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In October...

Nonfarm Employment

Connecticut	1,674,800
Change over month	0.29%
Change over year	0.8%

United States	134,061,000
Change over month	0.04%
Change over year	1.4%

Unemployment Rate

Connecticut	5.3%
United States	5.0%

Consumer Price Index

United States	199.2
Change over year	4.3%

Business Starts and Terminations by Industry, 2004

By Edward T. Doukas Jr., Research Analyst, DOL

The number of business starts within an industry often closely mirrors the number of business terminations within the same industry. Industries that have a higher count of business starts usually have a higher count of business terminations. This can be explained by the nature of the different industries. Generally, industries requiring a higher level of property, plant and equipment investment are less volatile than those with less of these requirements. These characteristics will be evident in the discussion that follows.

Net Business Formation

During 2004, business starts out-numbered business terminations by 1,456. Net business formation is calculated by subtracting the number of business terminations (7,753) from the number of business starts (9,209) recorded during the year. The 2004 gain in businesses reversed the trend of the previous two years. In 2003, the number of businesses declined by 3; during 2002 there was a net loss of 298.

Service providing industries, with a net gain of 1,345 businesses, bolstered the State's 2004 increase in business formations, providing evidence that the State is continuing to shift from a goods producing to a service providing economy. Among service providing sectors, the industries within the *wholesale trade* grouping had the greatest net gain. The *wholesale trade* sector is comprised of

merchant wholesalers of durable and nondurable goods and electronic markets and agents and brokers. Electronic markets and agents and brokers led all subsectors in net business gain for the year, 234. The characteristics of businesses in the electronic markets and agents and brokers subsector help explain why this sector led the State in business formation. Establishments in this subsector act in the capacity of agents or brokers that operate using the Internet or other electronic means of marketing instead of using a sales force. This segment of the economy is comprised mostly of small establishments. In December 2004, over 90 percent of establishments classified in electronic markets and agents and brokers employed less than 5 employees. These businesses also have a lower level of property and equipment investment.

Goods producing sectors of the economy showed a net gain of 111 businesses in 2004. Of the four sectors that encompass the goods producing industries, *construction* recorded the greatest growth in number of businesses. Within the *construction* sector, *specialty trade construction* added the largest number, followed by *construction of buildings. Manufacturing* industries recorded a net loss of 69 businesses for the year, the largest decline among all industry groups. Within the *manufacturing* sector, *fabricated metal product manufacturing* had the greatest net loss, followed by *machinery*

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Connecticut Business Starts and Terminations by Industry, 2004

NAICS Description	Business		Net Gain/Loss	Dec. Tot. Estab.	% of Net to Total Est.	Ann. Avg. Wage
	Starts	Term.				
Statewide	9,209	7,753	1,456	109,254	1.3	\$51,007
Total private	9,146	7,662	1,484	105,576	1.4	\$51,634
Agriculture, forestry, fishing and hunting	19	16	3	349	0.9	\$25,373
111 Crop production.....	5	5	0	173	0.0	\$24,861
112 Animal production.....	5	3	2	84	2.4	\$29,044
113 Forestry and logging.....	1	1	0	10	0.0	\$36,039
114 Fishing, hunting and trapping.....	1	4	-3	14	-21.4	\$37,201
115 Agriculture and forestry support activities.....	7	3	4	68	5.9	\$21,409
Mining	1	5	-4	62	-6.5	\$55,233
211 Oil and gas extraction.....	0	0	0	n	n	n
212 Mining, except oil and gas.....	0	4	-4	56	-7.1	\$54,771
213 Support activities for mining.....	1	1	0	n	n	n
Utilities	14	8	6	150	4.0	\$97,307
221 Utilities.....	14	8	6	150	4.0	\$97,307
Construction	1,061	880	181	10,799	1.7	\$49,626
236 Construction of buildings.....	380	302	78	3,026	2.6	\$54,246
237 Heavy and civil engineering construction.....	45	48	-3	563	-0.5	\$59,734
238 Specialty trade construction.....	636	530	106	7,210	1.5	\$46,779
Manufacturing	177	246	-69	5,490	-1.3	\$61,071
311 Food manufacturing.....	19	22	-3	282	-1.1	\$35,361
312 Beverage and tobacco product manufacturing.....	3	1	2	33	6.1	\$89,243
313 Textile mills.....	0	3	-3	34	-8.8	\$38,373
314 Textile product mills.....	7	6	1	106	0.9	\$32,778
315 Apparel manufacturing.....	0	6	-6	36	-16.7	\$39,162
316 Leather and allied product manufacturing.....	0	0	0	n	n	n
321 Wood product manufacturing.....	7	7	0	153	0.0	\$40,135
322 Paper manufacturing.....	2	2	0	95	0.0	\$60,981
323 Printing and related support activities.....	11	19	-8	517	-1.5	\$47,137
324 Petroleum and coal products manufacturing.....	0	0	0	n	n	n
325 Chemical manufacturing.....	6	6	0	189	0.0	\$96,504
326 Plastics and rubber products manufacturing.....	1	11	-10	228	-4.4	\$45,122
327 Nonmetallic mineral product manufacturing.....	5	4	1	148	0.7	\$48,003
331 Primary metal manufacturing.....	2	4	-2	92	-2.2	\$52,043
332 Fabricated metal product manufacturing.....	35	63	-28	1,396	-2.0	\$49,089
333 Machinery manufacturing.....	16	31	-15	614	-2.4	\$66,820
334 Computer and electronic product manufacturing.....	14	20	-6	373	-1.6	\$58,003
335 Electrical equipment and appliance manufacturing.....	8	1	7	191	3.7	\$67,507
336 Transportation equipment manufacturing.....	6	5	1	248	0.4	\$71,032
337 Furniture and related product manufacturing.....	22	23	-1	321	-0.3	\$39,920
339 Miscellaneous manufacturing.....	13	12	1	408	0.2	\$47,824
Wholesale trade	1,115	866	249	9,575	2.6	\$68,990
423 Merchant wholesalers, durable goods.....	161	163	-2	2,934	-0.1	\$64,680
424 Merchant wholesalers, nondurable goods.....	97	80	17	1,395	1.2	\$63,841
425 Electronic markets and agents and brokers.....	857	623	234	5,246	4.5	\$88,278
Retail trade	863	818	45	13,288	0.3	\$28,536
441 Motor vehicle and parts dealers.....	51	51	0	1,317	0.0	\$45,859
442 Furniture and home furnishings stores.....	56	59	-3	885	-0.3	\$31,459
443 Electronics and appliance stores.....	69	57	12	716	1.7	\$41,152
444 Building material and garden supply stores.....	47	42	5	959	0.5	\$34,793
445 Food and beverage stores.....	183	161	22	2,222	1.0	\$22,713
446 Health and personal care stores.....	42	48	-6	924	-0.6	\$28,603
447 Gasoline stations.....	53	54	-1	1,089	-0.1	\$22,268
448 Clothing and clothing accessories stores.....	132	112	20	1,661	1.2	\$19,882
451 Sporting goods, hobby, book and music stores.....	66	71	-5	943	-0.5	\$18,180
452 General merchandise stores.....	41	19	22	361	6.1	\$19,748
453 Miscellaneous store retailers.....	93	114	-21	1,545	-1.4	\$21,871
454 Nonstore retailers.....	30	30	0	666	0.0	\$56,630
Transportation and warehousing	153	147	6	1,838	0.3	\$38,831
481 Air transportation.....	10	10	0	88	0.0	\$51,149
482 Rail transportation.....	0	0	0	n	n	n
483 Water transportation.....	0	1	-1	29	-3.4	\$79,524
484 Truck transportation.....	80	68	12	743	1.6	\$40,879
485 Transit and ground passenger transportation.....	24	17	7	348	2.0	\$24,787
486 Pipeline transportation.....	1	0	1	5	20.0	\$92,388
487 Scenic and sightseeing transportation.....	2	3	-1	19	-5.3	\$26,500
488 Support activities for transportation.....	19	22	-3	336	-0.9	\$64,345
491 Postal service.....	1	0	1	n	n	n
492 Couriers and messengers.....	7	21	-14	154	-9.1	\$35,744
493 Warehousing and storage.....	9	5	4	104	3.8	\$40,106
Information	151	180	-29	1,723	-1.7	\$60,986
511 Publishing industries, except Internet.....	30	32	-2	501	-0.4	\$54,895
512 Motion picture and sound recording industries.....	24	30	-6	283	-2.1	\$29,644
515 Broadcasting, except Internet.....	8	8	0	103	0.0	\$69,686
516 Internet publishing and broadcasting.....	8	11	-3	53	-5.7	\$87,986
517 Telecommunications.....	58	64	-6	426	-1.4	\$69,079
518 ISPs, search portals, and data processing.....	20	33	-13	259	-5.0	\$65,611
519 Other information services.....	3	2	1	98	1.0	\$25,008
Finance and insurance	731	483	248	6,730	3.7	\$118,522
521 Monetary authorities-central bank.....	0	0	0	n	n	n
522 Credit intermediation and related activities.....	217	107	110	2,313	4.8	\$78,027
523 Securities, commodity contracts, investments.....	300	213	87	1,909	4.6	\$281,625
524 Insurance carriers and related activities.....	200	151	49	2,402	2.0	\$91,499

Connecticut Business Starts and Terminations by Industry, 2004

NAICS Description	Business		Net	Dec. Tot. Estab.	% of Net to Total Est.	Ann. Avg. Wage
	Starts	Term.	Gain/Loss			
525 Funds, trusts, and other financial vehicles.....	14	12	2	n	n	n
Real estate and rental and leasing	291	208	83	3,603	2.3	\$44,489
531 Real estate.....	245	160	85	2,907	2.9	\$46,485
532 Rental and leasing services.....	40	43	-3	n	n	n
533 Lessors of nonfinancial intangible assets.....	6	5	1	n	n	n
Professional and technical services	1,153	1,098	55	12,512	0.4	\$73,108
541 Professional and technical services.....	1,153	1,098	55	12,512	0.4	\$73,108
Management of companies and enterprises	30	52	-22	607	-3.6	\$121,355
551 Management of companies and enterprises.....	30	52	-22	607	-3.6	\$121,355
Administrative and waste management	631	550	81	6,481	1.2	\$31,413
561 Administrative and support activities.....	593	515	78	5,977	1.3	\$30,341
562 Waste management and remediation services...	38	35	3	504	0.6	\$45,234
Educational services	145	75	70	1,312	5.3	\$44,435
611 Educational services.....	145	75	70	1,312	5.3	\$44,435
Health care and social assistance	401	290	111	9,246	1.2	\$40,409
621 Ambulatory health care services.....	267	183	84	6,181	1.4	\$50,791
622 Hospitals.....	1	4	-3	55	-5.5	\$48,711
623 Nursing and residential care facilities.....	33	16	17	1,136	1.5	\$30,179
624 Social assistance.....	100	87	13	1,874	0.7	\$21,995
Arts, entertainment, and recreation	124	98	26	1,682	1.5	\$24,175
711 Performing arts and spectator sports.....	51	55	-4	510	-0.8	\$38,573
712 Museums, historical sites, zoos, and parks.....	2	1	1	97	1.0	\$25,719
713 Amusement, gambling, and recreation.....	71	42	29	1,075	2.7	\$20,148
Accommodation and food services	627	486	141	7,020	2.0	\$16,599
721 Accommodation.....	20	13	7	448	1.6	\$23,742
722 Food services and drinking places.....	607	473	134	6,572	2.0	\$15,721
Other services, except public administration	1,279	1,077	202	12,778	1.6	\$27,116
811 Repair and maintenance.....	138	158	-20	2,790	-0.7	\$35,903
812 Personal and laundry services.....	228	181	47	3,186	1.5	\$22,877
813 Membership associations and organizations.....	111	78	33	2,033	1.6	\$26,955
814 Private households.....	802	660	142	4,769	3.0	\$20,793
Unclassified	180	79	101	331	30.5	\$55,400
999 Unclassified.....	180	79	101	331	30.5	\$55,400
Total government	63	91	-28	3,678	-0.8	\$47,251
Federal.....	29	34	-5	634	-0.8	\$55,148
State.....	22	50	-28	760	-3.7	\$55,402
Local.....	12	7	5	2,284	0.2	\$43,173

manufacturing, and plastics and rubber products manufacturing. The manufacturing sector's loss of businesses for the year was slightly higher than 2003's decline of 64, but down from the 2002 and 2001 figures of 138 and 139.

