THE CONNECTICUT
ECONOMIC DIGEST

Vol.10 No.6 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

JUNE 2005

IN THIS ISSUE...

In April...

Nonfarm Employment
Connecticut 1,669,200
Change over month 0.2%
Change over year 1.3%

United States 133,293,000
Change over month 0.2%
Change over year 1.7%

Unemployment Rate
Connecticut 4.9%
United States 5.2%

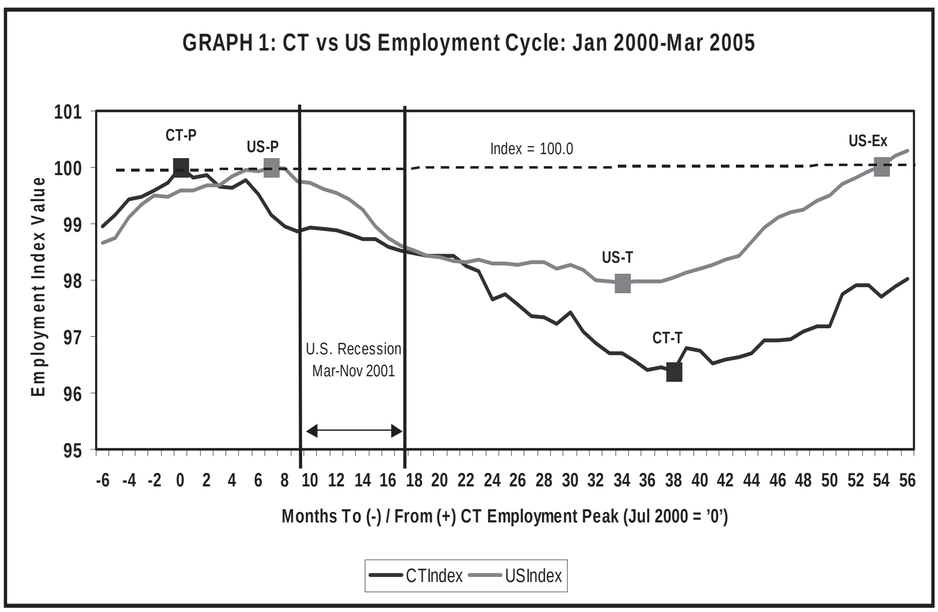
Consumer Price Index
United States 194.6
Change over year 3.5%

Connecticut Employment Outlook to Fourth Quarter 2006

By Daniel W. Kennedy, Ph.D., Senior Economist, DOL

Overshadowing any forecast or outlook for Connecticut's economy over the next couple of years is, of course, the release on May 13, 2005 by the Defense Department, to the Base Realignment and Closure Commission (BRAC), their recommendations on the closing, consolidation, and realignment of military bases. Fulfilling Connecticut's worst fears, they recommended closing the Groton Sub Base. Even without this devastating announcement, the continued economic and financial uncertainty, domestically and internationally, as well as non-economic risks, both domestically and internationally, have served to perpetuate the forecasting challenges that have presented themselves since the advent of the new millennium.

Since the publication of the second quarter 2006 forecast in the November 2004 issue of the *Digest*, Connecticut nonfarm employment has been benchmarked for 2004. This is a normal process that is performed annually, with the revised data released in the month of March. The initial monthly nonfarm employment estimates are based on a statistical sample of the State's employers. *Benchmarking* is performed each year to update the sample-based estimates with payroll data reported to the Labor Department for unemployment insurance purposes. The 2004 benchmark resulted in some significant revisions for a number of states, including Connecticut. Over the last year, the U.S. economy may have experienced



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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.

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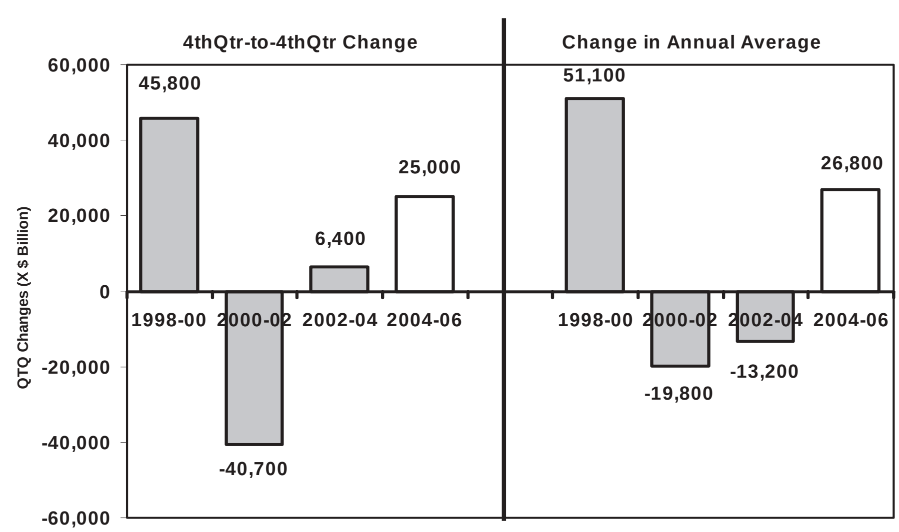
more than one turning point, as it has gone from the 'Soft Patch' of the first half of 2004, to the expansion of the last half of 2004, to what may be 'Soft Patch II' in the first quarter of 2005. These are the very conditions that are conducive to producing larger revisions during the benchmarking process. And, as would be expected, it affected the short-term forecast of Connecticut employment, especially for the fourth quarter of 2004 (2004:Q4). In particular, based on the 2004 benchmark, it appears that both the May and the September 2004 forecasts underestimated the magnitude of the surge in job growth over the fourth quarter of 2004. Nevertheless, the September 2004 forecast did closely predict Connecticut's growth in the average annual level of employment between 2003 and 2004.

Connecticut's 'Millennial Recession'

Based on the seasonally adjusted, 2004 benchmarked, monthly employment data, and using the employment cycle as a reference, Connecticut's '*Millennial Recession*' (which began mid-year in the last year of the 20th Century), ended in September 2003. Between the September trough and March 2005, Connecticut recovered 28,000 of the 61,000 jobs lost since July 2000, the peak of the last employment expansion. Graph 1 on the front page compares the performance of the U.S. and Connecticut employment cycles since the end of the 1990's expansion.

In Graph 1, the vertical scale represents the employment index value (explained below), and the horizontal scale measures the number of months before (-) and the number of months after (+) Connecticut's employment peak (July 2000) in the last expansion. The 'index' is actually a simple ratio constructed by dividing employment in a given month by Connecticut's level of nonfarm employment at its July 2000 peak, then multiplying the resultant ratio by 100 (for the U.S., January 2001 = 100.0). The peak of the last employment cycle is indicated with the symbols 'CT-P' and 'US-P.' The trough, September 2003 for Connecticut, and May 2003 for the U.S., is indicated by the symbols 'CT-T' and 'US-T.' Finally, the U.S. series has another point to identify a phase that Connecticut's employment cycle had not entered as of March 2005. The symbol 'US-Ex' indicates the point at which the U.S. regained all the jobs lost in the last downturn. In January 2005, the U.S. employment cycle

GRAPH 2: CT Employment: Biannual Periods 1998-2006



entered the *expansion phase*, which is that point at which all jobs from the previous downturn have been recovered, and employment levels now exceed the previous peak. As indicated, the U.S. March-November 2001 recession spans months 8 to 16 in Graph1.

Though Connecticut's employment losses have been steeper than those for the U.S., Connecticut's employment contracted for 38 months, while U.S. employment contracted for 27 months. When standardized to an annualized compounded rate of decline, both Connecticut and the U.S. lost jobs at a rate of less than one percent per year. Connecticut's *recovery phase*, still in progress, has lasted 18 months, and as of March 2005 the State's employment level was still almost two percent below the July 2000 peak. Meanwhile, the U.S. had entered the expansion phase after January 2005, and by March 2005 the level of U.S. employment was 0.3% higher than its previous peak in January 2001.

Outlook for Connecticut Employment to 2006:Q4

Two points at the outset: first, because of data revisions to employment levels, the discussion emphasizes forecasted *changes* in employment, and second, what follows is based on data not adjusted for seasonality. The fall 2003 forecast for the period 2003:Q4 to 2005:Q4 projected strong growth for the first half of 2005, with a slowing in the second half. The current forecast revives that scenario. The current forecast projects that the service-providing segment of Connecticut's economy will quadruple the number of new jobs created between 2002:Q4 and 2004:Q4, and add 22,100 new jobs between 2004:Q4 and 2006:Q4. In addition, the goods-producing segment is expected to add 2,300 new jobs, the first positive-growth forecast for this part of the State's economy since the 1990's. The net result, depicted in Graph 2, is an addition of 25,000 new jobs between 2004:Q4 and 2006:Q4. It is expected that 14,000 jobs will be added between 2004:Q4 and 2005:Q4, and another 11,000 jobs between 2005:Q4 and 2006:Q4. Graph 2 presents the fourth-quarter-to-fourth-quarter changes on the left half, and the annual changes on the right half, for three historical and one forecasted biannual (eight quarter) period. The forecast of annual average employment expects the first positive biannual growth since 1998-2000, when Connecticut's economy added 45, 800 jobs over that eight-quarter period, averaging 22,900 jobs per year. The forecast calls for an increase of 16,000 jobs, on an annual basis, for 2005, and an additional 11,000 jobs in 2006.

