THE CONNECTICUT
ECONOMIC DIGEST

Vol.12 No.2 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

FEBRUARY 2007

IN THIS ISSUE...

Health Care and Social Assistance Industry Profiled .. 1-3

Multiple jobholding in 2005 5

Economic Indicators
of Employment 4
on the Overall Economy 5
Individual Data Items 6-8
Comparative Regional Data 9
Economic Indicator Trends 10-11
Business & Economic News 14-15
Business and Employment Changes Announced in the News Media 19
Labor Market Areas:
Nonfarm Employment 12-17
Labor Force 18
Hours and Earnings 19
Cities and Towns:
Labor Force 20-21
Housing Permits 22
Technical Notes 23
At a Glance 24

In December...

Nonfarm Employment

Connecticut 1,679,200
Change over month 0.07%
Change over year 0.6%

United States 136,214,000
Change over month 0.12%
Change over year 1.4%

Unemployment Rate

Connecticut 4.2%
United States 4.5%

Consumer Price Index

United States 201.8
Change over year 2.5%

Health Care and Social Assistance Industry Profiled

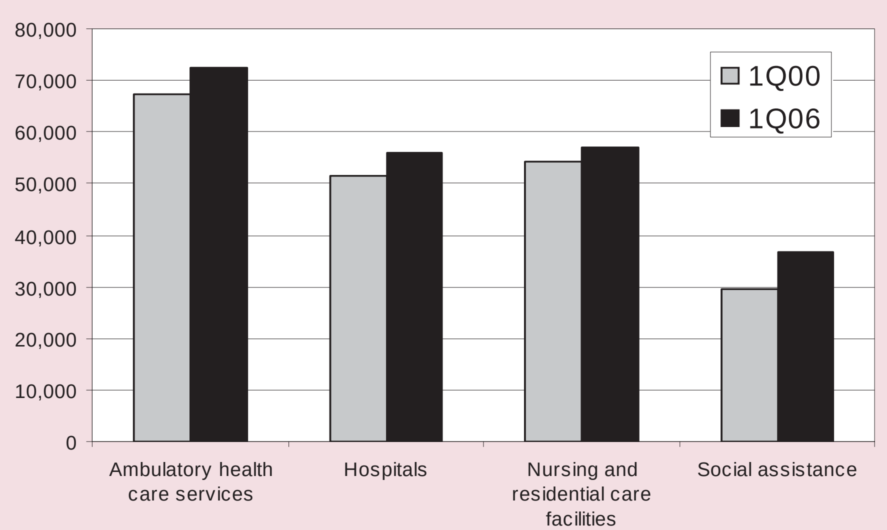
By Edward T. Doukas, Jr., Research Analyst, DOL

The *health care and social assistance* (*HCSA*) sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of theses two activities. Trained professionals deliver the services provided by establishments in this sector. All industries in the sector share this commonality of process, namely, labor inputs of health practitioners or social workers with the requisite expertise.

Sector Description

In the first quarter of 2006 (1Q06), there were over 222,000 workers employed in *HCSA*. This represented Connecticut's largest employment sector, accounting for 16 percent of the State's total private employment. Since the first quarter of 2000 (1Q00), *HCSA* employment expanded 9.8 percent, the second highest gain among industry sectors ranking only behind *educational services*, which grew by 17 percent. Total private employment in the State declined 2.4 percent during the same period. This growth substantiates the outlook presented in the Connecticut Department of Labor publication, Connecticut's Industries and Occupations, Forecast 2014. This report projects employment in *HCSA* to grow 17.5 percent between 2004 and 2014, the highest percentage increase of any industry sector.

Employment in Health care and Social Assistance Sub-sectors



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The Connecticut Economic Digest is published monthly by the Connecticut Department of Labor, Office of Research and the Connecticut Department of Economic and Community Development, Compliance Office and Planning/Program Support. Its purpose is to regularly provide users with a comprehensive source for the most current, up-to-date data available on the workforce and economy of the state, within perspectives of the region and nation.

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

Contributing Staff: Rob Damroth (CCT), Cynthia L. DeLisa, Salvatore DiPillo, Lincoln S. Dyer, Arthur Famiglietti, Daniel W. Kennedy, Ph.D., Stanley McMillen, Ph.D. (DECD), David F. Post, Joseph Slepski, Mark Stankiewicz and Kolie Sun (DECD). **Managing Editor:** Jungmin Charles Joo. We would also like to thank our associates at the Connecticut Center for Economic Analysis, University of Connecticut, for their contributions to the Digest.

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All industry sub-sectors within HCSA showed healthy gains in employment between 1Q00 and 1Q06. The *social assistance* sub-sector bolstered the increase, particularly *individual and family services*, which expanded nearly 43 percent. A watchful eye will have to focus on the employment level of *social assistance* to see if this level of employment gain will be sustained in the future. Federal budget decisions that affect "discretionary" programs will have a direct impact on any future gains. Continued proposals to reduce spending for programs that benefit housing, vocational rehabilitation, certain nutrition and children's services, the elderly, and persons with disabilities, will not only result in service cuts, but also in lost employment opportunities.

While the perception exists that workers in the health care field earn a high wage, the fact is that, on average, these employees earn significantly less than other private sector employees. The average wage for *HCSA* workers was $785 in 1Q06, compared to $1,238 in all private industries. Reviewing wage figures highlights that wages earned are not evenly distributed through the four sub-sectors that comprise *HCSA*. Workers in *hospitals* and *ambulatory health care services* earned higher wage levels, $991 and $929, respectively. Those in the other two sub-sectors, *nursing and residential care facilities* and *social assistance,* had lower earning levels, averaging $623 and $440 weekly.

There were 9,367 establishments in 1Q06. They accounted for 8.8 percent of the State's total number of private establishments and represented an increase of 5.0 percent from 1Q00, slightly higher than the total private increase of 3.3 percent. Within *HCSA*, establishments in *nursing and residential care facilities* had the greatest expansion, while *hospitals* showed the lowest growth. The lower level of growth in establishments classified in the *hospitals* sub-sector can be explained by the nature of the industry. Generally, establishments classified as *hospitals* require a higher level of property and equipment investment, making these establishments less volatile than those industries with less of these requirements.

Ambulatory health care services made up the greatest percentage of establishments in *HCSA*, 67 percent, while *hospitals* fell at the other end of the spectrum, accounting for just 0.6 percent of sector worksites. Overall, 92 percent of *HCSA* establishments fall in the small business category, defined as having fewer than 50 employees. *Ambulatory health care services* had the highest percentage of establishments considered small, 96 percent. *Hospitals* lean the other way, with 28 percent of establishments classified as small establishments.

Health Care

The health care industry includes establishments ranging from small-town private practices of physicians who employ only one medical assistant to busy inner-city hospitals that provide thousands of diverse jobs. Some examples of the type of establishments that make up the health care segment of *HCSA* includes the following: offices of health care practitioners (physicians and dentists), home health care services, hospitals, nursing and residential care facilities, medical and diagnostic laboratories, and other ambulatory health care services (patient transport services and blood and organ banks).

The health care industry is one of constant change. Technological advances used for the diagnosis and treatment of illness and injury have made many new procedures and methods of diagnosis and treatment possible. Cost containment also is shaping the health care industry, as shown by the growing emphasis on providing services on an outpatient, ambulatory basis; limiting unnecessary or low-priority services; and stressing preventive care, which reduces the potential cost of undiagnosed, untreated medical conditions. However, there are labor force issues that remain a constant in this sea of change. Within Connecticut, as well as nationally, there are difficulties in recruiting and retaining qualified workers. This shortage places additional mental and physical stress on existing providers. Longer work hours, which can include mandatory overtime, can have a negative impact not only on the health care worker, but also on the quality of care the patient receives.

On the bright side, studies point towards a strong demand for health care professionals. The number of people in older age groups, with much greater than average health care needs, will grow faster than the total population. According to the State Department of Labor's 2014 industry forecast, due to industry growth and the need to replace retirement-age health care workers, the window of opportunity should be open for nurses, pharmacists, radiological technologists and technicians, dental hygienists, and physical therapists, just to name a few occupations.

Social Assistance

Social assistance is an industry populated with professionals possessing a strong desire to help improve people's lives. Workers in this industry help people function the best way they can in their environment, deal with their relationships, and solve personal and family problems. These services include individual and family services, emergency and other relief services, vocational rehabilitation services, and child day care services.

Some of the fastest growing occupations are found in the social services sub-sector where employment is expected to increase faster than the average. The rapidly growing elderly population and the aging baby boom generation will create greater demand for social services. Our projections show that employment in the social services industries are expected to grow by over 32 percent between 2004 and 2014, ranking among the fastest growing industries. However, a large number of social service jobs are part-time and lower paying, evidenced by lower weekly wages referenced earlier in this article.

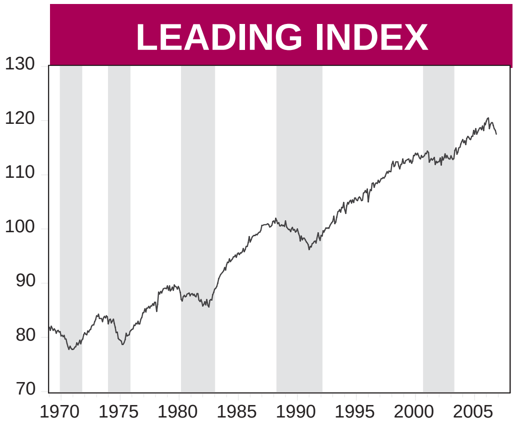
Labor force issues affecting this sub-sector include high job turnover, which impacts an employer's ability to provide sufficient and appropriate safety and health training. Workers deal with the mentally ill, physically disabled, and families in crisis. The work, while satisfying, can be emotionally draining. These factors contribute to mental and physical stress on the workers. Understaffing and large caseloads add to the pressure. Also, non-traditional worksites (homes opposed to institutional settings) and non-traditional work schedules can contribute to higher injury and illness incidents. However, it should be acknowledged that a society is judged not exclusively by productivity, but also by how it treats its poorest, weakest, and most vulnerable members. ■

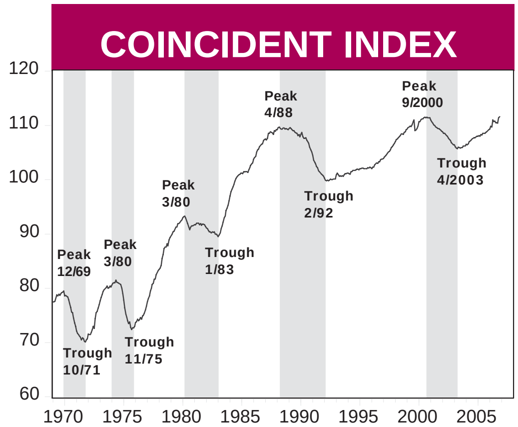
Employment and Wages in Health Care and Social Assistance