Business Starts

In 2004, 99.3 percent of Connecticut's business starts were in the private sector; the public sector accounted for only 63 new units. Service providing sectors of the economy accounted for 86.3 percent of the State total, while the goods producing sectors made up the other 13.7 percent. Among all industry sectors, the *other services* grouping had the largest number of starts accounting for 13.9 percent of the private sector total. The *other services* sector is comprised of businesses not specifically accounted for elsewhere in the classification system. Examples include personal care, dry cleaning and laundry, pet care, temporary parking, and

dating services. The annual wage in this sector is one of the lowest among the industry sectors. Lower wages are a sign of lower education and training requirements and potentially higher turnover as workers seek advancements, representing a significant challenge to the success of businesses in this sector.

Within *other services*, *private households* had the highest total number of starts. This reflects the growing number of households that are employing domestic workers, often on a part-time basis. These private households may employ individuals such as cooks, maids, nannies, and butlers, and outside workers, such as gardeners, caretakers, and other maintenance workers.

Professional and technical services ranked second in business starts among industry sectors. Within this sector, *computer systems design* recorded the most business starts, followed by *management and technical*

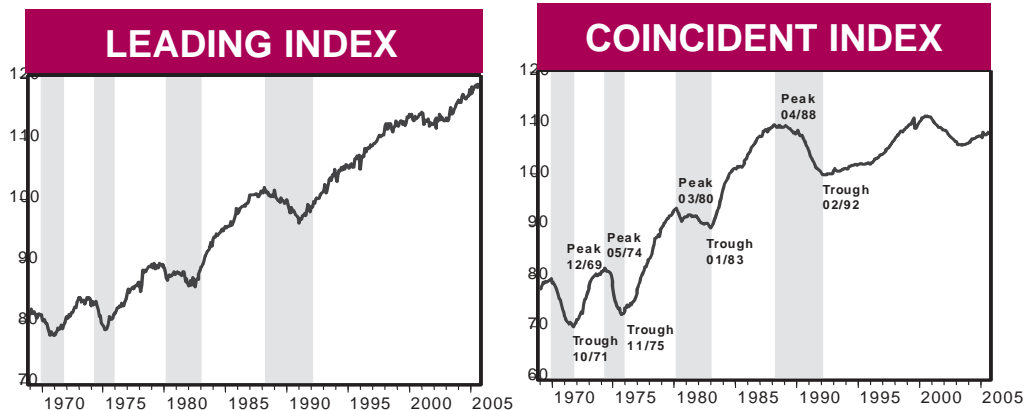
consulting services and *legal services*. *Wholesale trade* came in third among industry sectors.

Factors that play a role in a business remaining open include an ample supply of capital, a sufficiently trained/educated labor force, the location of the business, and general economic conditions. Even within the same industry, business success could vary significantly between areas of the State. The mix of industries within a particular region affects business survival rates.

Business Terminations

Of the 7,753 businesses that closed their doors during 2004, 98.8 percent were privately owned; the remaining 91 were in the public sector. Service providing industries accounted for 85.2 percent of Connecticut's business terminations, while the goods producing sectors accounted for the other 14.8 percent. Among industry sectors, *professional and technical services* recorded the largest number of terminations. As they did for business starts, *computer systems design* businesses had the highest number of closings in the sector, followed by *management and technical services* and *legal services*. The industries in *other services* ranked second with 1,077 businesses closing their doors. *Construction* ranked third with 880 business closings.

Businesses that do not survive have not necessarily failed. Businesses close their doors for many different reasons, not all of them bad. While many establishments do go out of business due to a lack of profits or a poor business plan, many others are terminated following a profitable sale or merger or other transition that sustains the business in a new form. These transitions muddy somewhat the true counts of business starts and terminations, but these data nevertheless offer another perspective on our State's economy. ■



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.

Finally, a Month of Healthy Job Growth in Connecticut

As expected, the FOMC raised the Federal Funds rate by another 25 basis points to 4 percent at its meeting on November 1. Also as expected, the Senate Banking Committee voted to approve Ben Bernanke to be the next chairman of the Federal Reserve. Barring any unforeseen circumstances, Mr. Bernanke should be approved by the full Senate. The new chairman will face many challenges. On the domestic front, inflation continues to pose a threat to the economy, at the same time that the economy is predicted to slow down next year, although no one is predicting a recession. Both the federal budget deficit and the current account deficit are also of concern. However, from Mr. Bernanke's testimony, he made it quite clear that there would be no substantial change from the current policy objectives - that economic growth consistent with stable prices will continue to be the main objectives of the Federal Reserve.

In September, the revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 107.60 in September 2004 to 108.44 in September 2005. Three components of this index are positive contributors, with a lower insured unemployment rate, higher total

non-farm employment, and higher total employment. A higher total unemployment rate is the sole negative contributor. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index rose from 107.90 in August 2005 to 108.44 in September 2005. A lower total unemployment rate, and higher total employment contributed positively to this index. A marginally higher insured unemployment rate, and a slight decrease in total non-farm employment are the two negative contributors. The revised Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank also shows an increase from 148.26 in September 2004 to 153.64 in September 2005, and an increase from 152.28 in August to 153.64 in September. Interestingly, the revised Philadelphia Federal Reserve Bank index shows a much stronger year-to-year growth, but a smaller month-to-month growth for Connecticut than the revised CCEA-ECRI index.

The revised CCEA-ECRI Connecticut leading employment index rose from 116.47 in September 2004 to 119.09 in September 2005. A lower Moody's Baa corporate bond yield, higher initial claims for unemployment insur-

ance, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in manufacturing and construction are positive contributors to this index. A decrease in total housing permits, is the only negative contributor, while the Hartford help-wanted advertising index remained constant at its level of a year ago. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose from 118.31 in August to 119.09 in September 2005. An increase in total housing permits, lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, and a higher Hartford help-wanted advertising index are the four positive contributors, while a lower Moody's Baa corporate bond yield, and lower average weekly hours worked in manufacturing and construction are the two negative contributors.

Total employment shows healthy growth from August to September, increasing by 10,700. The total unemployment rate also fell from 5.4 percent in August to 5.2 percent in September. This is the best showing for Connecticut thus far this year, giving me reasons to be optimistic for the last quarter of 2005.

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Got Data? Information for Workforce Investment Planning – 2005

By Rachel Meyerhoff, Associate Research Analyst, DOL

The Connecticut Department of Labor's Office of Research has recently released the 2005 edition of its *Information for Workforce Investment Planning*. This publication is an annual compilation and analysis of Connecticut economic and demographic data, by town, aggregated by Workforce Investment Area (WIA) for each of the State's five WIAs: Eastern, North Central, Northwest, South Central and Southwest.

For those within the Workforce Investment community, as well as for anyone looking for a central source of labor market information, the *Information for Workforce Investment Planning – 2005* can provide answers to questions such as:

? How many Connecticut towns have experienced population growth of over ten percent since 2000?

A. Five: Goshen, Hampton, Mansfield, Oxford and Tolland

? What is the population density in Bridgeport, and how does it compare with that of Union?

A. Bridgeport (Southwest WIA) has Connecticut's highest population density, at 8,744.4, and Union

(Eastern WIA) has the lowest, at 25.9 persons per square mile.

? Which Connecticut town had the highest unemployment rate in 2004, and which town had the lowest?

A. In 2004, the unemployment rate was highest in Hartford (North Central WIA), at 9.9 percent, and lowest in Colebrook (Northwest WIA), at 2.6 percent of the labor force.

? What size firms employ the largest percentage of workers in Connecticut?

A. Firms with 100 to 249 employees accounted for less than two percent of the total number of worksites, but they employed the highest percentage (18%) of workers among private concerns in Connecticut.

? Which industries reported the highest and which reported the lowest wages?

A. When total annual wages for each industry are divided by the annual average employment in that sector, the result is the annual average wage. In 2004, the Finance and Insurance industry recorded the highest annual average wage (\$118,506); the lowest annual average wage was paid to workers in the Accommodation and Food Services industry (\$16,600).

? The 2000 Census identifies three Connecticut towns with the greatest number of youths between 14 to 18 years of age. Can you name them? Which towns recorded the highest percentage of youths?

A. The towns with the greatest number of 14 to 18 year olds were Bridgeport, Hartford, and New Haven, with 10,297, 9,917, and 9,136 youths, respectively. The towns with the highest percentage of youths were Mansfield (11.1%) and East Hampton (8.7%).

? Is home ownership more likely in Hartford or Weston?

A. According to the 2000 Census, five towns had over half their population residing in renter-occupied housing: Hartford, New Haven, New London, New Britain, and Bridgeport. Four towns had the highest percentage (over 95%) of their population residing in owner-occupied housing: Weston, Killingworth, Durham, and Easton.

? Which towns recorded the largest number of new housing permits?

A. In 2004, the towns with the largest number of new housing permits issued were Danbury, Meriden, and Norwalk, with 398, 323, and 301 permits issued, respectively.

The *Information for Workforce Investment Planning - 2005* contains the latest statistics available from the Connecticut Department of Labor as well as from other state and federal agencies. Also included are charts and thematic maps for selected topics. Divided into five publications, one for each of Connecticut's five WIAs, this publication is available at: <http://www.ctdol.state.ct.us/lmi/misc/iwip.htm>.

GENERAL ECONOMIC INDICATORS

<i>(Seasonally adjusted)</i>	3Q	3Q	CHANGE		2Q
	2005	2004	NO.	%	2005
Employment Indexes (1992=100)*					
Leading	118.7	116.7	2.1	1.8	118.3
Coincident	108.1	107.5	0.6	0.5	108.0
General Drift Indicator (1986=100)*					
Leading	104.0	103.2	0.8	0.8	103.6
Coincident	102.4	102.8	-0.4	-0.4	103.6
Banknorth Business Barometer (1992=100)**	118.0	115.4	2.6	2.3	118.0

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

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

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

Total nonfarm
employment increased
over the year.

