

# ECONOMIC DIGEST

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**In August...**

**Nonfarm Employment**

Connecticut.....	1,624,800
Change over month .....	-0.42%
Change over year .....	+0.1%

United States .....	133,300,000
Change over month .....	+0.07%
Change over year .....	+1.4%

**Unemployment Rate**

Connecticut.....	9.0%
United States .....	8.1%

**Consumer Price Index**

United States .....	230.379
Change over year .....	1.7%

## Connecticut and the Housing Bust: A Tale of Two Bubbles

By Daniel W. Kennedy, Ph.D., Senior Economist, DOL, Daniel.Kennedy@ct.gov

**O**n July 18, 2012, the Center for Real Estate and Urban Economic Studies (CREUES) at the University of Connecticut released their study in which they found signs of stabilizing housing prices after more than a year of declines. They found that over the previous year prices had stabilized or increased throughout most of Connecticut’s markets, and that those areas with declines also showed improvement with smaller drops.<sup>1</sup> Nationally, in their 2012 report released in June, the Joint Center for Housing Studies of Harvard University stated:

After several false starts, there is reason to believe that 2012 will mark the beginning of a true housing market recovery. Sustained employment growth remains key, providing the stimulus for stronger household growth and bringing relief to some distressed homeowners.<sup>2</sup>

They went on to caution:

While gaining ground, the homeowner market still faces multiple challenges. If the broader economy weakens in the short term, the housing rebound could again stall.<sup>3</sup>

The State, the nation, and parts of Europe are struggling to recover from the housing bubble that popped in the mid-2000s, followed by a financial panic. But the State, the region, and the nation have been here before.

**Déjà Vu All Over Again**

Before the popping of the housing bubble (and even now), many contended that housing prices, at least at the national level, had never declined before and that such a scenario was unthinkable. Even now many think that this is the first time that, nationally, housing prices have ever declined. George Santayana’s famous words seem to be appropriate here: “Those who cannot remember the past are condemned to repeat it.”<sup>4</sup>

The conventional wisdom had completely erased from memory the housing market boom and bust in the mid-1920s, and when it was recounted by John Kenneth Galbraith (1961)<sup>5</sup> and others, it was seen as a madness that descended on and pretty much confined to Florida. That the housing market boom was nationwide and embodied many of the characteristics of the recent housing market bubble was, and for many still is, unknown.<sup>6</sup> Beginning in 1926, the collapse of the housing market brought about a decline in aggregate investment and a weakening of household balance sheets, with a rising tide of foreclosures that contributed to and were worsened by the Great Depression. The boom of the twenties displayed many familiar characteristics, including surging housing starts and financial innovation (including mortgage securitization<sup>7</sup>), with strong regional elements; while the crash in the market produced rapidly rising foreclosures.<sup>8</sup>

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**A Tale of Two Bubbles: The 1980s vs. the 2000s**

Connecticut and New England have experienced two real estate bubbles and busts over the past 30 years. Ironically, it was the memory of the real estate bubble of the 1980s that implanted the myopia of the conventional wisdom that blinded many to the growing housing bubble in Connecticut and New England, as well as nationally, over the first decade of the 21<sup>st</sup> century. “History doesn’t repeat itself, but it does rhyme”<sup>9</sup> might be the appropriate guide here. Even though Connecticut did not have as big a bubble or bust as the epicenters of the sub-prime mortgage/housing mania such as Las Vegas, Miami, and Southern California, its economy, nevertheless, has been significantly damaged by the housing boom and bust. To explore the reasons many missed the 2000’s housing bubble, it will be instructive to go back and review the critical features of the 1980’s housing bubble.

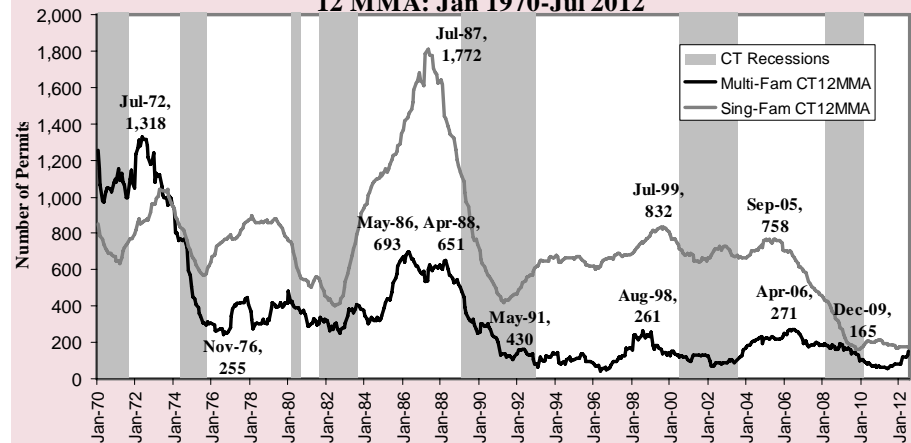
**The 1980’s Real Estate Bubble**

With the Reagan defense budget increase, Connecticut, with a manufacturing sector heavily concentrated in defense-related products in the 1980s, benefitted tremendously from the build-up, and as a consequence, the State’s economy boomed. Between 1983 and 1984, Connecticut’s average annual nonfarm employment grew by 74,075, a feat that has never been repeated since. The next highest annual gains, around or just under, 40,000 net new jobs per year were all between 1985 and 1987.<sup>10</sup> Over that

same period, construction and real estate boomed as the State’s rapidly growing economy fueled population growth.

Graph 1 presents the 12-month moving average (MMA) of single-family and multi-family housing permits for Connecticut from January 1970 to July 2012. The 12-MMA is used to filter out the noise in the permits series. As a note of interest, notice that single-family permits did not pass up multiple-family permits until Connecticut came out of the 1973-75 recession. Multiple-family permits dropped from 1,318 in July 1972 to 255 in November 1976—an 80.65% decline. From that point on, the number of single-family permits has remained at two to four times above the level of multiple-family permits, and multiple-family permits have never returned to their pre-1972 levels. The peak of single-family permit activity was July 1987, when 1,772 permits were issued. Multi-family permits peaked at 693 in May 1986. After a decline, multi-family permits then peaked again at 651 in April 1988. Total annual permits (single-family and multiple-family) peaked at 26,794 in 1986. By 1989, annual total permits had fallen to 11,295, a 57.85% decline. With the popping of New England and Connecticut’s real estate bubble, single-family permits virtually collapsed. By May 1991, monthly permit levels fell to 430, a 75.33% decline. This was followed by the end of the Cold War and the subsequent restructuring of the insurance industry. This sequence of events plunged Connecticut into its Great Recession which lasted for 46

**GRAPH 1: CT Multi-Family vs. Single-Family Housing Permits**  
12 MMA: Jan 1970-Jul 2012



months, from February 1989 to December 1992, and cost the State's economy 160,000 jobs.

### The 2000's Real Estate Bubble

Before looking at why many missed the recent housing bubble, it will first be instructive to retrace the development of the 2000's real estate bubble, as was done above for the 1980's bubble. Unlike the 1980's New England real estate bubble, the 2000's housing bubble was not confined to several regions, but it was national—all regions were affected one way or the other (to be sure, some more than others). That makes it similar to the 1920's housing bubble discussed above. Parts of Europe, such as Portugal, Spain, and Ireland, also had housing bubbles, but for slightly different reasons. Nevertheless, the consequences were similar when they popped. There have been many explanations of why the 2000's housing bubble occurred. Whatever else drove it, the fuel for the fire was the explosion in the use of sub-prime mortgages in conjunction with the Greenspan policy of driving down interest rates ("Greenspan Put"), as well as deregulation and a lack of enforcing existing regulations of the financial system.<sup>11</sup> With the rise of structural securitization, which was the basis for manufacturing AAA-rated assets that served as collateral to secure short-term credit in the shadow-banking system, there was a rapid growth in the private secondary mortgage market. Further, both borrowers and lenders, in many instances, believed that house prices would continue to rise. For borrowers this meant they could gain equity in their homes through price appreciation and qualify for a conventional mortgage before their adjustable-rate mortgage (ARM) re-set at higher monthly payments. For lenders, "never-

ending" home-price increases meant that if the borrower defaulted they could easily sell the home and get their money back, and then some, through the appreciation in its price. This generated and reinforced the positive feedback effects of the bubble mentality where an increase in an asset's price stimulates rather than dampens demand. That is, subsequent price increases actually reinforce and magnify the initial price increase rather than offsetting it and bringing it back to some equilibrium level.<sup>12</sup> Further, many borrowers, and supposedly sophisticated investors, did not understand these complex instruments.

Though not as affected by the housing bubble, Connecticut has been affected by foreclosures driven by the sub-prime mortgage problem and a significant presence of the financial sector, the epicenter of the panic, and subsequent steep recession. However, there was also something else going on. Particularly, with regard to recognizing that, Connecticut too was heading for a housing bust—again. The initial blindness to the bubble by many was due to "looking in the wrong place," which may not have occurred had it not been for the 1980's real estate bubble. Once again, history behaves like an O. Henry story and gives us that ironic twist. Referring back to Graph 1, those discounting the idea of a housing bubble in Connecticut pointed to the level of housing permits throughout the 2000s. The peak month for single-family permits in the 1990's was July 1999, the peak year of the Tech Boom, when 832 permits were issued. The peak for multi-family permits was the 261 issued in August 1998. The peak number of single-family permits never got as high as it did in the 1990s. The peak level was 758 in

September 2005. Multi-family permits did slightly surpass their 1990s peak reaching a level of 271 in April 2006. But these numbers were significantly below the peak levels of the 1980's. So, what drove the recent housing crash if there were no oversupply?

### We Won't Get Fooled Again?

As shown in Table 1, Connecticut's permit activity did not come close to that of two selected bubble epicenter states for comparison: Nevada and Florida. An index of annual permit data was constructed such that each year is the ratio of the number of permits in the given year to the base year of 2000 which equals 100.00. All three states' permit activity peaked in 2005. Between 2000 and 2005, Nevada's annual total number of housing permits grew by 47.83%, and Florida's grew by 85.00%. But the number of annual permits issued in Connecticut only grew by 26.76%. Though Connecticut's collapse in housing permits was not as steep as the more than 87% decline in Nevada and Florida, Connecticut's permit activity still declined by 73.30% between 2005 and 2011. This matches the 73.05% collapse in Connecticut's annual permit activity after the popping of the 1980's real estate bubble between 1986 and 1991. Yet, between 1980 and 1986, annual total housing permits grew by 174.88%. What happened?

It is this muted behavior in housing permits, not only relative to the epicenter states but relative to Connecticut's own experience in the 1980s, that caused many to refute the idea that Connecticut too may be in a housing bubble. Giving weight to their argument between 1984 and 1987 at the peak of the 1980's bubble, total housing permits exceeded 20,000 per year, but during their peak in the 2000s,

**TABLE 1: Index of Total Housing Permits 2000-11- CT and Selected Bubble Epicenters**

	BASE PERIOD*		% CHANGE	TROUGH TO TROUGH***		2012Q2	PEAK TO PEAK TO		% CHANGE
	PERIOD*	PEAK**		TROUGH***	% CHANGE		2012Q2	% CHANGE	
CT	100.00	126.76	26.76	33.84	-73.30	NA	NA	33.84	-73.30
NV	100.00	147.83	47.83	19.09	-87.09	NA	NA	19.09	-87.09
FL	100.00	185.00	85.00	22.75	-87.70	27.28	19.90	19.09	-89.68

SOURCE: U.S. Census Bureau

\*Base period is the year 2000 where the Permits Index = 100.00

\*\* Peak for all three states, based on annual data, was 2005

\*\*\*Trough was in 2011 for CT and NV (as of 2011) and 2009 for FL



between 2003 and 2005, they only slightly exceeded 10,000,<sup>13</sup> which were still only one-half the peak annual permit levels of the 1980's.<sup>14</sup> Clearly there was no oversupply of housing units. Further, many argued that restrictive zoning was putting a constraint on building activity, and if anything, Connecticut was facing a housing shortage.

The answer to the conundrum lies in Graph 2 and what it reveals. Graph 2 tracks the YTY change in the three-year moving average (3-YMA) of total Connecticut households and number of housing units from 1983 to 2011.

Critical to housing demand is household formation. Specifically, it is net household formation that is a critical factor driving the change in overall housing demand. As is clear from Graph 2, in the 1980s the YTY growth in 3-YMA of the supply of new housing units at some point overshot the increase in the YTY growth in 3-YMA of demand (i.e., household formation). As research has shown,<sup>15</sup> with the regional economy's plunge into recession, net household formation began to rapidly decline, and after 1992 it contracted. This decline in demand exacerbated the growing inventory of units on the market from boom-turned-bubble driven oversupply, as supply, as measured by the YTY change, outstripped demand (i.e., household formation) after 1986. As outmigration accelerated with the increasingly severe economic contraction, as depicted in Graph 3, the YTY change in 3-YMA of the number of vacant housing units surged and peaked at 10,992 in 1994, the year which had the

steepest YTY decline in net household formation.

With the end of Connecticut's Great Recession and the Tech Boom/Bubble of the late-90s, Connecticut regained some of its lost population back. As shown in Graph 2, the 3-YMA of YTY net household formation surged between 1994 and 2000, and in 2000, the number of vacant housing units declined by 17,125. However, the growth in the number of housing units did not keep pace and remained flat. By 1999, the YTY rate of net household formation began to far outstrip the YTY growth in housing units.