SIC Description		Establishments			Employment				Weekly Wages		
		1Q00	1Q06	% Chg	1Q00	1Q06	1Q00-1Q06 No.	1Q00-1Q06 % Chg	1Q00	1Q06	% Chg
	Total private	**103,300**	**106,686**	**3.3**	**1,428,865**	**1,394,032**	**-34,833**	**-2.4**	**$929**	**$1,238**	**33.2**
	Health Care and Social Assistance	**8,918**	**9,367**	**5.0**	**202,551**	**222,382**	**19,831**	**9.8**	**$629**	**$785**	**24.8**
621	**Ambulatory health care services**	**5,971**	**6,277**	**5.1**	**67,421**	**72,573**	**5,152**	**7.6**	**$736**	**$929**	**26.1**
6211	Offices of physicians	2,595	2,657	2.4	26,020	29,537	3,517	13.5	$1,009	$1,212	20.1
6212	Offices of dentists	1,651	1,634	-1.0	10,085	10,901	816	8.1	$610	$797	30.6
6213	Offices of other health practitioners	1,172	1,344	14.7	6,685	7,586	901	13.5	$573	$668	16.6
6214	Outpatient care centers	147	191	29.9	4,208	5,444	1,236	29.4	$649	$846	30.2
6215	Medical and diagnostic laboratories	138	182	31.9	3,002	2,820	-182	-6.1	$886	$1,062	19.8
6216	Home health care services	188	178	-5.3	13,761	12,546	-1,215	-8.8	$440	$613	39.4
6219	Other ambulatory health care services	80	91	13.8	3,660	3,738	78	2.1	$539	$690	28.1
622	**Hospitals**	**53**	**54**	**1.9**	**51,358**	**56,112**	**4,754**	**9.3**	**$765**	**$991**	**29.6**
6221	General medical and surgical hospitals	40	42	5.0	48,382	53,260	4,878	10.1	$768	$997	29.8
6222	Psychiatric and substance abuse hospitals	n	n	n	n	n	n	n	n	n	n
6223	Other hospitals	n	n	n	n	n	n	n	n	n	n
623	**Nursing and residential care facilities**	**1,065**	**1,149**	**7.9**	**54,357**	**57,070**	**2,713**	**5.0**	**$513**	**$620**	**20.8**
6231	Nursing and residential care facilities	276	249	-9.8	38,607	37,696	-911	-2.4	$539	$662	22.7
6232	Residential mental health facilities	558	672	20.4	8,347	9,952	1,605	19.2	$445	$539	21.3
6233	Community care facilities for the elderly	147	149	1.4	4,568	6,747	2,179	47.7	$395	$498	26.0
6239	Other residential care facilities	84	79	-6.0	2,835	2,676	-159	-5.6	$548	$636	16.1
624	**Social assistance**	**1,829**	**1,887**	**3.2**	**29,415**	**36,628**	**7,213**	**24.5**	**$360**	**$440**	**22.2**
6241	Individual and family services	517	641	24.0	11,534	16,486	4,952	42.9	$410	$474	15.8
6242	Emergency and other relief services	143	157	9.8	1,813	2,096	283	15.6	$531	$695	30.8
6243	Vocational rehabilitation services	226	215	-4.9	4,861	5,935	1,074	22.1	$370	$443	19.7
6244	Child day care services	943	874	-7.3	11,207	12,111	904	8.1	$276	$347	25.4

n = nondisclosable

Note: Data reflect employment covered by unemployment insurance





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

Is the Party Over For Connecticut?

Energy costs that drove inflation and inflation expectations for most of 2006 appear to be moderating as we enter 2007. Economists expect the U.S. economy to grow at a moderate rate in 2007, in part because of the housing sector slowdown. These factors lead many to believe that the Federal Open Market Committee (FOMC) may lower the target federal funds rate, perhaps as early as the first 2007 FOMC meeting scheduled for January 30-31.

The December Consumer Price Index (CPI), however, rose higher than expected, although the core CPI (CPI without the food and energy components) was in line with expectations. Several Federal Reserve officials suggested recently that inflation remains a concern among policy makers. Congress began the session with an agenda that potentially impacts the U.S. economy, with universal healthcare, a higher minimum wage, and tax reform, among others. We enter year 2007 with uncertainty and it promises to be an interesting year.

In Connecticut, for November 2006, the revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 109.03 in November 2005 to 111.56 in November 2006. The four components of this index are each positive contributors, with lower insured and total unemployment rates, higher total non-farm employment, and higher total employment. On a sequential, month-to-month basis, this index rose from 111.40 in October 2006 to 111.56 in November 2006. Three of the four components are positive contributors to the index; the exception is the total unemployment rate, which increased to 4.4% from 4.2% in October.

The revised Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank rose from 152.88 in November 2005 to 157.30 in November 2006. On a sequential month-to-month basis, the Philadelphia Federal Reserve Bank's revised Connecticut Coincident Index rose from 157.04 in October to 157.30 in November 2006. Thus, the CCEA-ECRI and the Philadelphia Federal Reserve Bank revised indexes are in agreement on a year-to-year and on a month-to-month basis.

The revised CCEA-ECRI Connecticut leading employment index fell from 119.54 in November 2005 to 117.52 in November 2006. A lower Moody's Baa corporate bond yield and a lower short duration (less than 15 weeks) unemployment rate contributed positively to this index. However, lower total housing permits, higher initial claims for unemployment insurance, a lower Hartford help-wanted advertising index, and lower average weekly hours worked in manufacturing and construction are the four negative contributors. On a sequential, month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index fell from 118.18 in October 2006 to 117.52 in November 2006. A reduction in Moody's Baa corporate bond yield is the only positive contributor to the index. A decrease in total housing permits, a small increase in initial claims for unemployment insurance, an increase in the short duration (less than 15 weeks) unemployment rate, and a decrease in average weekly hours worked in manufacturing and construction are the four negative contributors. For the third consecutive month, the Hartford help-wanted advertising index remained unchanged.

This month, the revised leading employment index declined both on a year-to-year basis and on a month-to-month basis. I am concerned by this development, especially because this is the fourth consecutive drop in this index on a month-to-month basis. However, we should not be overly concerned because this month's reading is preliminary. I will keep a watchful eye on this index over the next several months.

Francis W. Ahking, Department of Economics, University of Connecticut, Storrs, CT 06269. Phone: (860) 486-3026. Stan McMillen [(860) 270-8166, DECD, 505 Hudson Street, Hartford, CT 06106-7106], provides research support. *Professors Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute developed the leading and coincident employment indexes.* *Components of the indexes are described in the Technical Notes on page 23.*

Multiple jobholding in 2005

The States showed considerable geographic variation in multiple jobholding in 2005, with lower rates in the South.

Overall, 30 States had higher rates than the national average of 5.3 percent, 18 States and the District of Columbia had lower rates, and 2 States matched the U.S. rate. Connecticut's rate rose to 5.5 percent from 5.3 percent in 2004.

All seven States in the West North Central division continued to register multiple jobholding rates above that of the Nation. The northernmost States in the Mountain and New England divisions also had relatively high rates.

North Dakota, in the West North Central division, and Wyoming, in the Mountain division, recorded the highest rates, 9.9 percent each. Most of the States with high multiple jobholding rates in 2005 have had consistently high rates for as long as estimates have been available.

Seven of the eight States along the southern border of the United States had multiple jobholding rates equal to or below the U.S. figure. Ten of the sixteen States in the South, plus the District of Columbia, reported multiple jobholding rates below the national rate. Among the eight States with rates at or below 4.5 percent, five were in the South.

The lowest multiple jobholding rates, 3.6 and 3.8 percent, were recorded in West Virginia and Nevada, respectively.

These statistics are prepared by the Local Area Unemployment Statistics program with data from the Current Population Survey. To learn more, see "Regional Trends: Multiple jobholding in States in 2005," by Jim Campbell, Monthly Labor Review, November 2006. Multiple jobholders are employed persons who had either two or more jobs as a wage and salary worker, were self-employed and also held a wage and salary job, or worked as an unpaid family worker and also held a wage and salary job.

Source: Bureau of Labor Statistics,
http://www.bls.gov/opub/ted/2006/dec/wk2/art03.htm

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	3Q 2006	3Q 2005	CHANGE NO.	CHANGE %	2Q 2006
Employment Indexes (1992=100)*					
Leading	119.5	118.7	0.8	0.7	119.1
Coincident	110.5	108.6	1.9	1.7	110.8
General Drift Indicator (1986=100)*					
Leading	102.9	102.6	0.3	0.3	102.9
Coincident	100.2	100.2	0.0	0.0	100.6
Banknorth Business Barometer (1992=100)**	120.7	119.8	0.8	0.7	120.4

*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

(Seasonally adjusted; 000s)	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM	1,679.2	1,668.6	10.6	0.6	1,678.0
Natural Res & Mining (Not Sea. Adj.)	0.7	0.7	0.0	0.0	0.8
Construction	65.2	66.4	-1.2	-1.8	64.6
Manufacturing	193.1	194.0	-0.9	-0.5	193.5
Trade, Transportation & Utilities	312.7	312.9	-0.2	-0.1	312.6
Information	38.0	38.0	0.0	0.0	37.7
Financial Activities	145.2	143.0	2.2	1.5	144.9
Professional and Business Services	203.8	200.9	2.9	1.4	202.6
Educational and Health Services	277.8	273.2	4.6	1.7	278.8
Leisure and Hospitality Services	131.1	129.6	1.5	1.2	131.1
Other Services	62.7	62.7	0.0	0.0	62.6
Government*	248.9	247.2	1.7	0.7	248.8

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

Initial claims for unemployment insurance fell from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
Unemployment Rate, resident (%)	4.2	4.6	-0.4	---	4.4
Labor Force, resident (000s)	1,864.3	1,818.9	45.4	2.5	1,867.7
Employed (000s)	1,786.6	1,735.0	51.6	3.0	1,786.1
Unemployed (000s)	77.7	83.9	-6.2	-7.4	81.6
Average Weekly Initial Claims	4,206	4,435	-229	-5.2	4,179
Help Wanted Index -- Htfd. (1987=100)	8	11	-3	-27.3	8
Avg. Insured Unemp. Rate (%)	2.74	2.43	0.31	---	2.88