EMPLOYMENT BY INDUSTRY SECTOR

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
TOTAL NONFARM	1674.8	1,662.1	12.7	0.8	1,670.0
Construction	71.0	67.6	3.4	5.0	70.7
Manufacturing	196.8	197.7	-0.9	-0.5	196.7
Trade, Transportation and Utilities	316.6	313.8	2.8	0.9	315.8
Information	38.7	38.8	-0.1	-0.3	38.7
Financial Activities	142.2	140.8	1.4	1.0	141.5
Professional and Business Services	199.6	199.0	0.6	0.3	198.7
Leisure and Hospitality	129.7	129.0	0.7	0.5	131.2
Government*	242.8	241.2	1.6	0.7	241.7

Source: Connecticut Department of Labor (see page 12 for other industries, not seasonally adjusted)

* Includes Native American tribal government employment

Initial claims for unem-
ployment insurance rose
from a year ago.

UNEMPLOYMENT

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
Unemployment Rate, resident (%)	5.3	4.7	0.6	---	5.3
Labor Force, resident (000s)	1,821.2	1,794.9	26.3	1.5	1,822.1
Employed (000s)	1,724.2	1,711.1	13.1	0.8	1,725.7
Unemployed (000s)	97.0	83.8	13.2	15.7	96.5
Average Weekly Initial Claims	4,320	4,037	283	7.0	3,907
Help Wanted Index -- Htfd. (1987=100)	NA	8	NA	NA	9
Avg. Insured Unemp. Rate (%)	2.65	2.68	-0.03	---	2.40

Sources: Connecticut Department of Labor; The Conference Board

The production worker
weekly earnings rose
over the year.

MANUFACTURING ACTIVITY

	OCT	OCT	CHANGE		SEP	AUG
	2005	2004	NO.	%	2005	2005
Average Weekly Hours	41.9	42.1	-0.2	-0.5	42.0	--
Average Hourly Earnings	19.19	18.69	0.50	2.7	19.21	--
Average Weekly Earnings	804.06	786.85	17.21	2.2	806.82	--
CT Mfg. Production Index (1986=100)*	115.9	115.1	0.9	0.8	116.8	117.0
Production Worker Hours (000s)	4,974	4,982	-8	-0.2	4,963	--
Industrial Electricity Sales (mil kWh)**	447	455	-8.3	-1.8	425	467

Sources: Connecticut Department of Labor; U.S. Department of Energy

*Seasonally adjusted.

**Latest two months are forecasted.

Personal income for first
quarter 2006 is
forecasted to increase 4.1
percent from a year
earlier.

INCOME

	(Seasonally adjusted)		CHANGE		4Q*
	1Q*	1Q	NO.	%	2005
	(Annualized; \$ Millions)				
	2006	2005			
Personal Income	\$172,810	\$166,079	\$6,731	4.1	\$171,669
UI Covered Wages	\$87,116	\$86,606	\$510	0.6	\$87,195

Source: Bureau of Economic Analysis; September 2005 release

*Forecasted by Connecticut Department of Labor

BUSINESS ACTIVITY

New auto registrations increased from a year ago.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Electricity Sales (mil kWh)	AUG 2005	3,261	11.0	22,257	21,606	3.0
Retail Sales (Bil. \$)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts						
Index (1980=100)	OCT 2005	441.2	21.0	---	---	---
New Auto Registrations	OCT 2005	17,148	7.9	201,226	192,646	4.5
Air Cargo Tons	OCT 2005	14,042	-0.2	132,098	127,915	3.3
Exports (Bil. \$)	3Q 2005	2.40	20.0	7.06	6.33	11.5

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 over the year.

	MO/QTR	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
STARTS						
Secretary of the State	OCT 2005	2,256	2.6	25,236	24,296	3.9
Department of Labor*	1Q 2005	2,685	-6.5	2,685	2,873	-6.5
TERMINATIONS						
Secretary of the State	OCT 2005	670	-1.6	6,935	7,001	-0.9
Department of Labor*	1Q 2005	1,149	-35.6	1,149	1,783	-35.6

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

STATE REVENUES

Gaming payments were up from a year ago.

	YEAR TO DATE					
	OCT 2005	OCT 2004	% CHG	CURRENT	PRIOR	% CHG
(Millions of dollars)						
TOTAL ALL REVENUES*	938.4	798.0	81.6	10,941.7	9,789.1	11.8
Corporate Tax	33.4	42.6	-21.6	577.9	526.2	9.8
Personal Income Tax	331.8	311.4	6.6	5,222.3	4,605.7	13.4
Real Estate Conv. Tax	19.1	14.0	36.4	209.7	180.2	16.4
Sales & Use Tax	316.4	303.2	4.4	3,151.7	3,015.9	4.5
Indian Gaming Payments**	35.4	35.0	1.1	354.6	346.1	2.5

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

TOURISM AND TRAVEL

Gaming slots fell over the year.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Info Center Visitors	OCT 2005	34,621	-22.9	334,740	385,740	-13.2
Major Attraction Visitors	OCT 2005	121,948	-0.6	1,512,059	1,624,812	-6.9
Air Passenger Count	OCT 2005	633,654	4.1	6,184,266	5,576,908	10.9
Indian Gaming Slots (Mil.\$)*	OCT 2005	1,675	-1.2	16,602	17,002	-2.4
Travel and Tourism Index**	3Q 2005	---	0.7	---	---	---

Sources: Connecticut Department of Transportation, Bureau of Aviation and Ports; Connecticut Department of Economic and Community Development; Connecticut Lodging & Attractions Association; Division of Special Revenue

*See page 23 for explanation

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

Compensation cost for the nation rose 3.0 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (June 1989=100)	Seasonally Adjusted			Not Seasonally Adjusted		
	SEP	JUN	3-Mo	SEP	SEP	12-Mo
	2005	2005	% Chg	2005	2004	% Chg
UNITED STATES TOTAL	179.8	178.4	0.8	179.6	174.4	3.0
Wages and Salaries	169.4	168.4	0.6	169.5	165.9	2.2
Benefit Costs	206.2	203.6	1.3	206.4	196.9	4.8
NORTHEAST TOTAL	---	---	---	178.9	173.7	3.0
Wages and Salaries	---	---	---	168.5	164.9	2.2

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

U.S. inflation rate increased 4.3 percent over the year.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE	
			Y/Y	P/P*
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	OCT 2005	199.2	4.3	0.2
Purchasing Power of \$ (1982-84=\$1.00)	OCT 2005	\$0.502	-4.2	-0.2
Northeast Region	OCT 2005	211.5	4.4	0.3
NY-Northern NJ-Long Island	OCT 2005	216.6	4.5	0.4
Boston-Brockton-Nashua**	SEP 2005	220.1	4.9	1.3
CPI-W (1982-84=100)				
U.S. City Average	OCT 2005	195.2	4.7	0.1
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	3Q 2005	NA	NA	NA
New England	OCT 2005	70.4	-19.7	0.4
U.S.	OCT 2005	85.0	-8.5	-2.9

Sources: U.S. Department of Labor, Bureau of Labor Statistics; The Conference Board

*Change over prior monthly or quarterly period

**The Boston CPI can be used as a proxy for New England and is measured every other month.

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

30-year conventional mortgage rate rose to 6.07 percent over the month.

INTEREST RATES

(Percent)	OCT	SEP	OCT
	2005	2005	2004
Prime	6.75	6.59	4.75
Federal Funds	3.78	3.62	1.76
3 Month Treasury Bill	3.79	3.42	1.79
6 Month Treasury Bill	4.13	3.67	2.05
1 Year Treasury Bill	4.18	3.85	2.23
3 Year Treasury Note	4.29	3.96	2.85
5 Year Treasury Note	4.33	4.01	3.35
7 Year Treasury Note	4.38	4.08	3.75
10 Year Treasury Note	4.46	4.20	4.10
20 Year Treasury Note	4.74	4.51	4.85
Conventional Mortgage	6.07	5.77	5.72

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>	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
Connecticut	1,674.8	1,662.1	12.7	0.8	1,670.0
Maine	618.2	614.9	3.3	0.5	616.5
Massachusetts	3,201.2	3,186.2	15.0	0.5	3,208.3
New Hampshire	642.5	630.7	11.8	1.9	642.5
New Jersey	4,059.8	4,017.8	42.0	1.0	4,064.5
New York	8,541.8	8,477.9	63.9	0.8	8,550.7
Pennsylvania	5,724.8	5,661.0	63.8	1.1	5,722.2
Rhode Island	494.7	489.2	5.5	1.1	495.3
Vermont	309.4	305.1	4.3	1.4	309.6
United States	134,061.0	132,162.0	1,899.0	1.4	134,005.0

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

LABOR FORCE

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

<i>(Seasonally adjusted; 000s)</i>	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
Connecticut	1,821.2	1,794.9	26.3	1.5	1,822.1
Maine	719.3	702.3	17.0	2.4	717.2
Massachusetts	3,378.5	3,388.1	-9.6	-0.3	3,381.3
New Hampshire	741.1	724.2	16.9	2.3	741.8
New Jersey	4,500.3	4,392.3	108.0	2.5	4,484.5
New York	9,476.6	9,368.5	108.1	1.2	9,492.7
Pennsylvania	6,313.1	6,308.8	4.3	0.1	6,341.2
Rhode Island	576.7	561.8	14.9	2.7	579.3
Vermont	357.2	353.4	3.8	1.1	355.6
United States	150,079.0	147,893.0	2,186.0	1.5	150,093.0

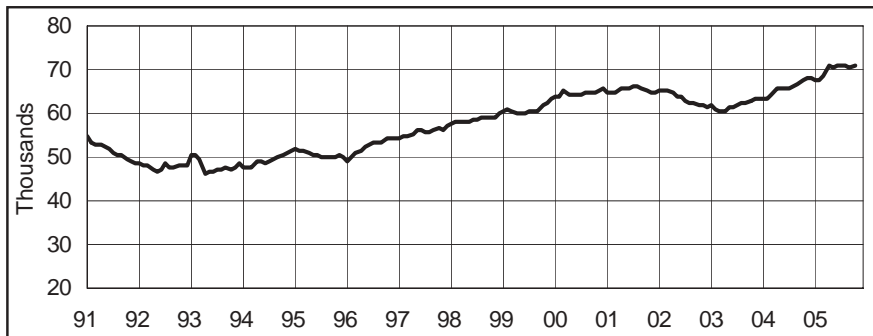
Source: U.S. Department of Labor, Bureau of Labor Statistics

UNEMPLOYMENT RATES

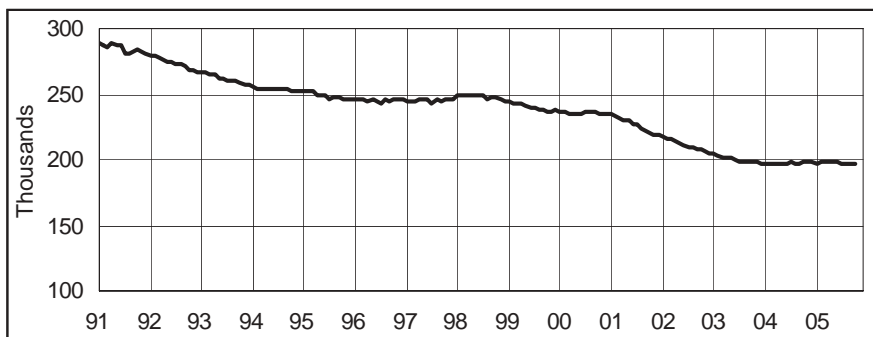
Three of nine states showed a decrease in its unemployment rate over the year.