However, with the onset of recession in Connecticut in July 2000, and the generally weak expansion following the 2001 U.S. recession, Connecticut's annual net household formation began declining after 2001. By 2005, net household formation fell below the YTY growth in the number of housing units. In 2007, household formation contracted for the first time since 1992. As depicted on Graph 3, the YTY growth in the number of vacant units in 2007, at 11,084, exceeded the peak YTY growth in the number of vacant units of the 1980's real estate bust which ushered in the popping of Connecticut's second housing bubble within 30 years. While most were gauging whether or not there was an excess of supply as the indicator of excess inventory in the housing market, this time it was the collapse in demand that drove the explosion of excess inventory in the State's housing market.

### Paper, Scissors, and Housing Bubbles

What is critical here is the gap between supply and demand. It does not matter whether a given excess supply on the market is due to supply playing the active role by overshooting demand, or whether demand takes the active role by falling rapidly and significantly while holding supply constant. In his *Principles of Economics* Alfred Marshall wrote:

We might as reasonably dispute whether it is the upper or the under blade of a pair of scissors that cuts a piece of paper, as whether value is governed by utility or cost of production. It is true that when one blade is held still and the cutting is affected by moving the other, we may say with careless brevity that the cutting is done by the second; but the statement is not strictly accurate, and is to be excused only so long as it claims to be merely a popular and not a strictly scientific account of what happens.<sup>16</sup>

Both blades are involved in cutting the piece of paper. A market is made up of *both*: supply *and* demand. Equilibrium is determined by the intersection of *both* the supply *and* demand curves. Neglecting one or the other is leaving out critical information about the condition of the market. ■

<sup>1</sup> Masroor, Aroosa, *Study shows Connecticut's housing market stabilizing* (July 18, 2012) THE CTMIRROR <http://www.ctmirror.org/story/16948/study-shows-connecticuts-housing-market-stabilizing>. Accessed on August 27, 2012.

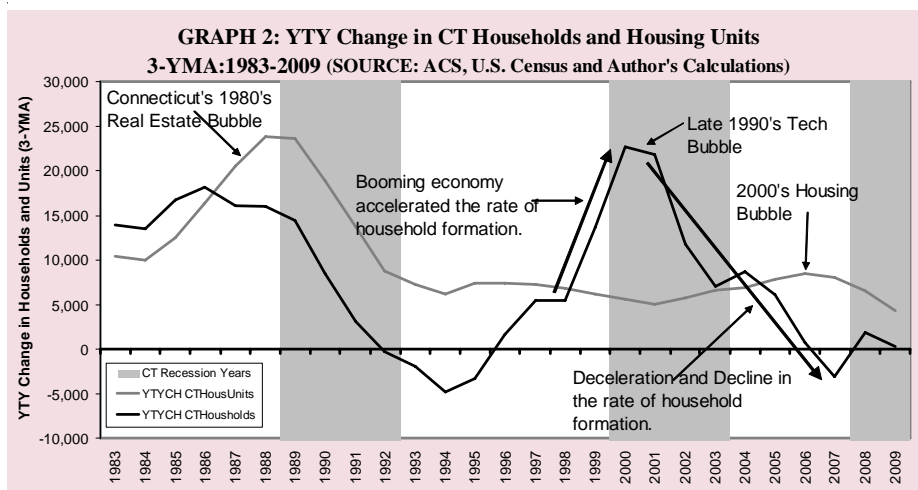
<sup>2</sup> Executive Summary, THE STATE OF THE NATION'S HOUSING: 2012 (June 2012) Joint Center for Housing Studies of Harvard University: Cambridge, MA, p. 1.

<sup>3</sup> *ibid.*

<sup>4</sup> Santayana, George, REASON IN COMMON SENSE, Volume 1: *The Life of Reason* (1905) Dover Paperback Edition (June 1980).

<sup>5</sup> Galbraith, John Kenneth THE GREAT CRASH, Pelican (1961).

<sup>6</sup> White, Eugene N, *The Great American Real Estate Bubble of the 1920s* (October



2008) National Bureau of Economic Research: Cambridge, MA.

<sup>7</sup> See Goetzmann, William N. and Frank Newman, SECURITIZATION IN THE 1920'S (January 2010) National Bureau of Economic Research: Cambridge, MA.

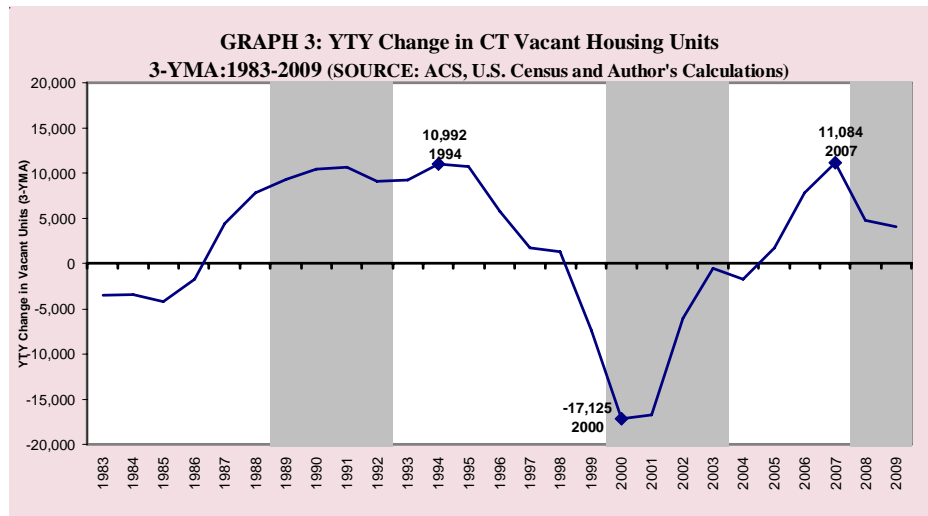
<sup>8</sup> White (October 2008).

<sup>9</sup> This has most frequently been attributed to Mark Twain (see QuoteDB.Com <<http://www.quotedb.com/quotes/3038>>), but it has also been attributed to Will Rogers and others.

<sup>10</sup> CT DOL-Office of Research, Current Employment Statistics.

<sup>11</sup> Some put all the blame on FANNIE and FREDDIE and Presidents Clinton and Bush's programs to extend homeownership through the *Community Reinvestment Act* (CRA). But the problem with that argument is that the sub-prime mortgage originators, including the largest, Countrywide, and others such as Ownit, Ameriquest, Household Finance, and others at the time were not depository institutions, or not yet owned by one, and therefore not subject to the CRA, or under the jurisdiction of FANNIE and FREDDIE. Further, FANNIE and FREDDIE could not directly securitize sub-prime mortgages, though they did purchase some toxic assets created from them.

<sup>12</sup> For some suggested sources of accounts of the causes and consequences of the housing bubble, see Muolo, Paul and Mathew Padilla, CHAIN OF BLAME:



How Wall Street Caused the Mortgage and Credit Crisis (2008) John Wiley & Sons: New York; Tett, Gillian, FOOL'S GOLD (2009) Free Press; Gorton, Gary B, SLAPPED BY THE INVISIBLE HAND: The Panic of 2007 (2010) Oxford University Press; Cassidy, John, HOW MARKETS FAIL: The Logic of Economic Calamities (2009) Farrar, Straus and Giroux; Bookstaber, Richard, A DEMON OF OUR OWN DESIGN (2007) Wiley: New York; Morris, Charles R, THE THREE TRILLION DOLLAR MELTDOWN: Easy Money, High Rollers, and the Great Credit Crash (2008) PublicAffairs; Fleckens, William, GREENSPAN'S BUBBLES: The Age of Ignorance at the Federal Reserve (2008) McGraw-Hill: New York; and The Financial Crisis Inquiry Commission, THE FINANCIAL CRISIS INQUIRY REPORT (January 2011) U.S. Government Printing Office: Washington.

<sup>13</sup> Housing permits also exceeded 10,000 per year in 1998 and 1999 during the Tech Boom.

<sup>14</sup> U.S. Census, Housing Permits by State 1960-2011, <http://www.census.gov/construction/bps/xls/annualhistorybystate.xls> Accessed on August 29, 2012.

<sup>15</sup> Painter, Gary, *What Happens to Household Formation in a Recession?* (April 2010) Research Institute for Housing America, Mortgage Bankers Association.

<sup>16</sup> Marshall, Alfred, PRINCIPLES OF ECONOMICS (1890) MacMillan and Co.: London and New York, Book V, Chapter 3- *Equilibrium of Normal Demand and Supply*, p. 348.

## GENERAL ECONOMIC INDICATORS

<i>(Seasonally adjusted)</i>	2Q	2Q	CHANGE		1Q
	2012	2011	NO.	%	2012
<b>General Drift Indicator (1986=100)*</b>					
<b>Leading</b>	106.4	103.8	2.6	2.5	106.8
<b>Coincident</b>	107.3	107.3	0.0	0.0	107.2
<b>Farmington Bank Business Barometer (1992=100)**</b>	124.0	124.1	-0.1	-0.1	124.2
<b>Philadelphia Fed's Coincident Index (July 1992=100)***</b>	<b>AUG</b>	<b>AUG</b>			<b>JUL</b>
<i>(Seasonally adjusted)</i>	<b>2012</b>	<b>2011</b>			<b>2012</b>
<b>Connecticut</b>	152.15	150.18	1.97	1.3	152.65
<b>United States</b>	151.22	147.28	3.95	2.7	151.00

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

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

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

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

Total nonfarm  
employment increased  
over the year.

**EMPLOYMENT BY INDUSTRY SECTOR**

	AUG		CHANGE		JUL
	2012	2011	NO.	%	2012
<i>(Seasonally adjusted; 000s)</i>					
<b>TOTAL NONFARM</b>	1,624.8	1,623.7	1.1	0.1	1,631.6
<b>Natural Res &amp; Mining</b>	0.6	0.6	0.0	0.0	0.6
<b>Construction</b>	47.4	50.5	-3.1	-6.1	48.7
<b>Manufacturing</b>	165.2	167.0	-1.8	-1.1	166.4
<b>Trade, Transportation &amp; Utilities</b>	294.8	294.2	0.6	0.2	296.2
<b>Information</b>	31.9	31.4	0.5	1.6	31.5
<b>Financial Activities</b>	131.7	134.2	-2.5	-1.9	131.6
<b>Professional and Business Services</b>	194.6	194.8	-0.2	-0.1	194.5
<b>Education and Health Services</b>	327.0	316.0	11.0	3.5	326.5
<b>Leisure and Hospitality</b>	136.9	137.0	-0.1	-0.1	140.0
<b>Other Services</b>	59.7	60.1	-0.4	-0.7	60.1
<b>Government*</b>	235.0	237.9	-2.9	-1.2	235.5

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

Initial claims for  
unemployment insurance  
decreased from a year  
ago.

**UNEMPLOYMENT**

	AUG		CHANGE		JUL
	2012	2011	NO.	%	2012
<i>(Seasonally adjusted)</i>					
<b>Unemployment Rate, resident (%)</b>	9.0	8.8	0.2	---	8.5
<b>Labor Force, resident (000s)</b>	1,902.9	1,915.0	-12.1	-0.6	1,912.3
<b>Employed (000s)</b>	1,731.9	1,746.5	-14.6	-0.8	1,748.9
<b>Unemployed (000s)</b>	171.0	168.5	2.5	1.5	163.4
<b>Average Weekly Initial Claims</b>	4,779	4,924	-145	-2.9	4,802
<b>Avg. Insured Unemp. Rate (%)</b>	3.61	3.67	-0.06	---	3.59
	<b>2Q2012</b>	<b>2Q2011</b>			<b>1Q2011</b>
<b>U-6 Unemployment Rate (%)</b>	14.5	15.9	-1.4	---	15.7

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

The production worker  
weekly earnings fell over  
the year.

**MANUFACTURING ACTIVITY**

	AUG		CHANGE		JUL	JUN
	2012	2011	NO.	%	2012	2012
<i>(Not seasonally adjusted)</i>						
<b>Production Worker Avg Weekly Hours</b>	39.9	40.4	-0.5	-1.2	40.4	--
<b>Prod. Worker Avg Hourly Earnings</b>	23.50	24.71	-1.21	-4.9	23.71	--
<b>Prod. Worker Avg Weekly Earnings</b>	937.65	998.28	-60.63	-6.1	957.88	--
<b>CT Mfg. Production Index (2005=100)</b>	96.3	102.0	-5.7	-5.6	93.3	95.3
<b>Production Worker Hours (000s)</b>	4,090	4,252	-162	-3.8	4,169	--
<b>Industrial Electricity Sales (mil kWh)*</b>	321	354	-33.1	-9.4	304	312

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

Personal income for  
fourth quarter 2012 is  
forecasted to increase 2.5  
percent from a year  
earlier.