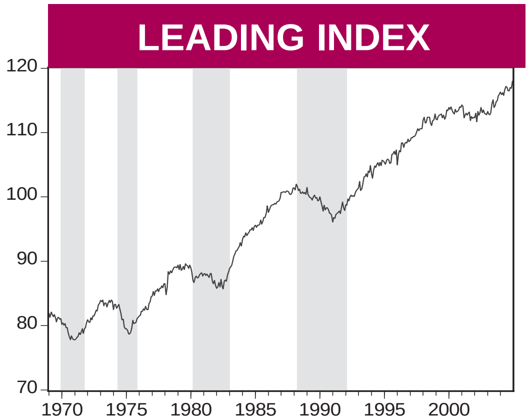
Continuing its contribution to job growth over the 2002:Q4-2004:Q4 period, and especially over the last segment (2003:Q4-2004:Q4), *construction* is expected to add about 6,800 jobs to Connecticut's economy over the 2004:Q4-2006:Q4 forecast period, and account for 24 percent of the growth in employment. *Building equipment contractors*, and *residential and nonresidential site preparation contractors* should continue leading the way, providing that the housing market holds up, although there are some promising possibilities in non-residential projects underway and in the pipeline. *Wholesale and retail trade* are expected to add 5,400 jobs and account for 19 percent of growth. Demographically driven

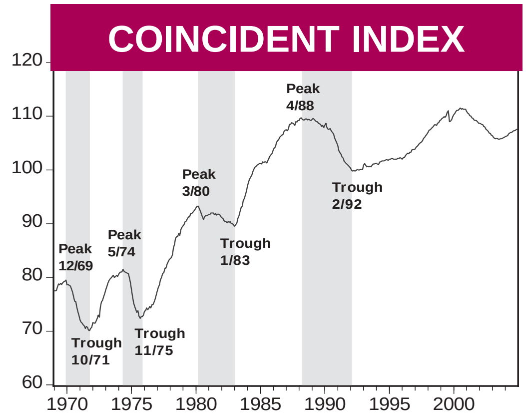
--Continued on page 5--

Table 1: Connecticut industry employment, 2000:Q4 to 2006:Q4

INDUSTRY	HISTORICAL			FORECAST	NUMERICAL CHANGES			PERCENT CHANGES		
	2000:Q4	2002:Q4	2004:Q4	2006:Q4	CH00-02	CH02-04	CH04-06	CH00-02	CH02-04	CH04-06
TOTAL	1,706,800	1,667,800	1,671,500	1,696,000	-39,000	3,700	24,500	-2.3	0.2	1.5
GOODS PRODUCING	302,700	271,200	266,500	268,800	-31,500	-4,700	2,300	-10.4	-1.7	0.9
Mining	800	700	800	900	-100	100	100	-12.5	14.3	12.5
Construction	66,500	62,800	68,800	75,600	-3,700	6,000	6,800	-5.6	9.6	9.9
Manufacturing	235,400	207,700	196,900	192,400	-27,700	-10,800	-4,500	-11.8	-5.2	-2.3
SERVICE PROVIDING	1,384,100	1,379,600	1,385,000	1,407,100	-4,500	5,400	22,100	-0.3	0.4	1.6
Wholesale Trade	68,600	65,600	65,600	68,800	-3,000	0	3,200	-4.4	0.0	4.9
Retail Trade	203,300	199,500	200,800	203,000	-3,800	1,300	2,200	-1.9	0.7	1.1
Transportation and Warehousing	42,500	39,400	41,200	43,900	-3,100	1,800	2,700	-7.3	4.6	6.6
Utilities	9,600	9,000	8,700	8,200	-600	-300	-500	-6.3	-3.3	-5.7
Information	46,500	40,200	38,700	37,000	-6,300	-1,500	-1,700	-13.5	-3.7	-4.4
Finance and Insurance	121,100	122,400	120,500	119,100	1,300	-1,900	-1,400	1.1	-1.6	-1.2
Real Estate and Rental and Leasing	21,300	20,000	20,300	21,600	-1,300	300	1,300	-6.1	1.5	6.4
Professional, Scientific, and Technical Services	96,200	90,400	88,000	87,000	-5,800	-2,400	-1,000	-6.0	-2.7	-1.1
Management of Companies and Enterprises	29,300	26,800	25,700	24,600	-2,500	-1,100	-1,100	-8.5	-4.1	-4.3
Admin and Support/Waste Manage/Remediation	91,700	83,400	86,200	88,600	-8,300	2,800	2,400	-9.1	3.4	2.8
Educational Services	41,200	44,800	47,700	50,400	3,600	2,900	2,700	8.7	6.5	5.7
Health Care and Social Assistance	204,200	214,800	219,300	223,800	10,600	4,500	4,500	5.2	2.1	2.1
Arts, Entertainment, and Recreation	19,200	22,300	23,100	25,800	3,100	800	2,700	16.1	3.6	11.7
Accommodation and Food Services	98,000	99,400	102,900	106,500	1,400	3,500	3,600	1.4	3.5	3.5
Other Services	55,300	55,300	55,800	56,700	0	500	900	0.0	0.9	1.6
Government	236,000	246,300	240,700	242,100	10,300	-5,600	1,400	4.4	-2.3	0.6

SOURCE: Connecticut Department of Labor, Office of Research NOTE: Data not seasonally adjusted





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.

The Connecticut Economy is Meandering Back and Forth

We received a bit of unwelcome news this month. Three U.S. Army Reserve centers and the Groton submarine base are on the Pentagon's list of recommended base closures. The major impact would come from the closure of the submarine base. Unfortunately, it is difficult to estimate both the economic and human costs at this time. However, should this become a reality, we can expect not only major impact in southeastern Connecticut, but the whole state as well. I should stress that this is only a recommended list of base closures; we should expect to see a lot of political maneuvering in the coming months. I will report to my readers as this progresses. This is the kind of news that we could do without.

Meanwhile, the Connecticut economy turned in a mixed performance for March 2005. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 106.59 in March 2004 to 107.57 in March 2005. Three of the four components of this index are positive contributors, with a lower insured unemployment rate, a lower total unemployment rate, and higher total non-farm employment. Lower total employment is the sole negative contributor. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index rose from 107.23 in February 2005 to 107.57 in March 2005. Two components contributed positively to this index, with a higher total nonfarm employment, and higher total employment. A slightly higher insured unemployment rate and higher total unemployment rate are the two negative contributors.

The revised CCEA-ECRI Connecticut leading employment index provides mixed news. It rose from 116.23 in March 2004 to 117.22 in March 2005. Three components of this index are positive contributors, with a lower Moody's Baa corporate bond yield, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in both manufacturing and construction. The three negative contributors are a lower number of total housing permits, higher initial claims for unemployment insurance, and a lower Hartford help-wanted advertising index. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index fell from 118.45 in February to 117.22 in March 2005. Only two of the six components are positive contributors, with an increase in total housing permits, and a slightly lower short duration (less than 15 weeks) unemployment rate. The four negative contributors to this index are a higher Moody's Baa corporate bond yield, an increase in initial claims for unemployment insurance, a rather large drop in the Hartford help-wanted advertising index and a slight decrease in average weekly hours worked in manufacturing and construction.

Thus far this year, both the coincident and leading employment indexes have been meandering, up one month and down the next, with no clear trend. There is some good news, however. Connecticut will end its fiscal year with a surplus, with higher than expected tax receipts, especially from the income tax levy. While I don't necessarily believe this means that the Connecticut economy is stronger than expected, it does mean that we can expect tax increases to be held to a minimum for the coming fiscal year. This is always good news.

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Leading and coincident employment indexes were developed by Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute. Components of the indexes are described in the Technical Notes on page 23.

--Continued from page 3--

health care and social assistance will account for the second-largest sectoral contribution to job creation, projected to add nearly 4,500 new jobs, accounting for 16 percent of new growth. Continued growth in *accommodation and food services* should remain concentrated in *full-service restaurants* and *limited-service eating places* (i.e., fast food establishments). This sector is projected to create some 3,600 jobs between 2004:Q4 and 2006:Q4. The *education* and the *administrative and support* sectors are expected to create 2,700 and 2,400 jobs, and each is projected to account for about 10 percent of new employment. *Government*, driven by tribal expansions, is expected to add 1,400 jobs. The *other services* industries are expected to add 900 or more jobs over the 2004:Q4-2006:Q4 period.

Though accounting for 38 percent of forecasted job losses, the expected shedding of 4,500 more *manufacturing* jobs over the 2004:Q4-2006:Q4 period is a significant improvement over the past three, two-year (eight-quarter) periods. Even during the 1998:Q4-2000:Q4 boom period, Connecticut's manufacturing sector shed 11,000 jobs. Although manufacturing lost only 133 jobs over the 2003:Q4-2004:Q4 segment, it still lost nearly 11,000 jobs over the entire 2002:Q4-2004:Q4 period. If the Groton Sub Base closes, the losses to the State's manufacturing sector could increase. The *professional, scientific, and technical* sector is projected to lose another 1,000 jobs, and *information*, continuing its downsizing since the 2000-Bust, is expected to lose another 1,700 jobs. Finally, two other sectors are expected to see employment declines of 1,000; they are *management of companies*, and *finance and insurance*. Net losses will be driven by mergers and acquisitions in both the banking and insurance industries.

Forecast Assumptions and Risks

Risks to this forecast loom large. The most obvious and negative risk, which could affect the last segment of the forecast, would be if the BRAC Commission keeps the recommendation to close the Groton Sub Base and it is accepted by the President and Congress. The effects on the forecast could begin in the last half of 2006. However, the total impact would be spread out over several years, as it appears that the Base would close in waves to 2011.

Another big risk to the forecast is the fate of the housing market. Currently, there is a heated debate over whether or not there is a real estate bubble, especially in certain markets. Since the bust in 2000, consumer spending, fueled by low interest rates, has been financed by tapping into wealth-appreciation in housing, and by the direct, indirect, and induced effects of home construction and sales, driven by low mortgage rates.

Some further risks include oil prices staying high and climbing higher during the rest of 2005, and the specter of slower business capital spending. The international scene is also still very volatile. Finally, the risks posed by the Federal budget deficit in conjunction with the trade deficit have not gone away. ■

For the unabridged paper with forecast methodology contact Daniel Kennedy by phone at (860) 263-6268, or by e-mail at daniel.kennedy@po.state.ct.us.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	1Q 2005	1Q 2004	CHANGE NO.	CHANGE %	4Q 2004
Employment Indexes (1992=100)*					
Leading	117.7	116.1	1.5	1.3	117.3
Coincident	107.4	106.4	1.0	0.9	108.0
General Drift Indicator (1986=100)*					
Leading	101.2	100.9	0.3	0.3	101.8
Coincident	103.7	102.0	1.7	1.7	102.9
Banknorth Business Barometer (1992=100)**	117.8	114.4	3.4	3.0	117.0

*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

(Seasonally adjusted; 000s)	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM	1669.2	1,648.0	21.2	1.3	1,666.7
Construction	70.8	65.6	5.2	7.9	68.8
Manufacturing	198.8	197.5	1.3	0.7	198.9
Trade, Transportation and Utilities	313.0	307.0	6.0	2.0	312.1
Information	39.4	39.2	0.2	0.5	39.3
Financial Activities	141.3	140.5	0.8	0.6	141.3
Professional and Business Services	198.0	196.9	1.1	0.6	198.0
Leisure and Hospitality	129.0	126.9	2.1	1.7	129.7
Government*	243.1	243.0	0.1	0.0	243.4

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

Initial claims for unemployment insurance fell from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
Unemployment Rate, resident (%)	4.9	5.0	-0.1	---	4.9
Labor Force, resident (000s)	1,808.2	1,798.3	9.9	0.6	1,789.6
Employed (000s)	1,719.9	1,709.0	10.9	0.6	1,701.6
Unemployed (000s)	88.3	89.3	-1.0	-1.1	88.0
Average Weekly Initial Claims	4,320	4,376	-56	-1.3	4,404
Help Wanted Index -- Htfd. (1987=100)	8	7	1	14.3	9
Avg. Insured Unemp. Rate (%)	2.66	3.00	-0.34	---	2.65