<i>(Seasonally adjusted)</i>	OCT	OCT	CHANGE	SEP
	2005	2004		2005
Connecticut	5.3	4.7	0.6	5.3
Maine	5.2	4.7	0.5	5.4
Massachusetts	4.8	4.8	0.0	4.8
New Hampshire	3.9	3.5	0.4	3.9
New Jersey	3.9	4.5	-0.6	4.4
New York	4.9	5.5	-0.6	5.3
Pennsylvania	4.6	5.6	-1.0	4.9
Rhode Island	5.4	4.9	0.5	5.7
Vermont	4.0	3.4	0.6	3.7
United States	5.0	5.5	-0.5	5.1

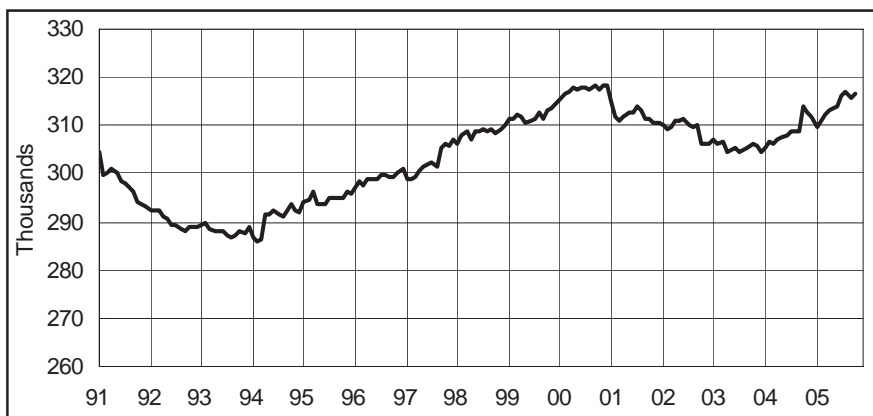
Source: U.S. Department of Labor, Bureau of Labor Statistics

CONSTRUCTION EMPLOYMENT *(Seasonally adjusted)*

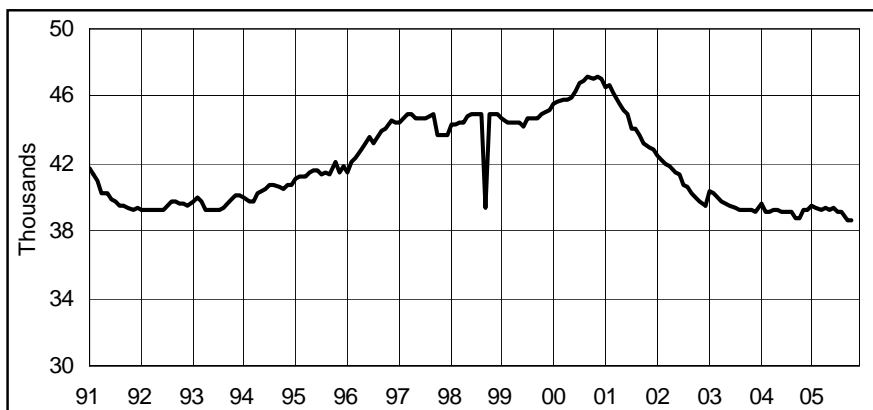
Month	2003	2004	2005
Jan	62.0	63.4	67.5
Feb	61.0	63.2	67.7
Mar	60.7	64.2	68.8
Apr	60.5	65.6	70.8
May	61.3	65.6	70.6
Jun	61.2	65.8	71.1
Jul	62.1	65.8	71.1
Aug	62.3	66.1	71.1
Sep	62.4	66.5	70.7
Oct	63.0	67.6	71.0
Nov	63.3	68.1	
Dec	63.3	68.1	

MANUFACTURING EMPLOYMENT *(Seasonally adjusted)*

Month	2003	2004	2005
Jan	204.5	197.3	197.6
Feb	203.2	197.2	198.9
Mar	202.2	197.3	198.9
Apr	201.6	197.5	198.7
May	200.9	197.4	198.2
Jun	200.0	197.5	197.9
Jul	199.1	198.1	197.3
Aug	198.4	197.3	196.8
Sep	197.7	197.0	196.7
Oct	197.9	197.7	196.8
Nov	197.7	197.7	
Dec	197.3	197.9	

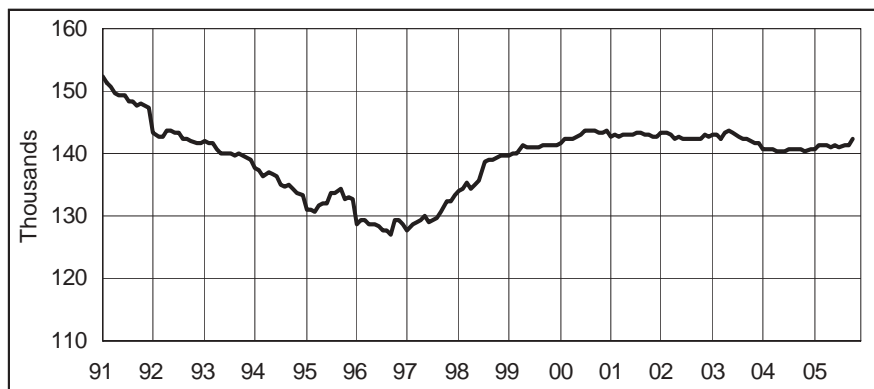
TRADE, TRANSPORTATION, & UTILITIES EMP. *(Seasonally adjusted)*

Month	2003	2004	2005
Jan	306.9	305.5	309.7
Feb	306.4	306.5	310.8
Mar	306.7	306.4	312.1
Apr	304.5	307.0	313.1
May	305.1	307.6	313.5
Jun	305.4	308.0	314.0
Jul	304.6	308.9	316.2
Aug	304.8	308.7	317.2
Sep	305.4	308.9	315.8
Oct	306.4	313.8	316.6
Nov	305.6	312.9	
Dec	304.3	311.7	

INFORMATION EMPLOYMENT *(Seasonally adjusted)*

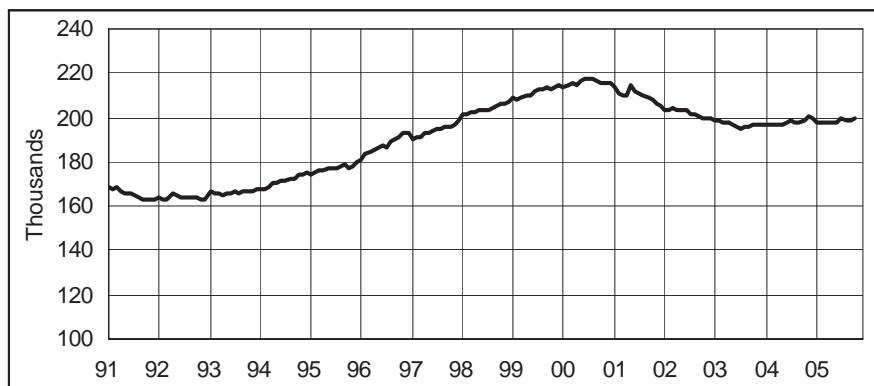
Month	2003	2004	2005
Jan	40.4	39.6	39.5
Feb	40.2	39.1	39.4
Mar	40.0	39.1	39.3
Apr	39.8	39.2	39.4
May	39.6	39.2	39.3
Jun	39.5	39.1	39.4
Jul	39.4	39.1	39.1
Aug	39.3	39.1	39.1
Sep	39.2	38.8	38.7
Oct	39.2	38.8	38.7
Nov	39.2	39.2	
Dec	39.1	39.3	

FINANCIAL ACTIVITIES EMPLOYMENT *(Seasonally adjusted)*



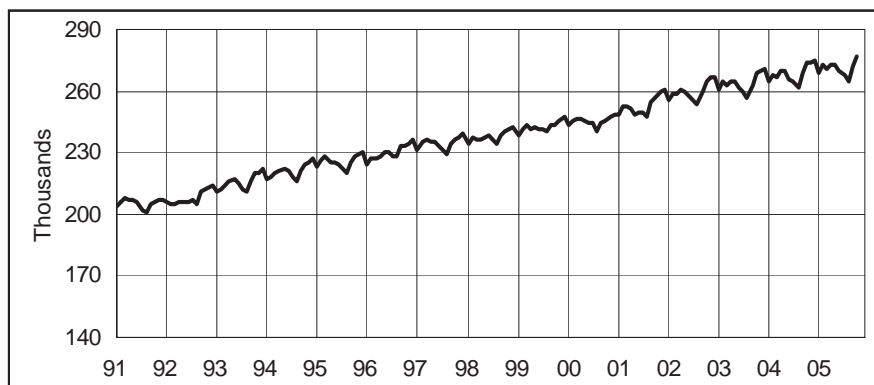
Month	2003	2004	2005
Jan	143.1	140.8	140.7
Feb	142.9	140.8	141.2
Mar	142.5	140.6	141.3
Apr	143.4	140.5	141.3
May	143.7	140.4	141.1
Jun	143.5	140.5	141.2
Jul	142.7	140.6	141.1
Aug	142.5	140.6	141.2
Sep	142.3	140.7	141.5
Oct	142.1	140.8	142.2
Nov	141.7	140.4	
Dec	141.6	140.8	

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



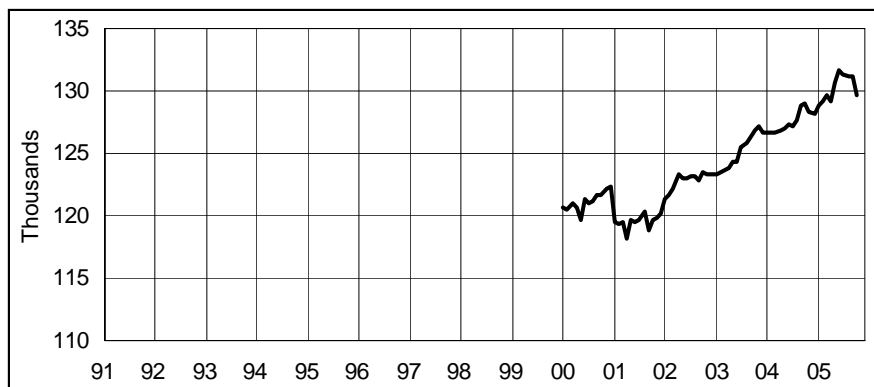
Month	2003	2004	2005
Jan	199.1	196.6	197.8
Feb	198.9	196.6	198.1
Mar	197.8	196.7	198.0
Apr	197.3	196.9	197.9
May	196.6	197.1	197.6
Jun	195.6	197.6	197.8
Jul	195.3	198.2	199.9
Aug	195.4	198.0	199.1
Sep	195.6	198.0	198.7
Oct	196.4	199.0	199.6
Nov	196.9	200.1	
Dec	196.5	199.5	