**INCOME**

	4Q*		CHANGE		3Q*
	2012	2011	NO.	%	2012
<i>(Seasonally adjusted)</i>					
<i>(Annualized; \$ Millions)</i>					
<b>Personal Income</b>	\$208,208	\$203,169	5,039	2.5	\$207,265
<b>UI Covered Wages</b>	\$98,130	\$96,685	1,445	1.5	\$96,874

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

## BUSINESS ACTIVITY

*New auto registrations rose over the year.*

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
<b>New Housing Permits*</b>	AUG 2012	611	144.4	3,283	1,947	68.6
<b>Electricity Sales (mil kWh)</b>	JUN 2012	2,390	-3.9	14,059	14,822	-5.1
<b>Construction Contracts</b>						
<b>Index (1980=100)</b>	AUG 2012	257.1	27.7	---	---	---
<b>New Auto Registrations</b>	AUG 2012	15,274	4.9	124,188	124,480	-0.2
<b>Air Cargo Tons (000s)</b>	AUG 2012	NA	NA	NA	NA	NA
<b>Exports (Bil. \$)</b>	2Q 2012	4.25	-1.1	8.23	8.40	-2.0
<b>S&amp;P 500: Monthly Close</b>	AUG 2012	1,406.58	15.4	---	---	---

Sources: Connecticut Department of Economic and Community Development; U.S. Department of Energy, Energy Information Administration; Connecticut Department of Revenue Services; F.W. Dodge; Connecticut Department of Motor Vehicles; Connecticut Department of Transportation, Bureau of Aviation and Ports

\* Estimated by the Bureau of the Census

## BUSINESS STARTS AND TERMINATIONS

*Net business formation, as measured by starts minus stops registered with the Secretary of the State, was up over the year.*

	MO/QTR	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
<b>STARTS</b>						
<b>Secretary of the State</b>	AUG 2012	2,262	7.3	19,309	17,711	9.0
<b>Department of Labor</b>	4Q2011	1,341	-11.6	6,763	7,124	-5.1
<b>TERMINATIONS</b>						
<b>Secretary of the State</b>	AUG 2012	853	7.4	7,490	7,348	1.9
<b>Department of Labor</b>	4Q2011	2,112	-35.8	7,179	8,867	-19.0

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

## STATE REVENUES

*Indian gaming payments were down from a year ago.*

	YEAR TO DATE					
	AUG 2012	AUG 2011	% CHG	CURRENT	PRIOR	% CHG
<i>(Millions of dollars)</i>						
<b>TOTAL ALL REVENUES*</b>	785.1	724.6	8.3	9,640.3	9,708.5	-0.7
<b>Corporate Tax</b>	15.1	16.4	-7.9	470.8	572.3	-17.7
<b>Personal Income Tax</b>	347.1	300.4	15.5	5,357.8	5,198.2	3.1
<b>Real Estate Conv. Tax</b>	12.8	12.5	2.4	74.3	73.5	1.0
<b>Sales &amp; Use Tax</b>	291.3	276.6	5.3	2,219.4	2,307.0	-3.8
<b>Indian Gaming Payments**</b>	26.9	30.0	-10.3	222.3	241.2	-7.8

Sources: Connecticut Department of Revenue Services; Division of Special Revenue

\*Includes all sources of revenue; Only selected sources are displayed; Most July receipts are credited to the prior fiscal year and are not shown. \*\*See page 23 for explanation.

## TOURISM AND TRAVEL

*Indian gaming slots fell over the year.*

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
<b>Info Center Visitors***</b>	AUG 2012	43,137	22.8	185,252	187,075	-1.0
<b>Major Attraction Visitors</b>	AUG 2012	280,383	11.4	1,288,266	1,195,100	7.8
<b>Air Passenger Count</b>	AUG 2012	NA	NA	NA	NA	NA
<b>Indian Gaming Slots (Mil.\$)*</b>	AUG 2012	1,280	-5.6	10,181	11,135	-8.6
<b>Travel and Tourism Index**</b>	2Q 2012	---	4.7	---	---	---

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Commission on Culture and Tourism; Division of Special Revenue

\*See page 23 for explanation

\*\*The Connecticut Economy, University of Connecticut

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

Compensation cost for the nation rose 1.8 percent over the year.

**EMPLOYMENT COST INDEX**

	Seasonally Adjusted			Not Seasonally Adjusted		
	JUN 2012	MAR 2012	3-Mo % Chg	JUN 2012	JUN 2011	12-Mo % Chg
<b>Private Industry Workers</b> <i>(Dec. 2005 = 100)</i>						
<b>UNITED STATES TOTAL</b>	116.3	115.7	0.5	116.4	114.3	1.8
<b>Wages and Salaries</b>	115.8	115.3	0.4	115.9	113.8	1.8
<b>Benefit Costs</b>	117.4	116.7	0.6	117.6	115.4	1.9
<b>NORTHEAST TOTAL</b>	---	---	---	117.1	115.3	1.6
<b>Wages and Salaries</b>	---	---	---	116.4	114.6	1.6

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

U.S. inflation rate increased 1.7 percent over the year.

**CONSUMER NEWS**

<i>(Not seasonally adjusted)</i>	MO/QTR	LEVEL	% CHANGE	
			Y/Y	P/P*
<b>CONSUMER PRICES</b>				
<b>CPI-U (1982-84=100)</b>				
<b>U.S. City Average</b>	AUG 2012	230.379	1.7	0.6
<b>Purchasing Power of \$ (1982-84=\$1.00)</b>	AUG 2012	0.434	-1.7	-0.6
<b>Northeast Region</b>	AUG 2012	246.252	1.3	0.5
<b>NY-Northern NJ-Long Island</b>	AUG 2012	253.472	1.4	0.6
<b>Boston-Brockton-Nashua**</b>	JUL 2012	246.326	0.8	-0.1
<b>CPI-W (1982-84=100)</b>				
<b>U.S. City Average</b>	AUG 2012	227.056	1.7	0.7

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

Conventional mortgage rose to 3.60 percent over the month.

**INTEREST RATES**

<i>(Percent)</i>	AUG 2012	JUL 2012	AUG 2011
<b>Prime</b>	3.25	3.25	3.25
<b>Federal Funds</b>	0.13	0.16	0.10
<b>3 Month Treasury Bill</b>	0.10	0.10	0.02
<b>6 Month Treasury Bill</b>	0.14	0.15	0.06
<b>1 Year Treasury Note</b>	0.18	0.19	0.11
<b>3 Year Treasury Note</b>	0.37	0.33	0.38
<b>5 Year Treasury Note</b>	0.71	0.62	1.02
<b>7 Year Treasury Note</b>	1.14	0.98	1.63
<b>10 Year Treasury Note</b>	1.68	1.53	2.30
<b>20 Year Treasury Note</b>	2.40	2.22	3.24
<b>Conventional Mortgage</b>	3.60	3.55	4.27

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.



## NONFARM EMPLOYMENT

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

<i>(Seasonally adjusted; 000s)</i>	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>Connecticut</b>	1,624.8	1,623.7	1.1	0.1	1,631.6
<b>Maine</b>	591.3	592.5	-1.2	-0.2	593.2
<b>Massachusetts</b>	3,243.2	3,203.0	40.2	1.3	3,248.0
<b>New Hampshire</b>	626.1	626.5	-0.4	-0.1	626.7
<b>New Jersey</b>	3,909.6	3,858.2	51.4	1.3	3,904.3
<b>New York</b>	8,814.1	8,692.2	121.9	1.4	8,806.0
<b>Pennsylvania</b>	5,708.9	5,693.3	15.6	0.3	5,710.1
<b>Rhode Island</b>	456.9	459.7	-2.8	-0.6	455.8
<b>Vermont</b>	303.2	299.5	3.7	1.2	305.6
<b>United States</b>	133,300.0	131,492.0	1,808.0	1.4	133,204.0

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

## LABOR FORCE

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

<i>(Seasonally adjusted; 000s)</i>	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>Connecticut</b>	1,902.9	1,915.0	-12.1	-0.6	1,912.3
<b>Maine</b>	705.4	703.5	1.9	0.3	706.5
<b>Massachusetts</b>	3,448.4	3,450.3	-1.9	-0.1	3,451.0
<b>New Hampshire</b>	737.9	737.7	0.2	0.0	739.7
<b>New Jersey</b>	4,580.2	4,554.5	25.7	0.6	4,594.9
<b>New York</b>	9,545.8	9,485.8	60.0	0.6	9,579.9
<b>Pennsylvania</b>	6,474.7	6,370.1	104.6	1.6	6,478.2
<b>Rhode Island</b>	554.7	563.0	-8.3	-1.5	554.8
<b>Vermont</b>	356.7	358.2	-1.5	-0.4	357.1
<b>United States</b>	154,645.0	153,674.0	971.0	0.6	155,013.0

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

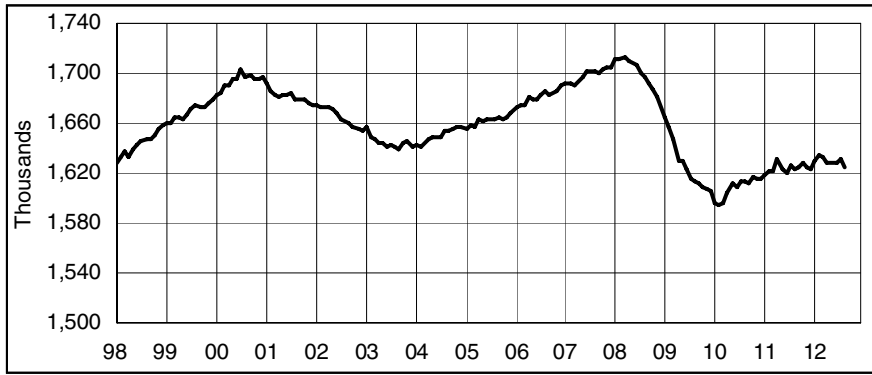
## UNEMPLOYMENT RATES

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

<i>(Seasonally adjusted)</i>	AUG	AUG	CHANGE		JUL
	2012	2011			2012
<b>Connecticut</b>	9.0	8.8	0.2		8.5
<b>Maine</b>	7.6	7.5	0.1		7.6
<b>Massachusetts</b>	6.3	7.4	-1.1		6.1
<b>New Hampshire</b>	5.7	5.5	0.2		5.4
<b>New Jersey</b>	9.9	9.4	0.5		9.8
<b>New York</b>	9.1	8.3	0.8		9.1
<b>Pennsylvania</b>	8.1	8.1	0.0		7.9
<b>Rhode Island</b>	10.7	11.4	-0.7		10.8
<b>Vermont</b>	5.3	5.6	-0.3		5.0
<b>United States</b>	8.1	9.1	-1.0		8.3

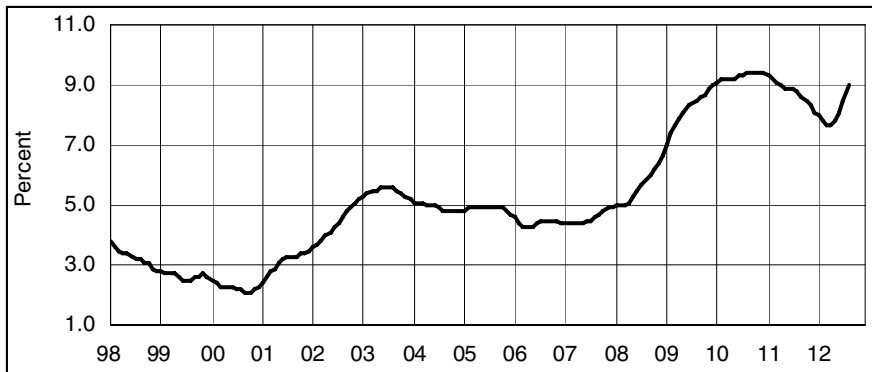
Source: U.S. Department of Labor, Bureau of Labor Statistics

**NONFARM EMPLOYMENT** *(Seasonally adjusted)*



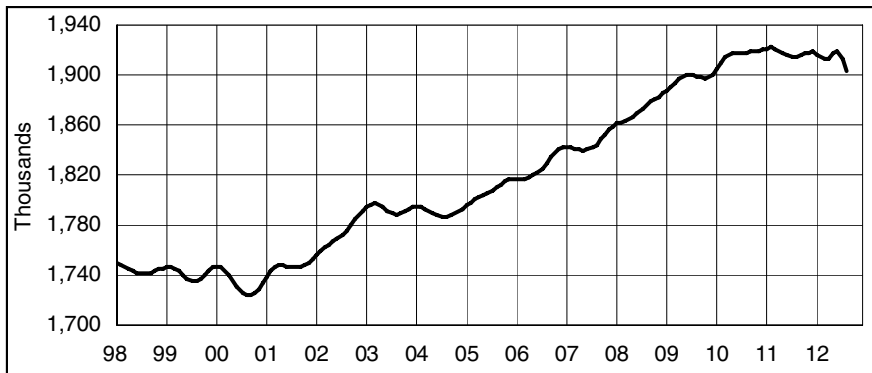
Month	2010	2011	2012
Jan	1,595.3	1,618.7	1,628.9
Feb	1,594.7	1,621.7	1,634.9
Mar	1,595.9	1,621.7	1,632.9
Apr	1,603.3	1,631.1	1,628.2
May	1,611.4	1,623.4	1,628.2
Jun	1,608.3	1,620.8	1,628.1
Jul	1,613.0	1,626.1	1,631.6
Aug	1,614.1	1,623.7	1,624.8
Sep	1,612.1	1,624.2	
Oct	1,616.1	1,627.7	
Nov	1,614.9	1,624.5	
Dec	1,615.7	1,623.5	

