2004	CHANGE		DEC 2004
				NO.	%	
CONNECTICUT	Civilian Labor Force	1,765,100	1,793,200	-28,100	-1.6	1,776,700
	Employed	1,672,400	1,692,500	-20,100	-1.2	1,707,600
	Unemployed	92,700	100,700	-8,000	-7.9	69,100
	Unemployment Rate	5.3	5.6	-0.3	---	3.9
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	463,700	473,100	-9,400	-2.0	468,100
	Employed	442,100	449,200	-7,100	-1.6	452,200
	Unemployed	21,500	23,800	-2,300	-9.7	15,900
	Unemployment Rate	4.6	5.0	-0.4	---	3.4
DANBURY LMA	Civilian Labor Force	88,400	90,100	-1,700	-1.9	89,600
	Employed	84,900	86,200	-1,300	-1.5	87,100
	Unemployed	3,500	3,900	-400	-10.3	2,500
	Unemployment Rate	4.0	4.3	-0.3	---	2.8
ENFIELD LMA	Civilian Labor Force	47,900	48,700	-800	-1.6	48,700
	Employed	45,600	46,100	-500	-1.1	46,700
	Unemployed	2,300	2,600	-300	-11.5	2,000
	Unemployment Rate	4.8	5.3	-0.5	---	4.1
HARTFORD LMA	Civilian Labor Force	541,300	548,700	-7,400	-1.3	543,500
	Employed	510,500	515,500	-5,000	-1.0	520,600
	Unemployed	30,800	33,200	-2,400	-7.2	22,900
	Unemployment Rate	5.7	6.0	-0.3	---	4.2
NEW HAVEN LMA	Civilian Labor Force	286,800	291,000	-4,200	-1.4	287,400
	Employed	271,300	274,500	-3,200	-1.2	276,000
	Unemployed	15,500	16,500	-1,000	-6.1	11,400
	Unemployment Rate	5.4	5.7	-0.3	---	4.0
NORWICH - NEW LONDON LMA	Civilian Labor Force	151,600	153,500	-1,900	-1.2	153,300
	Employed	144,800	145,800	-1,000	-0.7	148,100
	Unemployed	6,900	7,700	-800	-10.4	5,100
	Unemployment Rate	4.5	5.0	-0.5	---	3.4
TORRINGTON LMA	Civilian Labor Force	48,700	49,500	-800	-1.6	49,000
	Employed	45,800	46,400	-600	-1.3	46,800
	Unemployed	3,000	3,100	-100	-3.2	2,100
	Unemployment Rate	6.1	6.2	-0.1	---	4.4
WATERBURY LMA	Civilian Labor Force	96,100	97,900	-1,800	-1.8	96,300
	Employed	89,400	90,700	-1,300	-1.4	91,300
	Unemployed	6,700	7,200	-500	-6.9	5,000
	Unemployment Rate	7.0	7.4	-0.4	---	5.2
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	53,900	54,300	-400	-0.7	54,200
	Employed	50,800	50,700	100	0.2	51,700
	Unemployed	3,200	3,600	-400	-11.1	2,400
	Unemployment Rate	5.8	6.6	-0.8	---	4.5
UNITED STATES	Civilian Labor Force	147,125,000	146,068,000	1,057,000	0.7	147,877,000
	Employed	138,682,000	136,924,000	1,758,000	1.3	140,278,000
	Unemployed	8,444,000	9,144,000	-700,000	-7.7	7,599,000
	Unemployment Rate	5.7	6.3	-0.6	---	5.1