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



Month	2003	2004	2005
Jan	261.1	264.4	268.7
Feb	264.3	268.2	272.7
Mar	263.0	267.0	271.1
Apr	265.1	269.5	273.1
May	264.6	269.8	272.6
Jun	261.4	266.0	269.5
Jul	260.0	264.5	267.6
Aug	257.0	261.5	265.0
Sep	262.4	268.3	271.7
Oct	268.5	273.5	276.4
Nov	270.0	274.1	
Dec	270.3	274.3	

LEISURE AND HOSPITALITY EMPLOYMENT *(Seasonally adjusted)*



Month	2003	2004	2005
Jan	123.3	126.7	128.9
Feb	123.5	126.6	129.2
Mar	123.6	126.7	129.7
Apr	123.8	126.9	129.2
May	124.3	127.0	130.7
Jun	124.4	127.4	131.6
Jul	125.5	127.1	131.4
Aug	125.9	127.6	131.1
Sep	126.3	128.9	131.2
Oct	126.8	129.0	129.7
Nov	127.1	128.3	
Dec	126.6	128.1	

CONNECTICUT



Not Seasonally Adjusted

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
TOTAL NONFARM EMPLOYMENT	1,684,500	1,671,900	12,600	0.8	1,673,200
GOODS PRODUCING INDUSTRIES	271,200	268,600	2,600	1.0	271,500
CONSTRUCTION, NAT. RES. & MINING	74,100	70,700	3,400	4.8	74,700
MANUFACTURING	197,100	197,900	-800	-0.4	196,800
Durable Goods	147,100	147,300	-200	-0.1	147,000
Fabricated Metal.....	34,100	34,000	100	0.3	34,100
Machinery.....	18,500	18,700	-200	-1.1	18,500
Computer and Electronic Product.....	15,100	15,500	-400	-2.6	15,100
Electrical Equipment.....	10,600	10,600	0	0.0	10,500
Transportation Equipment.....	43,600	43,200	400	0.9	43,500
Aerospace Product and Parts.....	30,200	29,800	400	1.3	30,300
Non-Durable Goods	50,000	50,600	-600	-1.2	49,800
Printing and Related.....	8,100	8,300	-200	-2.4	8,000
Chemical.....	17,100	17,100	0	0.0	17,000
Plastics and Rubber Products.....	7,600	7,700	-100	-1.3	7,500
SERVICE PROVIDING INDUSTRIES	1,413,300	1,403,300	10,000	0.7	1,401,700
TRADE, TRANSPORTATION, UTILITIES	315,000	312,300	2,700	0.9	313,200
Wholesale Trade.....	66,900	65,600	1,300	2.0	66,900
Retail Trade.....	195,800	195,500	300	0.2	194,300
Motor Vehicle and Parts Dealers.....	23,100	23,200	-100	-0.4	23,100
Building Material.....	16,400	15,900	500	3.1	16,500
Food and Beverage Stores.....	43,900	43,800	100	0.2	43,800
General Merchandise Stores.....	26,800	26,300	500	1.9	25,900
Transportation, Warehousing, & Utilities....	52,300	51,200	1,100	2.1	52,000
Utilities.....	8,600	8,800	-200	-2.3	8,600
Transportation and Warehousing.....	43,700	42,400	1,300	3.1	43,400
INFORMATION	38,800	38,900	-100	-0.3	38,700
Telecommunications.....	13,000	13,700	-700	-5.1	13,100
FINANCIAL ACTIVITIES	142,200	140,800	1,400	1.0	141,600
Finance and Insurance.....	121,500	120,500	1,000	0.8	120,800
Credit Intermediation.....	31,900	31,500	400	1.3	31,800
Securities and Commodity Contracts.....	19,800	18,900	900	4.8	19,600
Insurance Carriers & Related Activities....	64,900	65,400	-500	-0.8	64,500
Real Estate and Rental and Leasing.....	20,700	20,300	400	2.0	20,800
PROFESSIONAL & BUSINESS SERVICES	201,300	200,700	600	0.3	200,700
Professional, Scientific.....	87,400	87,900	-500	-0.6	86,300
Legal Services.....	14,700	14,700	0	0.0	14,700
Computer Systems Design.....	19,000	18,900	100	0.5	18,700
Management of Companies.....	24,500	25,600	-1,100	-4.3	24,500
Administrative and Support.....	89,400	87,200	2,200	2.5	89,900
Employment Services.....	31,500	31,000	500	1.6	31,700
EDUCATIONAL AND HEALTH SERVICES	276,400	273,500	2,900	1.1	271,700
Educational Services.....	54,000	53,300	700	1.3	50,200
Health Care and Social Assistance.....	222,400	220,200	2,200	1.0	221,500
Hospitals.....	56,400	55,800	600	1.1	56,300
Nursing & Residential Care Facilities.....	57,400	57,600	-200	-0.3	57,500
Social Assistance.....	36,100	34,900	1,200	3.4	35,600
LEISURE AND HOSPITALITY	129,800	129,100	700	0.5	132,900
Arts, Entertainment, and Recreation.....	24,500	24,600	-100	-0.4	26,000
Accommodation and Food Services.....	105,300	104,500	800	0.8	106,900
Food Serv., Restaurants, Drinking Places.	93,400	93,100	300	0.3	94,800
OTHER SERVICES	63,000	62,700	300	0.5	62,800
GOVERNMENT	246,800	245,300	1,500	0.6	240,100

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>				
	OCT 2005	OCT 2004	CHANGE NO.	CHANGE %	SEP 2005
TOTAL NONFARM EMPLOYMENT.....	416,800	414,200	2,600	0.6	413,400
GOODS PRODUCING INDUSTRIES.....	55,700	56,700	-1,000	-1.8	55,900
CONSTRUCTION, NAT. RES. & MINING.....	15,300	15,200	100	0.7	15,300
MANUFACTURING.....	40,400	41,500	-1,100	-2.7	40,600
Durable Goods.....	29,600	30,200	-600	-2.0	29,700
SERVICE PROVIDING INDUSTRIES.....	361,100	357,500	3,600	1.0	357,500
TRADE, TRANSPORTATION, UTILITIES.....	75,300	75,400	-100	-0.1	74,400
Wholesale Trade.....	14,600	14,800	-200	-1.4	14,600
Retail Trade.....	50,200	50,000	200	0.4	49,500
Transportation, Warehousing, & Utilities....	10,500	10,600	-100	-0.9	10,300
INFORMATION.....	11,900	11,900	0	0.0	11,900
FINANCIAL ACTIVITIES.....	42,900	42,100	800	1.9	42,700
Finance and Insurance.....	36,000	35,300	700	2.0	36,100
PROFESSIONAL & BUSINESS SERVICES	69,800	70,300	-500	-0.7	69,600
EDUCATIONAL AND HEALTH SERVICES	62,100	60,800	1,300	2.1	60,400
Health Care and Social Assistance.....	52,000	51,400	600	1.2	51,500
LEISURE AND HOSPITALITY.....	33,600	32,900	700	2.1	34,000
Accommodation and Food Services.....	23,900	23,800	100	0.4	24,100
OTHER SERVICES.....	17,100	16,900	200	1.2	17,000
GOVERNMENT	48,400	47,200	1,200	2.5	47,500
Federal.....	3,600	3,600	0	0.0	3,600
State & Local.....	44,800	43,600	1,200	2.8	43,900

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

DANBURY LMA



	<i>Not Seasonally Adjusted</i>				
	OCT 2005	OCT 2004	CHANGE NO.	CHANGE %	SEP 2005
TOTAL NONFARM EMPLOYMENT.....	69,600	69,800	-200	-0.3	68,400
GOODS PRODUCING INDUSTRIES.....	13,300	13,400	-100	-0.7	13,300
SERVICE PROVIDING INDUSTRIES.....	56,300	56,400	-100	-0.2	55,100
TRADE, TRANSPORTATION, UTILITIES.....	16,100	15,900	200	1.3	15,700
Retail Trade.....	12,100	12,100	0	0.0	11,800
PROFESSIONAL & BUSINESS SERVICES	8,900	8,500	400	4.7	8,800
LEISURE AND HOSPITALITY.....	5,100	5,100	0	0.0	5,200
GOVERNMENT	8,400	8,300	100	1.2	7,900
Federal.....	600	600	0	0.0	600
State & Local.....	7,800	7,700	100	1.3	7,300

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*

	OCT 2005	OCT 2004	CHANGE		SEP 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	547,400	544,900	2,500	0.5	542,000
GOODS PRODUCING INDUSTRIES	86,300	86,600	-300	-0.3	86,300
CONSTRUCTION, NAT. RES. & MINING	22,200	22,500	-300	-1.3	22,200
MANUFACTURING	64,100	64,100	0	0.0	64,100
Durable Goods	53,700	53,800	-100	-0.2	53,700
Transportation Equipment	18,400	18,300	100	0.5	18,500
SERVICE PROVIDING INDUSTRIES	461,100	458,300	2,800	0.6	455,700
TRADE, TRANSPORTATION, UTILITIES	90,100	89,600	500	0.6	89,300
Wholesale Trade.....	18,400	18,900	-500	-2.6	18,500
Retail Trade.....	57,000	56,100	900	1.6	56,200
Transportation, Warehousing, & Utilities....	14,700	14,600	100	0.7	14,600
Transportation and Warehousing.....	11,000	11,000	0	0.0	10,900
INFORMATION	11,700	11,300	400	3.5	11,700
FINANCIAL ACTIVITIES	67,300	67,800	-500	-0.7	67,600
Depository Credit Institutions.....	7,800	7,800	0	0.0	7,900
Insurance Carriers & Related Activities....	44,200	45,700	-1,500	-3.3	44,600
PROFESSIONAL & BUSINESS SERVICES	59,100	58,000	1,100	1.9	58,900
Professional, Scientific.....	27,600	26,800	800	3.0	27,300
Administrative and Support.....	25,800	25,300	500	2.0	26,000
EDUCATIONAL AND HEALTH SERVICES	86,200	85,200	1,000	1.2	84,700
Health Care and Social Assistance.....	74,300	73,500	800	1.1	73,700
Ambulatory Health Care.....	22,600	22,300	300	1.3	22,400
LEISURE AND HOSPITALITY	38,800	38,400	400	1.0	38,800
Accommodation and Food Services.....	31,900	31,300	600	1.9	31,800
OTHER SERVICES	20,800	20,700	100	0.5	20,700
GOVERNMENT	87,100	87,300	-200	-0.2	84,000
Federal.....	6,100	6,100	0	0.0	6,100
State & Local.....	81,000	81,200	-200	-0.2	77,900