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005	FEB 2005
Average Weekly Hours	42.3	41.5	0.8	1.9	42.0	--
Average Hourly Earnings	18.70	18.24	0.46	2.5	18.92	--
Average Weekly Earnings	791.01	756.96	34.05	4.5	794.64	--
CT Mfg. Production Index (1986=100)*	116.4	116.3	0.1	0.1	115.7	112.5
Production Worker Hours (000s)	5,081	4,875	206	4.2	5,035	--
Industrial Electricity Sales (mil kWh)**	390	413	-22.7	-5.5	410	366

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

Personal income for third quarter 2005 is forecasted to increase from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	3Q* 2005	3Q 2004	CHANGE NO.	CHANGE %	2Q* 2005
Personal Income	$169,835	$160,037	$9,798	6.1	$168,389
UI Covered Wages	$86,212	$83,349	$2,863	3.4	$85,113

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

BUSINESS ACTIVITY

New auto registrations decreased from a year ago.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Electricity Sales (mil kWh)	FEB 2005	2,542	-3.1	5,495	5,657	-2.9
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	APR 2005	457.6	56.0	---	---	---
New Auto Registrations	APR 2005	18,576	-5.6	71,654	74,490	-3.8
Air Cargo Tons	APR 2005	13,154	3.1	50,874	49,436	2.9
Exports (Bil. $)	1Q 2005	2.31	6.9	2.31	2.16	6.9

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 % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	APR 2005	2,522	-0.7	10,652	10,557	0.9
Department of Labor*	3Q 2004	2,107	8.6	7,159	6,910	3.6
TERMINATIONS						
Secretary of the State	APR 2005	763	-20.4	3,129	3,346	-6.5
Department of Labor*	3Q 2004	1,223	-32.9	4,289	5,418	-20.8

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

STATE REVENUES

State revenues were up from a year ago.

(Millions of dollars)	APR 2005	APR 2004	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	1,614.1	1,457.8	10.7	4,600.2	4,134.0	11.3
Corporate Tax	71.9	60.0	19.8	246.3	216.3	13.9
Personal Income Tax	1,086.3	928.0	17.1	2,530.4	2,228.3	13.6
Real Estate Conv. Tax	16.0	13.8	15.9	56.1	46.8	19.9
Sales & Use Tax	289.1	277.9	4.0	1,104.3	1,065.1	3.7
Indian Gaming Payments**	36.7	33.6	9.3	134.8	131.4	2.6

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

TOURISM AND TRAVEL

Air passenger count rose over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	APR 2005	22,584	-10.3	76,019	78,586	-3.3
Major Attraction Visitors	APR 2005	147,755	0.0	377,928	430,442	-12.2
Air Passenger Count	APR 2005	644,975	11.7	2,353,003	2,109,206	11.6
Indian Gaming Slots (Mil.$)*	APR 2005	1,687	3.5	6,305	6,451	-2.3
Travel and Tourism Index**	1Q 2005	---	-3.6	---	---	---

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 3.4 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers *(June 1989=100)*	Seasonally Adjusted MAR 2005	DEC 2004	3-Mo % Chg	Not Seasonally Adjusted MAR 2005	MAR 2004	12-Mo % Chg
UNITED STATES TOTAL	177.3	176.2	0.6	177.2	171.4	3.4
Wages and Salaries	167.4	166.4	0.6	167.4	163.4	2.4
Benefit Costs	202.0	199.9	1.1	203.3	192.2	5.8
NORTHEAST TOTAL	---	---	---	176.1	170.2	3.5
Wages and Salaries	---	---	---	166.0	162.0	2.5

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

U.S. inflation rate increased 3.5 percent over the year.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	1Q 2005	---	NA	---
CPI-U (1982-84=100)				
U.S. City Average	APR 2005	194.6	3.5	0.7
Purchasing Power of $ (1982-84=$1.00)	APR 2005	$0.514	-3.4	-0.7
Northeast Region	APR 2005	206.9	3.8	0.4
NY-Northern NJ-Long Island	APR 2005	212.5	4.2	0.0
Boston-Brockton-Nashua***	MAR 2005	214.2	2.6	1.4
CPI-W (1982-84=100)				
U.S. City Average	APR 2005	190.2	3.7	0.8
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	1Q 2005	83.2	-11.5	-13.6
New England	APR 2005	74.7	-8.0	-28.3
U.S.	APR 2005	97.7	5.1	-5.1

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

30-year conventional mortgage rate fell to 5.86 percent over the month.

INTEREST RATES

(Percent)	APR 2005	MAR 2005	APR 2004
Prime	5.75	5.58	4.00
Federal Funds	2.79	2.63	1.00
3 Month Treasury Bill	2.84	2.74	0.96
6 Month Treasury Bill	3.14	3.00	1.11
1 Year Treasury Bill	3.32	3.30	1.43
3 Year Treasury Note	3.79	3.91	2.57
5 Year Treasury Note	4.00	4.17	3.39
7 Year Treasury Note	4.16	4.33	3.89
10 Year Treasury Note	4.34	4.50	4.35
20 Year Treasury Note	4.75	4.89	5.16
Conventional Mortgage	5.86	5.93	5.83

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
Connecticut	1,669.2	1,648.0	21.2	1.3	1,666.7
Maine	618.4	613.3	5.1	0.8	616.3
Massachusetts	3,200.0	3,181.6	18.4	0.6	3,195.3
New Hampshire	634.7	626.1	8.6	1.4	634.5
New Jersey	4,047.6	3,984.1	63.5	1.6	4,038.0
New York	8,504.1	8,430.7	73.4	0.9	8,497.8
Pennsylvania	5,690.1	5,628.9	61.2	1.1	5,680.4
Rhode Island	493.0	486.7	6.3	1.3	492.3
Vermont	305.6	302.6	3.0	1.0	305.2
United States	133,293.0	131,123.0	2,170.0	1.7	133,019.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
Connecticut	1,808.2	1,798.3	9.9	0.6	1,789.6
Maine	706.0	696.9	9.1	1.3	701.7
Massachusetts	3,377.2	3,395.3	-18.1	-0.5	3,369.6
New Hampshire	733.3	722.2	11.1	1.5	729.6
New Jersey	4,413.8	4,389.4	24.4	0.6	4,396.3
New York	9,409.9	9,337.1	72.8	0.8	9,331.8
Pennsylvania	6,329.1	6,256.8	72.3	1.2	6,336.0
Rhode Island	567.7	563.3	4.4	0.8	564.0
Vermont	352.4	353.4	-1.0	-0.3	352.7
United States	148,762.0	146,788.0	1,974.0	1.3	148,157.0

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

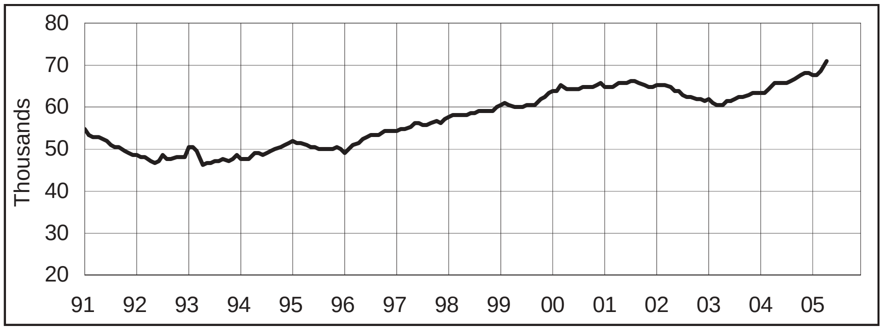
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	APR 2005	APR 2004	CHANGE	MAR 2005
Connecticut	4.9	5.0	-0.1	4.9
Maine	4.7	4.4	0.3	4.7
Massachusetts	4.7	5.3	-0.6	4.9
New Hampshire	3.4	4.0	-0.6	3.7
New Jersey	4.2	5.1	-0.9	4.3
New York	4.9	6.0	-1.1	4.6
Pennsylvania	4.9	5.4	-0.5	5.4
Rhode Island	4.7	5.3	-0.6	4.5
Vermont	3.3	3.8	-0.5	3.4
United States	5.2	5.5	-0.3	5.2

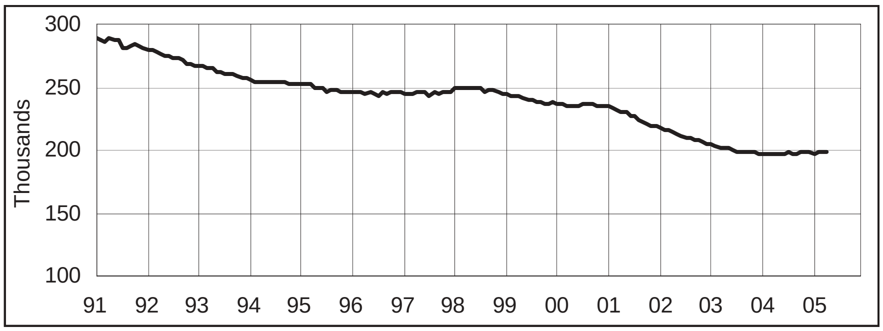
Source: U.S. Department of Labor, Bureau of Labor Statistics

CONSTRUCTION EMPLOYMENT *(Seasonally adjusted)*



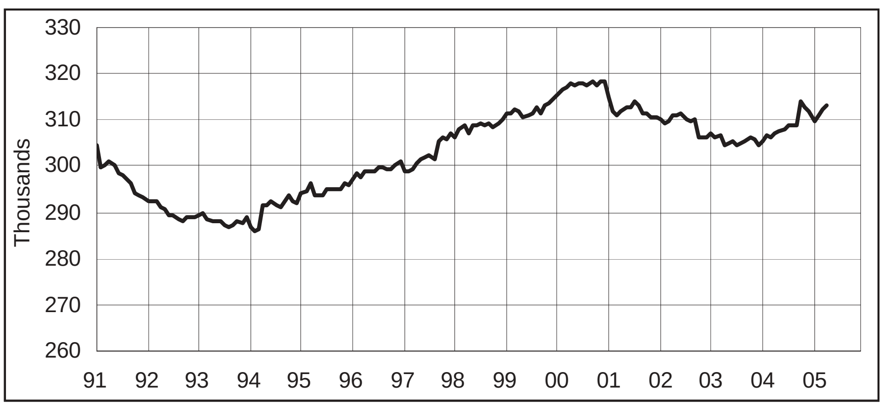
Month	2003	2004	2005
Jan	62.0	63.4	67.5
Feb	61.0	63.2	67.7
Mar	60.7	64.2	68.8
Apr	60.5	65.6	70.8
May	61.3	65.6	
Jun	61.2	65.8	
Jul	62.1	65.8	
Aug	62.3	66.1	
Sep	62.4	66.5	
Oct	63.0	67.6	
Nov	63.3	68.1	
Dec	63.3	68.1	

