THE CONNECTICUT
ECONOMIC DIGEST

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JUNE 2006

IN THIS ISSUE...

In April...

Nonfarm Employment
Connecticut 1,674,400
Change over month 0.45%
Change over year 0.6%

United States 135,068,000
Change over month 0.10%
Change over year 1.5%

Unemployment Rate
Connecticut 3.9%
United States 4.7%

Consumer Price Index
United States 201.5
Change over year 3.5%

Connecticut Employment Outlook to 2007

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

Connecticut's jobs recovery from the recent recession is now in its 11th quarter, while the U.S. recovery-expansion is in its 12th quarter. Connecticut's economy has created 28,800 net, new nonfarm jobs since the third quarter of 2003, compared to 39,700 new nonfarm jobs over the same time period after the end of the early 1990's recession. One difference between the two recoveries is the opening of the first of the tribal casinos after 1992. Some additional insights into the differences between the two recoveries are provided by *Business Employment Dynamics* (BED) data. These data cover private sector employment, which excludes the employment generated by the tribal nations, and for this analysis was only available up to the first half of 2005, or the first seven quarters of the current recovery (eight, counting the quarter in which the recovery began).

Table 1 compares the performance of selected labor market dynamics indicators over the recoveries that began in 1992:Q4 and 2003:Q3. It is clear that the Connecticut economy was going through a much more intense period of job reallocation during the 1992:Q4 recovery-expansion. Gross *Job Creation* (JC) averaged 8,000 jobs per quarter higher over 1992:Q4-1994:Q3 compared with the 2003:Q3 to 2005:Q2 period. However, gross *Job Destruction* (JD) was also higher during the 1990's recovery-expansion. Connecticut's economy eliminated 8,000 jobs per quarter more than were destroyed during the first seven quarters of the current recovery.

The sum of job creation and job destruction yields *Job Reallocation* (JR), which provides an indicator of the intensity of job churning in the economy. The intense job churning in the 1990's, of course, reflects the recession and convulsive restructuring that hit the State's economy during that time. The 1992:Q4 upturn, on average, reallocated 16,500 more jobs each quarter than the current recovery. One interesting note: when confined to private employment, the

TABLE 1: CT Labor-Market Dynamics, 1992 vs. 2003 Recovery-Expansion			
Private Sector Employ.	First 7 Qtrs. of Recovery-Expansion		
Employment Dynamic	**1992:Q4**	**2003:Q3**	**Difference (92 – 03)**
Gross JC/Quarter	90,900	82,750	8,150
Gross JD/Quarter	88,663	80,325	8,338
NEG*/Qtr	2,238	2,425	-187
JR/Quarter	179.563	163,075	16,488

SOURCE: Connecticut Department of Labor, Office of Research
*NEG = JC - JD

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current recovery actually averaged a net employment growth of 187 jobs per quarter higher than the 1992:Q4 recovery.

Connecticut's Job Growth Performance: 2001-2005

Graph 1 below depicts the change in nonfarm employment over three two-year periods, broken out by the goods-producing and service-providing segments of the economy. The first of these covers the major part of the recent recession. The second encompasses the recovery to the end of 2005. The last is what is currently expected through the end of 2007.

The Last Recession: 2001-2003

Between 2001:Q4 and 2003:Q4, Connecticut nonfarm employment declined by 38,900, or 2.3%. Seventy-one percent of the decline, 25,300 jobs, came from losses in the goods-producing segment of the economy, with ninety-three percent of those accounted for by the manufacturing sector (see Table 2). This reflects the severe retrenchment in manufacturing employment at the national level as the 2001 recession unfolded, following the winding down of the Y2K fix, a series of interest rate and oil price hikes, the popping of the investment/Dot-com and stock market bubbles, the corporate scandals, and the September 11th attacks. However, the service-providing segment of Connecticut's economy also had a net loss of 9,600 jobs between 2001:Q4 and 2003:Q4.