**UNEMPLOYMENT RATE** *(Seasonally adjusted)*



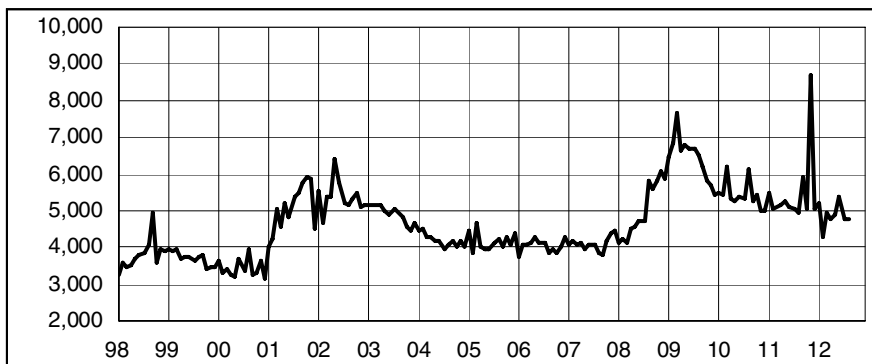
Month	2010	2011	2012
Jan	9.1	9.3	8.0
Feb	9.2	9.2	7.8
Mar	9.2	9.1	7.7
Apr	9.2	9.0	7.7
May	9.2	8.9	7.8
Jun	9.3	8.9	8.1
Jul	9.3	8.9	8.5
Aug	9.4	8.8	9.0
Sep	9.4	8.6	
Oct	9.4	8.5	
Nov	9.4	8.3	
Dec	9.4	8.1	

**LABOR FORCE** *(Seasonally adjusted)*



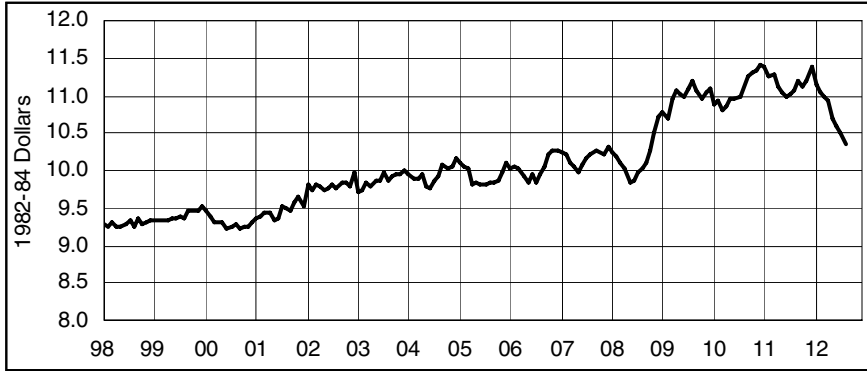
Month	2010	2011	2012
Jan	1,904.9	1,921.3	1,916.0
Feb	1,909.8	1,921.8	1,914.5
Mar	1,913.9	1,921.3	1,913.1
Apr	1,916.6	1,919.5	1,912.8
May	1,917.9	1,917.1	1,918.2
Jun	1,918.2	1,915.2	1,918.8
Jul	1,918.1	1,914.5	1,912.2
Aug	1,918.3	1,915.0	1,902.5
Sep	1,918.7	1,916.3	
Oct	1,919.2	1,917.4	
Nov	1,919.9	1,918.1	
Dec	1,920.5	1,918.8	

**AVERAGE WEEKLY INITIAL CLAIMS** *(Seasonally adjusted)*



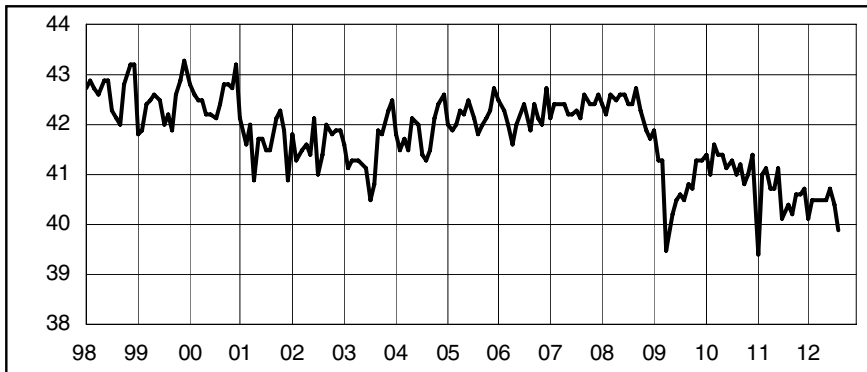
Month	2010	2011	2012
Jan	5,457	5,506	5,191
Feb	5,441	5,057	4,298
Mar	6,197	5,097	4,923
Apr	5,337	5,176	4,798
May	5,289	5,290	4,872
Jun	5,377	5,079	5,353
Jul	5,338	5,022	4,802
Aug	6,159	4,924	4,779
Sep	5,272	5,927	
Oct	5,445	5,070	
Nov	5,012	8,694	
Dec	4,983	5,052	

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



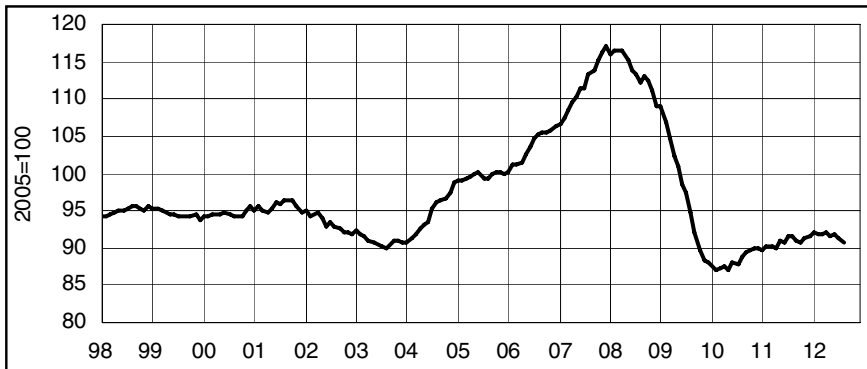
Month	2010	2011	2012
Jan	\$10.88	\$11.40	\$11.14
Feb	\$10.92	\$11.26	\$11.04
Mar	\$10.81	\$11.29	\$10.98
Apr	\$10.84	\$11.13	\$10.93
May	\$10.95	\$11.03	\$10.68
Jun	\$10.96	\$10.99	\$10.59
Jul	\$11.00	\$11.01	\$10.51
Aug	\$11.11	\$11.07	\$10.35
Sep	\$11.25	\$11.20	
Oct	\$11.31	\$11.13	
Nov	\$11.34	\$11.21	
Dec	\$11.42	\$11.40	

## AVG MANUFACTURING WEEKLY HOURS *(Not seasonally adjusted)*



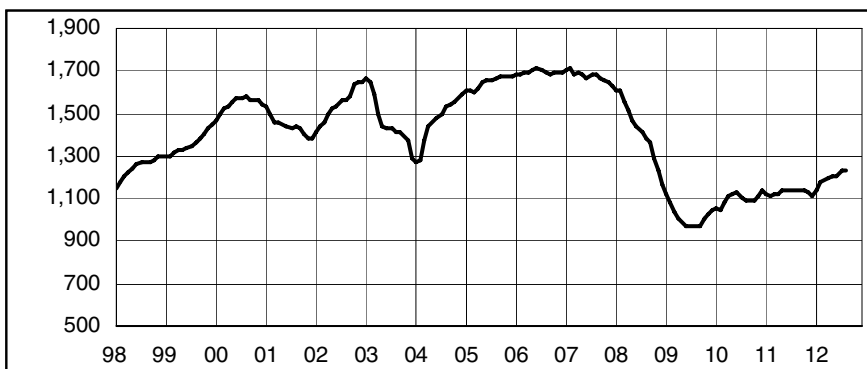
Month	2010	2011	2012
Jan	41.4	39.4	40.1
Feb	41.0	41.0	40.5
Mar	41.6	41.1	40.5
Apr	41.4	40.7	40.5
May	41.4	40.7	40.5
Jun	41.1	41.1	40.7
Jul	41.3	40.1	40.4
Aug	41.0	40.4	39.9
Sep	41.2	40.2	
Oct	40.8	40.6	
Nov	41.0	40.6	
Dec	41.4	40.7	

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



Month	2010	2011	2012
Jan	87.5	89.6	92.0
Feb	87.0	90.1	91.8
Mar	87.1	90.2	91.7
Apr	87.4	89.9	92.1
May	87.1	90.9	91.6
Jun	88.1	90.9	91.7
Jul	87.8	91.5	91.3
Aug	88.7	91.4	90.8
Sep	89.4	91.1	
Oct	89.7	90.8	
Nov	89.8	91.3	
Dec	89.9	91.5	

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



Month	2010	2011	2012
Jan	1,050	1,119	1,137
Feb	1,043	1,115	1,175
Mar	1,080	1,124	1,190
Apr	1,109	1,125	1,197
May	1,121	1,136	1,205
Jun	1,125	1,137	1,208
Jul	1,101	1,138	1,229
Aug	1,093	1,142	1,237
Sep	1,092	1,142	
Oct	1,092	1,138	
Nov	1,114	1,131	
Dec	1,134	1,115	

## CONNECTICUT

Not Seasonally Adjusted

	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>TOTAL NONFARM EMPLOYMENT</b> .....	<b>1,617,700</b>	<b>1,615,000</b>	<b>2,700</b>	<b>0.2</b>	<b>1,626,400</b>
<b>TOTAL PRIVATE</b> .....	<b>1,397,500</b>	<b>1,393,000</b>	<b>4,500</b>	<b>0.3</b>	<b>1,408,500</b>
<b>GOODS PRODUCING INDUSTRIES</b> .....	<b>218,900</b>	<b>223,200</b>	<b>-4,300</b>	<b>-1.9</b>	<b>220,000</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING</b> ....	<b>53,100</b>	<b>55,900</b>	<b>-2,800</b>	<b>-5.0</b>	<b>53,300</b>
<b>MANUFACTURING</b> .....	<b>165,800</b>	<b>167,300</b>	<b>-1,500</b>	<b>-0.9</b>	<b>166,700</b>
<b>Durable Goods</b> .....	<b>126,900</b>	<b>129,300</b>	<b>-2,400</b>	<b>-1.9</b>	<b>128,000</b>
Fabricated Metal.....	29,400	28,900	500	1.7	29,600
Machinery.....	14,600	14,800	-200	-1.4	14,700
Computer and Electronic Product.....	13,600	13,500	100	0.7	13,700
Transportation Equipment.....	42,400	42,600	-200	-0.5	42,400
Aerospace Product and Parts.....	30,100	30,600	-500	-1.6	30,300
<b>Non-Durable Goods</b> .....	<b>38,900</b>	<b>38,000</b>	<b>900</b>	<b>2.4</b>	<b>38,700</b>
Chemical.....	12,400	12,500	-100	-0.8	12,400
<b>SERVICE PROVIDING INDUSTRIES</b> .....	<b>1,398,800</b>	<b>1,391,800</b>	<b>7,000</b>	<b>0.5</b>	<b>1,406,400</b>
<b>TRADE, TRANSPORTATION, UTILITIES</b> ....	<b>291,700</b>	<b>291,000</b>	<b>700</b>	<b>0.2</b>	<b>294,400</b>
Wholesale Trade.....	63,600	64,400	-800	-1.2	63,200
Retail Trade.....	180,800	178,800	2,000	1.1	183,400
Motor Vehicle and Parts Dealers.....	20,000	19,900	100	0.5	20,100
Building Material.....	14,400	14,600	-200	-1.4	15,000
Food and Beverage Stores.....	44,500	42,700	1,800	4.2	44,600
General Merchandise Stores.....	28,600	27,800	800	2.9	28,900
Transportation, Warehousing, & Utilities....	47,300	47,800	-500	-1.0	47,800
Utilities.....	7,800	7,900	-100	-1.3	7,800
Transportation and Warehousing.....	39,500	39,900	-400	-1.0	40,000
<b>INFORMATION</b> .....	<b>32,100</b>	<b>31,500</b>	<b>600</b>	<b>1.9</b>	<b>31,700</b>
Telecommunications.....	9,400	9,400	0	0.0	9,400
<b>FINANCIAL ACTIVITIES</b> .....	<b>132,100</b>	<b>135,000</b>	<b>-2,900</b>	<b>-2.1</b>	<b>132,200</b>
Finance and Insurance.....	113,400	116,100	-2,700	-2.3	113,500
Credit Intermediation.....	25,700	26,600	-900	-3.4	25,700
Securities and Commodity Contracts.....	23,500	23,100	400	1.7	23,300
Insurance Carriers & Related Activities....	59,400	61,600	-2,200	-3.6	59,700
Real Estate and Rental and Leasing.....	18,700	18,900	-200	-1.1	18,700
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b> ....	<b>196,200</b>	<b>196,400</b>	<b>-200</b>	<b>-0.1</b>	<b>196,400</b>
Professional, Scientific.....	88,500	88,200	300	0.3	87,800
Legal Services.....	12,800	13,000	-200	-1.5	12,900
Computer Systems Design.....	24,100	22,500	1,600	7.1	24,200
Management of Companies.....	26,600	27,000	-400	-1.5	26,700
Administrative and Support.....	81,100	81,200	-100	-0.1	81,900
Employment Services.....	26,300	26,200	100	0.4	26,900
<b>EDUCATION AND HEALTH SERVICES</b> .....	<b>319,500</b>	<b>309,000</b>	<b>10,500</b>	<b>3.4</b>	<b>321,900</b>
Educational Services.....	58,300	55,900	2,400	4.3	61,200
Health Care and Social Assistance.....	261,200	253,100	8,100	3.2	260,700
Hospitals.....	63,200	62,800	400	0.6	63,500
Nursing & Residential Care Facilities.....	63,300	62,200	1,100	1.8	63,300
Social Assistance.....	49,200	46,200	3,000	6.5	49,100
<b>LEISURE AND HOSPITALITY</b> .....	<b>146,200</b>	<b>145,500</b>	<b>700</b>	<b>0.5</b>	<b>150,500</b>
Arts, Entertainment, and Recreation.....	29,700	29,000	700	2.4	31,600
Accommodation and Food Services.....	116,500	116,500	0	0.0	118,900
Food Serv., Restaurants, Drinking Places....	104,400	103,700	700	0.7	106,700
<b>OTHER SERVICES</b> .....	<b>60,800</b>	<b>61,400</b>	<b>-600</b>	<b>-1.0</b>	<b>61,400</b>
<b>GOVERNMENT</b> .....	<b>220,200</b>	<b>222,000</b>	<b>-1,800</b>	<b>-0.8</b>	<b>217,900</b>
Federal Government.....	17,400	17,900	-500	-2.8	17,500
State Government.....	61,500	61,800	-300	-0.5	61,200
Local Government**.....	141,300	142,300	-1,000	-0.7	139,200