MANUFACTURING EMPLOYMENT *(Seasonally adjusted)*



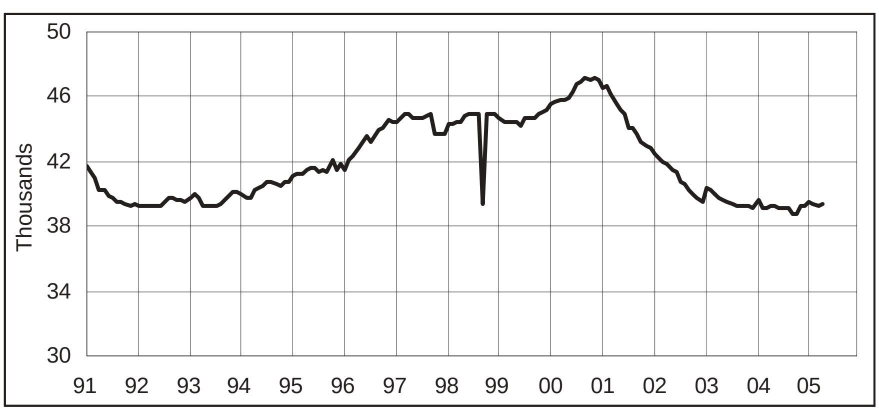
Month	2003	2004	2005
Jan	204.5	197.3	197.6
Feb	203.2	197.2	198.9
Mar	202.2	197.3	198.9
Apr	201.6	197.5	198.8
May	200.9	197.4	
Jun	200.0	197.5	
Jul	199.1	198.1	
Aug	198.4	197.3	
Sep	197.7	197.0	
Oct	197.9	197.7	
Nov	197.7	197.7	
Dec	197.3	197.9	

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



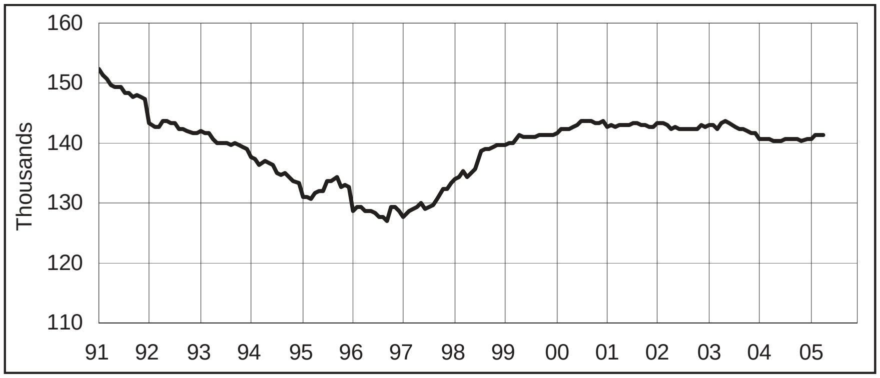
Month	2003	2004	2005
Jan	306.9	305.5	309.7
Feb	306.4	306.5	310.8
Mar	306.7	306.4	312.1
Apr	304.5	307.0	313.0
May	305.1	307.6	
Jun	305.4	308.0	
Jul	304.6	308.9	
Aug	304.8	308.7	
Sep	305.4	308.9	
Oct	306.4	313.8	
Nov	305.6	312.9	
Dec	304.3	311.7	

INFORMATION EMPLOYMENT *(Seasonally adjusted)*



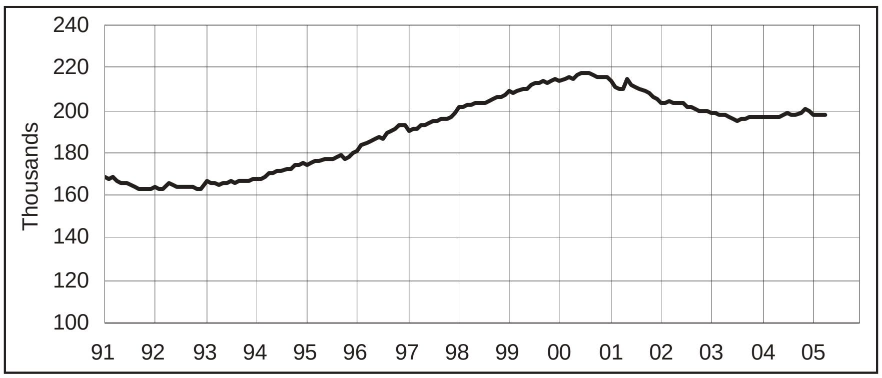
Month	2003	2004	2005
Jan	40.4	39.6	39.5
Feb	40.2	39.1	39.4
Mar	40.0	39.1	39.3
Apr	39.8	39.2	39.4
May	39.6	39.2	
Jun	39.5	39.1	
Jul	39.4	39.1	
Aug	39.3	39.1	
Sep	39.2	38.8	
Oct	39.2	38.8	
Nov	39.2	39.2	
Dec	39.1	39.3	

FINANCIAL ACTIVITIES EMPLOYMENT *(Seasonally adjusted)*



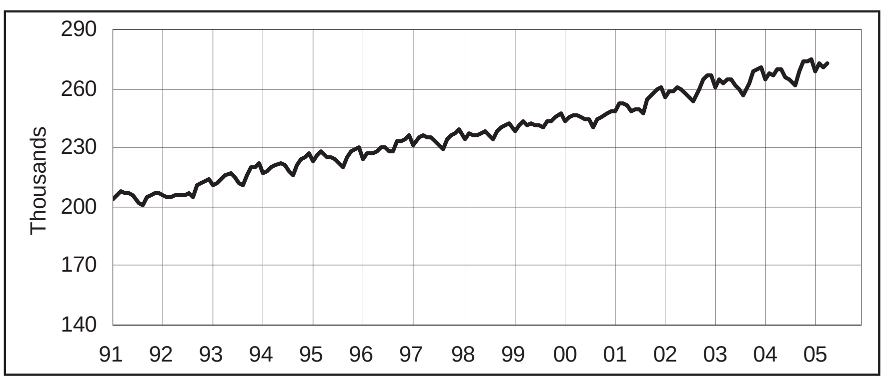
Month	2003	2004	2005
Jan	143.1	140.8	140.7
Feb	142.9	140.8	141.2
Mar	142.5	140.6	141.3
Apr	143.4	140.5	141.3
May	143.7	140.4	
Jun	143.5	140.5	
Jul	142.7	140.6	
Aug	142.5	140.6	
Sep	142.3	140.7	
Oct	142.1	140.8	
Nov	141.7	140.4	
Dec	141.6	140.8	

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



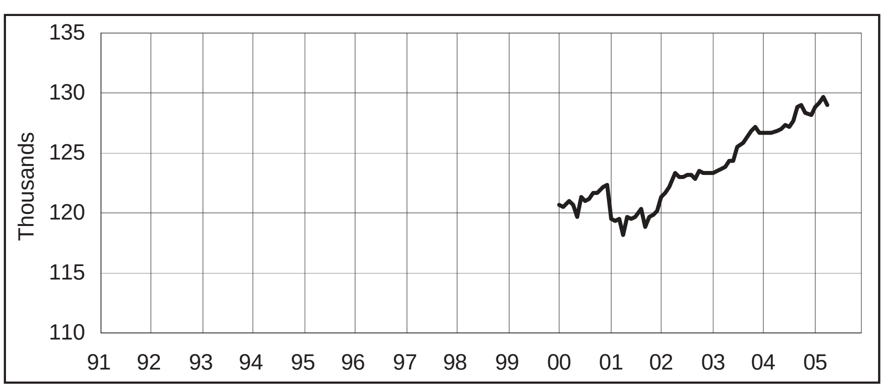
Month	2003	2004	2005
Jan	199.1	196.6	197.8
Feb	198.9	196.6	198.1
Mar	197.8	196.7	198.0
Apr	197.3	196.9	198.0
May	196.6	197.1	
Jun	195.6	197.6	
Jul	195.3	198.2	
Aug	195.4	198.0	
Sep	195.6	198.0	
Oct	196.4	199.0	
Nov	196.9	200.1	
Dec	196.5	199.5	

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



Month	2003	2004	2005
Jan	261.1	264.4	268.7
Feb	264.3	268.2	272.7
Mar	263.0	267.0	271.1
Apr	265.1	269.5	272.8
May	264.6	269.8	
Jun	261.4	266.0	
Jul	260.0	264.5	
Aug	257.0	261.5	
Sep	262.4	268.3	
Oct	268.5	273.5	
Nov	270.0	274.1	
Dec	270.3	274.3	

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	129.0
May	124.3	127.0	
Jun	124.4	127.4	
Jul	125.5	127.1	
Aug	125.9	127.6	
Sep	126.3	128.9	
Oct	126.8	129.0	
Nov	127.1	128.3	
Dec	126.6	128.1	