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006	OCT 2006
Average Weekly Hours	42.7	42.7	0.0	0.0	42.0	--
Average Hourly Earnings	20.33	19.47	0.86	4.4	20.25	--
Average Weekly Earnings	868.09	831.37	36.72	4.4	850.50	--
CT Mfg. Production Index (2000=100)	95.3	98.1	-2.8	-2.9	97.2	100.1
Production Worker Hours (000s)	4,975	5,018	-43	-0.9	4,889	--
Industrial Electricity Sales (mil kWh)*	377	403	-26.3	-6.5	393	412

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

Personal income for second quarter 2007 is forecasted to increase 4.7 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	2Q* 2007	2Q 2006	CHANGE NO.	CHANGE %	1Q* 2007
Personal Income	$182,180	$174,004	$8,176	4.7	$180,912
UI Covered Wages	$94,090	$91,341	$2,750	3.0	$93,694

Source: Bureau of Economic Analysis: December 2006 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

New auto registrations decreased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
New Housing Permits*	DEC 2006	640	-36.6	9,096	11,671	-22.1
Electricity Sales (mil kWh)	OCT 2006	2,447	-5.4	26,544	27,651	-4.0
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	DEC 2006	230.9	-23.1	---	---	---
New Auto Registrations	DEC 2006	16,427	-5.9	213,363	236,686	-9.9
Air Cargo Tons	DEC 2006	13,846	-1.3	160,882	159,847	0.6
Exports (Bil. $)	3Q 2006	3.10	29.2	9.08	7.06	28.6

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

** Estimated by the Bureau of the Census*

BUSINESS STARTS AND TERMINATIONS

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

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
STARTS						
Secretary of the State	DEC 2006	2,198	1.4	30,621	29,695	3.1
Department of Labor*	1Q 2006	2,899	-1.9	2,899	2,954	-1.9
TERMINATIONS						
Secretary of the State	DEC 2006	1,790	-1.2	10,242	9,603	6.7
Department of Labor*	1Q 2006	1,268	-23.9	1,268	1,666	-23.9

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

** Revised methodology applied back to 1996; 3-months total*

STATE REVENUES

Total revenues were down from a year ago.

(Millions of dollars)	DEC 2006	DEC 2005	% CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
TOTAL ALL REVENUES*	1,028.9	1,117.8	-8.0	12,571.6	11,803.1	6.5
Corporate Tax	155.3	146.8	5.8	849.7	708.5	19.9
Personal Income Tax	531.1	555.9	-4.5	6,252.6	5,707.2	9.6
Real Estate Conv. Tax	15.6	17.8	-12.4	191.2	215.0	-11.1
Sales & Use Tax	192.2	270.1	-28.8	3,350.1	3,333.5	0.5
Indian Gaming Payments**	37.1	34.1	8.7	433.6	421.0	3.0

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

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

TOURISM AND TRAVEL

Gaming slots rose over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
Info Center Visitors	DEC 2006	20,934	18.8	417,177	376,547	10.8
Major Attraction Visitors	DEC 2006	112,170	15.0	1,712,245	1,722,183	-0.6
Air Passenger Count	DEC 2006	519,928	-11.9	6,907,042	7,381,372	-6.4
Indian Gaming Slots (Mil.$)*	DEC 2006	1,741	9.6	19,943	19,744	1.0
Travel and Tourism Index**	3Q 2006	---	0.2	---	---	---

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 3.2 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (Dec. 2005 = 100)	Seasonally Adjusted DEC 2006	SEP 2006	3-Mo % Chg	Not Seasonally Adjusted DEC 2006	DEC 2005	12-Mo % Chg
UNITED STATES TOTAL	103.3	102.5	0.8	103.2	100.0	3.2
Wages and Salaries	103.2	102.5	0.7	103.2	100.0	3.2
Benefit Costs	103.5	102.5	1.0	103.1	100.0	3.1
NORTHEAST TOTAL	---	---	---	103.3	100.0	3.3
Wages and Salaries	---	---	---	103.1	100.0	3.1

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

U.S. inflation rate increased 2.5 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	DEC 2006	201.8	2.5	0.1
Purchasing Power of $ (1982-84=$1.00)	DEC 2006	$0.496	-2.5	-0.1
Northeast Region	DEC 2006	215.2	3.0	0.2
NY-Northern NJ-Long Island	DEC 2006	221.3	3.3	0.2
Boston-Brockton-Nashua**	NOV 2006	223.1	2.1	-0.6
CPI-W (1982-84=100)				
U.S. City Average	DEC 2006	197.2	2.4	0.2
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	3Q 2006	NA	NA	NA
New England	DEC 2006	NA	NA	NA
U.S.	DEC 2006	NA	NA	NA

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*

Conventional mortgage rate fell to 6.14 percent over the month.

INTEREST RATES

(Percent)	DEC 2006	NOV 2006	DEC 2005
Prime	8.25	8.25	7.15
Federal Funds	5.24	5.25	4.16
3 Month Treasury Bill	4.97	5.07	3.97
6 Month Treasury Bill	5.07	5.15	4.33
1 Year Treasury Note	4.94	5.01	4.35
3 Year Treasury Note	4.58	4.64	4.39
5 Year Treasury Note	4.53	4.58	4.39
7 Year Treasury Note	4.54	4.58	4.41
10 Year Treasury Note	4.56	4.60	4.47
20 Year Treasury Note	4.78	4.78	4.73
Conventional Mortgage	6.14	6.24	6.27

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
Connecticut	1,679.2	1,668.6	10.6	0.6	1,678.0
Maine	616.3	612.3	4.0	0.7	615.2
Massachusetts	3,224.7	3,206.0	18.7	0.6	3,223.0
New Hampshire	642.3	636.6	5.7	0.9	643.5
New Jersey	4,085.0	4,064.5	20.5	0.5	4,083.0
New York	8,627.5	8,566.3	61.2	0.7	8,629.3
Pennsylvania	5,787.6	5,737.6	50.0	0.9	5,777.3
Rhode Island	493.2	493.0	0.2	0.0	493.6
Vermont	308.6	306.6	2.0	0.7	308.9
United States	136,214.0	134,376.0	1,838.0	1.4	136,047.0

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.

(Seasonally adjusted; 000s)	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
Connecticut	1,864.3	1,818.9	45.4	2.5	1,867.7
Maine	726.6	717.4	9.2	1.3	723.6
Massachusetts	3,396.2	3,366.8	29.4	0.9	3,398.4
New Hampshire	745.5	733.9	11.6	1.6	747.1
New Jersey	4,510.5	4,467.0	43.5	1.0	4,491.7
New York	9,453.3	9,457.2	-3.9	0.0	9,445.9
Pennsylvania	6,351.4	6,288.9	62.5	1.0	6,322.8
Rhode Island	579.1	574.0	5.1	0.9	578.0
Vermont	367.3	359.3	8.0	2.2	366.5
United States	152,775.0	150,113.0	2,662.0	1.8	152,449.0

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

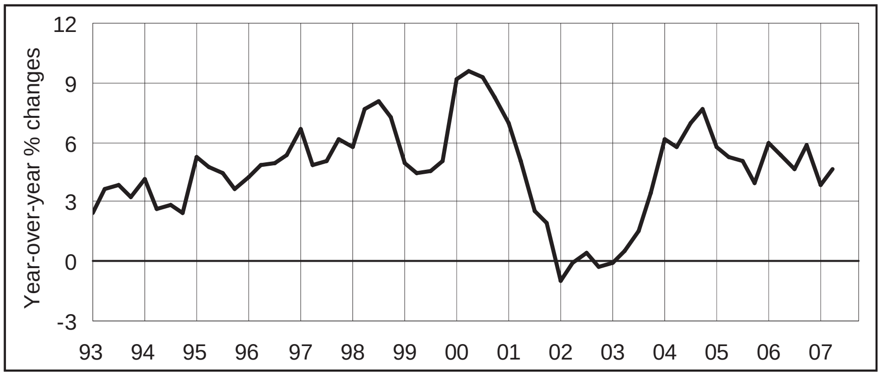
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	DEC 2006	DEC 2005	CHANGE	NOV 2006
Connecticut	4.2	4.6	-0.4	4.4
Maine	4.7	4.7	0.0	4.7
Massachusetts	5.3	4.8	0.5	5.0
New Hampshire	3.5	3.5	0.0	3.5
New Jersey	4.2	4.6	-0.4	4.5
New York	4.0	5.0	-1.0	4.2
Pennsylvania	4.6	4.7	-0.1	4.5
Rhode Island	5.2	5.1	0.1	5.2
Vermont	3.8	3.6	0.2	3.7
United States	4.5	4.9	-0.4	4.5

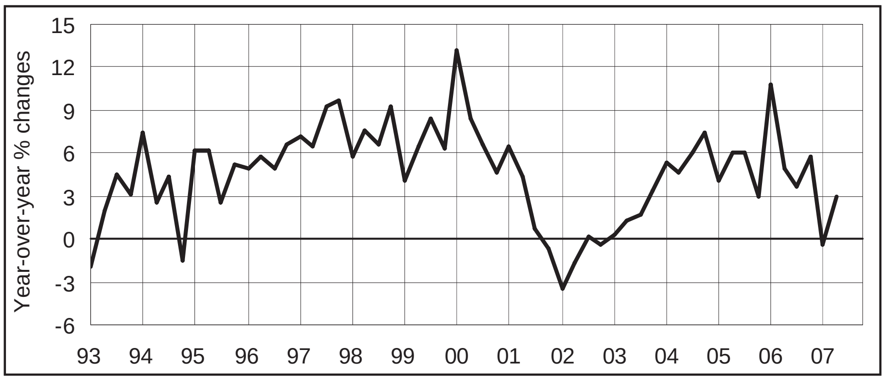
Source: U.S. Department of Labor, Bureau of Labor Statistics