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

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



## BRIDGEPORT - STAMFORD LMA



*Not Seasonally Adjusted*

	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>TOTAL NONFARM EMPLOYMENT</b> .....	<b>403,000</b>	<b>398,600</b>	<b>4,400</b>	<b>1.1</b>	<b>407,200</b>
<b>TOTAL PRIVATE</b> .....	<b>360,100</b>	<b>356,600</b>	<b>3,500</b>	<b>1.0</b>	<b>363,300</b>
<b>GOODS PRODUCING INDUSTRIES</b> .....	<b>47,100</b>	<b>47,400</b>	<b>-300</b>	<b>-0.6</b>	<b>47,800</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING</b> ....	<b>12,100</b>	<b>12,000</b>	<b>100</b>	<b>0.8</b>	<b>12,600</b>
<b>MANUFACTURING</b> .....	<b>35,000</b>	<b>35,400</b>	<b>-400</b>	<b>-1.1</b>	<b>35,200</b>
Durable Goods.....	26,400	27,000	-600	-2.2	26,700
<b>SERVICE PROVIDING INDUSTRIES</b> .....	<b>355,900</b>	<b>351,200</b>	<b>4,700</b>	<b>1.3</b>	<b>359,400</b>
<b>TRADE, TRANSPORTATION, UTILITIES</b> ....	<b>71,200</b>	<b>69,600</b>	<b>1,600</b>	<b>2.3</b>	<b>72,100</b>
Wholesale Trade.....	13,900	13,900	0	0.0	13,900
Retail Trade.....	47,200	45,800	1,400	3.1	47,900
Transportation, Warehousing, & Utilities....	10,100	9,900	200	2.0	10,300
<b>INFORMATION</b> .....	<b>10,900</b>	<b>10,800</b>	<b>100</b>	<b>0.9</b>	<b>10,800</b>
<b>FINANCIAL ACTIVITIES</b> .....	<b>41,200</b>	<b>42,500</b>	<b>-1,300</b>	<b>-3.1</b>	<b>41,300</b>
Finance and Insurance.....	34,700	36,400	-1,700	-4.7	34,800
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>67,000</b>	<b>66,300</b>	<b>700</b>	<b>1.1</b>	<b>66,900</b>
<b>EDUCATION AND HEALTH SERVICES</b> ....	<b>68,900</b>	<b>65,200</b>	<b>3,700</b>	<b>5.7</b>	<b>69,100</b>
Health Care and Social Assistance.....	58,200	55,100	3,100	5.6	58,000
<b>LEISURE AND HOSPITALITY</b> .....	<b>37,200</b>	<b>37,900</b>	<b>-700</b>	<b>-1.8</b>	<b>38,400</b>
Accommodation and Food Services.....	26,700	27,100	-400	-1.5	27,200
<b>OTHER SERVICES</b> .....	<b>16,600</b>	<b>16,900</b>	<b>-300</b>	<b>-1.8</b>	<b>16,900</b>
<b>GOVERNMENT</b> .....	<b>42,900</b>	<b>42,000</b>	<b>900</b>	<b>2.1</b>	<b>43,900</b>
Federal.....	2,600	2,700	-100	-3.7	2,700
State & Local.....	40,300	39,300	1,000	2.5	41,200

## DANBURY LMA

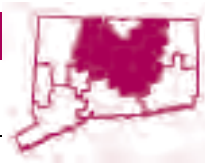


*Not Seasonally Adjusted*

	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>TOTAL NONFARM EMPLOYMENT</b> .....	<b>67,200</b>	<b>65,400</b>	<b>1,800</b>	<b>2.8</b>	<b>66,700</b>
<b>TOTAL PRIVATE</b> .....	<b>59,600</b>	<b>57,900</b>	<b>1,700</b>	<b>2.9</b>	<b>59,000</b>
<b>GOODS PRODUCING INDUSTRIES</b> .....	<b>11,100</b>	<b>11,300</b>	<b>-200</b>	<b>-1.8</b>	<b>11,100</b>
<b>SERVICE PROVIDING INDUSTRIES</b> .....	<b>56,100</b>	<b>54,100</b>	<b>2,000</b>	<b>3.7</b>	<b>55,600</b>
<b>TRADE, TRANSPORTATION, UTILITIES</b> ....	<b>15,200</b>	<b>14,700</b>	<b>500</b>	<b>3.4</b>	<b>15,100</b>
Retail Trade.....	11,400	11,000	400	3.6	11,600
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>7,600</b>	<b>7,700</b>	<b>-100</b>	<b>-1.3</b>	<b>7,600</b>
<b>LEISURE AND HOSPITALITY</b> .....	<b>6,300</b>	<b>6,200</b>	<b>100</b>	<b>1.6</b>	<b>6,400</b>
<b>GOVERNMENT</b> .....	<b>7,600</b>	<b>7,500</b>	<b>100</b>	<b>1.3</b>	<b>7,700</b>
Federal.....	600	600	0	0.0	600
State & Local.....	7,000	6,900	100	1.4	7,100

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

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

**HARTFORD LMA***Not Seasonally Adjusted*

	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>TOTAL NONFARM EMPLOYMENT</b> .....	<b>534,200</b>	<b>530,900</b>	<b>3,300</b>	<b>0.6</b>	<b>536,600</b>
<b>TOTAL PRIVATE</b> .....	<b>461,300</b>	<b>456,700</b>	<b>4,600</b>	<b>1.0</b>	<b>462,700</b>
<b>GOODS PRODUCING INDUSTRIES</b> .....	<b>74,700</b>	<b>75,700</b>	<b>-1,000</b>	<b>-1.3</b>	<b>75,100</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING</b> ....	<b>16,600</b>	<b>18,400</b>	<b>-1,800</b>	<b>-9.8</b>	<b>16,700</b>
<b>MANUFACTURING</b> .....	<b>58,100</b>	<b>57,300</b>	<b>800</b>	<b>1.4</b>	<b>58,400</b>
Durable Goods.....	48,400	47,800	600	1.3	48,700
<b>SERVICE PROVIDING INDUSTRIES</b> .....	<b>459,500</b>	<b>455,200</b>	<b>4,300</b>	<b>0.9</b>	<b>461,500</b>
<b>TRADE, TRANSPORTATION, UTILITIES</b> ....	<b>86,200</b>	<b>85,600</b>	<b>600</b>	<b>0.7</b>	<b>86,300</b>
Wholesale Trade.....	18,800	18,600	200	1.1	18,700
Retail Trade.....	53,300	53,100	200	0.4	53,500
Transportation, Warehousing, & Utilities....	14,100	13,900	200	1.4	14,100
Transportation and Warehousing.....	11,300	11,000	300	2.7	11,300
<b>INFORMATION</b> .....	<b>11,600</b>	<b>11,300</b>	<b>300</b>	<b>2.7</b>	<b>11,500</b>
<b>FINANCIAL ACTIVITIES</b> .....	<b>61,500</b>	<b>62,300</b>	<b>-800</b>	<b>-1.3</b>	<b>61,500</b>
Depository Credit Institutions.....	6,900	7,000	-100	-1.4	6,900
Insurance Carriers & Related Activities....	41,300	42,400	-1,100	-2.6	41,700
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>60,800</b>	<b>60,400</b>	<b>400</b>	<b>0.7</b>	<b>60,700</b>
Professional, Scientific.....	29,500	29,200	300	1.0	28,900
Administrative and Support.....	23,800	24,300	-500	-2.1	24,200
<b>EDUCATION AND HEALTH SERVICES</b> ....	<b>99,900</b>	<b>96,700</b>	<b>3,200</b>	<b>3.3</b>	<b>100,500</b>
Health Care and Social Assistance.....	87,300	85,600	1,700	2.0	87,500
Ambulatory Health Care.....	26,300	25,900	400	1.5	26,400
<b>LEISURE AND HOSPITALITY</b> .....	<b>46,400</b>	<b>44,800</b>	<b>1,600</b>	<b>3.6</b>	<b>47,200</b>
Accommodation and Food Services.....	36,400	35,900	500	1.4	37,100
<b>OTHER SERVICES</b> .....	<b>20,200</b>	<b>19,900</b>	<b>300</b>	<b>1.5</b>	<b>19,900</b>
<b>GOVERNMENT</b> .....	<b>72,900</b>	<b>74,200</b>	<b>-1,300</b>	<b>-1.8</b>	<b>73,900</b>
Federal.....	5,000	5,100	-100	-2.0	5,000
State & Local.....	67,900	69,100	-1,200	-1.7	68,900

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

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

**SEASONALLY ADJUSTED TOTAL NONFARM EMPLOYMENT***Seasonally Adjusted*

Labor Market Areas	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>BRIDGEPORT-STAMFORD LMA</b> .....	<b>403,600</b>	<b>400,000</b>	<b>3,600</b>	<b>0.9</b>	<b>404,000</b>
<b>DANBURY LMA</b> .....	<b>67,900</b>	<b>65,700</b>	<b>2,200</b>	<b>3.3</b>	<b>66,700</b>
<b>HARTFORD LMA</b> .....	<b>539,700</b>	<b>537,900</b>	<b>1,800</b>	<b>0.3</b>	<b>541,100</b>
<b>NEW HAVEN LMA</b> .....	<b>269,500</b>	<b>268,200</b>	<b>1,300</b>	<b>0.5</b>	<b>271,400</b>
<b>NORWICH-NEW LONDON LMA</b> .....	<b>124,700</b>	<b>129,500</b>	<b>-4,800</b>	<b>-3.7</b>	<b>126,600</b>
<b>WATERBURY LMA</b> .....	<b>64,800</b>	<b>62,600</b>	<b>2,200</b>	<b>3.5</b>	<b>64,100</b>

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

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

## NEW HAVEN LMA



Not Seasonally Adjusted

	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>TOTAL NONFARM EMPLOYMENT</b> .....	<b>265,100</b>	<b>262,600</b>	<b>2,500</b>	<b>1.0</b>	<b>267,600</b>
<b>TOTAL PRIVATE</b> .....	<b>236,700</b>	<b>234,100</b>	<b>2,600</b>	<b>1.1</b>	<b>238,400</b>
<b>GOODS PRODUCING INDUSTRIES</b> .....	<b>35,200</b>	<b>36,400</b>	<b>-1,200</b>	<b>-3.3</b>	<b>35,600</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING</b> ....	<b>9,200</b>	<b>9,900</b>	<b>-700</b>	<b>-7.1</b>	<b>9,300</b>
<b>MANUFACTURING</b> .....	<b>26,000</b>	<b>26,500</b>	<b>-500</b>	<b>-1.9</b>	<b>26,300</b>
Durable Goods.....	18,900	19,100	-200	-1.0	19,100
<b>SERVICE PROVIDING INDUSTRIES</b> .....	<b>229,900</b>	<b>226,200</b>	<b>3,700</b>	<b>1.6</b>	<b>232,000</b>
<b>TRADE, TRANSPORTATION, UTILITIES</b> ....	<b>47,900</b>	<b>47,400</b>	<b>500</b>	<b>1.1</b>	<b>48,300</b>
Wholesale Trade.....	11,300	11,400	-100	-0.9	11,300
Retail Trade.....	28,500	27,900	600	2.2	28,800
Transportation, Warehousing, & Utilities....	8,100	8,100	0	0.0	8,200
<b>INFORMATION</b> .....	<b>4,700</b>	<b>4,700</b>	<b>0</b>	<b>0.0</b>	<b>4,600</b>
<b>FINANCIAL ACTIVITIES</b> .....	<b>12,200</b>	<b>12,300</b>	<b>-100</b>	<b>-0.8</b>	<b>12,200</b>
Finance and Insurance.....	8,600	8,700	-100	-1.1	8,600
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>24,900</b>	<b>25,900</b>	<b>-1,000</b>	<b>-3.9</b>	<b>25,300</b>
Administrative and Support.....	12,900	12,900	0	0.0	13,000
<b>EDUCATION AND HEALTH SERVICES</b> ....	<b>74,800</b>	<b>72,500</b>	<b>2,300</b>	<b>3.2</b>	<b>75,500</b>
Educational Services.....	26,100	25,300	800	3.2	27,100
Health Care and Social Assistance.....	48,700	47,200	1,500	3.2	48,400
<b>LEISURE AND HOSPITALITY</b> .....	<b>26,300</b>	<b>24,400</b>	<b>1,900</b>	<b>7.8</b>	<b>26,100</b>
Accommodation and Food Services.....	22,000	21,100	900	4.3	21,900
<b>OTHER SERVICES</b> .....	<b>10,700</b>	<b>10,500</b>	<b>200</b>	<b>1.9</b>	<b>10,800</b>
<b>GOVERNMENT</b> .....	<b>28,400</b>	<b>28,500</b>	<b>-100</b>	<b>-0.4</b>	<b>29,200</b>
Federal.....	4,600	4,800	-200	-4.2	4,700
State & Local.....	23,800	23,700	100	0.4	24,500

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

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

## BUSINESS AND ECONOMIC NEWS

### ■ Youth employment in summer 2012

From April to July 2012, the number of employed 16- to 24-year-olds rose 2.1 million to 19.5 million. July typically is the summertime peak in youth employment.