STATE

NONFARM EMPLOYMENT ESTIMATES

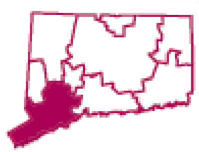
CONNECTICUT

Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**1,667,200**	**1,645,900**	**21,300**	**1.3**	**1,650,700**
GOODS PRODUCING INDUSTRIES	**268,400**	**262,500**	**5,900**	**2.2**	**262,500**
CONSTRUCTION, NAT. RES. & MINING	**70,000**	**64,900**	**5,100**	**7.9**	**64,000**
MANUFACTURING	**198,400**	**197,600**	**800**	**0.4**	**198,500**
Durable Goods	**147,700**	**146,300**	**1,400**	**1.0**	**147,700**
Fabricated Metal	34,200	33,800	400	1.2	34,200
Machinery	18,700	18,700	0	0.0	18,800
Computer and Electronic Product	15,400	15,400	0	0.0	15,400
Electrical Equipment	10,200	10,300	-100	-1.0	10,200
Transportation Equipment	43,500	43,200	300	0.7	43,400
Aerospace Product and Parts	30,200	29,900	300	1.0	30,100
Non-Durable Goods	**50,700**	**51,300**	**-600**	**-1.2**	**50,800**
Printing and Related	8,200	8,600	-400	-4.7	8,300
Chemical	17,000	17,100	-100	-0.6	17,100
Plastics and Rubber Products	7,600	7,600	0	0.0	7,500
SERVICE PROVIDING INDUSTRIES	**1,398,800**	**1,383,400**	**15,400**	**1.1**	**1,388,200**
TRADE, TRANSPORTATION, UTILITIES	**310,600**	**303,800**	**6,800**	**2.2**	**308,600**
Wholesale Trade	66,200	65,800	400	0.6	65,300
Retail Trade	193,400	188,300	5,100	2.7	193,100
Motor Vehicle and Parts Dealers	23,300	23,100	200	0.9	23,200
Building Material	17,200	16,100	1,100	6.8	16,300
Food and Beverage Stores	43,300	43,200	100	0.2	43,700
General Merchandise Stores	25,800	23,500	2,300	9.8	25,700
Transportation, Warehousing, & Utilities	51,000	49,700	1,300	2.6	50,200
Utilities	8,700	8,600	100	1.2	8,700
Transportation and Warehousing	42,300	41,100	1,200	2.9	41,500
INFORMATION	**39,300**	**39,000**	**300**	**0.8**	**39,100**
Telecommunications	13,400	13,800	-400	-2.9	13,500
FINANCIAL ACTIVITIES	**140,500**	**139,700**	**800**	**0.6**	**140,300**
Finance and Insurance	120,700	119,900	800	0.7	120,600
Credit Intermediation	31,300	31,800	-500	-1.6	31,300
Securities and Commodity Contracts	19,500	18,100	1,400	7.7	19,400
Insurance Carriers & Related Activities	65,200	65,300	-100	-0.2	65,200
Real Estate and Rental and Leasing	19,800	19,800	0	0.0	19,700
PROFESSIONAL & BUSINESS SERVICES	**197,600**	**196,600**	**1,000**	**0.5**	**195,400**
Professional, Scientific	87,100	88,400	-1,300	-1.5	86,900
Legal Services	14,600	14,700	-100	-0.7	14,700
Computer Systems Design	18,400	18,200	200	1.1	18,400
Management of Companies	25,100	25,500	-400	-1.6	25,100
Administrative and Support	85,400	82,700	2,700	3.3	83,400
Employment Services	29,600	27,600	2,000	7.2	29,600
EDUCATIONAL AND HEALTH SERVICES	**272,800**	**269,500**	**3,300**	**1.2**	**271,100**
Educational Services	53,000	51,200	1,800	3.5	51,500
Health Care and Social Assistance	219,800	218,300	1,500	0.7	219,600
Hospitals	55,700	55,100	600	1.1	55,600
Nursing & Residential Care Facilities	57,300	57,300	0	0.0	57,100
Social Assistance	35,500	34,800	700	2.0	35,600
LEISURE AND HOSPITALITY	**126,700**	**124,400**	**2,300**	**1.8**	**122,600**
Arts, Entertainment, and Recreation	23,500	22,800	700	3.1	21,900
Accommodation and Food Services	103,200	101,600	1,600	1.6	100,700
Food Serv., Restaurants, Drinking Places	92,300	90,900	1,400	1.5	90,300
OTHER SERVICES	**63,100**	**62,300**	**800**	**1.3**	**62,600**
GOVERNMENT	**248,200**	**248,100**	**100**	**0.0**	**248,500**
Federal Government	19,900	20,100	-200	-1.0	19,900
State Government	65,700	66,100	-400	-0.6	66,200
**Local Government	162,600	161,900	700	0.4	162,400

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

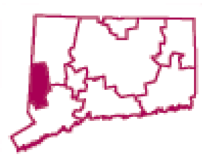


Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**408,900**	**407,500**	**1,400**	**0.3**	**406,400**
GOODS PRODUCING INDUSTRIES	**55,300**	**56,300**	**-1,000**	**-1.8**	**54,200**
CONSTRUCTION, NAT. RES. & MINING	**14,300**	**14,200**	**100**	**0.7**	**13,100**
MANUFACTURING	**41,000**	**42,100**	**-1,100**	**-2.6**	**41,100**
Durable Goods	**29,800**	**30,600**	**-800**	**-2.6**	**29,800**
SERVICE PROVIDING INDUSTRIES	**353,600**	**351,200**	**2,400**	**0.7**	**352,200**
TRADE, TRANSPORTATION, UTILITIES	**73,500**	**73,800**	**-300**	**-0.4**	**73,900**
Wholesale Trade	14,500	14,700	-200	-1.4	14,600
Retail Trade	48,900	48,600	300	0.6	49,000
Transportation, Warehousing, & Utilities	10,100	10,500	-400	-3.8	10,300
INFORMATION	**12,000**	**12,000**	**0**	**0.0**	**12,000**
FINANCIAL ACTIVITIES	**42,000**	**41,000**	**1,000**	**2.4**	**42,000**
Finance and Insurance	35,500	34,700	800	2.3	35,600
PROFESSIONAL & BUSINESS SERVICES	**69,200**	**69,000**	**200**	**0.3**	**68,300**
EDUCATIONAL AND HEALTH SERVICES	**60,000**	**59,600**	**400**	**0.7**	**60,200**
Health Care and Social Assistance	51,200	50,700	500	1.0	51,400
LEISURE AND HOSPITALITY	**31,900**	**31,700**	**200**	**0.6**	**30,500**
Accommodation and Food Services	23,100	23,400	-300	-1.3	22,600
OTHER SERVICES	**17,000**	**16,600**	**400**	**2.4**	**16,900**
GOVERNMENT	**48,000**	**47,500**	**500**	**1.1**	**48,400**
Federal	3,600	3,600	0	0.0	3,600
State & Local	44,400	43,900	500	1.1	44,800

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

DANBURY LMA



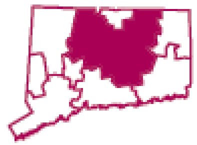
Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**68,500**	**68,800**	**-300**	**-0.4**	**68,300**
GOODS PRODUCING INDUSTRIES	**13,200**	**13,300**	**-100**	**-0.8**	**13,000**
SERVICE PROVIDING INDUSTRIES	**55,300**	**55,500**	**-200**	**-0.4**	**55,300**
TRADE, TRANSPORTATION, UTILITIES	**15,600**	**15,600**	**0**	**0.0**	**15,800**
Retail Trade	11,900	12,000	-100	-0.8	12,000
PROFESSIONAL & BUSINESS SERVICES	**8,600**	**8,400**	**200**	**2.4**	**8,300**
LEISURE AND HOSPITALITY	**5,100**	**5,100**	**0**	**0.0**	**5,000**
GOVERNMENT	**8,200**	**8,300**	**-100**	**-1.2**	**8,300**
Federal	600	600	0	0.0	600
State & Local	7,600	7,700	-100	-1.3	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 2004.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**543,100**	**537,700**	**5,400**	**1.0**	**536,500**
GOODS PRODUCING INDUSTRIES	**84,100**	**84,800**	**-700**	**-0.8**	**82,400**
CONSTRUCTION, NAT. RES. & MINING	**20,200**	**20,500**	**-300**	**-1.5**	**18,800**
MANUFACTURING	**63,900**	**64,300**	**-400**	**-0.6**	**63,600**
Durable Goods	**53,500**	**53,300**	**200**	**0.4**	**53,600**
Transportation Equipment	18,500	18,200	300	1.6	18,400
SERVICE PROVIDING INDUSTRIES	**459,000**	**452,900**	**6,100**	**1.3**	**454,100**
TRADE, TRANSPORTATION, UTILITIES	**88,800**	**88,000**	**800**	**0.9**	**88,100**
Wholesale Trade	18,600	18,800	-200	-1.1	18,400
Retail Trade	55,800	54,800	1,000	1.8	55,600
Transportation, Warehousing, & Utilities	14,400	14,400	0	0.0	14,100
Transportation and Warehousing	10,700	10,900	-200	-1.8	10,400
INFORMATION	**11,700**	**11,300**	**400**	**3.5**	**11,600**
FINANCIAL ACTIVITIES	**68,300**	**67,400**	**900**	**1.3**	**67,300**
Depository Credit Institutions	8,000	8,000	0	0.0	7,900
Insurance Carriers & Related Activities	44,400	45,500	-1,100	-2.4	44,800
PROFESSIONAL & BUSINESS SERVICES	**58,600**	**57,100**	**1,500**	**2.6**	**57,300**
Professional, Scientific	27,700	27,000	700	2.6	27,500
Administrative and Support	25,000	24,200	800	3.3	23,900
EDUCATIONAL AND HEALTH SERVICES	**84,900**	**83,600**	**1,300**	**1.6**	**84,900**
Health Care and Social Assistance	73,400	73,000	400	0.5	73,400
Ambulatory Health Care	22,100	22,100	0	0.0	22,000
LEISURE AND HOSPITALITY	**37,900**	**37,000**	**900**	**2.4**	**36,500**
Accommodation and Food Services	31,200	30,600	600	2.0	30,200
OTHER SERVICES	**20,800**	**20,700**	**100**	**0.5**	**20,700**
GOVERNMENT	**88,000**	**87,800**	**200**	**0.2**	**87,700**
Federal	6,100	6,100	0	0.0	6,100
State & Local	81,900	81,700	200	0.2	81,600

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

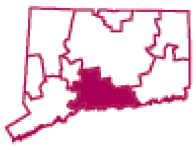
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Temporary help trends**
After the 2001 recession, employment growth in the temporary help services industry (in U.S.) began its generally upward trend, and, more recently, added 205,000 jobs in 2004. In this latest phase of the business cycle, this industry was the major contributor to total nonfarm employment growth. Since hitting an employment low in April 2003 (following a peak in April 2000), the temporary help services industry recovered about two-thirds of the jobs lost by December 2004. Temporary help services supplies labor to all types of industries, which often hire temporary workers to keep pace with increased demand before hiring permanent workers. This practice ensures that increased demand is long lasting before permanent hires are made. These employment data come from the BLS Current Employment Statistics program and are seasonally adjusted. To find out more, see "Payroll employment grows in 2004," by Emily Lloyd and Charlotte Mueller, Monthly Labor Review, March 2005. (The Editor's Desk, Bureau of Labor Statistics, April 14, 2005)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**272,700**	**271,900**	**800**	**0.3**	**267,900**
GOODS PRODUCING INDUSTRIES	**46,500**	**45,200**	**1,300**	**2.9**	**45,200**
CONSTRUCTION, NAT. RES. & MINING	**12,100**	**11,300**	**800**	**7.1**	**11,100**
MANUFACTURING	**34,400**	**33,900**	**500**	**1.5**	**34,100**
Durable Goods	**22,900**	**23,100**	**-200**	**-0.9**	**22,700**
SERVICE PROVIDING INDUSTRIES	**226,200**	**226,700**	**-500**	**-0.2**	**222,700**
TRADE, TRANSPORTATION, UTILITIES	**49,500**	**49,400**	**100**	**0.2**	**49,300**
Wholesale Trade	11,200	11,400	-200	-1.8	11,200
Retail Trade	31,100	29,800	1,300	4.4	31,000
Transportation, Warehousing, & Utilities	7,200	8,200	-1,000	-12.2	7,100
INFORMATION	**8,700**	**8,600**	**100**	**1.2**	**8,700**
Telecommunications	5,200	5,300	-100	-1.9	5,200
FINANCIAL ACTIVITIES	**13,300**	**14,300**	**-1,000**	**-7.0**	**13,400**
Finance and Insurance	9,800	10,600	-800	-7.5	10,000
PROFESSIONAL & BUSINESS SERVICES	**25,300**	**25,800**	**-500**	**-1.9**	**24,800**
Administrative and Support	11,700	11,700	0	0.0	11,500
EDUCATIONAL AND HEALTH SERVICES	**63,100**	**62,700**	**400**	**0.6**	**60,900**
Educational Services	22,800	22,700	100	0.4	20,800
Health Care and Social Assistance	40,300	40,000	300	0.8	40,100
LEISURE AND HOSPITALITY	**21,600**	**19,800**	**1,800**	**9.1**	**20,900**
Accommodation and Food Services	18,000	16,500	1,500	9.1	17,300
OTHER SERVICES	**10,600**	**10,400**	**200**	**1.9**	**10,500**
GOVERNMENT	**34,100**	**35,700**	**-1,600**	**-4.5**	**34,200**
Federal	5,400	5,500	-100	-1.8	5,400
State & Local	28,700	30,200	-1,500	-5.0	28,800