PERSONAL INCOME *(Seasonally adjusted)*



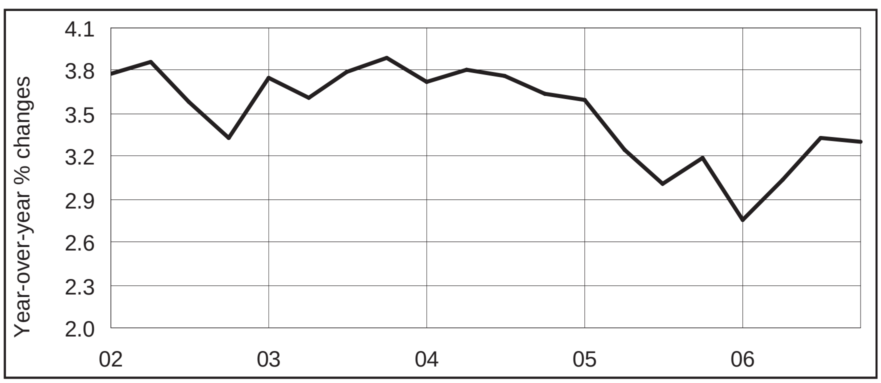
Quarter	2005	2006	2007
First	5.7	6.0	3.8
Second	5.3	5.4	4.7
Third	5.0	4.6	
Fourth	3.9	5.9	

UI COVERED WAGES *(Seasonally adjusted)*



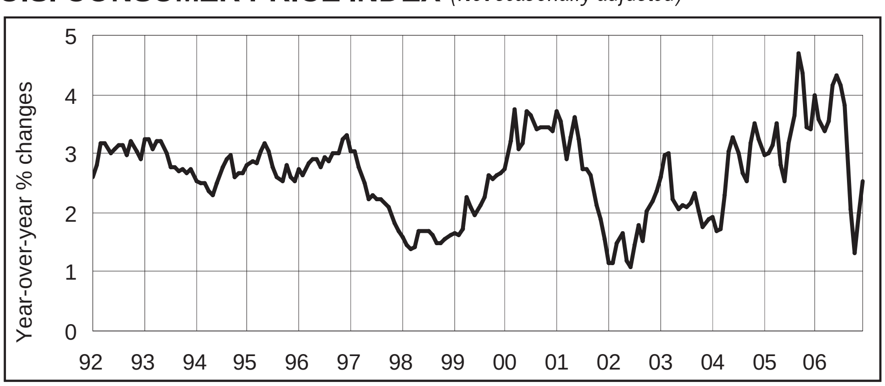
Quarter	2005	2006	2007
First	4.1	10.8	-0.4
Second	6.0	4.9	3.0
Third	6.0	3.7	
Fourth	3.0	5.7	

U.S. EMPLOYMENT COST INDEX *(Seasonally adjusted)*



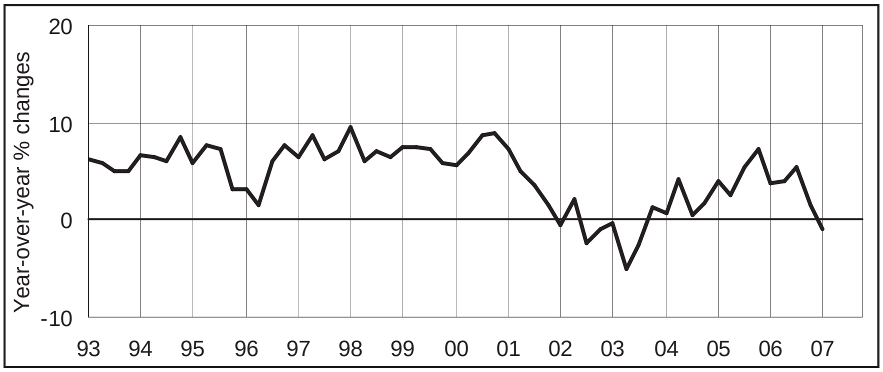
Quarter	2004	2005	2006
First	3.7	3.6	2.8
Second	3.8	3.2	3.0
Third	3.8	3.0	3.3
Fourth	3.6	3.2	3.3

U.S. CONSUMER PRICE INDEX *(Not seasonally adjusted)*



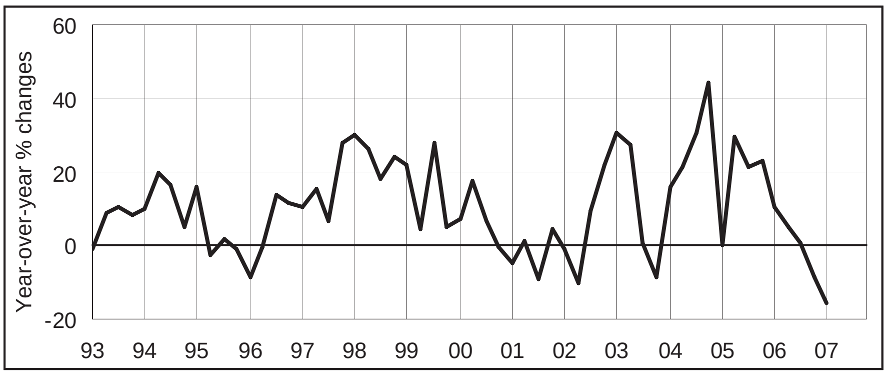
Month	2004	2005	2006
Jan	1.9	3.0	4.0
Feb	1.7	3.0	3.6
Mar	1.7	3.1	3.4
Apr	2.3	3.5	3.5
May	3.1	2.8	4.2
Jun	3.3	2.5	4.3
Jul	3.0	3.2	4.1
Aug	2.7	3.6	3.8
Sep	2.5	4.7	2.1
Oct	3.2	4.3	1.3
Nov	3.5	3.5	2.0
Dec	3.3	3.4	2.5

SALES TAX



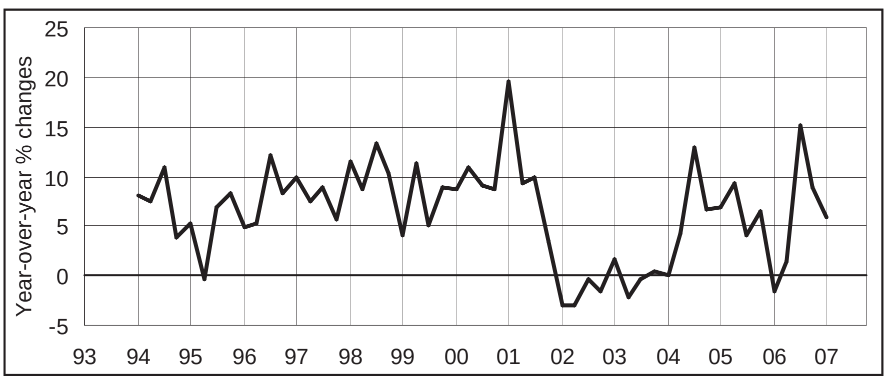
Quarter	FY 2005	FY 2006	FY 2007
First	3.9	3.8	-0.9
Second	2.5	3.9	
Third	5.4	5.4	
Fourth	7.3	1.5	

REAL ESTATE TAX



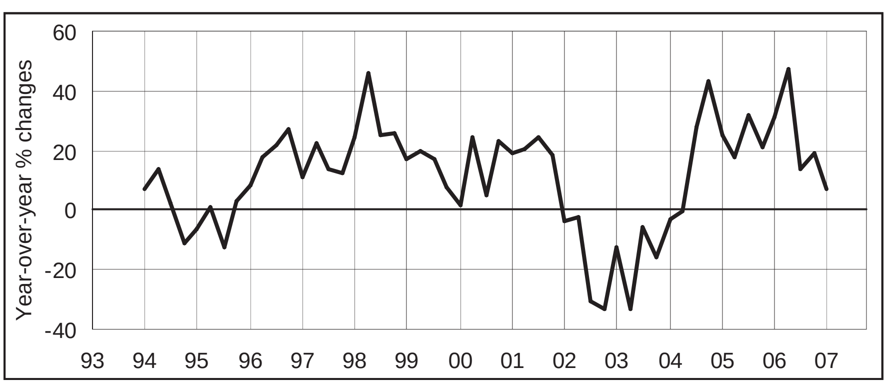
Quarter	FY 2005	FY 2006	FY 2007
First	0.2	10.7	-15.8
Second	29.6	5.2	
Third	21.2	0.6	
Fourth	23.1	-8.6	

PERSONAL INCOME TAX : SALARIES & WAGES



Quarter	FY 2005	FY 2006	FY 2007
First	6.8	-1.5	5.9
Second	9.2	1.5	
Third	4.1	15.2	
Fourth	6.4	8.8	

PERSONAL INCOME TAX : ALL OTHER SOURCES



Quarter	FY 2005	FY 2006	FY 2007
First	25.1	31.3	7.0
Second	17.8	47.5	
Third	31.5	13.7	
Fourth	21.3	19.3	

Note*: These economic growth rates were derived by the Office of Fiscal Analysis and were made by comparing tax collections in each quarter with the same quarter in the previous year and were adjusted for legislative changes*