Twenty-six percent of employed 16- to 24-year-olds (about 5.1 million persons) worked in the leisure and hospitality sector (which includes food services) in July 2012. Another 19 percent (about 3.8 million persons) worked in the retail trade industry in July 2012.

These data are from the Current Population Survey. For more information, see "Employment and Unemployment among Youth — Summer 2012," news release USDL-12-1717 (HTML) (PDF).

Source: The Editor's Desk, Bureau of Labor Statistics, August 22, 2012

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

	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>TOTAL NONFARM EMPLOYMENT.....</b>	<b>127,500</b>	<b>131,200</b>	<b>-3,700</b>	<b>-2.8</b>	<b>128,600</b>
<b>TOTAL PRIVATE.....</b>	<b>94,400</b>	<b>96,600</b>	<b>-2,200</b>	<b>-2.3</b>	<b>95,700</b>
<b>GOODS PRODUCING INDUSTRIES.....</b>	<b>18,500</b>	<b>18,800</b>	<b>-300</b>	<b>-1.6</b>	<b>18,500</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING....</b>	<b>3,800</b>	<b>3,900</b>	<b>-100</b>	<b>-2.6</b>	<b>3,800</b>
<b>MANUFACTURING.....</b>	<b>14,700</b>	<b>14,900</b>	<b>-200</b>	<b>-1.3</b>	<b>14,700</b>
Durable Goods.....	10,900	10,900	0	0.0	10,900
Non-Durable Goods.....	3,800	4,000	-200	-5.0	3,800
<b>SERVICE PROVIDING INDUSTRIES.....</b>	<b>109,000</b>	<b>112,400</b>	<b>-3,400</b>	<b>-3.0</b>	<b>110,100</b>
<b>TRADE, TRANSPORTATION, UTILITIES....</b>	<b>22,100</b>	<b>23,000</b>	<b>-900</b>	<b>-3.9</b>	<b>22,400</b>
Wholesale Trade.....	2,400	2,500	-100	-4.0	2,400
Retail Trade.....	14,700	15,600	-900	-5.8	15,000
Transportation, Warehousing, & Utilities....	5,000	4,900	100	2.0	5,000
<b>INFORMATION.....</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>	<b>0.0</b>	<b>1,500</b>
<b>FINANCIAL ACTIVITIES.....</b>	<b>3,100</b>	<b>3,200</b>	<b>-100</b>	<b>-3.1</b>	<b>3,100</b>
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>9,000</b>	<b>9,300</b>	<b>-300</b>	<b>-3.2</b>	<b>9,100</b>
<b>EDUCATION AND HEALTH SERVICES.....</b>	<b>20,500</b>	<b>20,900</b>	<b>-400</b>	<b>-1.9</b>	<b>20,700</b>
Health Care and Social Assistance.....	18,400	18,400	0	0.0	18,400
<b>LEISURE AND HOSPITALITY.....</b>	<b>16,500</b>	<b>16,600</b>	<b>-100</b>	<b>-0.6</b>	<b>17,100</b>
Accommodation and Food Services.....	13,900	13,900	0	0.0	14,300
Food Serv., Restaurants, Drinking Places....	11,700	11,300	400	3.5	11,900
<b>OTHER SERVICES.....</b>	<b>3,200</b>	<b>3,300</b>	<b>-100</b>	<b>-3.0</b>	<b>3,300</b>
<b>GOVERNMENT .....</b>	<b>33,100</b>	<b>34,600</b>	<b>-1,500</b>	<b>-4.3</b>	<b>32,900</b>
Federal.....	2,600	2,600	0	0.0	2,600
State & Local**.....	30,500	32,000	-1,500	-4.7	30,300

**WATERBURY LMA***Not Seasonally Adjusted*

	AUG 2012	AUG 2011	CHANGE		JUL 2012
			NO.	%	
<b>TOTAL NONFARM EMPLOYMENT.....</b>	<b>63,600</b>	<b>61,500</b>	<b>2,100</b>	<b>3.4</b>	<b>64,000</b>
<b>TOTAL PRIVATE.....</b>	<b>55,000</b>	<b>53,000</b>	<b>2,000</b>	<b>3.8</b>	<b>55,100</b>
<b>GOODS PRODUCING INDUSTRIES.....</b>	<b>9,800</b>	<b>9,900</b>	<b>-100</b>	<b>-1.0</b>	<b>9,700</b>
<b>CONSTRUCTION, NAT. RES. &amp; MINING....</b>	<b>2,200</b>	<b>2,300</b>	<b>-100</b>	<b>-4.3</b>	<b>2,200</b>
<b>MANUFACTURING.....</b>	<b>7,600</b>	<b>7,600</b>	<b>0</b>	<b>0.0</b>	<b>7,500</b>
<b>SERVICE PROVIDING INDUSTRIES.....</b>	<b>53,800</b>	<b>51,600</b>	<b>2,200</b>	<b>4.3</b>	<b>54,300</b>
<b>TRADE, TRANSPORTATION, UTILITIES....</b>	<b>12,900</b>	<b>12,300</b>	<b>600</b>	<b>4.9</b>	<b>12,900</b>
Wholesale Trade.....	2,300	2,200	100	4.5	2,200
Retail Trade.....	8,800	8,400	400	4.8	8,900
Transportation, Warehousing, & Utilities....	1,800	1,700	100	5.9	1,800
<b>INFORMATION.....</b>	<b>700</b>	<b>600</b>	<b>100</b>	<b>16.7</b>	<b>700</b>
<b>FINANCIAL ACTIVITIES.....</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>0.0</b>	<b>2,000</b>
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>4,300</b>	<b>4,100</b>	<b>200</b>	<b>4.9</b>	<b>4,300</b>
<b>EDUCATION AND HEALTH SERVICES.....</b>	<b>17,300</b>	<b>16,300</b>	<b>1,000</b>	<b>6.1</b>	<b>17,400</b>
Health Care and Social Assistance.....	15,800	14,800	1,000	6.8	15,800
<b>LEISURE AND HOSPITALITY.....</b>	<b>5,500</b>	<b>5,400</b>	<b>100</b>	<b>1.9</b>	<b>5,600</b>
<b>OTHER SERVICES.....</b>	<b>2,500</b>	<b>2,400</b>	<b>100</b>	<b>4.2</b>	<b>2,500</b>
<b>GOVERNMENT .....</b>	<b>8,600</b>	<b>8,500</b>	<b>100</b>	<b>1.2</b>	<b>8,900</b>
Federal.....	400	500	-100	-20.0	400
State & Local.....	8,200	8,000	200	2.5	8,500

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

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



## SMALLER LMAS



Not Seasonally Adjusted

	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>TOTAL NONFARM EMPLOYMENT</b>					
ENFIELD LMA.....	44,600	43,500	1,100	2.5	45,000
TORRINGTON LMA.....	35,900	35,200	700	2.0	36,400
WILLIMANTIC - DANIELSON LMA.....	36,200	35,800	400	1.1	36,000

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

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

## SPRINGFIELD, MA-CT NECTA\*\*

Not Seasonally Adjusted

	AUG	AUG	CHANGE		JUL
	2012	2011	NO.	%	2012
<b>TOTAL NONFARM EMPLOYMENT.....</b>	<b>282,700</b>	<b>283,100</b>	<b>-400</b>	<b>-0.1</b>	<b>285,700</b>
<b>TOTAL PRIVATE.....</b>	<b>238,700</b>	<b>239,400</b>	<b>-700</b>	<b>-0.3</b>	<b>240,600</b>
<b>GOODS PRODUCING INDUSTRIES.....</b>	<b>39,600</b>	<b>43,100</b>	<b>-3,500</b>	<b>-8.1</b>	<b>39,000</b>
CONSTRUCTION, NAT. RES. & MINING.....	8,100	11,800	-3,700	-31.4	8,100
<b>MANUFACTURING.....</b>	<b>31,500</b>	<b>31,300</b>	<b>200</b>	<b>0.6</b>	<b>30,900</b>
Durable Goods.....	21,200	20,800	400	1.9	20,700
Non-Durable Goods.....	10,300	10,500	-200	-1.9	10,200
<b>SERVICE PROVIDING INDUSTRIES.....</b>	<b>243,100</b>	<b>240,000</b>	<b>3,100</b>	<b>1.3</b>	<b>246,700</b>
<b>TRADE, TRANSPORTATION, UTILITIES.....</b>	<b>57,700</b>	<b>56,600</b>	<b>1,100</b>	<b>1.9</b>	<b>57,900</b>
Wholesale Trade.....	11,300	11,200	100	0.9	11,300
Retail Trade.....	34,300	33,800	500	1.5	34,500
Transportation, Warehousing, & Utilities....	12,100	11,600	500	4.3	12,100
<b>INFORMATION.....</b>	<b>4,000</b>	<b>3,700</b>	<b>300</b>	<b>8.1</b>	<b>4,000</b>
<b>FINANCIAL ACTIVITIES.....</b>	<b>15,700</b>	<b>15,500</b>	<b>200</b>	<b>1.3</b>	<b>15,700</b>
Finance and Insurance.....	12,500	12,400	100	0.8	12,500
Insurance Carriers & Related Activities....	7,800	7,700	100	1.3	7,700
<b>PROFESSIONAL &amp; BUSINESS SERVICES</b>	<b>25,800</b>	<b>24,100</b>	<b>1,700</b>	<b>7.1</b>	<b>26,100</b>
<b>EDUCATION AND HEALTH SERVICES.....</b>	<b>55,800</b>	<b>57,100</b>	<b>-1,300</b>	<b>-2.3</b>	<b>56,600</b>
Educational Services.....	9,900	10,400	-500	-4.8	10,200
Health Care and Social Assistance.....	45,900	46,700	-800	-1.7	46,400
<b>LEISURE AND HOSPITALITY.....</b>	<b>29,100</b>	<b>28,400</b>	<b>700</b>	<b>2.5</b>	<b>30,200</b>
<b>OTHER SERVICES.....</b>	<b>11,000</b>	<b>10,900</b>	<b>100</b>	<b>0.9</b>	<b>11,100</b>
<b>GOVERNMENT .....</b>	<b>44,000</b>	<b>43,700</b>	<b>300</b>	<b>0.7</b>	<b>45,100</b>
Federal.....	5,800	6,100	-300	-4.9	5,900
State & Local.....	38,200	37,600	600	1.6	39,200