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

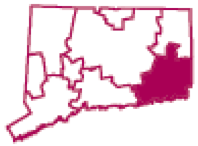
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2004.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

- **Occupation and the working poor in 2003**
  Workers in occupations that require higher education and are characterized by higher earnings (in U.S) are least likely to be among the working poor. For instance, 2.0 percent of people employed in managerial, professional, and related occupations were classified as working poor in 2003. By comparison, individuals employed in occupations that typically do not require high levels of education and are characterized by lower earnings are more likely to be among the working poor. About 2.2 million individuals or 30.1 percent of the working poor held service jobs in 2003. Their working poor rate, at 10.6 percent, was double the average for all workers. The data were collected in the 2004 Annual Social and Economic Supplement to the Current Population Survey. For more information see A Profile of the Working Poor, 2003, Report 983 (PDF 75K). As defined in this report, the working poor are individuals who spent at least 27 weeks in the labor force (working or looking for work), but whose incomes fell below the official poverty level. (The Editor's Desk, Bureau of Labor Statistics, April 19, 2005)

NONFARM EMPLOYMENT ESTIMATES

NORWICH - NEW LONDON LMA

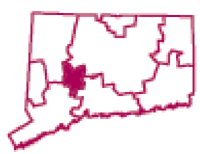


Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**133,800**	**132,700**	**1,100**	**0.8**	**131,700**
GOODS PRODUCING INDUSTRIES	**22,100**	**21,900**	**200**	**0.9**	**21,800**
CONSTRUCTION, NAT. RES. & MINING	**4,600**	**4,500**	**100**	**2.2**	**4,300**
MANUFACTURING	**17,500**	**17,400**	**100**	**0.6**	**17,500**
Durable Goods	**11,200**	**10,900**	**300**	**2.8**	**11,100**
Non-Durable Goods	**6,300**	**6,500**	**-200**	**-3.1**	**6,400**
SERVICE PROVIDING INDUSTRIES	**111,700**	**110,800**	**900**	**0.8**	**109,900**
TRADE, TRANSPORTATION, UTILITIES	**21,800**	**21,700**	**100**	**0.5**	**21,600**
Wholesale Trade	1,900	1,900	0	0.0	1,900
Retail Trade	15,900	15,800	100	0.6	15,700
Transportation, Warehousing, & Utilities	4,000	4,000	0	0.0	4,000
INFORMATION	**2,100**	**2,100**	**0**	**0.0**	**2,100**
FINANCIAL ACTIVITIES	**3,300**	**3,300**	**0**	**0.0**	**3,300**
PROFESSIONAL & BUSINESS SERVICES	**10,200**	**10,000**	**200**	**2.0**	**9,900**
EDUCATIONAL AND HEALTH SERVICES	**18,300**	**18,000**	**300**	**1.7**	**18,100**
Health Care and Social Assistance	15,700	15,400	300	1.9	15,600
LEISURE AND HOSPITALITY	**12,000**	**12,200**	**-200**	**-1.6**	**11,200**
Accommodation and Food Services	9,900	10,100	-200	-2.0	9,500
Food Serv., Restaurants, Drinking Places	8,200	8,200	0	0.0	7,800
OTHER SERVICES	**4,000**	**3,800**	**200**	**5.3**	**4,000**
GOVERNMENT	**40,000**	**39,700**	**300**	**0.8**	**39,700**
Federal	2,300	2,400	-100	-4.2	2,300
**State & Local	37,700	37,300	400	1.1	37,400

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

WATERBURY LMA



Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**69,000**	**68,500**	**500**	**0.7**	**68,200**
GOODS PRODUCING INDUSTRIES	**13,800**	**13,800**	**0**	**0.0**	**13,600**
CONSTRUCTION, NAT. RES. & MINING	**2,900**	**2,900**	**0**	**0.0**	**2,700**
MANUFACTURING	**10,900**	**10,900**	**0**	**0.0**	**10,900**
SERVICE PROVIDING INDUSTRIES	**55,200**	**54,700**	**500**	**0.9**	**54,600**
TRADE, TRANSPORTATION, UTILITIES	**13,500**	**13,500**	**0**	**0.0**	**13,200**
Wholesale Trade	2,100	2,100	0	0.0	2,100
Retail Trade	9,000	9,000	0	0.0	8,700
Transportation, Warehousing, & Utilities	2,400	2,400	0	0.0	2,400
INFORMATION	**1,100**	**1,100**	**0**	**0.0**	**1,100**
FINANCIAL ACTIVITIES	**2,800**	**2,800**	**0**	**0.0**	**2,800**
PROFESSIONAL & BUSINESS SERVICES	**6,400**	**5,700**	**700**	**12.3**	**6,100**
EDUCATIONAL AND HEALTH SERVICES	**14,000**	**14,000**	**0**	**0.0**	**14,200**
Health Care and Social Assistance	12,800	12,600	200	1.6	13,000
LEISURE AND HOSPITALITY	**4,600**	**4,400**	**200**	**4.5**	**4,400**
OTHER SERVICES	**2,900**	**2,800**	**100**	**3.6**	**2,800**
GOVERNMENT	**9,900**	**10,400**	**-500**	**-4.8**	**10,000**
Federal	600	600	0	0.0	600
State & Local	9,300	9,800	-500	-5.1	9,400

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 2004.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

SMALLER LMAS

Not Seasonally Adjusted

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**44,800**	**45,900**	**-1,100**	**-2.4**	**45,000**
TORRINGTON LMA	**36,200**	**36,400**	**-200**	**-0.5**	**35,600**
WILLIMANTIC - DANIELSON LMA	**36,900**	**36,400**	**500**	**1.4**	**36,300**

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

	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
TOTAL NONFARM EMPLOYMENT	**296,600**	**295,000**	**1,600**	**0.5**	**292,200**
GOODS PRODUCING INDUSTRIES	**49,700**	**49,100**	**600**	**1.2**	**48,300**
CONSTRUCTION, NAT. RES. & MINING	**10,200**	**10,100**	**100**	**1.0**	**9,100**
MANUFACTURING	**39,500**	**39,000**	**500**	**1.3**	**39,200**
Durable Goods	**24,800**	**24,200**	**600**	**2.5**	**24,500**
Non-Durable Goods	**14,700**	**14,800**	**-100**	**-0.7**	**14,700**
SERVICE PROVIDING INDUSTRIES	**246,900**	**245,900**	**1,000**	**0.4**	**243,900**
TRADE, TRANSPORTATION, UTILITIES	**60,800**	**59,900**	**900**	**1.5**	**60,600**
Wholesale Trade	11,300	10,800	500	4.6	11,300
Retail Trade	36,600	35,900	700	1.9	36,200
Transportation, Warehousing, & Utilities	12,900	13,200	-300	-2.3	13,100
INFORMATION	**4,300**	**4,700**	**-400**	**-8.5**	**4,300**
FINANCIAL ACTIVITIES	**16,400**	**16,300**	**100**	**0.6**	**16,300**
Finance and Insurance	12,400	12,500	-100	-0.8	12,400
Insurance Carriers & Related Activities	7,900	7,800	100	1.3	7,800
PROFESSIONAL & BUSINESS SERVICES	**24,300**	**24,300**	**0**	**0.0**	**23,100**
EDUCATIONAL AND HEALTH SERVICES	**54,300**	**53,700**	**600**	**1.1**	**54,200**
Educational Services	12,300	12,100	200	1.7	12,200
Health Care and Social Assistance	42,000	41,600	400	1.0	42,000
LEISURE AND HOSPITALITY	**27,400**	**26,700**	**700**	**2.6**	**25,700**
OTHER SERVICES	**11,400**	**11,100**	**300**	**2.7**	**11,400**
GOVERNMENT	**48,000**	**49,200**	**-1,200**	**-2.4**	**48,300**
Federal	7,000	6,900	100	1.4	6,900
State & Local	41,000	42,300	-1,300	-3.1	41,400

* 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

(Not seasonally adjusted)	EMPLOYMENT STATUS	APR 2005	APR 2004	CHANGE NO.	CHANGE %	MAR 2005
CONNECTICUT	Civilian Labor Force	1,798,500	1,789,100	9,400	0.5	1,778,800
	Employed	1,711,500	1,701,600	9,900	0.6	1,689,100
	Unemployed	87,000	87,500	-500	-0.6	89,700
	Unemployment Rate	4.8	4.9	-0.1	---	5.0
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	471,900	470,300	1,600	0.3	468,400
	Employed	451,500	449,700	1,800	0.4	447,500
	Unemployed	20,400	20,600	-200	-1.0	20,900
	Unemployment Rate	4.3	4.4	-0.1	---	4.5
DANBURY LMA	Civilian Labor Force	89,800	90,000	-200	-0.2	89,500
	Employed	86,600	86,700	-100	-0.1	86,100
	Unemployed	3,200	3,300	-100	-3.0	3,400
	Unemployment Rate	3.6	3.7	-0.1	---	3.8
ENFIELD LMA	Civilian Labor Force	49,900	49,200	700	1.4	49,300
	Employed	47,600	46,800	800	1.7	47,000
	Unemployed	2,300	2,400	-100	-4.2	2,300
	Unemployment Rate	4.6	4.8	-0.2	---	4.7
HARTFORD LMA	Civilian Labor Force	551,800	547,700	4,100	0.7	545,600
	Employed	523,200	518,700	4,500	0.9	515,800
	Unemployed	28,600	28,900	-300	-1.0	29,800
	Unemployment Rate	5.2	5.3	-0.1	---	5.5
NEW HAVEN LMA	Civilian Labor Force	291,900	290,900	1,000	0.3	287,500
	Employed	277,100	276,300	800	0.3	272,500
	Unemployed	14,700	14,600	100	0.7	15,000
	Unemployment Rate	5.0	5.0	0.0	---	5.2
NORWICH - NEW LONDON LMA	Civilian Labor Force	154,200	153,500	700	0.5	152,200
	Employed	147,900	147,000	900	0.6	145,600
	Unemployed	6,300	6,400	-100	-1.6	6,600
	Unemployment Rate	4.1	4.2	-0.1	---	4.4
TORRINGTON LMA	Civilian Labor Force	49,200	49,100	100	0.2	48,600
	Employed	46,600	46,700	-100	-0.2	45,800
	Unemployed	2,500	2,500	0	0.0	2,800
	Unemployment Rate	5.2	5.0	0.2	---	5.8
WATERBURY LMA	Civilian Labor Force	98,100	97,500	600	0.6	96,900
	Employed	91,800	91,200	600	0.7	90,400
	Unemployed	6,400	6,300	100	1.6	6,500
	Unemployment Rate	6.5	6.5	0.0	---	6.7
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	55,000	54,200	800	1.5	54,300
	Employed	52,000	51,100	900	1.8	51,200
	Unemployed	3,000	3,000	0	0.0	3,100
	Unemployment Rate	5.5	5.6	-0.1	---	5.7
UNITED STATES	Civilian Labor Force	148,274,000	146,260,000	2,014,000	1.4	147,745,000
	Employed	140,939,000	138,423,000	2,516,000	1.8	139,759,000
	Unemployed	7,335,000	7,837,000	-502,000	-6.4	7,986,000
	Unemployment Rate	4.9	5.4	-0.5	---	5.4