CONNECTICUT

Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**1,701,800**	**1,691,000**	**10,800**	**0.6**	**1,695,700**
GOODS PRODUCING INDUSTRIES	**259,600**	**261,700**	**-2,100**	**-0.8**	**260,900**
CONSTRUCTION, NAT. RES. & MINING	**65,500**	**66,700**	**-1,200**	**-1.8**	**66,900**
MANUFACTURING	**194,100**	**195,000**	**-900**	**-0.5**	**194,000**
Durable Goods	**145,900**	**145,300**	**600**	**0.4**	**145,700**
Fabricated Metal	34,300	33,600	700	2.1	34,300
Machinery	18,100	17,900	200	1.1	17,900
Computer and Electronic Product	14,700	14,700	0	0.0	14,600
Electrical Equipment	10,700	10,700	0	0.0	10,600
Transportation Equipment	43,700	43,500	200	0.5	43,800
Aerospace Product and Parts	31,000	30,300	700	2.3	31,200
Non-Durable Goods	**48,200**	**49,700**	**-1,500**	**-3.0**	**48,300**
Printing and Related	7,900	8,000	-100	-1.3	7,900
Chemical	16,400	17,100	-700	-4.1	16,500
Plastics and Rubber Products	7,300	7,400	-100	-1.4	7,300
SERVICE PROVIDING INDUSTRIES	**1,442,200**	**1,429,300**	**12,900**	**0.9**	**1,434,800**
TRADE, TRANSPORTATION, UTILITIES	**324,800**	**325,000**	**-200**	**-0.1**	**318,600**
Wholesale Trade	67,600	67,200	400	0.6	67,300
Retail Trade	203,200	203,300	-100	0.0	197,700
Motor Vehicle and Parts Dealers	23,000	22,800	200	0.9	23,100
Building Material	15,700	15,600	100	0.6	15,700
Food and Beverage Stores	42,100	42,700	-600	-1.4	41,700
General Merchandise Stores	28,200	28,700	-500	-1.7	27,100
Transportation, Warehousing, & Utilities	54,000	54,500	-500	-0.9	53,600
Utilities	7,600	8,500	-900	-10.6	7,600
Transportation and Warehousing	46,400	46,000	400	0.9	46,000
INFORMATION	**38,000**	**38,000**	**0**	**0.0**	**37,700**
Telecommunications	12,400	12,800	-400	-3.1	12,500
FINANCIAL ACTIVITIES	**145,400**	**143,200**	**2,200**	**1.5**	**145,100**
Finance and Insurance	124,500	122,300	2,200	1.8	124,100
Credit Intermediation	32,300	32,100	200	0.6	32,300
Securities and Commodity Contracts	21,100	20,200	900	4.5	20,800
Insurance Carriers & Related Activities	65,900	65,100	800	1.2	65,900
Real Estate and Rental and Leasing	20,900	20,900	0	0.0	21,000
PROFESSIONAL & BUSINESS SERVICES	**205,800**	**202,800**	**3,000**	**1.5**	**204,400**
Professional, Scientific	91,100	89,800	1,300	1.4	89,900
Legal Services	14,300	14,500	-200	-1.4	14,200
Computer Systems Design	19,400	19,100	300	1.6	19,400
Management of Companies	25,100	25,000	100	0.4	25,100
Administrative and Support	89,600	88,000	1,600	1.8	89,400
Employment Services	34,100	32,800	1,300	4.0	33,600
EDUCATIONAL AND HEALTH SERVICES	**281,600**	**277,000**	**4,600**	**1.7**	**282,800**
Educational Services	54,800	53,800	1,000	1.9	56,100
Health Care and Social Assistance	226,800	223,200	3,600	1.6	226,700
Hospitals	57,300	56,100	1,200	2.1	57,200
Nursing & Residential Care Facilities	58,100	57,500	600	1.0	58,100
Social Assistance	37,300	36,600	700	1.9	37,200
LEISURE AND HOSPITALITY	**129,300**	**127,800**	**1,500**	**1.2**	**128,400**
Arts, Entertainment, and Recreation	22,100	22,000	100	0.5	21,900
Accommodation and Food Services	107,200	105,800	1,400	1.3	106,500
Food Serv., Restaurants, Drinking Places	95,000	93,800	1,200	1.3	94,300
OTHER SERVICES	**62,900**	**62,900**	**0**	**0.0**	**62,500**
GOVERNMENT	**254,400**	**252,600**	**1,800**	**0.7**	**255,300**
Federal Government	19,700	19,900	-200	-1.0	19,600
State Government	69,200	68,800	400	0.6	69,300
Local Government**	165,500	163,900	1,600	1.0	166,400

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

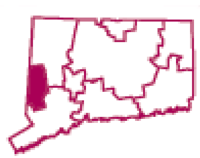
BRIDGEPORT - STAMFORD LMA

Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT……………	**420,600**	**418,000**	**2,600**	**0.6**	**419,400**
GOODS PRODUCING INDUSTRIES…………	**56,900**	**55,900**	**1,000**	**1.8**	**57,500**
CONSTRUCTION, NAT. RES. & MINING…..	**15,900**	**15,100**	**800**	**5.3**	**16,200**
MANUFACTURING……………………………	**41,000**	**40,800**	**200**	**0.5**	**41,300**
Durable Goods………………………………	**29,700**	**29,500**	**200**	**0.7**	**29,700**
SERVICE PROVIDING INDUSTRIES…………	**363,700**	**362,100**	**1,600**	**0.4**	**361,900**
TRADE, TRANSPORTATION, UTILITIES…..	**76,600**	**78,000**	**-1,400**	**-1.8**	**75,200**
Wholesale Trade………………………………	14,700	14,800	-100	-0.7	14,600
Retail Trade……………………………………	51,200	52,400	-1,200	-2.3	49,900
Transportation, Warehousing, & Utilities….	10,700	10,800	-100	-0.9	10,700
INFORMATION…………………………………	**11,200**	**11,300**	**-100**	**-0.9**	**11,200**
FINANCIAL ACTIVITIES………………………	**46,200**	**44,200**	**2,000**	**4.5**	**45,900**
Finance and Insurance………………………	39,200	37,600	1,600	4.3	39,000
PROFESSIONAL & BUSINESS SERVICES	**71,000**	**70,900**	**100**	**0.1**	**70,700**
EDUCATIONAL AND HEALTH SERVICES	**60,700**	**60,700**	**0**	**0.0**	**60,900**
Health Care and Social Assistance………..	52,200	51,300	900	1.8	52,000
LEISURE AND HOSPITALITY………………	**33,600**	**32,700**	**900**	**2.8**	**33,400**
Accommodation and Food Services……….	24,900	24,300	600	2.5	24,700
OTHER SERVICES……………………………	**17,000**	**16,800**	**200**	**1.2**	**16,900**
GOVERNMENT ………………………………	**47,400**	**47,500**	**-100**	**-0.2**	**47,700**
Federal…………………………………………	3,500	3,500	0	0.0	3,500
State & Local…………………………………	43,900	44,000	-100	-0.2	44,200

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

DANBURY LMA



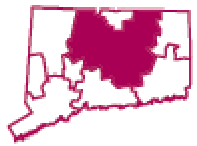
Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT……………	**70,500**	**70,400**	**100**	**0.1**	**70,100**
GOODS PRODUCING INDUSTRIES…………	**12,800**	**12,700**	**100**	**0.8**	**13,000**
SERVICE PROVIDING INDUSTRIES…………	**57,700**	**57,700**	**0**	**0.0**	**57,100**
TRADE, TRANSPORTATION, UTILITIES…..	**16,200**	**16,700**	**-500**	**-3.0**	**15,800**
Retail Trade……………………………………	12,100	12,700	-600	-4.7	11,700
PROFESSIONAL & BUSINESS SERVICES	**7,600**	**8,500**	**-900**	**-10.6**	**7,700**
LEISURE AND HOSPITALITY………………	**5,400**	**4,900**	**500**	**10.2**	**5,300**
GOVERNMENT ………………………………	**8,200**	**8,600**	**-400**	**-4.7**	**8,300**
Federal…………………………………………	600	600	0	0.0	600
State & Local…………………………………	7,600	8,000	-400	-5.0	7,700

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 2005.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**559,300**	**552,900**	**6,400**	**1.2**	**558,900**
GOODS PRODUCING INDUSTRIES	**86,100**	**85,900**	**200**	**0.2**	**86,500**
CONSTRUCTION, NAT. RES. & MINING	**22,600**	**22,000**	**600**	**2.7**	**23,100**
MANUFACTURING	**63,500**	**63,900**	**-400**	**-0.6**	**63,400**
Durable Goods	**52,700**	**53,400**	**-700**	**-1.3**	**52,600**
Transportation Equipment	18,000	18,300	-300	-1.6	17,900
SERVICE PROVIDING INDUSTRIES	**473,200**	**467,000**	**6,200**	**1.3**	**472,400**
TRADE, TRANSPORTATION, UTILITIES	**93,900**	**93,300**	**600**	**0.6**	**92,600**
Wholesale Trade	19,900	19,500	400	2.1	19,800
Retail Trade	59,100	58,500	600	1.0	57,900
Transportation, Warehousing, & Utilities	14,900	15,300	-400	-2.6	14,900
Transportation and Warehousing	11,600	11,800	-200	-1.7	11,600
INFORMATION	**11,600**	**11,500**	**100**	**0.9**	**11,600**
FINANCIAL ACTIVITIES	**68,300**	**67,700**	**600**	**0.9**	**68,100**
Depository Credit Institutions	7,700	7,500	200	2.7	7,600
Insurance Carriers & Related Activities	46,000	45,700	300	0.7	45,900
PROFESSIONAL & BUSINESS SERVICES	**61,100**	**59,300**	**1,800**	**3.0**	**61,100**
Professional, Scientific	28,200	27,900	300	1.1	28,100
Administrative and Support	26,400	25,600	800	3.1	26,800
EDUCATIONAL AND HEALTH SERVICES	**87,400**	**86,500**	**900**	**1.0**	**87,200**
Health Care and Social Assistance	75,900	74,600	1,300	1.7	75,800
Ambulatory Health Care	23,000	22,800	200	0.9	22,900
LEISURE AND HOSPITALITY	**39,900**	**38,600**	**1,300**	**3.4**	**39,500**
Accommodation and Food Services	34,200	33,000	1,200	3.6	33,700
OTHER SERVICES	**20,700**	**20,700**	**0**	**0.0**	**20,600**
GOVERNMENT	**90,300**	**89,400**	**900**	**1.0**	**91,700**
Federal	5,900	6,000	-100	-1.7	59,000
State & Local	84,400	83,400	1,000	1.2	32,700

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 2005.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Prices of imported capital goods down again in 2005**

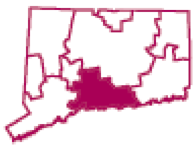
Prices for imported capital goods decreased 1.3 percent in 2005 (in U.S.), which was larger than the 0.8-percent drop in 2004.

The decline in 2005 was led by computers and telecommunications equipment, both of which continued well-established downward trends. Prices for electronic equipment typically fall as products eventually become obsolete and new products are introduced to replace them.

Computer, peripheral, and semiconductor prices, as well as telecommunications equipment prices, declined steadily throughout the year and ended the year down 5.2 and 2.4 percent, respectively. The constant

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**277,700**	**275,700**	**2,000**	**0.7**	**277,700**
GOODS PRODUCING INDUSTRIES	**44,000**	**44,000**	**0**	**0.0**	**44,100**
CONSTRUCTION, NAT. RES. & MINING	**11,000**	**10,800**	**200**	**1.9**	**11,100**
MANUFACTURING	**33,000**	**33,200**	**-200**	**-0.6**	**33,000**
Durable Goods	**22,500**	**22,500**	**0**	**0.0**	**22,400**
SERVICE PROVIDING INDUSTRIES	**233,700**	**231,700**	**2,000**	**0.9**	**233,600**
TRADE, TRANSPORTATION, UTILITIES	**52,900**	**52,500**	**400**	**0.8**	**52,600**
Wholesale Trade	11,800	11,500	300	2.6	11,900
Retail Trade	31,700	31,400	300	1.0	31,300
Transportation, Warehousing, & Utilities	9,400	9,600	-200	-2.1	9,400
INFORMATION	**8,500**	**8,600**	**-100**	**-1.2**	**8,300**
FINANCIAL ACTIVITIES	**14,000**	**13,800**	**200**	**1.4**	**14,100**
Finance and Insurance	10,700	10,300	400	3.9	10,800
PROFESSIONAL & BUSINESS SERVICES	**26,000**	**25,500**	**500**	**2.0**	**25,700**
Administrative and Support	13,200	12,700	500	3.9	13,000
EDUCATIONAL AND HEALTH SERVICES	**66,200**	**65,200**	**1,000**	**1.5**	**66,800**
Educational Services	23,900	23,800	100	0.4	24,800
Health Care and Social Assistance	42,300	41,400	900	2.2	42,000
LEISURE AND HOSPITALITY	**21,000**	**20,200**	**800**	**4.0**	**20,800**
Accommodation and Food Services	17,300	17,500	-200	-1.1	17,100
OTHER SERVICES	**10,300**	**10,600**	**-300**	**-2.8**	**10,400**
GOVERNMENT	**34,800**	**35,300**	**-500**	**-1.4**	**34,900**
Federal	5,300	5,500	-200	-3.6	5,300
State & Local	29,500	29,800	-300	-1.0	29,600

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

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

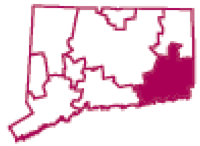
BUSINESS AND ECONOMIC NEWS (Cont.)

declines in computer prices overall were due to continued weak demand, technological improvements, and price competition; however, demand for laptop and handheld computers remained healthy, though not strong enough to overcome declining prices for other computer products.