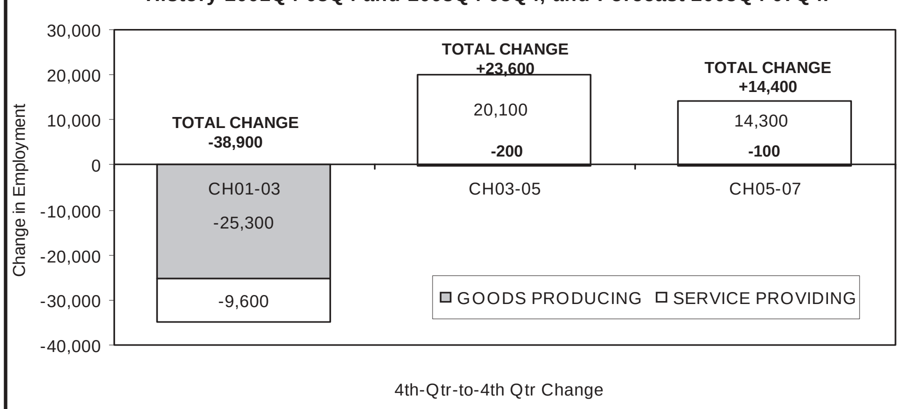
Recovery: 2003-2005

The 2003:Q4-2005:Q4 period contains most of the current recovery, which began in the third quarter of 2003. Over that two-year period, Connecticut nonfarm employment recovered some of its losses from the previous recession with a net increase of 23,600 jobs, which represents a 1.4% growth rate. With a slight decline of 200 jobs in the goods-producing segment, virtually all of the employment growth came from the service-providing segment of Connecticut's economy. The number of industry sectors with net job gains over the recovery period more than doubled from five to 12. Six of these sectors contributed 2,000 jobs or more each to net growth. Riding strong trend-effects driven by demographics, with a reinforcing boost from the cyclical upturn, the *health care and social assistance* industry was the major contributor to the State's job growth.

Employment Outlook: 2005-2007

The forecast for the 2005-2007 horizon assumes that the current national recovery-expansion will proceed at a weaker pace, punctu-

GRAPH 1: Contributions of Goods-Producing and Services-Providing Employment Changes to Total Change in CT Nonfarm Employment-History 2001Q4-03Q4 and 2003Q4-05Q4, and Forecast 2005Q4-07Q4.



ated by ups and downs, for the rest of 2006, after receiving a temporary boost from a warm January in the first quarter. The economy is expected to return to the weakness that surfaced in late 2005 by early 2007, possibly earlier. This outlook is predicated on the continuing and intensifying effects of persistent drag forces on the economy's momentum. In addition, the slowing of housing will dampen the multiplier effects generated by strong housing market activity. Since Connecticut's economic downturns tend to precede U.S. economic downturns, the State's employment would likely decline at least one quarter before the onset of a national slowdown, or outright recession.

On an annualized basis, the forecast calls for a slight slowing in the annualized growth in jobs for 2006, with the State's economy adding a more modest 11,000 jobs. It is expected that employment will then show little change in 2007, possibly declining by as many as 3,000 jobs.

After adding 23,600 net, new jobs over the 2003:Q4-2005:Q4 recovery period, Connecticut's economy is expected to add another 14,500 new jobs between 2005:Q4 and 2007:Q4. Most of the new jobs will be added between the fourth quarter of 2005 and the fourth quarter of 2006. Little, if any, net new employment growth is expected to occur between 2006:Q4 and 2007:Q4. With expected flat employment in the goods-producing segment, virtually all employment growth over the eight-quarter forecast horizon will come from the service-providing segment of the State's economy.