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.*

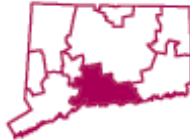
BUSINESS AND ECONOMIC NEWS

- **Growth in inflation-adjusted earnings, 1979-2004**

Growth in earnings for white women (in U.S.) has outpaced that for their black and Hispanic or Latino counterparts over the past 25 years. Between 1979 and 2004, inflation-adjusted weekly earnings for white women grew fairly steadily, from \$444 to \$584 (32 percent). Earnings over the period grew from \$408 to \$505 (24 percent) for black women and from \$379 to \$419 (11 percent) for Hispanic or Latino women. In contrast, real earnings for white and for black men rose only slightly, while those for Hispanic or Latino men fell by 9 percent. These data on earnings are produced by the Current Population Survey. Earnings data in this article are median usual weekly earnings of full-time wage and salary workers. The Consumer Price Index research series using current methods (CPI-U-RS) was used for the inflation adjustment; the inflation-adjusted earnings are in 2004 dollars. For more information see "Highlights of Women's Earnings in 2004," BLS Report 987 (PDF 196K). (The Editor's Desk, Bureau of Labor Statistics, November 1, 2005)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
TOTAL NONFARM EMPLOYMENT	273,500	273,300	200	0.1	272,000
GOODS PRODUCING INDUSTRIES	46,100	46,200	-100	-0.2	45,900
CONSTRUCTION, NAT. RES. & MINING	12,400	12,300	100	0.8	12,200
MANUFACTURING	33,700	33,900	-200	-0.6	33,700
Durable Goods.....	22,500	23,200	-700	-3.0	22,700
SERVICE PROVIDING INDUSTRIES	227,400	227,100	300	0.1	226,100
TRADE, TRANSPORTATION, UTILITIES	51,300	50,500	800	1.6	50,700
Wholesale Trade.....	11,500	11,300	200	1.8	11,400
Retail Trade.....	32,600	32,000	600	1.9	32,200
Transportation, Warehousing, & Utilities....	7,200	7,200	0	0.0	7,100
INFORMATION	9,100	8,700	400	4.6	9,000
Telecommunications.....	5,300	5,400	-100	-1.9	5,200
FINANCIAL ACTIVITIES	12,800	13,800	-1,000	-7.2	13,200
Finance and Insurance.....	9,000	10,200	-1,200	-11.8	9,000
PROFESSIONAL & BUSINESS SERVICES	25,100	26,000	-900	-3.5	25,400
Administrative and Support.....	12,600	11,700	900	7.7	12,600
EDUCATIONAL AND HEALTH SERVICES	62,300	62,700	-400	-0.6	61,500
Educational Services.....	21,800	22,200	-400	-1.8	20,900
Health Care and Social Assistance.....	40,500	40,500	0	0.0	40,600
LEISURE AND HOSPITALITY	22,500	20,900	1,600	7.7	22,600
Accommodation and Food Services.....	18,600	17,100	1,500	8.8	18,800
OTHER SERVICES	10,700	10,400	300	2.9	10,900
GOVERNMENT	33,600	34,100	-500	-1.5	32,800
Federal.....	5,500	5,500	0	0.0	5,500
State & Local.....	28,100	28,600	-500	-1.7	27,300

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

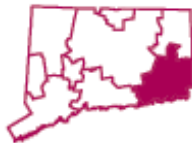
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.

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

BUSINESS AND ECONOMIC NEWS (Cont.)

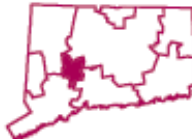
■ International factory productivity gains in 2004

Among fourteen countries under comparison, seven, including the United States, had manufacturing productivity gains of over 4.5 percent in 2004. Korea registered the largest gain (12.1 percent), followed by Sweden (9.3 percent). Manufacturing productivity increased in all of the compared economies except Italy and Australia. U.S. productivity growth in manufacturing in 2004 was 4.7 percent, about half the increase of 2003, and less than the average yearly increase over the last decade. It was greater, however, than the average annual growth rate since 1979. Six of the other 13 economies for which comparisons are available also had productivity growth in 2004 that exceeded their annual average increases over the 1979-2004 period. These data are from the Foreign Labor Statistics program. Data are subject to revision. Additional information is available in "International Comparisons of Manufacturing Productivity and Unit Labor Cost Trends, 2004," news release USDL 05-1990. (The Editor's Desk, Bureau of Labor Statistics, October 28, 2005)

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

	OCT 2005	OCT 2004	CHANGE		SEP 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	136,500	135,600	900	0.7	136,900
GOODS PRODUCING INDUSTRIES	22,900	22,300	600	2.7	22,900
CONSTRUCTION, NAT. RES. & MINING	5,000	4,700	300	6.4	5,000
MANUFACTURING	17,900	17,600	300	1.7	17,900
Durable Goods.....	11,300	11,000	300	2.7	11,300
Non-Durable Goods.....	6,600	6,600	0	0.0	6,600
SERVICE PROVIDING INDUSTRIES	113,600	113,300	300	0.3	114,000
TRADE, TRANSPORTATION, UTILITIES	22,600	22,500	100	0.4	22,500
Wholesale Trade.....	1,900	1,900	0	0.0	1,900
Retail Trade.....	16,300	16,400	-100	-0.6	16,200
Transportation, Warehousing, & Utilities....	4,400	4,200	200	4.8	4,400
INFORMATION	2,000	2,100	-100	-4.8	2,000
FINANCIAL ACTIVITIES	3,400	3,300	100	3.0	3,400
PROFESSIONAL & BUSINESS SERVICES	10,300	10,200	100	1.0	10,200
EDUCATIONAL AND HEALTH SERVICES	18,500	18,100	400	2.2	18,300
Health Care and Social Assistance.....	15,800	15,500	300	1.9	15,800
LEISURE AND HOSPITALITY	13,300	13,300	0	0.0	14,500
Accommodation and Food Services.....	10,900	10,900	0	0.0	11,900
Food Serv., Restaurants, Drinking Places.	8,700	8,700	0	0.0	9,500
OTHER SERVICES	3,900	3,900	0	0.0	3,900
GOVERNMENT	39,600	39,900	-300	-0.8	39,200
Federal.....	2,300	2,400	-100	-4.2	2,300
**State & Local.....	37,300	37,500	-200	-0.5	36,900

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

WATERBURY LMA*Not Seasonally Adjusted*

	OCT 2005	OCT 2004	CHANGE		SEP 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	70,100	69,400	700	1.0	69,800
GOODS PRODUCING INDUSTRIES	14,300	14,100	200	1.4	14,300
CONSTRUCTION, NAT. RES. & MINING	3,200	3,100	100	3.2	3,200
MANUFACTURING	11,100	11,000	100	0.9	11,100
SERVICE PROVIDING INDUSTRIES	55,800	55,300	500	0.9	55,500
TRADE, TRANSPORTATION, UTILITIES	13,500	13,400	100	0.7	13,300
Wholesale Trade.....	2,100	2,100	0	0.0	2,100
Retail Trade.....	9,000	9,000	0	0.0	8,900
Transportation, Warehousing, & Utilities....	2,400	2,300	100	4.3	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	6,100	6,200	-100	-1.6	6,000
EDUCATIONAL AND HEALTH SERVICES	14,200	13,800	400	2.9	14,300
Health Care and Social Assistance.....	13,000	12,600	400	3.2	13,100
LEISURE AND HOSPITALITY	4,800	4,900	-100	-2.0	4,900
OTHER SERVICES	2,800	2,800	0	0.0	2,800
GOVERNMENT	10,500	10,300	200	1.9	10,300
Federal.....	600	600	0	0.0	600
State & Local.....	9,900	9,700	200	2.1	9,700

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.*

NONFARM EMPLOYMENT ESTIMATES LMA

SMALLER LMAS



Not Seasonally Adjusted

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA.....	45,100	47,100	-2,000	-4.2	44,500
TORRINGTON LMA.....	36,000	37,200	-1,200	-3.2	35,900
WILLIMANTIC - DANIELSON LMA.....	37,300	36,900	400	1.1	37,700

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

SPRINGFIELD, MA-CT NECTA*

Not Seasonally Adjusted

	OCT	OCT	CHANGE		SEP
	2005	2004	NO.	%	2005
TOTAL NONFARM EMPLOYMENT.....	299,200	297,300	1,900	0.6	298,300
GOODS PRODUCING INDUSTRIES.....	51,200	50,900	300	0.6	51,500
CONSTRUCTION, NAT. RES. & MINING....	11,000	11,300	-300	-2.7	11,500
MANUFACTURING.....	40,200	39,600	600	1.5	40,000
Durable Goods.....	25,300	24,800	500	2.0	25,200
Non-Durable Goods.....	14,900	14,800	100	0.7	14,800
SERVICE PROVIDING INDUSTRIES.....	248,000	246,400	1,600	0.6	246,800
TRADE, TRANSPORTATION, UTILITIES....	61,200	60,500	700	1.2	60,600
Wholesale Trade.....	11,900	11,100	800	7.2	11,700
Retail Trade.....	36,600	36,400	200	0.5	36,100
Transportation, Warehousing, & Utilities....	12,700	13,000	-300	-2.3	12,800
INFORMATION.....	4,300	4,500	-200	-4.4	4,300
FINANCIAL ACTIVITIES.....	16,200	16,200	0	0.0	16,200
Finance and Insurance.....	12,200	12,400	-200	-1.6	12,200
Insurance Carriers & Related Activities....	7,700	7,800	-100	-1.3	7,700
PROFESSIONAL & BUSINESS SERVICES	24,400	24,600	-200	-0.8	24,300
EDUCATIONAL AND HEALTH SERVICES	54,900	54,300	600	1.1	54,200
Educational Services.....	12,400	12,200	200	1.6	11,600
Health Care and Social Assistance.....	42,500	42,100	400	1.0	42,600
LEISURE AND HOSPITALITY.....	27,700	27,200	500	1.8	28,400
OTHER SERVICES.....	11,600	11,400	200	1.8	11,500
GOVERNMENT	47,700	47,700	0	0.0	47,300
Federal.....	6,800	6,700	100	1.5	7,000
State & Local.....	40,900	41,000	-100	-0.2	40,300

* New England City and Town Area

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.