Prices for capital goods excluding computers and semiconductors increased for the third consecutive year. The index rose 1.2 percent compared with 2.0 percent in 2004.

These data are from the International Price program. To learn more, see "Import prices rise in 2005 due to continued high energy prices," by Jeffrey Bogen, Monthly Labor Review, November 2006. (The Editor's Desk, Bureau of Labor Statistics, December 28, 2006)

NORWICH - NEW LONDON LMA

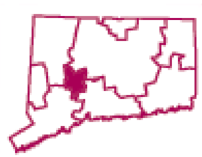


Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**135,500**	**136,400**	**-900**	**-0.7**	**134,900**
GOODS PRODUCING INDUSTRIES	**21,400**	**22,800**	**-1,400**	**-6.1**	**21,400**
CONSTRUCTION, NAT. RES. & MINING	**4,300**	**4,700**	**-400**	**-8.5**	**4,300**
MANUFACTURING	**17,100**	**18,100**	**-1,000**	**-5.5**	**17,100**
Durable Goods	**11,000**	**11,600**	**-600**	**-5.2**	**11,000**
Non-Durable Goods	**6,100**	**6,500**	**-400**	**-6.2**	**6,100**
SERVICE PROVIDING INDUSTRIES	**114,100**	**113,600**	**500**	**0.4**	**113,500**
TRADE, TRANSPORTATION, UTILITIES	**23,400**	**23,200**	**200**	**0.9**	**23,100**
Wholesale Trade	2,100	2,000	100	5.0	2,100
Retail Trade	16,900	16,700	200	1.2	16,600
Transportation, Warehousing, & Utilities	4,400	4,500	-100	-2.2	4,400
INFORMATION	**2,000**	**2,000**	**0**	**0.0**	**2,000**
FINANCIAL ACTIVITIES	**3,500**	**3,600**	**-100**	**-2.8**	**3,500**
PROFESSIONAL & BUSINESS SERVICES	**9,800**	**9,800**	**0**	**0.0**	**9,700**
EDUCATIONAL AND HEALTH SERVICES	**19,700**	**19,300**	**400**	**2.1**	**19,300**
Health Care and Social Assistance	17,000	16,600	400	2.4	16,600
LEISURE AND HOSPITALITY	**12,100**	**12,000**	**100**	**0.8**	**12,300**
Accommodation and Food Services	10,200	10,100	100	1.0	10,300
Food Serv., Restaurants, Drinking Places	8,300	8,200	100	1.2	8,400
OTHER SERVICES	**3,800**	**3,600**	**200**	**5.6**	**3,800**
GOVERNMENT	**39,800**	**40,100**	**-300**	**-0.7**	**39,800**
Federal	2,500	2,400	100	4.2	2,500
State & Local**	37,300	37,700	-400	-1.1	37,300

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

WATERBURY LMA



Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**69,200**	**69,900**	**-700**	**-1.0**	**68,700**
GOODS PRODUCING INDUSTRIES	**12,700**	**13,100**	**-400**	**-3.1**	**12,800**
CONSTRUCTION, NAT. RES. & MINING	**2,800**	**2,800**	**0**	**0.0**	**2,900**
MANUFACTURING	**9,900**	**10,300**	**-400**	**-3.9**	**9,900**
SERVICE PROVIDING INDUSTRIES	**56,500**	**56,800**	**-300**	**-0.5**	**55,900**
TRADE, TRANSPORTATION, UTILITIES	**14,700**	**14,400**	**300**	**2.1**	**14,200**
Wholesale Trade	2,200	2,200	0	0.0	2,200
Retail Trade	10,500	10,000	500	5.0	10,000
Transportation, Warehousing, & Utilities	2,000	2,200	-200	-9.1	2,000
INFORMATION	**900**	**900**	**0**	**0.0**	**900**
FINANCIAL ACTIVITIES	**2,600**	**2,600**	**0**	**0.0**	**2,600**
PROFESSIONAL & BUSINESS SERVICES	**7,000**	**6,800**	**200**	**2.9**	**6,900**
EDUCATIONAL AND HEALTH SERVICES	**14,300**	**14,100**	**200**	**1.4**	**14,200**
Health Care and Social Assistance	13,100	12,900	200	1.6	13,000
LEISURE AND HOSPITALITY	**4,500**	**5,000**	**-500**	**-10.0**	**4,600**
OTHER SERVICES	**2,700**	**2,700**	**0**	**0.0**	**2,700**
GOVERNMENT	**9,800**	**10,300**	**-500**	**-4.9**	**9,800**
Federal	600	600	0	0.0	600
State & Local	9,200	9,700	-500	-5.2	9,200

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

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	47,500	48,400	-900	-1.9	47,200
TORRINGTON LMA	36,400	37,500	-1,100	-2.9	37,000
WILLIMANTIC - DANIELSON LMA	37,600	37,300	300	0.8	37,800

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

	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
TOTAL NONFARM EMPLOYMENT	**300,500**	**298,400**	**2,100**	**0.7**	**300,900**
GOODS PRODUCING INDUSTRIES	**48,900**	**49,100**	**-200**	**-0.4**	**49,400**
CONSTRUCTION, NAT. RES. & MINING	**11,000**	**11,000**	**0**	**0.0**	**11,300**
MANUFACTURING	**37,900**	**38,100**	**-200**	**-0.5**	**38,100**
Durable Goods	**23,800**	**24,100**	**-300**	**-1.2**	**24,100**
Non-Durable Goods	**14,100**	**14,000**	**100**	**0.7**	**14,000**
SERVICE PROVIDING INDUSTRIES	**251,600**	**249,300**	**2,300**	**0.9**	**251,500**
TRADE, TRANSPORTATION, UTILITIES	**63,500**	**63,400**	**100**	**0.2**	**63,000**
Wholesale Trade	11,600	11,400	200	1.8	11,500
Retail Trade	38,300	38,500	-200	-0.5	37,800
Transportation, Warehousing, & Utilities	13,600	13,500	100	0.7	13,700
INFORMATION	**4,400**	**4,600**	**-200**	**-4.3**	**4,400**
FINANCIAL ACTIVITIES	**15,900**	**16,000**	**-100**	**-0.6**	**15,900**
Finance and Insurance	12,300	12,300	0	0.0	12,200
Insurance Carriers & Related Activities	7,300	7,500	-200	-2.7	7,300
PROFESSIONAL & BUSINESS SERVICES	**25,100**	**24,800**	**300**	**1.2**	**25,300**
EDUCATIONAL AND HEALTH SERVICES	**56,100**	**54,700**	**1,400**	**2.6**	**56,500**
Educational Services	12,700	12,500	200	1.6	13,500
Health Care and Social Assistance	43,400	42,200	1,200	2.8	43,000
LEISURE AND HOSPITALITY	**25,400**	**25,000**	**400**	**1.6**	**25,800**
OTHER SERVICES	**11,900**	**11,900**	**0**	**0.0**	**11,700**
GOVERNMENT	**49,300**	**48,900**	**400**	**0.8**	**48,900**
Federal	7,100	7,000	100	1.4	6,700
State & Local	42,200	41,900	300	0.7	42,200

* New England City and Town Area

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes.*

LMA LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	DEC 2006	DEC 2005	CHANGE NO.	CHANGE %	NOV 2006
CONNECTICUT	Civilian Labor Force	1,854,900	1,812,600	42,300	2.3	1,865,200
	Employed	1,786,200	1,736,500	49,700	2.9	1,789,200
	Unemployed	68,700	76,100	-7,400	-9.7	76,100
	Unemployment Rate	3.7	4.2	-0.5	---	4.1
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	471,700	460,300	11,400	2.5	473,900
	Employed	456,300	442,800	13,500	3.0	456,400
	Unemployed	15,400	17,600	-2,200	-12.5	17,500
	Unemployment Rate	3.3	3.8	-0.5	---	3.7
DANBURY LMA	Civilian Labor Force	92,000	89,900	2,100	2.3	92,200
	Employed	89,500	87,200	2,300	2.6	89,300
	Unemployed	2,500	2,800	-300	-10.7	2,900
	Unemployment Rate	2.7	3.1	-0.4	---	3.1
ENFIELD LMA	Civilian Labor Force	49,300	48,200	1,100	2.3	49,800
	Employed	47,400	46,100	1,300	2.8	47,600
	Unemployed	1,800	2,100	-300	-14.3	2,100
	Unemployment Rate	3.7	4.3	-0.6	---	4.2
HARTFORD LMA	Civilian Labor Force	584,700	568,900	15,800	2.8	588,300
	Employed	562,000	543,900	18,100	3.3	563,500
	Unemployed	22,600	25,000	-2,400	-9.6	24,800
	Unemployment Rate	3.9	4.4	-0.5	---	4.2
NEW HAVEN LMA	Civilian Labor Force	308,800	301,100	7,700	2.6	311,300
	Employed	296,900	288,300	8,600	3.0	297,900
	Unemployed	11,900	12,800	-900	-7.0	13,300
	Unemployment Rate	3.9	4.3	-0.4	---	4.3
NORWICH - NEW LONDON LMA	Civilian Labor Force	150,000	148,100	1,900	1.3	150,000
	Employed	144,400	142,000	2,400	1.7	144,000
	Unemployed	5,600	6,100	-500	-8.2	5,900
	Unemployment Rate	3.7	4.1	-0.4	---	3.9
TORRINGTON LMA	Civilian Labor Force	53,800	53,900	-100	-0.2	54,500
	Employed	51,900	51,800	100	0.2	52,600
	Unemployed	1,900	2,100	-200	-9.5	2,000
	Unemployment Rate	3.5	3.8	-0.3	---	3.6
WATERBURY LMA	Civilian Labor Force	101,000	99,900	1,100	1.1	101,300
	Employed	96,100	94,300	1,800	1.9	96,000
	Unemployed	4,900	5,600	-700	-12.5	5,300
	Unemployment Rate	4.8	5.6	-0.8	---	5.2
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	56,800	55,600	1,200	2.2	57,300
	Employed	54,300	52,800	1,500	2.8	54,500
	Unemployed	2,600	2,800	-200	-7.1	2,800
	Unemployment Rate	4.5	5.0	-0.5	---	4.9
UNITED STATES	Civilian Labor Force	152,571,000	149,874,000	2,697,000	1.8	152,590,000
	Employed	146,081,000	142,918,000	3,163,000	2.2	146,014,000
	Unemployed	6,491,000	6,956,000	-465,000	-6.7	6,576,000
	Unemployment Rate	4.3	4.6	-0.3	---	4.3