The Connecticut employment forecast projects that 10 industry sectors will create 22,853 net, new jobs (not shown in Table 2), and that five sectors will add 2,000 or more new jobs each, over the 2005:Q4-2007:Q4 forecast period. The continuing and intensifying trend-effects, driven by demographic forces, once again puts *health care and social assistance* at the head of the pack in creating new jobs, and is expected to account for one-quarter of total new jobs through the end of 2007. Lifestyle and tribal expansions are expected to result in new jobs created in *accommodation and food services*. *Educational services* employment is expected to increase; however, Connecticut's school-age cohort is expected to begin to decline in numbers at the end of the forecast horizon. Also expected to add jobs are *administrative and support services*, and *construction*, especially non-residential construction.

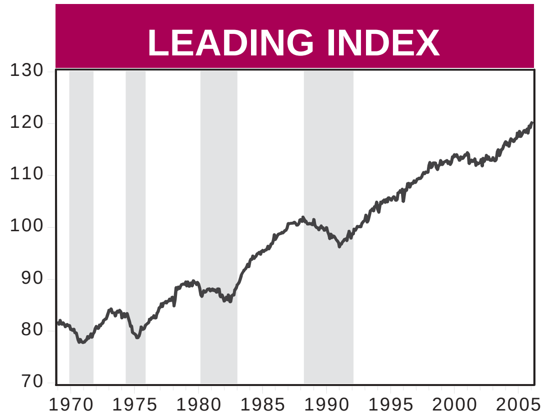
Nine of Connecticut's industry sectors are projected to have net declines totaling 8,580 jobs over the eight-quarter forecast horizon (not shown in Table 2). Three sectors are expected to lose 1,000 or more jobs each. *Manufacturing* job losses should mostly come from non-durable goods industries, as consumers continue to increase their share of services consumption at the expense of consuming non-durable goods. However, a severe recession, or a new wave cost of pressures, or losses of critical contracts in the durable goods industries could increase manufacturing's job losses by 10 times the amount forecasted. Driven by reorganizations, wireless and broadband communications advancements, and mergers and acquisitions, the *management of companies and enterprises* sector is expected to continue to eliminate redundant positions over the forecast