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

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS APR 2005	APR 2004	CHG Y/Y	MAR 2005	AVG WEEKLY HOURS APR 2005	APR 2004	CHG Y/Y	MAR 2005	AVG HOURLY EARNINGS APR 2005	APR 2004	CHG Y/Y	MAR 2005
MANUFACTURING	**$791.01**	**$756.96**	**$34.05**	**$794.64**	**42.3**	**41.5**	**0.8**	**42.0**	**$18.70**	**$18.24**	**$0.46**	**$18.92**
DURABLE GOODS	**817.90**	**779.79**	**38.11**	**823.06**	**42.4**	**41.5**	**0.9**	**42.1**	**19.29**	**18.79**	**0.50**	**19.55**
Fabricated Metal	742.61	711.46	31.15	745.20	43.2	41.9	1.3	43.1	17.19	16.98	0.21	17.29
Machinery	774.11	736.88	37.23	767.60	39.8	39.3	0.5	40.0	19.45	18.75	0.70	19.19
Computer & Electronic	640.79	615.60	25.19	628.44	39.9	40.0	-0.1	39.8	16.06	15.39	0.67	15.79
Transport. Equipment	1,024.88	969.98	54.90	1,035.01	42.9	42.1	0.8	43.0	23.89	23.04	0.85	24.07
NON-DUR. GOODS	**725.42**	**698.00**	**27.41**	**720.51**	**42.2**	**41.4**	**0.8**	**41.6**	**17.19**	**16.86**	**0.33**	**17.32**
CONSTRUCTION	**912.78**	**878.22**	**34.56**	**868.68**	**39.6**	**38.2**	**1.4**	**38.1**	**23.05**	**22.99**	**0.06**	**22.80**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS APR 2005	APR 2004	CHG Y/Y	MAR 2005	AVG WEEKLY HOURS APR 2005	APR 2004	CHG Y/Y	MAR 2005	AVG HOURLY EARNINGS APR 2005	APR 2004	CHG Y/Y	MAR 2005
Bridgeport - Stamford	$782.28	$874.32	-$92.04	$791.62	41.0	41.3	-0.3	40.7	$19.08	$21.17	-$2.09	$19.45
Hartford	920.04	857.54	62.50	931.30	44.0	42.6	1.4	43.6	20.91	20.13	0.78	21.36
New Haven	695.54	634.37	61.17	631.63	41.9	41.3	0.6	39.7	16.60	15.36	1.24	15.91
Norwich - New London	794.92	752.52	42.40	798.62	42.6	41.9	0.7	42.3	18.66	17.96	0.70	18.88
Waterbury	741.78	711.71	30.07	770.56	39.0	36.8	2.2	40.9	19.02	19.34	-0.32	18.84

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

- April 28, 2005 had the announcement that Dayville Property Development will build a shopping mall at the former Anchor Glass in Killingly that will employ 800 construction workers initially and 300 workers upon its opening in the summer of 2006. Wendy's will open a fast-food restaurant this fall in Plainville which will employ 35-40 people. Fibrelite Corp., a maker of manhole covers, announced that they will be moving from England to Stonington with 45 new workers being needed. Pfizer Inc. has opened a clinical research center in New Haven that employs 50 people.

- April 2005 saw Sweet Waverly Printing Co. of Portland run out of money and close its doors leaving 103 people without a job. As a result of an acquisition of Travelers Life, insurance giant MetLife will have a net loss of 200-300 employees at the company's Hartford office.

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)

APRIL 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**471,866**	**451,484**	**20,382**	**4.3**
Ansonia	10,053	9,502	551	5.5
Bridgeport	63,526	58,806	4,720	7.4
Darien	9,012	8,749	263	2.9
Derby	6,943	6,584	359	5.2
Easton	3,774	3,665	109	2.9
Fairfield	28,788	27,728	1,060	3.7
Greenwich	30,346	29,398	948	3.1
Milford	31,306	29,934	1,372	4.4
Monroe	10,689	10,311	378	3.5
New Canaan	8,925	8,654	271	3.0
Newtown	14,038	13,556	482	3.4
Norwalk	48,763	46,850	1,913	3.9
Oxford	6,349	6,128	221	3.5
Redding	4,535	4,412	123	2.7
Ridgefield	11,803	11,447	356	3.0
Seymour	9,111	8,740	371	4.1
Shelton	22,486	21,591	895	4.0
Southbury	8,935	8,598	337	3.8
Stamford	67,313	64,534	2,779	4.1
Stratford	26,390	25,104	1,286	4.9
Trumbull	17,915	17,268	647	3.6
Weston	4,938	4,797	141	2.9
Westport	12,626	12,233	393	3.1
Wilton	8,374	8,127	247	2.9
Woodbridge	4,930	4,770	160	3.2
DANBURY	**89,838**	**86,610**	**3,228**	**3.6**
Bethel	10,772	10,405	367	3.4
Bridgewater	1,024	1,000	24	2.3
Brookfield	8,839	8,549	290	3.3
Danbury	43,395	41,748	1,647	3.8
New Fairfield	7,557	7,313	244	3.2
New Milford	16,132	15,543	589	3.7
Sherman	2,118	2,052	66	3.1
ENFIELD	**49,895**	**47,589**	**2,306**	**4.6**
East Windsor	6,108	5,820	288	4.7
Enfield	24,613	23,458	1,155	4.7
Somers	4,798	4,592	206	4.3
Suffield	7,233	6,930	303	4.2
Windsor Locks	7,143	6,789	354	5.0
HARTFORD	**551,805**	**523,221**	**28,584**	**5.2**
Andover	1,870	1,799	71	3.8
Ashford	2,423	2,324	99	4.1
Avon	8,469	8,205	264	3.1
Barkhamsted	2,102	2,009	93	4.4
Berlin	10,406	9,944	462	4.4
Bloomfield	9,279	8,701	578	6.2
Bolton	2,918	2,832	86	2.9
Bristol	32,525	30,669	1,856	5.7
Burlington	4,913	4,745	168	3.4

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,131	4,956	175	3.4
Colchester	8,231	7,882	349	4.2
Columbia	2,846	2,744	102	3.6
Coventry	6,646	6,367	279	4.2
Cromwell	7,375	7,097	278	3.8
East Granby	2,747	2,640	107	3.9
East Haddam	4,858	4,663	195	4.0
East Hampton	6,355	5,940	415	6.5
East Hartford	24,554	22,943	1,611	6.6
Ellington	8,079	7,769	310	3.8
Farmington	12,096	11,628	468	3.9
Glastonbury	17,220	16,624	596	3.5
Granby	5,871	5,647	224	3.8
Haddam	4,476	4,300	176	3.9
Hartford	46,779	42,155	4,624	9.9
Hartland	1,141	1,099	42	3.7
Harwinton	2,970	2,851	119	4.0
Hebron	5,149	4,953	196	3.8
Lebanon	4,005	3,845	160	4.0
Manchester	30,431	28,917	1,514	5.0
Mansfield	11,729	11,270	459	3.9
Marlborough	3,349	3,212	137	4.1
Middlefield	2,298	2,192	106	4.6
Middletown	24,955	23,825	1,130	4.5
New Britain	33,416	30,865	2,551	7.6
New Hartford	3,508	3,375	133	3.8
Newington	15,903	15,213	690	4.3
Plainville	9,754	9,220	534	5.5
Plymouth	6,517	6,135	382	5.9
Portland	4,954	4,749	205	4.1
Rocky Hill	10,085	9,685	400	4.0
Simsbury	11,449	11,065	384	3.4
Southington	22,719	21,684	1,035	4.6
South Windsor	13,721	13,207	514	3.7
Stafford	6,504	6,160	344	5.3
Thomaston	4,404	4,172	232	5.3
Tolland	7,760	7,500	260	3.4
Union	441	427	14	3.2
Vernon	16,300	15,546	754	4.6
West Hartford	28,268	26,987	1,281	4.5
Wethersfield	12,897	12,307	590	4.6
Willington	3,729	3,596	133	3.6
Windsor	15,280	14,581	699	4.6

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

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

LABOR FORCE 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)

APRIL 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**291,851**	**277,130**	**14,721**	**5.0**
Bethany	2,838	2,734	104	3.7
Branford	16,368	15,744	624	3.8
Cheshire	13,924	13,380	544	3.9
Chester	2,146	2,079	67	3.1
Clinton	7,564	7,234	330	4.4
Deep River	2,469	2,369	100	4.1
Durham	3,911	3,778	133	3.4
East Haven	15,247	14,428	819	5.4
Essex	3,583	3,464	119	3.3
Guilford	12,127	11,704	423	3.5
Hamden	29,432	28,071	1,361	4.6
Killingworth	3,372	3,253	119	3.5
Madison	9,447	9,161	286	3.0
Meriden	29,676	27,872	1,804	6.1
New Haven	52,547	48,704	3,843	7.3
North Branford	7,827	7,482	345	4.4
North Haven	12,256	11,722	534	4.4
Old Saybrook	5,184	4,985	199	3.8
Orange	6,744	6,490	254	3.8
Wallingford	23,667	22,647	1,020	4.3
Westbrook	3,461	3,324	137	4.0
West Haven	28,061	26,505	1,556	5.5
*NORWICH-NEW LONDON				
	140,968	**135,097**	**5,871**	**4.2**
Bozrah	1,518	1,452	66	4.3
Canterbury	3,191	3,062	129	4.0
East Lyme	9,992	9,644	348	3.5
Franklin	1,225	1,184	41	3.3
Griswold	7,271	6,925	346	4.8
Groton	19,931	19,094	837	4.2
Ledyard	8,774	8,475	299	3.4
Lisbon	2,654	2,552	102	3.8
Lyme	1,193	1,156	37	3.1
Montville	11,314	10,864	450	4.0
New London	14,172	13,373	799	5.6
No. Stonington	3,342	3,242	100	3.0
Norwich	21,251	20,141	1,110	5.2
Old Lyme	4,390	4,255	135	3.1
Preston	2,886	2,798	88	3.0
Salem	2,639	2,554	85	3.2
Sprague	1,847	1,765	82	4.4
Stonington	10,813	10,483	330	3.1
Voluntown	1,656	1,583	73	4.4
Waterford	10,907	10,495	412	3.8