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006	AVG WEEKLY HOURS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006	AVG HOURLY EARNINGS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006
MANUFACTURING	**$868.09**	**$831.37**	**$36.72**	**$850.50**	**42.7**	**42.7**	**0.0**	**42.0**	**$20.33**	**$19.47**	**$0.86**	**$20.25**
DURABLE GOODS	**898.37**	**856.99**	**41.38**	**879.48**	**42.8**	**42.7**	**0.1**	**41.9**	**20.99**	**20.07**	**0.92**	**20.99**
Fabricated Metal	816.57	767.28	49.29	800.74	43.0	43.3	-0.3	42.1	18.99	17.72	1.27	19.02
Machinery	851.34	819.21	32.13	846.60	42.0	41.5	0.5	41.5	20.27	19.74	0.53	20.40
Computer & Electronic	721.48	687.23	34.24	724.61	40.9	41.6	-0.7	40.8	17.64	16.52	1.12	17.76
Transport. Equipment	1,108.54	1,060.92	47.62	1,089.71	43.0	42.9	0.1	42.6	25.78	24.73	1.05	25.58
NON-DUR. GOODS	**783.82**	**764.24**	**19.57**	**769.59**	**42.3**	**42.6**	**-0.3**	**42.1**	**18.53**	**17.94**	**0.59**	**18.28**
CONSTRUCTION	**956.78**	**859.92**	**96.86**	**925.54**	**39.1**	**38.1**	**1.0**	**38.5**	**24.47**	**22.57**	**1.90**	**24.04**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006	AVG WEEKLY HOURS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006	AVG HOURLY EARNINGS DEC 2006	DEC 2005	CHG Y/Y	NOV 2006
Bridgeport - Stamford	$877.40	$813.56	$63.84	$869.44	41.0	39.9	1.1	41.8	$21.40	$20.39	$1.01	$20.80
New Haven	824.50	642.80	181.70	790.02	43.1	40.1	3.0	41.8	19.13	16.03	3.10	18.90
Norwich - New London	861.99	830.33	31.66	854.36	42.8	43.0	-0.2	42.4	20.14	19.31	0.83	20.15

Due to constraints of the sample upon which estimates are made, manufacturing hours and earnings estimates for the Hartford and Waterbury labor market areas are being suspended.

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- On December 4, 2006, Oil Purification Systems moved its manufacturing facility from Florida to Waterbury, with 45 new employees being hired. Moore Physical Therapy, a physical therapy and sports training center, will open in February in Wilton and will employ 10 people. National chain, Moe's Southwest Grill, has opened a fast-food restaurant with 30 new workers on the Boston Post Road in Milford. Famous pizza maker, Frank Pepe's Restaurant, will open at Buckland Hills in Manchester in June 2007, with 25 employees being needed. The Hartford Financial Group is building a new campus in Windsor and will add 300 new jobs.

- On December 4, 2006, Guardsmark, a security firm, lost its contract to supply ESPN in Bristol with sentries. As a result, 40 people have lost their jobs. Retailer A.J. Wright will close their Manchester store in January, resulting in 45 layoffs. Casual clothing retailer, EbLens, is closing their Torrington store resulting in 10-12 layoffs.

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

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

DECEMBER 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	471,748	**456,330**	**15,418**	**3.3**
Ansonia	9,994	9,573	421	4.2
Bridgeport	62,833	59,264	3,569	5.7
Darien	9,245	9,060	185	2.0
Derby	6,927	6,632	295	4.3
Easton	3,790	3,694	96	2.5
Fairfield	28,415	27,610	805	2.8
Greenwich	30,411	29,703	708	2.3
Milford	31,428	30,457	971	3.1
Monroe	10,721	10,423	298	2.8
New Canaan	8,959	8,761	198	2.2
Newtown	14,239	13,899	340	2.4
Norwalk	48,784	47,262	1,522	3.1
Oxford	6,579	6,398	181	2.8
Redding	4,589	4,481	108	2.4
Ridgefield	11,818	11,566	252	2.1
Seymour	9,186	8,844	342	3.7
Shelton	22,514	21,832	682	3.0
Southbury	9,041	8,772	269	3.0
Stamford	67,019	64,988	2,031	3.0
Stratford	26,309	25,293	1,016	3.9
Trumbull	17,996	17,527	469	2.6
Weston	4,942	4,843	99	2.0
Westport	12,681	12,411	270	2.1
Wilton	8,402	8,213	189	2.2
Woodbridge	4,924	4,822	102	2.1
DANBURY	**92,012**	**89,527**	**2,485**	**2.7**
Bethel	11,027	10,751	276	2.5
Bridgewater	1,059	1,028	31	2.9
Brookfield	9,096	8,849	247	2.7
Danbury	44,397	43,189	1,208	2.7
New Fairfield	7,722	7,517	205	2.7
New Milford	16,539	16,069	470	2.8
Sherman	2,171	2,124	47	2.2
ENFIELD	**49,291**	**47,443**	**1,848**	**3.7**
East Windsor	6,082	5,814	268	4.4
Enfield	24,229	23,270	959	4.0
Somers	4,713	4,560	153	3.2
Suffield	7,226	7,030	196	2.7
Windsor Locks	7,040	6,768	272	3.9
HARTFORD	**584,680**	**562,041**	**22,639**	**3.9**
Andover	1,976	1,927	49	2.5
Ashford	2,606	2,518	88	3.4
Avon	9,149	8,933	216	2.4
Barkhamsted	2,245	2,166	79	3.5
Berlin	11,062	10,702	360	3.3
Bloomfield	10,012	9,583	429	4.3
Bolton	3,086	3,007	79	2.6
Bristol	34,376	32,890	1,486	4.3
Burlington	5,313	5,162	151	2.8

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,529	5,399	130	2.4
Colchester	8,805	8,531	274	3.1
Columbia	3,057	2,969	88	2.9
Coventry	7,039	6,826	213	3.0
Cromwell	7,836	7,611	225	2.9
East Granby	2,926	2,846	80	2.7
East Haddam	5,161	5,022	139	2.7
East Hampton	6,757	6,485	272	4.0
East Hartford	25,620	24,375	1,245	4.9
Ellington	8,687	8,411	276	3.2
Farmington	12,880	12,529	351	2.7
Glastonbury	18,280	17,816	464	2.5
Granby	6,264	6,104	160	2.6
Haddam	4,759	4,636	123	2.6
Hartford	49,106	45,164	3,942	8.0
Hartland	1,211	1,179	32	2.6
Harwinton	3,149	3,061	88	2.8
Hebron	5,468	5,319	149	2.7
Lebanon	4,303	4,157	146	3.4
Manchester	32,098	30,953	1,145	3.6
Mansfield	12,855	12,496	359	2.8
Marlborough	3,592	3,487	105	2.9
Middlefield	2,415	2,341	74	3.1
Middletown	26,423	25,562	861	3.3
New Britain	35,049	33,005	2,044	5.8
New Hartford	3,785	3,669	116	3.1
Newington	16,765	16,229	536	3.2
Plainville	10,196	9,792	404	4.0
Plymouth	6,868	6,573	295	4.3
Portland	5,253	5,103	150	2.9
Rocky Hill	10,763	10,416	347	3.2
Simsbury	12,113	11,815	298	2.5
Southington	24,134	23,353	781	3.2
South Windsor	14,714	14,310	404	2.7
Stafford	6,877	6,604	273	4.0
Thomaston	4,638	4,477	161	3.5
Tolland	8,294	8,104	190	2.3
Union	481	461	20	4.2
Vernon	17,306	16,654	652	3.8
West Hartford	29,668	28,728	940	3.2
Wethersfield	13,620	13,117	503	3.7
Willington	3,927	3,839	88	2.2
Windsor	16,184	15,625	559	3.5

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

LABOR FORCE CONCEPTS

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

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

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

LABOR FORCE ESTIMATES BY TOWN

Town

(By Place of Residence - Not Seasonally Adjusted)

DECEMBER 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**308,810**	**296,869**	**11,941**	**3.9**
Bethany	3,044	2,972	72	2.4
Branford	17,332	16,847	485	2.8
Cheshire	14,781	14,372	409	2.8
Chester	2,276	2,223	53	2.3
Clinton	7,947	7,721	226	2.8
Deep River	2,584	2,521	63	2.4
Durham	4,195	4,078	117	2.8
East Haven	16,120	15,472	648	4.0
Essex	3,805	3,707	98	2.6
Guilford	12,943	12,616	327	2.5
Hamden	30,912	29,871	1,041	3.4
Killingworth	3,572	3,485	87	2.4
Madison	10,080	9,847	233	2.3
Meriden	31,453	29,857	1,596	5.1
New Haven	55,484	52,151	3,333	6.0
North Branford	8,306	8,043	263	3.2
North Haven	12,988	12,570	418	3.2
Old Saybrook	5,475	5,315	160	2.9
Orange	7,132	6,942	190	2.7
Wallingford	25,132	24,352	780	3.1
Westbrook	3,667	3,555	112	3.1
West Haven	29,584	28,353	1,231	4.2
***NORWICH-NEW LONDON**	**136,655**	**131,660**	**4,995**	**3.7**
Bozrah	1,470	1,416	54	3.7
Canterbury	3,153	3,018	135	4.3
East Lyme	9,645	9,367	278	2.9
Franklin	1,197	1,156	41	3.4
Griswold	7,042	6,755	287	4.1
Groton	19,422	18,685	737	3.8
Ledyard	8,535	8,278	257	3.0
Lisbon	2,574	2,482	92	3.6
Lyme	1,166	1,126	40	3.4
Montville	10,961	10,567	394	3.6
New London	13,617	12,972	645	4.7
No. Stonington	3,258	3,154	104	3.2
Norwich	20,586	19,673	913	4.4
Old Lyme	4,247	4,138	109	2.6
Preston	2,823	2,729	94	3.3
Salem	2,574	2,501	73	2.8
Sprague	1,794	1,714	80	4.5
Stonington	10,461	10,212	249	2.4
Voluntown	1,608	1,552	56	3.5
Waterford	10,519	10,164	355	3.4