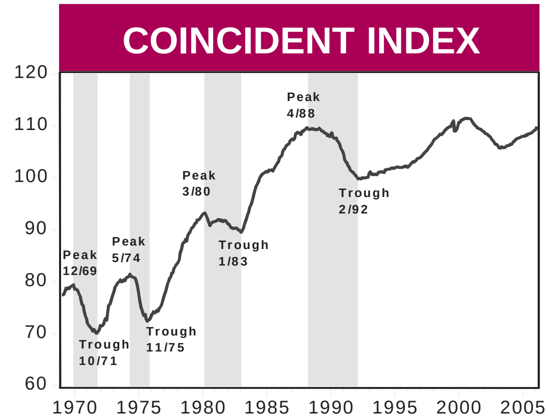
--Continued on page 5--

Table 2: Connecticut industry employment, 2001:Q4 to 2007:Q4

INDUSTRY	HISTORICAL			FORECAST	NUMERICAL CHANGES			PERCENT CHANGES		
	2001:Q4	2003:Q4	2005:Q4	2007:Q4	CH01-03	CH03-05	CH05-07	%CH01-03	%CH03-05	%CH05-07
TOTAL	1,693,200	1,654,300	1,677,900	1,692,300	-38,900	23,600	14,400	-2.3	1.4	0.9
GOODS PRODUCING	291,500	266,200	266,000	265,900	-25,300	-200	-100	-8.7	-0.1	0.0
Mining	700	700	700	800	0	0	100	0.0	0.0	14.3
Construction	70,600	68,600	70,800	73,300	-2,000	2,200	2,500	-2.8	3.2	3.5
Manufacturing	220,200	196,800	194,400	191,800	-23,400	-2,400	-2,600	-10.6	-1.2	-1.3
SERVICE PROVIDING	1,380,500	1,371,000	1,391,100	1,405,400	-9,600	20,100	14,300	-0.7	1.5	1.0
Wholesale Trade	67,000	65,600	67,000	68,700	-1,400	1,400	1,700	-2.1	2.1	2.5
Retail Trade	202,400	198,300	197,500	197,100	-4,100	-800	-400	-2.0	-0.4	-0.2
Transportation and Warehousing	52,600	51,500	53,700	54,500	-1,100	2,200	800	-2.1	4.3	1.5
Utilities	11,100	10,700	10,600	9,900	-400	-100	-700	-3.6	-0.9	-6.6
Information	46,400	42,500	40,600	39,400	-3,900	-1,900	-1,200	-8.4	-4.5	-3.0
Finance and Insurance	122,100	121,800	122,000	121,800	-300	200	-200	-0.2	0.2	-0.2
Real Estate and Rental and Leasing	21,600	20,900	21,600	21,600	-700	700	0	-3.2	3.3	0.0
Professional, Scientific, and Technical Services	93,700	89,000	89,400	88,600	-4,700	400	-800	-5.0	0.4	-0.9
Management of Companies and Enterprises	27,900	27,100	24,900	22,400	-800	-2,200	-2,500	-2.9	-8.1	-10.0
Admin and Support/Waste Manage/Remediation	86,700	84,900	89,500	92,400	-1,800	4,600	2,900	-2.1	5.4	3.2
Educational Services	156,500	160,200	164,700	168,500	3,700	4,500	3,800	2.4	2.8	2.3
Health Care and Social Assistance	231,000	235,300	242,600	248,200	4,300	7,300	5,600	1.9	3.1	2.3
Arts, Entertainment, and Recreation	46,700	48,200	47,700	47,700	1,500	-500	0	3.2	-1.0	0.0
Accommodation and Food Services	97,900	102,100	105,800	109,600	4,200	3,700	3,800	4.3	3.6	3.6
Other Services	56,300	55,900	56,500	57,400	-400	600	900	-0.7	1.1	1.6
Government	60,500	56,900	57,000	57,700	-3,600	100	700	-6.0	0.2	1.2

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.

A Mixed Report Card for Connecticut in March

To no one's surprise, the FOMC raised the Federal Funds rate by another 25 basis points to 5.00 percent at its May 9th meeting. More importantly, the FOMC left open the possibility of further rate hikes should the outlook for inflation deteriorate. Unfortunately, the CPI and core inflation rates for April 2006 were higher than expected, leading many to predict that further rate hikes by the FOMC in the coming months are inevitable. This sparked a sell-off in the financial markets despite strong first quarter corporate earning results, which earlier had driven up the Dow Jones Industrial Index to within sight of a new record. Rising energy costs and the reported slowdown in the housing market do not bode well for the U.S. economy. No one, however, predicts a recession, but a slowdown in the growth of the U.S. economy in the second half of 2006 is a real possibility.

For March 2006, the revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 107.96 in March 2005 to 109.67 in March 2006. All four components of this index are positive contributors, with a lower insured unemployment rate, a lower total unemployment rate, higher total non-farm employment, and higher total employment. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index fell from 109.86 in February 2006 to 109.67 in March 2006, however. A marginally higher total unemployment rate, lower total non-farm employment, and lower (by 100) total employment contributed negatively to this index. The only positive contributor is a lower insured unemployment rate. The revised Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank also increased from 151.29 in March 2005 to 156.14 in March 2006. Contrary to the revised CCEA-ECRI Connecticut coincident employment index, the Philadelphia Federal Reserve Bank's revised Connecticut Coincident Index shows an increase from 155.78 in February to 156.14 in March 2006, however. It is too soon to know why there is a divergence of these two indexes on a month to month basis. It is entirely possible that it is purely a statistical artifact. We want to, however, keep careful track of these two indexes in the next several months.