LMA LABOR FORCE ESTIMATES

		EMPLOYMENT	OCT	OCT	CHANGE		SEP
<i>(Not seasonally adjusted)</i>		STATUS	2005	2004	NO.	%	2005
CONNECTICUT	Civilian Labor Force		1,817,300	1,787,600	29,700	1.7	1,810,700
	Employed		1,730,100	1,714,000	16,100	0.9	1,720,100
	Unemployed		87,200	73,600	13,600	18.5	90,600
	Unemployment Rate		4.8	4.1	0.7	---	5.0
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force		463,400	455,800	2,200	0.5	461,200
	Employed		442,700	438,400	3,000	0.7	439,700
	Unemployed		20,700	17,300	-800	-3.7	21,500
	Unemployment Rate		4.5	3.8	-0.2	---	4.7
DANBURY LMA	Civilian Labor Force		90,000	89,200	800	0.9	89,200
	Employed		86,800	86,300	1,100	1.3	85,700
	Unemployed		3,300	2,900	-100	-2.9	3,400
	Unemployment Rate		3.6	3.2	-0.3	---	3.9
ENFIELD LMA	Civilian Labor Force		48,100	46,900	100	0.2	48,000
	Employed		45,900	45,000	200	0.4	45,700
	Unemployed		2,200	1,900	-100	-4.3	2,300
	Unemployment Rate		4.6	4.0	-0.2	---	4.8
HARTFORD LMA	Civilian Labor Force		568,900	559,400	3,500	0.6	565,400
	Employed		540,400	535,000	4,400	0.8	536,000
	Unemployed		28,500	24,400	-900	-3.1	29,400
	Unemployment Rate		5.0	4.4	-0.2	---	5.2
NEW HAVEN LMA	Civilian Labor Force		302,000	297,400	600	0.2	301,400
	Employed		287,100	285,100	1,200	0.4	285,900
	Unemployed		14,900	12,200	-700	-4.5	15,600
	Unemployment Rate		4.9	4.1	-0.3	---	5.2
NORWICH - NEW LONDON LMA	Civilian Labor Force		149,200	145,900	-900	-0.6	150,100
	Employed		142,600	140,400	-500	-0.3	143,100
	Unemployed		6,600	5,400	-300	-4.3	6,900
	Unemployment Rate		4.4	3.7	-0.2	---	4.6
TORRINGTON LMA	Civilian Labor Force		52,600	53,600	0	0.0	52,600
	Employed		50,300	51,500	0	0.0	50,300
	Unemployed		2,300	2,100	0	0.0	2,300
	Unemployment Rate		4.3	4.0	-0.1	---	4.4
WATERBURY LMA	Civilian Labor Force		100,700	98,200	400	0.4	100,300
	Employed		94,500	93,000	600	0.6	93,900
	Unemployed		6,200	5,100	-200	-3.1	6,400
	Unemployment Rate		6.2	5.2	-0.2	---	6.4
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force		55,700	54,200	-200	-0.4	55,900
	Employed		52,600	51,700	-100	-0.2	52,700
	Unemployed		3,100	2,500	-100	-3.1	3,200
	Unemployment Rate		5.6	4.6	-0.1	---	5.7
UNITED STATES	Civilian Labor Force		150,304,000	147,978,000	2,326,000	1.6	149,838,000
	Employed		143,340,000	140,447,000	2,893,000	2.1	142,579,000
	Unemployed		6,964,000	7,531,000	-567,000	-7.5	7,259,000
	Unemployment Rate		4.6	5.1	-0.5	---	4.8

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

CONNECTICUT

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS				
	OCT		CHG	SEP	OCT		CHG	SEP	OCT		CHG	SEP	
	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	
<i>(Not seasonally adjusted)</i>													
MANUFACTURING	\$804.06	\$786.85	\$17.21	\$806.82	41.9	42.1	-0.2	42.0	\$19.19	\$18.69	\$0.50	\$19.21	
DURABLE GOODS	829.08	812.35	16.73	836.11	42.0	42.2	-0.2	42.1	19.74	19.25	0.49	19.86	
Fabricated Metal	764.48	733.56	30.92	750.61	42.9	43.1	-0.2	42.6	17.82	17.02	0.80	17.62	
Machinery	815.36	808.96	6.40	809.78	41.6	41.4	0.2	41.4	19.60	19.54	0.06	19.56	
Computer & Electronic	663.37	651.98	11.38	646.67	40.4	40.8	-0.4	39.6	16.42	15.98	0.44	16.33	
Transport. Equipment	1,035.33	1,007.49	27.84	1,050.92	42.8	43.0	-0.2	43.0	24.19	23.43	0.76	24.44	
NON-DUR. GOODS	742.79	718.91	23.88	728.83	41.8	41.7	0.1	41.6	17.77	17.24	0.53	17.52	
CONSTRUCTION	862.22	883.35	-21.13	911.82	38.0	39.0	-1.0	38.9	22.69	22.65	0.04	23.44	

LMAs

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS			
	OCT		CHG	SEP	OCT		CHG	SEP	OCT		CHG	SEP
	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005
MANUFACTURING												
Bridgeport - Stamford	\$858.00	\$867.63	-\$9.63	\$813.70	44.0	42.2	1.8	41.6	\$19.50	\$20.56	-\$1.06	\$19.56
Hartford	991.30	888.80	102.50	950.91	45.1	44.0	1.1	43.7	21.98	20.20	1.78	21.76
New Haven	636.29	595.50	40.79	668.17	38.4	40.9	-2.5	40.3	16.57	14.56	2.01	16.58
Norwich - New London	811.51	801.48	10.03	805.37	42.2	42.7	-0.5	42.1	19.23	18.77	0.46	19.13
Waterbury	866.86	752.54	114.32	811.73	45.6	40.7	4.9	42.7	19.01	18.49	0.52	19.01

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

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- October 2005 had the announcement that Shelter Logic LLC, a maker of outdoor shelters, will move to a larger facility in Watertown by the end of December, with 50 new jobs being created. The city of Bridgeport has announced plans to hire 16 new firefighters. Hartford will get a new supermarket as Save-A-Lot is planning to open a store which will employ 33 people. As a result of a joint drug therapy project with Eli Lilly & Co., HistoRx, Inc., a biotechnology company in New Haven, will have a need for 20 new employees in 2006.
- October 2005 saw the closing of Roger's Bakery, which had operated in Plainville for 106 years. Twenty-three workers were affected by the closing. With the discontinuation of its residential program, St. Francis Home for Children in New Haven will be forced to lay off 120 workers.

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)***OCTOBER 2005**

<u>LMA/TOWNS</u>	<u>LABOR FORCE</u>	<u>EMPLOYED</u>	<u>UNEMPLOYED</u>	<u>%</u>	<u>LMA/TOWNS</u>	<u>LABOR FORCE</u>	<u>EMPLOYED</u>	<u>UNEMPLOYED</u>	<u>%</u>
BRIDGEPORT-STAMFORD					HARTFORD cont....				
	461,219	439,716	21,503	4.7	Canton	5,263	5,077	186	3.5
Ansonia	9,877	9,255	622	6.3	Colchester	8,456	8,075	381	4.5
Bridgeport	62,100	57,273	4,827	7.8	Columbia	2,920	2,811	109	3.7
Darien	8,854	8,521	333	3.8	Coventry	6,814	6,523	291	4.3
Derby	6,815	6,413	402	5.9	Cromwell	7,592	7,271	321	4.2
Easton	3,693	3,570	123	3.3	East Granby	2,812	2,705	107	3.8
Fairfield	28,128	27,005	1,123	4.0	East Haddam	4,964	4,778	186	3.7
Greenwich	29,682	28,632	1,050	3.5	East Hampton	6,485	6,086	399	6.2
Milford	30,485	29,154	1,331	4.4	East Hartford	25,179	23,505	1,674	6.6
Monroe	10,428	10,042	386	3.7	Ellington	8,275	7,959	316	3.8
New Canaan	8,727	8,428	299	3.4	Farmington	12,409	11,913	496	4.0
Newtown	13,737	13,203	534	3.9	Glastonbury	17,686	17,032	654	3.7
Norwalk	47,585	45,628	1,957	4.1	Granby	5,992	5,785	207	3.5
Oxford	6,208	5,968	240	3.9	Haddam	4,570	4,405	165	3.6
Redding	4,458	4,297	161	3.6	Hartford	47,911	43,188	4,723	9.9
Ridgefield	11,555	11,149	406	3.5	Hartland	1,161	1,126	35	3.0
Seymour	8,930	8,512	418	4.7	Harwinton	3,036	2,921	115	3.8
Shelton	21,948	21,028	920	4.2	Hebron	5,298	5,074	224	4.2
Southbury	8,718	8,374	344	3.9	Lebanon	4,125	3,939	186	4.5
Stamford	65,635	62,852	2,783	4.2	Manchester	31,228	29,626	1,602	5.1
Stratford	25,903	24,450	1,453	5.6	Mansfield	12,009	11,546	463	3.9
Trumbull	17,515	16,818	697	4.0	Marlborough	3,415	3,291	124	3.6
Weston	4,838	4,672	166	3.4	Middlefield	2,357	2,246	111	4.7
Westport	12,348	11,914	434	3.5	Middletown	25,589	24,409	1,180	4.6
Wilton	8,228	7,915	313	3.8	New Britain	34,163	31,622	2,541	7.4
Woodbridge	4,826	4,645	181	3.8	New Hartford	3,590	3,457	133	3.7
DANBURY 89,150 85,715 3,435 3.9					Newington	16,349	15,586	763	4.7
Bethel	10,690	10,298	392	3.7	Plainville	9,957	9,446	511	5.1
Bridgewater	1,020	990	30	2.9	Plymouth	6,639	6,286	353	5.3
Brookfield	8,772	8,461	311	3.5	Portland	5,090	4,865	225	4.4
Danbury	43,040	41,317	1,723	4.0	Rocky Hill	10,359	9,922	437	4.2
New Fairfield	7,553	7,238	315	4.2	Simsbury	11,772	11,336	436	3.7
New Milford	15,970	15,382	588	3.7	Southington	23,181	22,215	966	4.2
Sherman	2,106	2,030	76	3.6	South Windsor	14,041	13,530	511	3.6
ENFIELD 47,976 45,675 2,301 4.8					Stafford	6,660	6,311	349	5.2
East Windsor	5,903	5,586	317	5.4	Thomaston	4,508	4,274	234	5.2
Enfield	23,705	22,514	1,191	5.0	Tolland	7,954	7,684	270	3.4
Somers	4,624	4,407	217	4.7	Union	446	437	9	2.0
Suffield	6,914	6,652	262	3.8	Vernon	16,719	15,927	792	4.7
Windsor Locks	6,830	6,516	314	4.6	West Hartford	29,046	27,649	1,397	4.8
HARTFORD 565,436 536,043 29,393 5.2					Wethersfield	13,282	12,608	674	5.1
Andover	1,935	1,843	92	4.8	Willington	3,830	3,684	146	3.8
Ashford	2,468	2,381	87	3.5	Windsor	15,690	14,939	751	4.8
Avon	8,663	8,406	257	3.0	<p>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.</p>				
Barkhamsted	2,133	2,059	74	3.5					
Berlin	10,658	10,188	470	4.4					
Bloomfield	9,496	8,914	582	6.1					
Bolton	3,019	2,901	118	3.9					
Bristol	33,215	31,421	1,794	5.4					
Burlington	5,027	4,861	166	3.3					

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)