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

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

\*\* New England City and Town Area

# LMA LABOR FORCE ESTIMATES

		EMPLOYMENT	AUG	AUG	CHANGE		JUL
<i>(Not seasonally adjusted)</i>		STATUS	2012	2011	NO.	%	2012
<b>CONNECTICUT</b>	Civilian Labor Force		1,912,900	1,936,600	-23,700	-1.2	1,938,400
	Employed		1,736,900	1,764,900	-28,000	-1.6	1,758,800
	Unemployed		176,000	171,700	4,300	2.5	179,600
	Unemployment Rate		9.2	8.9	0.3	---	9.3
<b>BRIDGEPORT - STAMFORD LMA</b>	Civilian Labor Force		488,600	492,800	-4,200	-0.9	496,500
	Employed		447,000	452,300	-5,300	-1.2	454,000
	Unemployed		41,500	40,500	1,000	2.5	42,400
	Unemployment Rate		8.5	8.2	0.3	---	8.5
<b>DANBURY LMA</b>	Civilian Labor Force		94,500	94,200	300	0.3	95,000
	Employed		87,400	87,500	-100	-0.1	87,800
	Unemployed		7,100	6,800	300	4.4	7,200
	Unemployment Rate		7.5	7.2	0.3	---	7.6
<b>ENFIELD LMA</b>	Civilian Labor Force		50,000	51,500	-1,500	-2.9	50,900
	Employed		45,800	47,000	-1,200	-2.6	46,500
	Unemployed		4,200	4,400	-200	-4.5	4,400
	Unemployment Rate		8.4	8.6	-0.2	---	8.7
<b>HARTFORD LMA</b>	Civilian Labor Force		602,300	610,100	-7,800	-1.3	608,700
	Employed		545,800	555,300	-9,500	-1.7	551,400
	Unemployed		56,500	54,800	1,700	3.1	57,300
	Unemployment Rate		9.4	9.0	0.4	---	9.4
<b>NEW HAVEN LMA</b>	Civilian Labor Force		318,700	322,400	-3,700	-1.1	323,600
	Employed		288,000	292,300	-4,300	-1.5	292,000
	Unemployed		30,800	30,200	600	2.0	31,500
	Unemployment Rate		9.7	9.4	0.3	---	9.7
<b>NORWICH - NEW LONDON LMA</b>	Civilian Labor Force		152,100	158,300	-6,200	-3.9	154,100
	Employed		138,100	144,700	-6,600	-4.6	139,800
	Unemployed		14,000	13,600	400	2.9	14,300
	Unemployment Rate		9.2	8.6	0.6	---	9.3
<b>TORRINGTON LMA</b>	Civilian Labor Force		55,900	56,200	-300	-0.5	56,700
	Employed		51,300	51,600	-300	-0.6	52,000
	Unemployed		4,600	4,500	100	2.2	4,700
	Unemployment Rate		8.2	8.1	0.1	---	8.3
<b>WATERBURY LMA</b>	Civilian Labor Force		103,600	103,600	0	0.0	105,000
	Employed		91,400	91,500	-100	-0.1	92,700
	Unemployed		12,200	12,100	100	0.8	12,300
	Unemployment Rate		11.8	11.7	0.1	---	11.7
<b>WILLIMANTIC-DANIELSON LMA</b>	Civilian Labor Force		59,400	60,100	-700	-1.2	60,100
	Employed		53,300	54,200	-900	-1.7	53,700
	Unemployed		6,100	5,900	200	3.4	6,400
	Unemployment Rate		10.2	9.8	0.4	---	10.6
<b>UNITED STATES</b>	Civilian Labor Force		155,255,000	154,344,000	911,000	0.6	156,526,000
	Employed		142,558,000	140,335,000	2,223,000	1.6	143,126,000
	Unemployed		12,696,000	14,008,000	-1,312,000	-9.4	13,400,000
	Unemployment Rate		8.2	9.1	-0.9	---	8.6

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

(Not seasonally adjusted)	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	AUG		CHG	JUL	AUG		CHG	JUL	AUG		CHG	JUL
	2012	2011	Y/Y	2012	2012	2011	Y/Y	2012	2012	2011	Y/Y	2012
<b>PRODUCTION WORKER</b>												
<b>MANUFACTURING</b>	\$937.65	\$998.28	-\$60.63	\$957.88	39.9	40.4	-0.5	40.4	\$23.50	\$24.71	-\$1.21	\$23.71
<b>DURABLE GOODS</b>	995.51	1,055.60	-60.09	1,013.93	40.9	40.6	0.3	41.2	24.34	26.00	-1.66	24.61
<b>NON-DUR. GOODS</b>	768.71	814.25	-45.54	774.56	37.1	39.7	-2.6	37.6	20.72	20.51	0.21	20.60
<b>CONSTRUCTION</b>	990.33	1,044.85	-54.53	1,005.00	37.9	38.9	-1.0	37.5	26.13	26.86	-0.73	26.80
<b>ALL EMPLOYEES</b>												
<b>STATEWIDE</b>												
<b>TOTAL PRIVATE</b>	943.50	957.19	-13.69	948.94	34.0	34.1	-0.1	34.0	27.75	28.07	-0.32	27.91
<b>GOODS PRODUCING</b>	1,173.00	1,181.60	-8.60	1,170.21	39.1	39.1	0.0	38.8	30.00	30.22	-0.22	30.16
Construction	1,071.60	1,088.26	-16.66	1,073.38	37.6	37.8	-0.2	37.4	28.50	28.79	-0.29	28.70
Manufacturing	1,201.86	1,212.71	-10.85	1,200.52	39.6	39.8	-0.2	39.4	30.35	30.47	-0.12	30.47
<b>SERVICE PROVIDING</b>	899.58	912.90	-13.32	907.60	33.0	33.1	-0.1	33.1	27.26	27.58	-0.32	27.42
Trade, Transp., Utilities	873.47	866.19	7.28	881.14	34.2	34.4	-0.2	34.8	25.54	25.18	0.36	25.32
Financial Activities	1,518.80	1,566.94	-48.14	1,610.87	36.9	36.8	0.1	38.1	41.16	42.58	-1.42	42.28
Prof. & Business Serv.	1,048.61	1,043.65	4.96	1,057.75	35.2	34.8	0.4	35.4	29.79	29.99	-0.20	29.88
Education & Health Ser.	816.30	821.81	-5.50	807.86	31.3	31.2	0.1	31.0	26.08	26.34	-0.26	26.06
Leisure & Hospitality	395.57	399.32	-3.75	395.65	26.8	26.8	0.0	26.5	14.76	14.90	-0.14	14.93
Other Services	638.40	616.00	22.40	619.11	32.0	32.0	0.0	31.3	19.95	19.25	0.70	19.78
<b>LABOR MARKET AREAS: TOTAL PRIVATE</b>												
Bridgeport-Stamford	1,081.58	1,047.20	34.38	1,084.71	34.5	34.0	0.5	34.6	31.35	30.80	0.55	31.35
Danbury	885.95	972.87	-86.92	934.07	32.5	35.3	-2.8	33.3	27.26	27.56	-0.30	28.05
Hartford	987.35	1,032.53	-45.17	1,009.89	35.0	35.3	-0.3	35.2	28.21	29.25	-1.04	28.69
New Haven	873.49	904.43	-30.94	870.13	33.2	33.3	-0.1	33.3	26.31	27.16	-0.85	26.13
Norwich-New London	808.60	693.53	115.07	777.60	32.5	31.1	1.4	31.7	24.88	22.30	2.58	24.53
Waterbury	776.50	798.16	-21.67	771.84	33.6	34.3	-0.7	33.5	23.11	23.27	-0.16	23.04

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

## BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- In August 2012, Back9Network, a cable network, announced plans to build a new studio in Hartford and hire 50 people. A new restaurant, Noodles & Company, will open in West Hartford in September with 40 employees. Dollar Tree stated its intentions to build a new distribution center in Windsor, bringing 200 jobs to the area over the next five years. Kohl's will open three new stores in September in the towns of Berlin, Killingly, and New Milford, adding a combined 375 positions. Deloitte, an accounting firm, will be adding 200 jobs to its Hartford, Stamford, and Wilton locations over the next two years. Bridgewater Associates, a hedge fund firm, will move to Stamford and add 1,000 jobs over the next ten years. Norwalk will bring 40 to 50 jobs to the area next spring when Jamba Juice opens.
- In August 2012, Otis Spunkmeyer, a bakery, announced its closing, leaving 150 to 200 employees without jobs. UTC Aerospace Systems of Windsor Locks let 70 employees go due to further declines in the aerospace industry.

*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>.

(By Place of Residence - Not Seasonally Adjusted)

**AUGUST 2012**

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
<b>BRIDGEPORT-STAMFORD</b>					<b>HARTFORD cont...</b>				
	<b>488,565</b>	<b>447,016</b>	<b>41,549</b>	<b>8.5</b>	Canton	5,845	5,474	371	6.3
Ansonia	10,645	9,450	1,195	11.2	Colchester	9,160	8,439	721	7.9
Bridgeport	68,257	59,039	9,218	13.5	Columbia	3,110	2,908	202	6.5
Darien	9,453	8,852	601	6.4	Coventry	7,242	6,604	638	8.8
Derby	7,281	6,559	722	9.9	Cromwell	8,045	7,453	592	7.4
Easton	3,785	3,566	219	5.8	East Granby	2,946	2,758	188	6.4
Fairfield	29,716	27,417	2,299	7.7	East Haddam	5,372	4,935	437	8.1
Greenwich	30,024	28,211	1,813	6.0	East Hampton	7,252	6,668	584	8.1
Milford	31,038	28,501	2,537	8.2	East Hartford	27,315	23,947	3,368	12.3
Monroe	10,807	9,955	852	7.9	Ellington	9,386	8,774	612	6.5
New Canaan	8,916	8,370	546	6.1	Farmington	13,114	12,145	969	7.4
Newtown	14,903	13,811	1,092	7.3	Glastonbury	18,777	17,630	1,147	6.1
Norwalk	50,046	46,323	3,723	7.4	Granby	6,368	5,920	448	7.0
Oxford	7,574	7,044	530	7.0	Haddam	5,221	4,859	362	6.9
Redding	4,898	4,582	316	6.5	Hartford	51,936	42,711	9,225	17.8
Ridgefield	12,136	11,363	773	6.4	Hartland	1,200	1,135	65	5.4
Seymour	9,590	8,759	831	8.7	Harwinton	3,212	2,957	255	7.9
Shelton	23,123	21,226	1,897	8.2	Hebron	5,722	5,356	366	6.4
Southbury	9,338	8,630	708	7.6	Lebanon	4,367	3,972	395	9.0
Stamford	69,421	64,064	5,357	7.7	Manchester	33,592	30,712	2,880	8.6
Stratford	27,994	24,990	3,004	10.7	Mansfield	14,162	12,954	1,208	8.5
Trumbull	18,653	17,269	1,384	7.4	Marlborough	3,691	3,410	281	7.6
Weston	4,916	4,635	281	5.7	Middlefield	2,459	2,278	181	7.4
Westport	12,746	11,925	821	6.4	Middletown	26,913	24,440	2,473	9.2
Wilton	8,508	7,969	539	6.3	New Britain	36,760	31,887	4,873	13.3
Woodbridge	4,799	4,507	292	6.1	New Hartford	3,907	3,629	278	7.1
					Newington	17,121	15,815	1,306	7.6
<b>DANBURY</b>	<b>94,492</b>	<b>87,371</b>	<b>7,121</b>	<b>7.5</b>	Plainville	10,333	9,449	884	8.6
Bethel	11,117	10,313	804	7.2	Plymouth	7,025	6,287	738	10.5
Bridgewater	960	908	52	5.4	Portland	5,388	4,922	466	8.6
Brookfield	9,371	8,685	686	7.3	Rocky Hill	11,210	10,407	803	7.2
Danbury	46,875	43,230	3,645	7.8	Simsbury	12,010	11,183	827	6.9
New Fairfield	7,659	7,088	571	7.5	Southington	24,638	22,786	1,852	7.5
New Milford	16,595	15,352	1,243	7.5	South Windsor	14,609	13,572	1,037	7.1
Sherman	1,915	1,795	120	6.3	Stafford	7,025	6,404	621	8.8
					Thomaston	4,643	4,230	413	8.9
<b>ENFIELD</b>	<b>49,992</b>	<b>45,797</b>	<b>4,195</b>	<b>8.4</b>	Tolland	8,537	7,993	544	6.4
East Windsor	6,612	5,984	628	9.5	Union	548	501	47	8.6
Enfield	23,553	21,584	1,969	8.4	Vernon	17,188	15,688	1,500	8.7
Somers	4,952	4,537	415	8.4	West Hartford	30,482	28,077	2,405	7.9
Suffield	7,699	7,197	502	6.5	Wethersfield	13,711	12,557	1,154	8.4
Windsor Locks	7,177	6,496	681	9.5	Willington	3,805	3,540	265	7.0
					Windsor	16,544	14,975	1,569	9.5
<b>HARTFORD</b>	<b>602,283</b>	<b>545,752</b>	<b>56,531</b>	<b>9.4</b>					
Andover	2,068	1,896	172	8.3					
Ashford	2,582	2,360	222	8.6					
Avon	9,565	8,977	588	6.1					
Barkhamsted	2,309	2,108	201	8.7					
Berlin	11,228	10,327	901	8.0					
Bloomfield	10,286	9,090	1,196	11.6					
Bolton	2,942	2,739	203	6.9					
Bristol	33,960	30,853	3,107	9.1					
Burlington	5,452	5,061	391	7.2					

All Labor Market Areas (LMAs) in Connecticut except three are federally-designated areas for developing labor statistics. For the sake of simplicity, the federal Bridgeport-Stamford-Norwalk NECTA is referred to in Connecticut DOL publications as the 'Bridgeport-Stamford LMA', and the Hartford-West Hartford-East Hartford NECTA is referred to as the 'Hartford LMA'. The Bureau of Labor Statistics has identified 17 towns in the northwest part of the State as a separate area for reporting labor force data. For the convenience of our data users, these towns are included in the Torrington LMA. For the same purpose, five towns which are part of the Springfield, MA area are published as the 'Enfield LMA'. Similarly the towns of Putnam, Thompson and Woodstock (part of the Worcester, MA area), plus four towns estimated separately are included in the Willimantic-Danielson LMA.