The revised CCEA-ECRI Connecticut leading employment index rose from 117.46 in March 2005 to 120.48 in March 2006. An increase in total housing permits, a decrease in initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, a higher Hartford help-wanted advertising index, and higher average weekly hours worked in manufacturing and construction are positive contributors. Not surprisingly, a higher Moody's Baa corporate bond yield is the only negative contributor to the index. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose from 120.41 in February 2006 to 120.48 in March 2006. A decrease in initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, and a higher Hartford help-wanted advertising index contributed positively to this index. A higher Moody's Baa corporate bond yield, lower total housing permits, and lower average weekly hours worked in manufacturing and construction are the three negative contributors.

As I was hoping that it would not happen, the question of job growth in Connecticut has recently become a political issue. The issue revolves around whether job growth in Connecticut is last in the nation or around the middle of the pack. To the informed observer, this is totally irrelevant because one can obtain any statistics one wishes with clever choice of the time period used to compute the statistics. Moreover, there is frequent confusion between job growth and growth in employment of State residents. They are not the same because of job-sharing on the one hand, and multiple job holders on the other, among other things. In my opinion, the relevant and important issue is not where we stand in the nation in job growth, but rather what we are doing now to ensure sustainable job growth going forward. ■

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--Continued from page 3--

period. The *information* sector, continuing its downsizing trend, is also expected to see a net decline in its employment.

Momentum, Jump-Starts, Drag Forces, and Wild Cards

As mentioned above, the forecast is predicated on certain assumptions. If they do not pan out, the forecast will diverge from the actual outcome. Two types of risks can derail the forecast: economic and non-economic. Major considerations that present economic-based risks to the forecast can be framed in terms of *momentum, jump-starts, drag forces, and wild cards.*

Momentum, in this context, refers to how resistant the economy is to *drag forces* that introduce or intensify frictions that impede the economy's forward progress, or to *wild cards* (or shocks), which, whether economic or non-economic, are events that cause unanticipated sudden declines in critical economic activities or sectors, or both. There are two economic drag forces that could overcome the momentum of the current recovery. The two culprits are oil price increases, and the new higher sustained floor under those prices, and the Fed's recent string of interest rate hikes and now rising long-term rates. Based on the length of the average post-1975 recovery-expansion, the current cycle's peak would be sometime in the beginning of 2008. But if these two economic drag forces stop the forward momentum of the economy, then this upturn could very well peak sometime in 2006 or early 2007. This scenario is built into the forecast. If the economy's momentum is such that it resists these drag forces, then the forecast will be overly pessimistic. Further, being an election year, the party in power usually tends to "jump-start" the economy. Of course, as the 1960, 1980, 1982, and 1992 election seasons have shown, the economy does not always cooperate.

Unlike drag forces that slowly build up enough friction to bring an expansion to a halt, wild cards usually abruptly cut it short. Housing has both *drag force* and *wild card* aspects to it. The drag force part of the slowing housing market is not only the direct effects on spending, but also the dampening of the multiplier effects associated with robust housing market activity. However, an abrupt drop in housing activity would have more of a wild card effect, especially due to the connection between housing price appreciation and consumption growth over this recovery since it was largely credit-financed, principally, by homeowners tapping into increases in housing wealth. With a cooling housing market and significant household debt loads (especially among those below the median income level), the economy would take a significant hit from a major retrenchment in consumer spending, coupled with an increase in non-performing loans, or outright widespread defaults, or both.

Two connected possible wild cards are the Federal deficit and the Current Account deficit. U.S. consumers, in conjunction with inadequate savings, have been borrowing from the rest of the world to finance spending that has exceeded what is being domestically produced. If the rest of the world stops extending credit to U.S. households, businesses, and the Federal Government, then a severe global adjustment could ensue. In that case, the forecast would be wildly optimistic.