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

MANUFACTURING HOURS AND EARNINGS

LMA

CONNECTICUT

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	JAN		CHG	DEC	JAN		CHG	DEC	JAN		CHG	DEC
	2005	2004	Y/Y	2004	2005	2004	Y/Y	2004	2005	2004	Y/Y	2004
<i>(Not seasonally adjusted)</i>												
MANUFACTURING	\$791.70	\$751.98	\$39.72	\$805.14	42.0	41.8	0.2	42.6	\$18.85	\$17.99	\$0.86	\$18.90
DURABLE GOODS	814.64	769.96	44.68	832.40	42.1	41.8	0.3	42.6	19.35	18.42	0.93	19.54
Fabricated Metal	732.72	702.53	30.19	737.42	43.0	42.5	0.5	43.2	17.04	16.53	0.51	17.07
Machinery	776.08	728.51	47.58	807.30	40.4	39.4	1.0	41.4	19.21	18.49	0.72	19.50
Computer & Electronic	638.28	614.56	23.72	659.60	40.5	39.7	0.8	41.8	15.76	15.48	0.28	15.78
Transport. Equipment	1,012.38	963.33	49.05	1,045.76	42.2	42.4	-0.2	43.0	23.99	22.72	1.27	24.32
NON-DUR. GOODS	733.09	704.73	28.36	737.86	41.7	41.7	0.0	42.7	17.58	16.90	0.68	17.28
CONSTRUCTION	840.56	889.68	-49.12	855.35	38.0	38.8	-0.8	38.1	22.12	22.93	-0.81	22.45

LMAs

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	JAN		CHG	DEC	JAN		CHG	DEC	JAN		CHG	DEC
	2005	2004	Y/Y	2004	2005	2004	Y/Y	2004	2005	2004	Y/Y	2004
MANUFACTURING												
Bridgeport - Stamford	\$826.91	\$857.22	-\$30.31	\$836.69	41.7	42.0	-0.3	41.4	\$19.83	\$20.41	-\$0.58	\$20.21
Hartford	913.91	842.19	71.72	912.70	44.3	42.3	2.0	44.5	20.63	19.91	0.72	20.51
New Haven	649.99	619.56	30.43	670.07	42.4	40.6	1.8	44.2	15.33	15.26	0.07	15.16
Norwich - New London	783.84	748.54	35.30	801.79	42.6	42.1	0.5	43.2	18.40	17.78	0.62	18.56
Waterbury	678.49	710.25	-31.76	678.53	37.3	37.5	-0.2	38.4	18.19	18.94	-0.75	17.67

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

NEW HOUSING PERMITS

LMA

	JAN	JAN	CHANGE Y/Y		YTD		CHANGE YTD		DEC
	2005	2004	UNITS	%	2005	2004	UNITS	%	2004
Connecticut	627	689	-62	-9.0	627	689	-62	-9.0	1,002
LMAs:									
Bridgeport - Stamford	105	252	-147	-58	105	252	-147	-58	173
Danbury	52	25	27	108	52	25	27	108	22
Enfield	8	12	-4	-33	8	12	-4	-33	28
Hartford	156	248	-92	-37	156	248	-92	-37	405
New Haven	65	49	16	33	65	49	16	33	79
Norwich - New London	174	40	134	335	174	40	134	335	177
Torrington	18	21	-3	-14	18	21	-3	-14	38
Waterbury	18	16	2	13	18	16	2	13	44
Willimantic-Danielson	31	26	5	19	31	26	5	19	36

Additional data by town are on page 22.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

JANUARY 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	463,691	442,143	21,548	4.6
Ansonia	9,931	9,306	625	6.3
Bridgeport	62,702	57,589	5,113	8.2
Darien	8,847	8,568	279	3.2
Derby	6,865	6,448	417	6.1
Easton	3,699	3,589	110	3.0
Fairfield	28,236	27,154	1,082	3.8
Greenwich	29,721	28,790	931	3.1
Milford	30,733	29,315	1,418	4.6
Monroe	10,497	10,097	400	3.8
New Canaan	8,728	8,475	253	2.9
Newtown	13,767	13,275	492	3.6
Norwalk	47,942	45,880	2,062	4.3
Oxford	6,251	6,001	250	4.0
Redding	4,444	4,320	124	2.8
Ridgefield	11,542	11,210	332	2.9
Seymour	8,990	8,559	431	4.8
Shelton	22,172	21,144	1,028	4.6
Southbury	8,789	8,420	369	4.2
Stamford	66,037	63,199	2,838	4.3
Stratford	25,948	24,585	1,363	5.3
Trumbull	17,596	16,910	686	3.9
Weston	4,837	4,697	140	2.9
Westport	12,372	11,980	392	3.2
Wilton	8,202	7,958	244	3.0
Woodbridge	4,839	4,671	168	3.5

DANBURY	88,401	84,884	3,517	4.0
Bethel	10,591	10,198	393	3.7
Bridgewater	1,010	980	30	3.0
Brookfield	8,694	8,379	315	3.6
Danbury	42,709	40,916	1,793	4.2
New Fairfield	7,424	7,167	257	3.5
New Milford	15,904	15,233	671	4.2
Sherman	2,069	2,011	58	2.8