**LABOR FORCE CONCEPTS**

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

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

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



# LABOR FORCE ESTIMATES BY TOWN

Town

(By Place of Residence - Not Seasonally Adjusted)

## AUGUST 2012

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
<b>NEW HAVEN</b>	<b>318,739</b>	<b>287,964</b>	<b>30,775</b>	<b>9.7</b>	<b>TORRINGTON</b>	<b>55,881</b>	<b>51,295</b>	<b>4,586</b>	<b>8.2</b>
Bethany	3,125	2,902	223	7.1	Bethlehem	2,068	1,931	137	6.6
Branford	16,714	15,399	1,315	7.9	Canaan	684	645	39	5.7
Cheshire	14,786	13,640	1,146	7.8	Colebrook	822	770	52	6.3
Chester	2,352	2,200	152	6.5	Cornwall	809	757	52	6.4
Clinton	7,700	7,149	551	7.2	Goshen	1,543	1,451	92	6.0
Deep River	2,531	2,350	181	7.2	Kent	1,630	1,528	102	6.3
Durham	4,295	3,978	317	7.4	Litchfield	4,372	4,052	320	7.3
East Haven	16,614	14,951	1,663	10.0	Morris	1,320	1,235	85	6.4
Essex	3,681	3,463	218	5.9	Norfolk	984	923	61	6.2
Guilford	12,889	12,059	830	6.4	North Canaan	1,766	1,607	159	9.0
Hamden	32,905	29,679	3,226	9.8	Roxbury	1,354	1,275	79	5.8
Killingworth	3,638	3,386	252	6.9	Salisbury	1,863	1,747	116	6.2
Madison	9,750	9,102	648	6.6	Sharon	1,460	1,368	92	6.3
Meriden	32,880	29,257	3,623	11.0	Torrington	20,282	18,295	1,987	9.8
New Haven	59,510	51,617	7,893	13.3	Warren	802	748	54	6.7
North Branford	8,349	7,704	645	7.7	Washington	1,952	1,793	159	8.1
North Haven	13,315	12,154	1,161	8.7	Winchester	6,413	5,809	604	9.4
Old Saybrook	5,333	4,928	405	7.6	Woodbury	5,755	5,360	395	6.9
Orange	7,318	6,786	532	7.3					
Wallingford	25,587	23,446	2,141	8.4	<b>WATERBURY</b>	<b>103,613</b>	<b>91,404</b>	<b>12,209</b>	<b>11.8</b>
West Haven	31,625	28,252	3,373	10.7	Beacon Falls	3,443	3,150	293	8.5
Westbrook	3,842	3,562	280	7.3	Middlebury	4,027	3,734	293	7.3
					Naugatuck	17,235	15,326	1,909	11.1
<b>*NORWICH-NEW LONDON</b>	<b>139,975</b>	<b>127,002</b>	<b>12,973</b>	<b>9.3</b>	Prospect	5,305	4,854	451	8.5
Bozrah	1,579	1,426	153	9.7	Waterbury	52,021	44,742	7,279	14.0
Canterbury	3,170	2,894	276	8.7	Watertown	12,379	11,267	1,112	9.0
East Lyme	9,902	9,027	875	8.8	Wolcott	9,203	8,330	873	9.5
Franklin	1,161	1,080	81	7.0					
Griswold	7,442	6,761	681	9.2	<b>WILLIMANTIC-DANIELSON</b>	<b>59,383</b>	<b>53,307</b>	<b>6,076</b>	<b>10.2</b>
Groton	19,121	17,341	1,780	9.3	Brooklyn	4,127	3,717	410	9.9
Ledyard	8,422	7,701	721	8.6	Chaplin	1,354	1,232	122	9.0
Lisbon	2,625	2,385	240	9.1	Eastford	975	912	63	6.5
Lyme	1,280	1,202	78	6.1	Hampton	1,127	995	132	11.7
Montville	10,732	9,766	966	9.0	Killingly	9,557	8,475	1,082	11.3
New London	14,620	12,767	1,853	12.7	Plainfield	8,578	7,609	969	11.3
No. Stonington	3,269	3,011	258	7.9	Pomfret	2,340	2,151	189	8.1
Norwich	22,595	20,389	2,206	9.8	Putnam	5,455	4,961	494	9.1
Old Lyme	4,221	3,916	305	7.2	Scotland	1,000	945	55	5.5
Preston	2,757	2,493	264	9.6	Sterling	2,197	1,976	221	10.1
Salem	2,622	2,395	227	8.7	Thompson	5,523	5,049	474	8.6
Sprague	1,802	1,596	206	11.4	Windham	12,595	11,021	1,574	12.5
Stonington	10,350	9,670	680	6.6	Woodstock	4,556	4,264	292	6.4
Voluntown	1,589	1,437	152	9.6					
Waterford	10,717	9,746	971	9.1					

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

NORWICH-NEW LONDON				
	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
	<b>152,097</b>	<b>138,113</b>	<b>13,984</b>	<b>9.2</b>
Westerly, RI	12,122	11,111	1,011	8.3

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

Not Seasonally Adjusted:				
	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
CONNECTICUT	<b>1,912,900</b>	<b>1,736,900</b>	<b>176,000</b>	<b>9.2</b>
UNITED STATES	<b>155,255,000</b>	<b>142,558,000</b>	<b>12,696,000</b>	<b>8.2</b>
Seasonally Adjusted:				
	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
CONNECTICUT	<b>1,902,900</b>	<b>1,731,900</b>	<b>171,000</b>	<b>9.0</b>
UNITED STATES	<b>154,645,000</b>	<b>142,101,000</b>	<b>12,544,000</b>	<b>8.1</b>

### 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.

	AUG 2012	YR TO DATE 2012	2011	TOWN	AUG 2012	YR TO DATE 2012	2011	TOWN	AUG 2012	YR TO DATE 2012	2011
Andover	0	2	0	Griswold	na	na	na	Preston	1	5	4
Ansonia	1	3	1	Groton	1	8	10	Prospect	na	na	na
Ashford	0	3	3	Guilford	14	22	15	Putnam	0	2	6
Avon	8	24	22	Haddam	1	11	5	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	0	3	3	Ridgefield	1	22	7
Beacon Falls	na	na	na	Hampton	1	5	5	Rocky Hill	2	11	11
Berlin	15	59	44	Hartford	3	16	35	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	0	5	2
Bethel	4	31	38	Harwinton	2	7	5	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	0	0
Bloomfield	na	na	na	Kent	0	1	3	Seymour	2	19	8
Bolton	0	2	4	Killingly	1	14	13	Sharon	1	3	3
Bozrah	0	0	3	Killingworth	na	na	na	Shelton	4	284	27
Branford	na	na	na	Lebanon	0	0	4	Sherman	na	na	na
Bridgeport	16	114	84	Ledyard	2	15	9	Simsbury	26	75	8
Bridgewater	na	na	na	Lisbon	2	3	4	Somers	1	7	8
Bristol	2	23	12	Litchfield	na	na	na	South Windsor	1	11	7
Brookfield	na	na	na	Lyme	0	2	0	Southbury	1	8	4
Brooklyn	2	15	16	Madison	1	13	5	Southington	10	56	44
Burlington	1	18	8	Manchester	1	11	9	Sprague	0	0	1
Canaan	0	0	1	Mansfield	1	5	6	Stafford	na	na	na
Canterbury	2	4	4	Marlborough	0	3	2	Stamford	8	28	66
Canton	1	6	7	Meriden	0	10	6	Sterling	na	na	na
Chaplin	0	0	0	Middlebury	na	na	na	Stonington	1	23	10
Cheshire	3	18	11	Middlefield	1	6	3	Stratford	1	5	10
Chester	na	na	na	Middletown	2	12	22	Suffield	3	18	16
Clinton	0	11	4	Milford	13	96	61	Thomaston	na	na	na
Colchester	1	18	9	Monroe	0	3	5	Thompson	na	na	na
Colebrook	1	1	0	Montville	1	10	6	Tolland	1	7	4
Columbia	0	5	3	Morris	0	0	1	Torrington	1	3	2
Cornwall	0	12	0	Naugatuck	1	5	6	Trumbull	0	4	6
Coventry	4	18	12	New Britain	na	na	na	Union	0	2	2
Cromwell	3	31	20	New Canaan	1	17	16	Vernon	0	69	73
Danbury	4	346	72	New Fairfield	na	na	na	Voluntown	0	1	1
Darien	na	na	na	New Hartford	0	3	4	Wallingford	3	29	36
Deep River	0	1	0	New Haven	0	13	97	Warren	0	0	2
Derby	na	na	na	New London	3	21	18	Washington	na	na	na
Durham	0	2	2	New Milford	0	11	14	Waterbury	1	12	14
East Granby	4	8	8	Newington	74	74	3	Waterford	2	9	8
East Haddam	2	7	9	Newtown	1	7	13	Watertown	2	12	11
East Hampton	1	6	7	Norfolk	1	1	1	West Hartford	6	49	24
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	0	6	15	North Canaan	0	1	2	Westbrook	1	3	4
East Lyme	7	31	23	North Haven	1	9	4	Weston	na	na	na
East Windsor	4	16	23	North Stonington	0	2	1	Westport	2	68	43
Eastford	0	1	2	Norwalk	9	49	48	Wethersfield	na	na	na
Easton	0	1	2	Norwich	2	5	4	Willington	1	2	1
Ellington	15	38	97	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	4	11	23	Winchester	0	2	3
Essex	0	4	0	Orange	na	na	na	Windham	1	6	15
Fairfield	4	32	31	Oxford	2	15	14	Windsor	na	na	na
Farmington	4	31	15	Plainfield	2	8	12	Windsor Locks	na	na	na
Franklin	0	0	12	Plainville	1	9	13	Wolcott	4	15	6
Glastonbury	4	32	21	Plymouth	1	5	4	Woodbridge	na	na	na
Goshen	0	3	1	Pomfret	0	1	3	Woodbury	1	3	6
Granby	0	1	4	Portland	1	4	6	Woodstock	0	0	4
Greenwich	6	42	40								

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 north-western part of the state as a separate area for reporting labor force data. For the convenience of our data users, data for these towns are included in the Torrington LMA. For the same purpose, data for the towns of East Windsor, Enfield, Somers, Suffield and Windsor Locks, which are officially part of the Springfield MSA, are published as the Enfield LMA. Similarly, the towns of Putnam, Thompson and Woodstock - part of the Worcester MSA - are included in the Willimantic-Danielson LMA. Also, data for Westerly, Rhode Island are included in the Norwich-New London LMA. Industry employment and labor force data estimates contained in Connecticut Department of Labor publications are prepared following the same statistical procedures developed by the U.S. Department of Labor, Bureau of Labor Statistics, whether for federally designated or state-determined areas.

## **NONFARM EMPLOYMENT ESTIMATES**

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

## **UI COVERED WAGES**

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

# ECONOMIC INDICATORS AT A GLANCE

(Percent change from prior year; see pages 4-8 for reference months or quarters)

<b>Leading General Drift Indicator</b> ..... +2.5	<b>Business Activity</b>	<b>Tourism and Travel</b>
<b>Coincident General Drift Indicator</b> .. 0.0	New Housing Permits ..... +144.4	Info Center Visitors ..... +22.8
<b>Farmington Bank Bus. Barometer</b> . -0.1	Electricity Sales ..... -3.9	Attraction Visitors ..... +11.4
<b>Phil. Fed's CT Coincident Index</b> .... +1.3	Construction Contracts Index ..... +27.7	Air Passenger Count ..... NA
<b>Total Nonfarm Employment</b> ..... +0.1	New Auto Registrations ..... +4.9	Indian Gaming Slots ..... -5.6
<b>Unemployment Rate</b> ..... +0.2*	Air Cargo Tons ..... NA	Travel and Tourism Index ..... +4.7
Labor Force ..... -0.6	Exports ..... -1.1	
Employed ..... -0.8	S&P 500: Monthly Close ..... +15.4	<b>Employment Cost Index (U.S.)</b>
Unemployed ..... +1.5		Total ..... +1.8
<b>Average Weekly Initial Claims</b> ..... -2.9	<b>Business Starts</b>	Wages & Salaries ..... +1.8
<b>Avg Insured Unempl. Rate</b> ..... -0.06*	Secretary of the State ..... +7.3	Benefit Costs ..... +1.9
<b>U-6 Unemployment Rate</b> ..... -1.4*	Dept. of Labor ..... -11.6	
<b>Prod. Worker Avg Wkly Hours, Mfg</b> -1.2	<b>Business Terminations</b>	<b>Consumer Prices</b>
<b>PW Avg Hourly Earnings, Mfg</b> ..... -4.9	Secretary of the State ..... +7.4	U.S. City Average ..... +1.7
<b>PW Avg Weekly Earnings, Mfg</b> ..... -6.1	Dept. of Labor ..... -35.8	Northeast Region ..... +1.3
<b>CT Mfg. Production Index</b> ..... -5.6		NY-NJ-Long Island ..... +1.4
Production Worker Hours ..... -3.8	<b>State Revenues</b> ..... +8.3	Boston-Brockton-Nashua ..... +0.8
Industrial Electricity Sales ..... -9.4	Corporate Tax ..... -7.9	<b>Interest Rates</b>
<b>Personal Income</b> ..... +2.5	Personal Income Tax ..... +15.5	Prime ..... 0.00*
<b>UI Covered Wages</b> ..... +1.5	Real Estate Conveyance Tax ..... +2.4	Conventional Mortgage ..... -0.67*
	Sales & Use Tax ..... +5.3	
	Indian Gaming Payments ..... -10.3	

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

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## ECONOMIC DIGEST

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