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

NORWICH-NEW LONDON				
	154,233	**147,922**	**6,311**	**4.1**
Westerly, RI	13,265	12,825	440	3.3

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	**49,182**	**46,648**	**2,534**	**5.2**
Bethlehem	1,770	1,693	77	4.4
Canaan	535	508	27	5.0
Colebrook	723	697	26	3.6
Cornwall	711	689	22	3.1
Goshen	1,322	1,260	62	4.7
Kent	1,362	1,323	39	2.9
Litchfield	3,785	3,606	179	4.7
Morris	1,140	1,091	49	4.3
Norfolk	837	797	40	4.8
North Canaan	1,524	1,444	80	5.2
Roxbury	1,172	1,134	38	3.2
Salisbury	1,740	1,664	76	4.4
Sharon	1,350	1,308	42	3.1
Torrington	18,885	17,751	1,134	6.0
Warren	617	595	22	3.6
Washington	1,701	1,635	66	3.9
Winchester	5,263	4,918	345	6.6
Woodbury	4,743	4,535	208	4.4
WATERBURY	**98,148**	**91,763**	**6,385**	**6.5**
Beacon Falls	3,117	2,962	155	5.0
Middlebury	3,573	3,424	149	4.2
Naugatuck	16,614	15,702	912	5.5
Prospect	5,073	4,868	205	4.0
Waterbury	49,184	45,137	4,047	8.2
Watertown	12,000	11,429	571	4.8
Wolcott	8,586	8,241	345	4.0
WILLIMANTIC-DANIELSON				
	54,983	**51,962**	**3,021**	**5.5**
Brooklyn	3,543	3,371	172	4.9
Chaplin	1,320	1,254	66	5.0
Eastford	902	865	37	4.1
Hampton	1,069	1,012	57	5.3
Killingly	8,780	8,217	563	6.4
Plainfield	7,983	7,451	532	6.7
Pomfret	2,086	2,012	74	3.5
Putnam	5,162	4,912	250	4.8
Scotland	922	889	33	3.6
Sterling	1,780	1,681	99	5.6
Thompson	5,381	5,108	273	5.1
Windham	11,582	10,890	692	6.0
Woodstock	4,473	4,300	173	3.9

Not Seasonally Adjusted:				
CONNECTICUT	**1,798,500**	**1,711,500**	**87,000**	**4.8**
UNITED STATES	**148,274,000**	**140,939,000**	**7,335,000**	**4.9**
Seasonally Adjusted:				
CONNECTICUT	**1,808,200**	**1,719,900**	**88,300**	**4.9**
UNITED STATES	**148,762,000**	**141,099,000**	**7,663,000**	**5.2**

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	APR 2005	YR TO DATE 2005	YR TO DATE 2004	TOWN	APR 2005	YR TO DATE 2005	YR TO DATE 2004	TOWN	APR 2005	YR TO DATE 2005	YR TO DATE 2004
Andover	3	4	9	Griswold	na	na	21	Preston	3	7	7
Ansonia	1	2	3	Groton	3	75	105	Prospect	na	na	12
Ashford	1	4	11	Guilford	13	23	34	Putnam	3	11	10
Avon	19	39	36	Haddam	5	12	12	Redding	na	na	3
Barkhamsted	na	na	6	Hamden	2	8	20	Ridgefield	3	9	18
Beacon Falls	na	na	9	Hampton	2	4	8	Rocky Hill	7	17	27
Berlin	3	12	24	Hartford	4	81	18	Roxbury	na	na	1
Bethany	na	na	12	Hartland	na	na	4	Salem	3	5	12
Bethel	1	4	13	Harwinton	3	7	12	Salisbury	na	na	4
Bethlehem	na	na	0	Hebron	na	na	11	Scotland	0	2	6
Bloomfield	na	na	21	Kent	1	4	5	Seymour	3	15	13
Bolton	1	2	6	Killingly	11	37	21	Sharon	0	1	2
Bozrah	3	6	3	Killingworth	na	na	8	Shelton	9	52	32
Branford	na	na	12	Lebanon	1	7	24	Sherman	na	na	5
Bridgeport	12	23	20	Ledyard	5	11	19	Simsbury	0	14	5
Bridgewater	na	na	5	Lisbon	2	5	7	Somers	1	9	14
Bristol	14	22	25	Litchfield	na	na	5	South Windsor	0	11	19
Brookfield	na	na	17	Lyme	3	5	1	Southbury	7	25	35
Brooklyn	9	18	13	Madison	3	8	14	Southington	18	45	41
Burlington	3	8	14	Manchester	12	53	55	Sprague	4	6	4
Canaan	1	1	0	Mansfield	5	18	14	Stafford	na	na	17
Canterbury	4	8	4	Marlborough	2	8	13	Stamford	11	35	37
Canton	15	34	43	Meriden	11	43	22	Sterling	na	na	9
Chaplin	2	5	7	Middlebury	na	na	10	Stonington	7	25	23
Cheshire	4	12	12	Middlefield	0	0	0	Stratford	2	6	18
Chester	na	na	3	Middletown	25	75	69	Suffield	10	28	19
Clinton	3	8	13	Milford	32	86	87	Thomaston	na	na	8
Colchester	3	13	27	Monroe	2	10	10	Thompson	na	na	6
Colebrook	0	1	3	Montville	4	15	16	Tolland	18	30	33
Columbia	4	9	11	Morris	1	2	6	Torrington	8	22	23
Cornwall	1	2	4	Naugatuck	12	27	10	Trumbull	5	12	21
Coventry	3	9	14	New Britain	na	na	10	Union	0	1	1
Cromwell	0	1	14	New Canaan	7	17	28	Vernon	20	64	65
Danbury	30	123	111	New Fairfield	na	na	12	Voluntown	1	3	4
Darien	na	na	34	New Hartford	4	16	11	Wallingford	13	48	32
Deep River	0	1	4	New Haven	10	14	9	Warren	1	3	4
Derby	na	na	4	New London	7	17	6	Washington	na	na	3
Durham	4	14	16	New Milford	6	22	33	Waterbury	6	24	30
East Granby	2	4	3	Newington	3	11	10	Waterford	6	12	10
East Haddam	6	17	24	Newtown	20	34	47	Watertown	10	21	13
East Hampton	14	48	49	Norfolk	2	2	1	West Hartford	2	3	12
East Hartford	na	na	5	North Branford	na	na	18	West Haven	na	na	6
East Haven	10	18	11	North Canaan	1	1	3	Westbrook	4	16	13
East Lyme	9	28	25	North Haven	2	114	26	Weston	na	na	3
East Windsor	6	31	22	North Stonington	3	8	5	Westport	9	34	34
Eastford	1	4	6	Norwalk	32	64	141	Wethersfield	na	na	4
Easton	3	4	5	Norwich	61	154	49	Willington	1	5	12
Ellington	5	16	17	Old Lyme	na	na	11	Wilton	na	na	12
Enfield	na	na	14	Old Saybrook	3	21	12	Winchester	4	12	9
Essex	1	1	8	Orange	na	na	14	Windham	4	23	6
Fairfield	12	42	101	Oxford	37	75	55	Windsor	na	na	25
Farmington	7	23	52	Plainfield	4	12	23	Windsor Locks	na	na	17
Franklin	0	1	2	Plainville	2	5	8	Wolcott	5	15	16
Glastonbury	4	19	30	Plymouth	3	5	16	Woodbridge	na	na	1
Goshen	4	11	17	Pomfret	2	4	8	Woodbury	0	7	10
Granby	6	22	24	Portland	13	22	88	Woodstock	5	19	25
Greenwich	20	45	44								

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 .... +0.9
Coincident Employment Index ...... +0.9
Leading General Drift Indicator ..... +0.3
Coincident General Drift Indicator +1.7
Banknorth Business Barometer ... +3.0

Total Nonfarm Employment .... +1.3

Unemployment Rate .... -0.1
Labor Force .... +0.6
Employed .... +0.6
Unemployed .... -1.1

Average Weekly Initial Claims .... -1.3
Help Wanted Index -- Hartford ..... +14.3
Average Ins. Unempl. Rate .... -0.34*

Average Weekly Hours, Mfg .... +1.9
Average Hourly Earnings, Mfg ...... +2.5
Average Weekly Earnings, Mfg ..... +4.5
CT Mfg. Production Index .... +0.1
Production Worker Hours .... +4.2
Industrial Electricity Sales .... -5.5

Personal Income .... +6.1
UI Covered Wages .... +3.4

Business Activity
New Housing Permits .... NA
Electricity Sales .... -3.1
Retail Sales .... -0.6
Construction Contracts Index .... +56.0
New Auto Registrations .... -5.6
Air Cargo Tons .... +3.1
Exports .... +6.9

Business Starts
Secretary of the State .... -0.7
Dept. of Labor .... +8.6

Business Terminations
Secretary of the State .... -20.4
Dept. of Labor .... -32.9

State Revenues .... +10.7
Corporate Tax .... +19.8
Personal Income Tax .... +17.1
Real Estate Conveyance Tax .... +15.9
Sales & Use Tax .... +4.0
Indian Gaming Payments .... +9.3

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

Tourism and Travel
Info Center Visitors .... -10.3
Attraction Visitors .... +0.0
Air Passenger Count .... +11.7
Indian Gaming Slots .... +3.5
Travel and Tourism Index .... -3.6

Employment Cost Index (U.S.)
Total .... +3.4
Wages & Salaries .... +2.4
Benefit Costs .... +5.8

Consumer Prices
Connecticut .... NA
U.S. City Average .... +3.5
Northeast Region .... +3.8
NY-NJ-Long Island .... +4.2
Boston-Brockton-Nashua .... +2.6

Consumer Confidence
Connecticut .... -11.5
New England .... -8.0
U.S. .... +5.1

Interest Rates
Prime .... +1.75*
Conventional Mortgage .... +0.03*

THE CONNECTICUT
ECONOMIC DIGEST

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

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

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