ENFIELD	47,873	45,576	2,297	4.8
East Windsor	5,904	5,573	331	5.6
Enfield	23,572	22,466	1,106	4.7
Somers	4,608	4,397	211	4.6
Suffield	6,944	6,637	307	4.4
Windsor Locks	6,843	6,502	341	5.0

HARTFORD	541,303	510,454	30,849	5.7
Andover	1,829	1,755	74	4.0
Ashford	2,378	2,268	110	4.6
Avon	8,279	8,005	274	3.3
Barkhamsted	2,091	1,960	131	6.3
Berlin	10,206	9,702	504	4.9
Bloomfield	9,048	8,488	560	6.2
Bolton	2,853	2,762	91	3.2
Bristol	31,937	29,921	2,016	6.3
Burlington	4,846	4,629	217	4.5

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,038	4,835	203	4.0
Colchester	8,079	7,689	390	4.8
Columbia	2,793	2,677	116	4.2
Coventry	6,524	6,211	313	4.8
Cromwell	7,287	6,924	363	5.0
East Granby	2,694	2,576	118	4.4
East Haddam	4,758	4,549	209	4.4
East Hampton	6,199	5,795	404	6.5
East Hartford	24,014	22,383	1,631	6.8
Ellington	7,947	7,579	368	4.6
Farmington	11,845	11,345	500	4.2
Glastonbury	16,825	16,219	606	3.6
Granby	5,752	5,509	243	4.2
Haddam	4,356	4,195	161	3.7
Hartford	46,163	41,126	5,037	10.9
Hartland	1,116	1,072	44	3.9
Harwinton	2,944	2,781	163	5.5
Hebron	5,039	4,832	207	4.1
Lebanon	3,942	3,751	191	4.8
Manchester	29,726	28,212	1,514	5.1
Mansfield	11,446	10,995	451	3.9
Marlborough	3,269	3,134	135	4.1
Middlefield	2,251	2,139	112	5.0
Middletown	24,538	23,244	1,294	5.3
New Britain	32,993	30,112	2,881	8.7
New Hartford	3,447	3,292	155	4.5
Newington	15,597	14,842	755	4.8
Plainville	9,551	8,995	556	5.8
Plymouth	6,409	5,986	423	6.6
Portland	4,872	4,633	239	4.9
Rocky Hill	9,892	9,449	443	4.5
Simsbury	11,214	10,795	419	3.7
Southington	22,293	21,155	1,138	5.1
South Windsor	13,436	12,884	552	4.1
Stafford	6,369	6,009	360	5.7
Thomaston	4,349	4,070	279	6.4
Tolland	7,593	7,317	276	3.6
Union	435	416	19	4.4
Vernon	15,967	15,167	800	5.0
West Hartford	27,600	26,329	1,271	4.6
Wethersfield	12,637	12,006	631	5.0
Willington	3,656	3,509	147	4.0
Windsor	14,981	14,226	755	5.0

All Labor Market Areas (LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Stamford-Norwalk NECTA is referred to in Connecticut DOL publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford NECTA is the Hartford LMA.

The Bureau of Labor Statistics has identified 17 towns in the northwest part of the state as a separate area for reporting labor force data. For the convenience of our data users, these towns are included in the Torrington LMA. For the same purpose, five towns which are part of the Springfield, MA area are published as the Enfield LMA. Similarly the towns of Putnam, Thompson and Woodstock-part of the Worcester, MA area-plus four towns estimated separately are included in the Willimantic-Danielson LMA.

LABOR FORCE ESTIMATES BY TOWN

Town

(By Place of Residence - Not Seasonally Adjusted)