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

***NORWICH-NEW LONDON**	**149,990**	**144,409**	**5,581**	**3.7**
Westerly, RI	13,335	12,749	586	4.4

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

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**53,832**	**51,942**	**1,890**	**3.5**
Bethlehem	2,014	1,956	58	2.9
Canaan	602	585	17	2.8
Colebrook	822	806	16	1.9
Cornwall	816	801	15	1.8
Goshen	1,524	1,490	34	2.2
Kent	1,568	1,533	35	2.2
Litchfield	4,305	4,175	130	3.0
Morris	1,296	1,258	38	2.9
Norfolk	952	921	31	3.3
North Canaan	1,719	1,667	52	3.0
Roxbury	1,352	1,323	29	2.1
Salisbury	1,978	1,923	55	2.8
Sharon	1,551	1,513	38	2.5
Torrington	19,300	18,430	870	4.5
Warren	719	698	21	2.9
Washington	1,937	1,879	58	3.0
Winchester	5,957	5,698	259	4.3
Woodbury	5,417	5,285	132	2.4
WATERBURY	**101,003**	**96,147**	**4,856**	**4.8**
Beacon Falls	3,211	3,108	103	3.2
Middlebury	3,716	3,626	90	2.4
Naugatuck	17,136	16,435	701	4.1
Prospect	5,292	5,112	180	3.4
Waterbury	50,227	47,219	3,008	6.0
Watertown	12,455	11,974	481	3.9
Wolcott	8,967	8,674	293	3.3
WILLIMANTIC-DANIELSON	**56,842**	**54,257**	**2,585**	**4.5**
Brooklyn	3,793	3,641	152	4.0
Chaplin	1,412	1,366	46	3.3
Eastford	977	951	26	2.7
Hampton	1,155	1,111	44	3.8
Killingly	9,270	8,812	458	4.9
Plainfield	8,386	7,959	427	5.1
Pomfret	2,243	2,173	70	3.1
Putnam	5,190	4,938	252	4.9
Scotland	989	965	24	2.4
Sterling	1,914	1,834	80	4.2
Thompson	5,313	5,113	200	3.8
Windham	11,717	11,036	681	5.8
Woodstock	4,482	4,357	125	2.8

Not Seasonally Adjusted:				
CONNECTICUT	**1,854,900**	**1,786,200**	**68,700**	**3.7**
UNITED STATES	**152,571,000**	**146,081,000**	**6,491,000**	**4.3**
Seasonally Adjusted:				
CONNECTICUT	**1,864,300**	**1,786,600**	**77,700**	**4.2**
UNITED STATES	**152,775,000**	**145,926,000**	**6,849,000**	**4.5**

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	DEC 2006	YR TO DATE 2006	YR TO DATE 2005
Andover	2	8	13
Ansonia	0	9	13
Ashford	3	23	17
Avon	4	66	85
Barkhamsted	na	na	na
Beacon Falls	na	na	na
Berlin	21	146	176
Bethany	na	na	na
Bethel	6	49	16
Bethlehem	na	na	na
Bloomfield	na	na	na
Bolton	0	18	6
Bozrah	0	12	12
Branford	na	na	na
Bridgeport	14	186	212
Bridgewater	na	na	na
Bristol	5	69	111
Brookfield	na	na	na
Brooklyn	9	63	63
Burlington	0	23	36
Canaan	0	4	5
Canterbury	0	21	21
Canton	3	32	99
Chaplin	1	17	19
Cheshire	3	68	39
Chester	na	na	na
Clinton	2	27	38
Colchester	0	68	95
Colebrook	1	4	7
Columbia	1	22	34
Cornwall	0	9	9
Coventry	6	61	50
Cromwell	3	43	24
Danbury	15	318	460
Darien	na	na	na
Deep River	0	7	4
Derby	na	na	na
Durham	2	38	47
East Granby	1	33	21
East Haddam	4	39	52
East Hampton	3	85	134
East Hartford	na	na	na
East Haven	1	49	73
East Lyme	38	180	109
East Windsor	2	64	83
Eastford	0	9	15
Easton	0	6	12
Ellington	5	120	122
Enfield	na	na	na
Essex	2	13	11
Fairfield	11	116	154
Farmington	1	103	104
Franklin	0	4	2
Glastonbury	4	141	79
Goshen	1	38	44
Granby	4	46	62
Greenwich	11	204	208
Griswold	na	na	na
Groton	5	69	151
Guilford	1	57	82
Haddam	2	51	59
Hamden	2	24	28
Hampton	1	22	23
Hartford	6	312	135
Hartland	na	na	na
Harwinton	0	23	24
Hebron	na	na	na
Kent	1	11	14
Killingly	15	120	122
Killingworth	na	na	na
Lebanon	0	37	37
Ledyard	0	34	49
Lisbon	3	18	18
Litchfield	na	na	na
Lyme	1	4	8
Madison	6	45	43
Manchester	56	200	270
Mansfield	2	66	53
Marlborough	2	27	32
Meriden	3	60	126
Middlebury	na	na	na
Middlefield	0	4	6
Middletown	21	213	256
Milford	27	281	326
Monroe	1	24	43
Montville	6	31	78
Morris	1	6	9
Naugatuck	4	80	96
New Britain	na	na	na
New Canaan	4	71	68
New Fairfield	na	na	na
New Hartford	5	24	35
New Haven	24	247	112
New London	4	66	77
New Milford	3	84	86
Newington	2	116	44
Newtown	3	36	97
Norfolk	0	3	7
North Branford	na	na	na
North Canaan	0	5	8
North Haven	10	39	144
North Stonington	1	16	27
Norwalk	10	107	343
Norwich	17	140	302
Old Lyme	na	na	na
Old Saybrook	3	24	60
Orange	na	na	na
Oxford	1	137	227
Plainfield	3	42	48
Plainville	3	19	19
Plymouth	1	21	23
Pomfret	2	14	17
Portland	0	18	54
Preston	2	31	31
Prospect	na	na	na
Putnam	1	31	37
Redding	na	na	na
Ridgefield	18	56	34
Rocky Hill	4	59	86
Roxbury	na	na	na
Salem	0	14	29
Salisbury	na	na	na
Scotland	1	9	11
Seymour	1	47	94
Sharon	2	10	15
Shelton	4	135	474
Sherman	na	na	na
Simsbury	0	67	63
Somers	2	26	26
South Windsor	0	57	85
Southbury	6	37	64
Southington	3	90	160
Sprague	0	7	16
Stafford	na	na	na
Stamford	28	273	258
Sterling	na	na	na
Stonington	0	99	81
Stratford	5	42	54
Suffield	3	65	88
Thomaston	na	na	na
Thompson	na	na	na
Tolland	2	57	97
Torrington	4	75	99
Trumbull	1	68	46
Union	0	5	6
Vernon	17	191	221
Voluntown	0	9	7
Wallingford	3	95	158
Warren	1	12	13
Washington	na	na	na
Waterbury	12	191	143
Waterford	2	38	56
Watertown	2	61	63
West Hartford	1	66	21
West Haven	na	na	na
Westbrook	2	32	33
Weston	na	na	na
Westport	11	93	113
Wethersfield	na	na	na
Willington	0	14	19
Wilton	na	na	na
Winchester	0	34	43
Windham	0	20	66
Windsor	na	na	na
Windsor Locks	na	na	na
Wolcott	11	72	62
Woodbridge	na	na	na
Woodbury	1	24	36
Woodstock	3	52	75

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

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

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

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

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

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

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

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

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

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

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	**-1.7**
Coincident Employment Index	**+6.0**
Leading General Drift Indicator	**+0.3**
Coincident General Drift Indicator	**0.0**
Banknorth Business Barometer	**+0.7**
Total Nonfarm Employment	**+0.6**
Unemployment Rate	**-0.4**
Labor Force	+2.5
Employed	+3.0
Unemployed	-7.4
Average Weekly Initial Claims	**-5.2**
Help Wanted Index -- Hartford	**-27.3**
Avg Insured Unempl. Rate	**+0.31***
Average Weekly Hours, Mfg	**0.0**
Average Hourly Earnings, Mfg	**+4.4**
Average Weekly Earnings, Mfg	**+4.4**
CT Mfg. Production Index	**-2.9**
Production Worker Hours	-0.9
Industrial Electricity Sales	-6.5
Personal Income	**+4.7**
UI Covered Wages	**+3.0**

Business Activity	
New Housing Permits	-36.6
Electricity Sales	-5.4
Retail Sales	-0.6
Construction Contracts Index	-23.1
New Auto Registrations	-5.9
Air Cargo Tons	-1.3
Exports	+29.2
Business Starts	
Secretary of the State	+1.4
Dept. of Labor	-1.9
Business Terminations	
Secretary of the State	-1.2
Dept. of Labor	-23.9
State Revenues	**-8.0**
Corporate Tax	+5.8
Personal Income Tax	-4.5
Real Estate Conveyance Tax	-12.4
Sales & Use Tax	-28.8
Indian Gaming Payments	+8.7

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

Tourism and Travel	
Info Center Visitors	+18.8
Attraction Visitors	+15.0
Air Passenger Count	-11.9
Indian Gaming Slots	+9.6
Travel and Tourism Index	+0.2
Employment Cost Index (U.S.)	
Total	+3.2
Wages & Salaries	+3.2
Benefit Costs	+3.1
Consumer Prices	
U.S. City Average	+2.5
Northeast Region	+3.0
NY-NJ-Long Island	+3.3
Boston-Brockton-Nashua	+2.1
Consumer Confidence	
Connecticut	NA
New England	NA
U.S.	NA
Interest Rates	
Prime	+1.10*
Conventional Mortgage	-0.13*

THE CONNECTICUT ECONOMIC DIGEST

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

Opportunity • Guidance • Support
CONNECTICUT DEPARTMENT OF LABOR

DECD

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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