OCTOBER 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	301,420	285,850	15,570	5.2	TORRINGTON	52,634	50,292	2,342	4.4
Bethany	2,929	2,820	109	3.7	Bethlehem	1,976	1,918	58	2.9
Branford	16,950	16,239	711	4.2	Canaan	593	575	18	3.0
Cheshire	14,355	13,801	554	3.9	Colebrook	809	790	19	2.3
Chester	2,222	2,144	78	3.5	Cornwall	803	781	22	2.7
Clinton	7,758	7,462	296	3.8	Goshen	1,477	1,428	49	3.3
Deep River	2,540	2,444	96	3.8	Kent	1,544	1,499	45	2.9
Durham	4,034	3,897	137	3.4	Litchfield	4,257	4,086	171	4.0
East Haven	15,764	14,882	882	5.6	Morris	1,285	1,236	49	3.8
Essex	3,712	3,573	139	3.7	Norfolk	930	903	27	2.9
Guilford	12,514	12,072	442	3.5	North Canaan	1,690	1,636	54	3.2
Hamden	30,304	28,954	1,350	4.5	Roxbury	1,325	1,286	39	2.9
Killingworth	3,472	3,355	117	3.4	Salisbury	1,951	1,885	66	3.4
Madison	9,773	9,450	323	3.3	Sharon	1,529	1,482	47	3.1
Meriden	30,712	28,749	1,963	6.4	Torrington	18,583	17,547	1,036	5.6
New Haven	54,383	50,236	4,147	7.6	Warren	695	674	21	3.0
North Branford	8,087	7,718	369	4.6	Washington	1,915	1,853	62	3.2
North Haven	12,627	12,091	536	4.2	Winchester	5,935	5,573	362	6.1
Old Saybrook	5,335	5,142	193	3.6	Woodbury	5,335	5,139	196	3.7
Orange	6,969	6,694	275	3.9					
Wallingford	24,396	23,360	1,036	4.2	WATERBURY	100,337	93,898	6,439	6.4
Westbrook	3,586	3,429	157	4.4	Beacon Falls	3,178	3,031	147	4.6
West Haven	29,000	27,339	1,661	5.7	Middlebury	3,642	3,504	138	3.8
					Naugatuck	16,964	16,067	897	5.3
*NORWICH-NEW LONDON					Prospect	5,190	4,982	208	4.0
	136,599	130,179	6,420	4.7	Waterbury	50,229	46,187	4,042	8.0
Bozrah	1,486	1,399	87	5.9	Watertown	12,283	11,695	588	4.8
Canterbury	3,119	2,950	169	5.4	Wolcott	8,851	8,433	418	4.7
East Lyme	9,656	9,293	363	3.8					
Franklin	1,182	1,140	42	3.6	WILLIMANTIC-DANIELSON	55,883	52,721	3,162	5.7
Griswold	7,029	6,673	356	5.1	Brooklyn	3,677	3,533	144	3.9
Groton	19,309	18,399	910	4.7	Chaplin	1,348	1,285	63	4.7
Ledyard	8,484	8,167	317	3.7	Eastford	932	886	46	4.9
Lisbon	2,602	2,459	143	5.5	Hampton	1,107	1,036	71	6.4
Lyme	1,148	1,114	34	3.0	Killingly	9,189	8,613	576	6.3
Montville	10,939	10,469	470	4.3	Plainfield	8,357	7,810	547	6.5
New London	13,739	12,886	853	6.2	Pomfret	2,200	2,109	91	4.1
No. Stonington	3,242	3,124	118	3.6	Putnam	5,050	4,771	279	5.5
Norwich	20,551	19,408	1,143	5.6	Scotland	945	911	34	3.6
Old Lyme	4,243	4,100	143	3.4	Sterling	1,859	1,761	98	5.3
Preston	2,837	2,696	141	5.0	Thompson	5,235	4,962	273	5.2
Salem	2,564	2,461	103	4.0	Windham	11,623	10,866	757	6.5
Sprague	1,823	1,701	122	6.7	Woodstock	4,360	4,177	183	4.2
Stonington	10,443	10,101	342	3.3					
Voluntown	1,610	1,526	84	5.2					
Waterford	10,592	10,113	479	4.5					

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

NORWICH-NEW LONDON				
	150,053	143,117	6,936	4.6
Westerly, RI	13,454	12,938	516	3.8

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

Not Seasonally Adjusted:				
CONNECTICUT	1,810,700	1,720,100	90,600	5.0
UNITED STATES	149,838,000	142,579,000	7,259,000	4.8
Seasonally Adjusted:				
CONNECTICUT	1,822,100	1,725,700	96,500	5.3
UNITED STATES	150,093,000	142,432,000	7,661,000	5.1

LABOR FORCE CONCEPTS (Continued)

The **unemployment rate** represents the number unemployed as a percent of the civilian labor force.

With the exception of those persons temporarily absent from a job or waiting to be recalled to one, persons with no job and who are not actively looking for one are counted as "not in the labor force".

Over the course of a year, the size of the labor force and the levels of employment undergo fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays and the opening and closing of schools. Because these seasonal events follow a regular pattern each year, their influence on statistical trends can be eliminated by adjusting the monthly statistics. **Seasonal Adjustment** makes it easier to observe cyclical and other nonseasonal developments.

HOUSING PERMIT ACTIVITY BY TOWN

TOWN	OCT 2005	YR TO DATE 2005	2004	TOWN	OCT 2005	YR TO DATE 2005	2004	TOWN	OCT 2005	YR TO DATE 2005	2004
Andover	2	13	21	Griswold	na	na	63	Preston	2	26	18
Ansonia	0	12	12	Groton	1	135	254	Prospect	na	na	31
Ashford	3	14	26	Guilford	13	71	62	Putnam	3	32	44
Avon	1	61	85	Haddam	9	50	55	Redding	na	na	17
Barkhamsted	na	na	15	Hamden	3	24	35	Ridgefield	3	30	37
Beacon Falls	na	na	22	Hampton	3	20	24	Rocky Hill	3	69	79
Berlin	6	57	69	Hartford	6	129	136	Roxbury	na	na	10
Bethany	na	na	31	Hartland	na	na	9	Salem	2	25	28
Bethel	3	12	30	Harwinton	4	18	26	Salisbury	na	na	10
Bethlehem	na	na	7	Hebron	na	na	31	Scotland	1	9	13
Bloomfield	na	na	105	Kent	1	12	13	Seymour	1	84	35
Bolton	1	5	13	Killingly	4	96	80	Sharon	0	10	17
Bozrah	1	11	11	Killingworth	na	na	23	Shelton	106	204	115
Branford	na	na	37	Lebanon	3	34	74	Sherman	na	na	20
Bridgeport	4	193	107	Ledyard	6	43	60	Simsbury	7	44	84
Bridgewater	na	na	7	Lisbon	2	16	16	Somers	2	23	35
Bristol	11	100	103	Litchfield	na	na	28	South Windsor	5	63	92
Brookfield	na	na	66	Lyme	0	8	5	Southbury	0	60	85
Brooklyn	5	56	42	Madison	6	40	39	Southington	5	132	155
Burlington	2	29	47	Manchester	10	251	139	Sprague	0	16	8
Canaan	1	5	2	Mansfield	4	48	39	Stafford	na	na	65
Canterbury	0	19	20	Marlborough	3	28	36	Stamford	24	246	167
Canton	6	93	122	Meriden	12	109	128	Sterling	na	na	42
Chaplin	2	17	19	Middlebury	na	na	55	Stonington	8	69	81
Cheshire	1	35	54	Middlefield	0	2	8	Stratford	3	29	39
Chester	na	na	10	Middletown	17	211	187	Suffield	3	82	56
Clinton	7	31	46	Milford	21	261	250	Thomaston	na	na	33
Colchester	13	76	67	Monroe	2	37	25	Thompson	na	na	37
Colebrook	1	7	8	Montville	5	69	66	Tolland	5	85	75
Columbia	1	30	27	Morris	1	8	8	Torrington	9	83	89
Cornwall	1	8	11	Naugatuck	8	80	69	Trumbull	3	37	61
Coventry	7	39	41	New Britain	na	na	30	Union	0	5	3
Cromwell	1	12	48	New Canaan	6	55	49	Vernon	15	179	158
Danbury	15	420	378	New Fairfield	na	na	40	Voluntown	0	5	10
Darien	na	na	141	New Hartford	2	33	41	Wallingford	17	141	169
Deep River	1	4	13	New Haven	5	105	142	Warren	2	12	13
Derby	na	na	14	New London	7	65	35	Washington	na	na	7
Durham	4	41	39	New Milford	3	66	105	Waterbury	5	117	61
East Granby	0	21	17	Newington	3	36	36	Waterford	2	35	31
East Haddam	4	44	45	Newtown	5	92	121	Watertown	5	56	55
East Hampton	17	130	139	Norfolk	0	5	4	West Hartford	2	17	37
East Hartford	na	na	11	North Branford	na	na	46	West Haven	na	na	20
East Haven	8	66	35	North Canaan	0	7	9	Westbrook	0	28	31
East Lyme	11	85	74	North Haven	11	139	66	Weston	na	na	11
East Windsor	8	77	61	North Stonington	1	24	26	Westport	8	97	105
Eastford	0	13	21	Norwalk	9	117	247	Wethersfield	na	na	7
Easton	0	10	7	Norwich	4	264	186	Willington	2	15	23
Ellington	11	75	60	Old Lyme	na	na	28	Wilton	na	na	34
Enfield	na	na	49	Old Saybrook	1	45	41	Winchester	9	41	30
Essex	1	9	16	Orange	na	na	25	Windham	3	60	14
Fairfield	15	125	154	Oxford	19	208	194	Windsor	na	na	73
Farmington	4	91	118	Plainfield	1	41	43	Windsor Locks	na	na	52
Franklin	0	2	6	Plainville	3	17	27	Wolcott	5	48	56
Glastonbury	5	60	97	Plymouth	4	19	46	Woodbridge	na	na	11
Goshen	4	39	47	Pomfret	3	14	23	Woodbury	2	32	37
Granby	4	55	60	Portland	3	42	132	Woodstock	7	62	77
Greenwich	19	174	138								

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 +2.2	Business Activity	Tourism and Travel
Coincident Employment Index +0.8	Electricity Sales +11.0	Info Center Visitors -22.9
Leading General Drift Indicator +0.8	Retail Sales -0.6	Attraction Visitors -0.6
Coincident General Drift Indicator . -0.4	Construction Contracts Index +21.0	Air Passenger Count +4.1
Banknorth Business Barometer ... +2.3	New Auto Registrations +7.9	Indian Gaming Slots -1.2
	Air Cargo Tons -0.2	Travel and Tourism Index +0.7
Total Nonfarm Employment +0.8	Exports +20.0	
		Employment Cost Index (U.S.)
Unemployment Rate +0.6		Total +3.0
Labor Force +1.5	Business Starts	Wages & Salaries +2.2
Employed +0.8	Secretary of the State +2.6	Benefit Costs +4.8
Unemployed +15.7	Dept. of Labor -6.5	
		Consumer Prices
Average Weekly Initial Claims +7.0	Business Terminations	U.S. City Average +4.3
Help Wanted Index -- Hartford NA	Secretary of the State -1.6	Northeast Region +4.4
Average Ins. Unempl. Rate -0.03*	Dept. of Labor -35.6	NY-NJ-Long Island +4.5
		Boston-Brockton-Nashua +4.9
Average Weekly Hours, Mfg -0.5	State Revenues +81.6	Consumer Confidence
Average Hourly Earnings, Mfg +2.7	Corporate Tax -21.6	Connecticut NA
Average Weekly Earnings, Mfg +2.2	Personal Income Tax +6.6	New England -19.7
CT Mfg. Production Index +0.8	Real Estate Conveyance Tax +36.4	U.S. -8.5
Production Worker Hours -0.2	Sales & Use Tax +4.4	
Industrial Electricity Sales -1.8	Indian Gaming Payments +1.1	Interest Rates
		Prime +2.00*
Personal Income +4.1		Conventional Mortgage +0.35*
UI Covered Wages +0.6		

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

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We would appreciate your input:

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

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

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