JANUARY 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	286,811	271,314	15,497	5.4
Bethany	2,796	2,677	119	4.3
Branford	16,123	15,414	709	4.4
Cheshire	13,686	13,099	587	4.3
Chester	2,130	2,035	95	4.5
Clinton	7,417	7,082	335	4.5
Deep River	2,438	2,319	119	4.9
Durham	3,838	3,698	140	3.6
East Haven	14,999	14,125	874	5.8
Essex	3,551	3,392	159	4.5
Guilford	11,881	11,458	423	3.6
Hamden	28,951	27,482	1,469	5.1
Killingworth	3,293	3,184	109	3.3
Madison	9,289	8,969	320	3.4
Meriden	29,141	27,287	1,854	6.4
New Haven	51,585	47,681	3,904	7.6
North Branford	7,723	7,325	398	5.2
North Haven	12,066	11,476	590	4.9
Old Saybrook	5,098	4,880	218	4.3
Orange	6,602	6,353	249	3.8
Wallingford	23,309	22,172	1,137	4.9
Westbrook	3,394	3,254	140	4.1
West Haven	27,498	25,949	1,549	5.6

*NORWICH-NEW LONDON

	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
*NORWICH-NEW LONDON	138,301	132,107	6,194	4.5
Bozrah	1,492	1,420	72	4.8
Canterbury	3,158	2,994	164	5.2
East Lyme	9,798	9,431	367	3.7
Franklin	1,202	1,157	45	3.7
Griswold	7,116	6,772	344	4.8
Groton	19,586	18,671	915	4.7
Ledyard	8,586	8,288	298	3.5
Lisbon	2,606	2,496	110	4.2
Lyme	1,168	1,131	37	3.2
Montville	11,097	10,624	473	4.3
New London	13,910	13,077	833	6.0
No. Stonington	3,279	3,170	109	3.3
Norwich	20,790	19,696	1,094	5.3
Old Lyme	4,304	4,161	143	3.3
Preston	2,841	2,736	105	3.7
Salem	2,590	2,498	92	3.6
Sprague	1,827	1,726	101	5.5
Stonington	10,597	10,250	347	3.3
Voluntown	1,644	1,548	96	5.8
Waterford	10,712	10,263	449	4.2

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

*NORWICH-NEW LONDON

	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
*NORWICH-NEW LONDON	151,641	144,775	6,866	4.5
Westerly, RI	13,340	12,668	672	5.0

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

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	48,721	45,758	2,963	6.1
Bethlehem	1,762	1,661	101	5.7
Canaan	527	498	29	5.5
Colebrook	706	684	22	3.1
Cornwall	707	676	31	4.4
Goshen	1,303	1,237	66	5.1
Kent	1,356	1,298	58	4.3
Litchfield	3,762	3,538	224	6.0
Morris	1,145	1,070	75	6.6
Norfolk	821	782	39	4.8
North Canaan	1,503	1,417	86	5.7
Roxbury	1,157	1,113	44	3.8
Salisbury	1,726	1,632	94	5.4
Sharon	1,335	1,283	52	3.9
Torrington	18,700	17,403	1,297	6.9
Warren	617	584	33	5.3
Washington	1,701	1,605	96	5.6
Winchester	5,220	4,826	394	7.5
Woodbury	4,672	4,450	222	4.8

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
WATERBURY	96,075	89,359	6,716	7.0
Beacon Falls	3,048	2,885	163	5.3
Middlebury	3,490	3,334	156	4.5
Naugatuck	16,317	15,290	1,027	6.3
Prospect	4,995	4,741	254	5.1
Waterbury	48,019	43,954	4,065	8.5
Watertown	11,764	11,129	635	5.4
Wolcott	8,442	8,025	417	4.9

WILLIMANTIC-DANIELSON

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
WILLIMANTIC-DANIELSON	53,906	50,756	3,150	5.8
Brooklyn	3,504	3,315	189	5.4
Chaplin	1,299	1,224	75	5.8
Eastford	883	844	39	4.4
Hampton	1,048	987	61	5.8
Killingly	8,666	8,082	584	6.7
Plainfield	7,851	7,329	522	6.6
Pomfret	2,065	1,979	86	4.2
Putnam	5,035	4,777	258	5.1
Scotland	895	867	28	3.1
Sterling	1,764	1,653	111	6.3
Thompson	5,241	4,968	273	5.2
Windham	11,299	10,549	750	6.6
Woodstock	4,356	4,182	174	4.0

Not Seasonally Adjusted:

CONNECTICUT	1,765,100	1,672,400	92,700	5.3
UNITED STATES	147,125,000	138,682,000	8,444,000	5.7

Seasonally Adjusted:

CONNECTICUT	1,782,600	1,698,000	84,500	4.7
UNITED STATES	147,979,000	140,241,000	7,737,000	5.2

TOWN	JAN 2005	YR TO DATE 2005	2004	TOWN	JAN 2005	YR TO DATE 2005	2004	TOWN	JAN 2005	YR TO DATE 2005	2004
Andover	0	0	4	Griswold	4	4	3	Preston	1	1	1
Ansonia	0	0	1	Groton	69	69	4	Prospect	1	1	1
Ashford	1	1	5	Guilford	3	3	2	Putnam	2	2	1
Avon	0	0	5	Haddam	1	1	3	Redding	0	0	0
Barkhamsted	1	1	1	Hamden	2	2	4	Ridgefield	3	3	2
Beacon Falls	0	0	1	Hampton	1	1	1	Rocky Hill	0	0	4
Berlin	2	2	2	Hartford	23	23	0	Roxbury	5	5	0
Bethany	0	0	3	Hartland	0	0	0	Salem	1	1	3
Bethel	1	1	1	Harwinton	1	1	3	Salisbury	0	0	2
Bethlehem	0	0	0	Hebron	0	0	2	Scotland	2	2	0
Bloomfield	1	1	5	Kent	1	1	1	Seymour	0	0	1
Bolton	1	1	1	Killingly	4	4	1	Sharon	1	1	0
Bozrah	0	0	1	Killingworth	3	3	7	Shelton	8	8	13
Branford	6	6	2	Lebanon	2	2	3	Sherman	1	1	1
Bridgeport	5	5	11	Ledyard	3	3	2	Simsbury	2	2	1
Bridgewater	0	0	1	Lisbon	1	1	1	Somers	2	2	2
Bristol	1	1	5	Litchfield	0	0	2	South Windsor	2	2	4
Brookfield	5	5	5	Lyme	0	0	0	Southbury	6	6	18
Brooklyn	4	4	1	Madison	3	3	4	Southington	9	9	9
Burlington	1	1	2	Manchester	10	10	3	Sprague	0	0	1
Canaan	0	0	0	Mansfield	3	3	3	Stafford	2	2	1
Canterbury	1	1	1	Marlborough	0	0	3	Stamford	10	10	4
Canton	3	3	3	Meriden	7	7	6	Sterling	0	0	4
Chaplin	1	1	1	Middlebury	1	1	5	Stonington	4	4	9
Cheshire	3	3	0	Middlefield	0	0	0	Stratford	2	2	11
Chester	0	0	0	Middletown	15	15	13	Suffield	0	0	0
Clinton	2	2	1	Milford	3	3	2	Thomaston	0	0	1
Colchester	0	0	4	Monroe	5	5	2	Thompson	4	4	0
Colebrook	0	0	0	Montville	3	3	0	Tolland	6	6	7
Columbia	3	3	1	Morris	1	1	1	Torrington	5	5	5
Cornwall	0	0	2	Naugatuck	6	6	0	Trumbull	2	2	3
Coventry	3	3	3	New Britain	4	4	0	Union	0	0	0
Cromwell	1	1	0	New Canaan	5	5	6	Vernon	14	14	13
Danbury	29	29	11	New Fairfield	8	8	3	Voluntown	1	1	0
Darien	2	2	2	New Hartford	3	3	2	Wallingford	11	11	1
Deep River	0	0	0	New Haven	2	2	0	Warren	0	0	1
Derby	0	0	1	New London	3	3	0	Washington	0	0	0
Durham	3	3	3	New Milford	8	8	3	Waterbury	3	3	5
East Granby	0	0	0	Newington	1	1	1	Waterford	3	3	0
East Haddam	0	0	3	Newtown	3	3	22	Watertown	5	5	1
East Hampton	20	20	7	Norfolk	0	0	1	West Hartford	1	1	3
East Hartford	0	0	5	North Branford	2	2	0	West Haven	0	0	0
East Haven	1	1	2	North Canaan	0	0	1	Westbrook	7	7	3
East Lyme	0	0	4	North Haven	8	8	2	Weston	0	0	0
East Windsor	2	2	3	North Stonington	0	0	0	Westport	10	10	4
Eastford	1	1	0	Norwalk	13	13	45	Wethersfield	0	0	0
Easton	0	0	1	Norwich	80	80	8	Willington	1	1	0
Ellington	4	4	1	Old Lyme	0	0	2	Wilton	0	0	3
Enfield	3	3	4	Old Saybrook	2	2	3	Winchester	2	2	0
Essex	0	0	2	Orange	0	0	4	Windham	5	5	0
Fairfield	13	13	76	Oxford	8	8	17	Windsor	2	2	0
Farmington	1	1	25	Plainfield	2	2	4	Windsor Locks	1	1	3
Franklin	0	0	0	Plainville	0	0	0	Wolcott	2	2	3
Glastonbury	3	3	3	Plymouth	1	1	1	Woodbridge	0	0	0
Goshen	1	1	3	Pomfret	1	1	3	Woodbury	2	2	2
Granby	3	3	6	Portland	4	4	77	Woodstock	4	4	10
Greenwich	7	7	7								

For further information on the housing permit data, contact Kolie Sun of DECD at (860) 270-8167.

BUSINESS STARTS AND TERMINATIONS

Registrations and terminations of business entities as recorded with the Secretary of the State and the Connecticut Department of Labor (DOL) are an indication of new business formation and activity. DOL business starts include new employers which have become liable for unemployment insurance taxes during the quarter, as well as new establishments opened by existing employers. DOL business terminations are those accounts discontinued due to inactivity (no employees) or business closure, and accounts for individual business establishments that are closed by still active employers. The Secretary of the State registrations include limited liability companies, limited liability partnerships, and foreign-owned (out-of-state) and domestic-owned (in-state) corporations.

CONSUMER PRICE INDEX

The Consumer Price Index (CPI), computed and published by the U.S. Bureau of Labor Statistics, is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dentists' services, drugs and other goods and services that people buy for their day-to-day living. The Northeast region is comprised of the New England states, New York, New Jersey and Pennsylvania.

EMPLOYMENT COST INDEX

The Employment Cost Index (ECI) covers both wages and salaries and employer costs for employee benefits for all occupations and establishments in both the private nonfarm sector and state and local government. The ECI measures employers' labor costs free from the influences of employment shifts among industries and occupations. The base period for all data is June 1989 when the ECI is 100.

HOURS AND EARNINGS ESTIMATES

Production worker earnings and hours estimates include full- and part-time employees working within manufacturing industries. Hours worked and earnings data are computed based on payroll figures for the week including the 12th of the month. Average hourly earnings are affected by such factors as premium pay for overtime and shift differential as well as changes in basic hourly and incentive rates of pay. Average weekly earnings are the product of weekly hours worked and hourly earnings. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

INDIAN GAMING DATA

Indian Gaming Payments are amounts received by the State as a result of the slot compact with the two Federally recognized tribes in Connecticut, which calls for 25 percent of net slot receipts to be remitted to the State. Indian Gaming Slots are the total net revenues from slot machines only received by the two Federally recognized Indian tribes.

INITIAL CLAIMS

Average weekly initial claims are calculated by dividing the total number of new claims for unemployment insurance received in the month by the number of weeks in the month. A minor change in methodology took effect with data published in the March 1997 issue of the DIGEST. Data have been revised back to January 1980.

INSURED UNEMPLOYMENT RATE

Primarily a measure of unemployment insurance program activity, the insured unemployment rate is the 13-week average of the number of people claiming unemployment benefits divided by the number of workers covered by the unemployment insurance system.

LABOR FORCE ESTIMATES

Labor force estimates are a measure of the work status of people who live in Connecticut. Prepared under the direction of the U.S. Bureau of Labor Statistics, the statewide estimates are the product of a signal-plus noise model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Beginning with the publication of January 2005 data, an improved methodology is being used to develop labor force estimates, by which monthly state model-based employment and unemployment estimates are controlled to add to the national CPS levels. This will ensure that national economic events are reflected in the state estimates, and it will significantly reduce end-of-year revisions. (For more information, please see the Connecticut Economic Digest, December 2004 issue.) Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

LABOR MARKET AREAS

All Labor Market Areas (LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Norwalk-Stamford Metropolitan Statistical Area (MSA) is referred to in Connecticut Department of Labor publications as the Bridgeport-Stamford LMA, and the Hartford-West Hartford-East Hartford MSA is called the Hartford LMA. The Bureau of Labor Statistics has identified the 17 towns in the northwestern part of the state as a separate area for reporting labor force data. For the convenience of our data users, data for these towns are included in the Torrington LMA. For the same purpose, data for the towns of East Windsor, Enfield, Somers, Suffield and Windsor Locks, which are officially part of the Springfield MSA, are published as the Enfield LMA. Similarly, the towns of Putnam, Thompson and Woodstock - part of the Worcester MSA - are included in the Willimantic-Danielson LMA. Also, data for Westerly, Rhode Island are included in the Norwich-New London LMA. Industry employment and labor force data estimates contained in Connecticut Department of Labor publications are prepared following the same statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics, whether for federally designated or state-determined areas.

LEADING AND COINCIDENT EMPLOYMENT INDICES

The leading employment index is a composite of six individual largely employment-related series -- the average workweek of manufacturing production and construction workers, Hartford help-wanted advertising index, short-duration (less than 15 weeks) unemployment rate, initial claims for unemployment insurance, total housing permits, and Moody's BAA corporate bond yield. While not employment-sector variables, housing permits are closely related to construction employment and the corporate bond yield adds important information about the movement in interest rates. The coincident employment index is a composite indicator of four individual employment-related series -- the total unemployment rate, nonfarm employment (employer survey), total employment (state residents employed measured by a household survey), and the insured unemployment rate. All data are seasonally adjusted and come from the Connecticut Labor Department, the Federal Reserve Bank of Boston, and the Board of Governors of the Federal Reserve System.

NONFARM EMPLOYMENT ESTIMATES

Nonfarm employment estimates are derived from a survey of businesses to measure *jobs* by industry. The estimates include all full- and part-time wage and salary employees who worked during or received pay for the pay period which includes the 12th of the month. Excluded from these estimates are proprietors, self-employed workers, private household employees and unpaid family workers. In some cases, due to space constraints, all industry estimates are not shown. Call (860) 263-6275 for a more comprehensive breakout of nonfarm employment estimates. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

UI COVERED WAGES

UI covered wages is the total amount paid to those employees who are covered under the Connecticut's Unemployment Insurance (UI) law for services performed during the quarter. The fluctuations in the 1992-93 period reflect the effect of the changes in the tax law and the massive restructuring in the state's economy.

ECONOMIC INDICATORS AT A GLANCE

(Percent change from prior year; see pages 5-8 for reference months or quarters)

Leading Employment Index +2.1	Business Activity	Tourism and Travel
Coincident Employment Index +2.3	New Housing Permits -9.0	Info Center Visitors +0.1
Leading General Drift Indicator +1.0	Electricity Sales +2.3	Attraction Visitors -26.5
Coincident General Drift Indicator +0.7	Retail Sales -0.6	Air Passenger Count +15.5
Banknorth Business Barometer ... +2.0	Construction Contracts Index +65.4	Indian Gaming Slots -5.5
	New Auto Registrations -24.4	Travel and Tourism Index +3.4
Total Nonfarm Employment +1.2	Air Cargo Tons -0.1	
	Exports +5.2	
Unemployment -0.5	Business Starts	Employment Cost Index (U.S.)
Labor Force -1.0	Secretary of the State +6.6	Total +3.8
Employed -0.6	Dept. of Labor -2.2	Wages & Salaries +2.4
Unemployed -9.4		Benefit Costs +6.9
Average Weekly Initial Claims -2.2	Business Terminations	Consumer Prices
Help Wanted Index -- Hartford +27.3	Secretary of the State -4.0	Connecticut NA
Average Ins. Unempl. Rate -0.51*	Dept. of Labor -28.2	U.S. City Average +3.0
		Northeast Region +3.4
Average Weekly Hours, Mfg +0.5		NY-NJ-Long Island +4.1
Average Hourly Earnings, Mfg +4.8	State Revenues +14.0	Boston-Brockton-Nashua +1.4
Average Weekly Earnings, Mfg +5.3	Corporate Tax -19.4	Consumer Confidence
CT Mfg. Production Index -2.3	Personal Income Tax +14.0	Connecticut -4.2
Production Worker Hours +2.1	Real Estate Conveyance Tax +25.6	New England +36.3
Industrial Electricity Sales -7.7	Sales & Use Tax +2.6	U.S. +17.5
Personal Income +4.9	Indian Gaming Payments -2.4	Interest Rates
UI Covered Wages +5.3		Prime +1.25*
		Conventional Mortgage -0.03*

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

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THE CONNECTICUT

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- o What additional data would you like to see included in the Digest?

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