Finally, some geopolitical wild cards that loom large are Iraq's disintegration into total civil war, or U.S. military action in Iran, or both. Such developments, in conjunction with instability and nationalizations in other oil-producing countries, in the face of rapidly growing world demand, could produce an immediate interruption in oil supplies, possibly producing severe price spikes and crippling the world's economies. ■

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	1Q 2006	1Q 2005	CHANGE NO.	CHANGE %	4Q 2005
Employment Indexes (1992=100)*					
Leading	120.3	117.8	2.4	2.1	119.0
Coincident	109.6	108.0	1.6	1.5	109.0
General Drift Indicator (1986=100)*					
Leading	105.6	104.2	1.4	1.3	104.2
Coincident	100.0	100.2	-0.2	-0.2	100.3
Banknorth Business Barometer (1992=100)**	121.0	119.8	1.2	1.0	120.9

*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 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM	1,674.4	1,664.3	10.1	0.6	1,666.9
Natural Res & Mining (Not Sea. Adj.)	0.8	0.7	0.1	14.3	0.7
Construction	64.6	66.4	-1.8	-2.7	65.6
Manufacturing	193.4	195.8	-2.4	-1.2	189.9
Trade, Transportation & Utilities	312.5	311.7	0.8	0.3	312.5
Information	37.8	38.4	-0.6	-1.6	37.9
Financial Activities	144.3	142.4	1.9	1.3	144.2
Professional and Business Services	203.4	199.4	4.0	2.0	202.1
Educational and Health Services	276.1	272.9	3.2	1.2	275.1
Leisure and Hospitality Services	132.5	130.4	2.1	1.6	131.5
Other Services	63.5	62.9	0.6	1.0	62.9
Government*	245.5	243.3	2.2	0.9	244.5

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

Initial claims for unemployment insurance rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
Unemployment Rate, resident (%)	3.9	4.9	-1.0	---	4.6
Labor Force, resident (000s)	1,830.8	1,814.2	16.6	0.9	1,831.6
Employed (000s)	1,758.8	1,724.7	34.1	2.0	1,746.7
Unemployed (000s)	71.9	89.5	-17.6	-19.7	84.9
Average Weekly Initial Claims	4,229	4,203	26	0.6	3,941
Help Wanted Index -- Htfd. (1987=100)	9	10	-1	-10.0	13
Avg. Insured Unemp. Rate (%)	2.28	2.62	-0.34	---	2.36

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006	FEB 2006
Average Weekly Hours	41.7	42.3	-0.6	-1.4	42.0	--
Average Hourly Earnings	19.56	18.67	0.89	4.8	19.57	--
Average Weekly Earnings	815.65	789.74	25.91	3.3	821.94	--
CT Mfg. Production Index (2000=100)	95.8	98.0	-2.2	-2.2	98.1	96.0
Production Worker Hours (000s)	4,826	5,003	-177	-3.5	4,716	--
Industrial Electricity Sales (mil kWh)*	393	410	-17.0	-4.1	413	393

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

Personal income for third quarter 2006 is forecasted to increase 4.0 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	3Q* 2006	3Q 2005	CHANGE NO.	CHANGE %	2Q* 2006
Personal Income	$175,268	$168,607	$6,661	4.0	$172,758
UI Covered Wages	$91,266	$87,198	$4,068	4.7	$89,598

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

BUSINESS ACTIVITY

Exports increased over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
New Housing Permits*	APR 2006	781	-13.9	2,956	3,098	-4.6
Electricity Sales (mil kWh)	FEB 2006	2,510	-1.8	5,287	5,521	-4.2
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	APR 2006	453.9	-38.9	---	---	---
New Auto Registrations	APR 2006	15,744	-15.2	63,470	71,654	-11.4
Air Cargo Tons	APR 2006	13,224	0.5	50,827	50,874	-0.1
Exports (Bil. $)	1Q 2006	2.76	19.5	2.76	2.31	19.5

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

** 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	MAR 2006	3,254	9.0	8,586	8,130	5.6
Department of Labor*	3Q 2005	2,113	-3.6	7,319	7,429	-1.5
TERMINATIONS						
Secretary of the State	MAR 2006	990	24.4	2,576	2,366	8.9
Department of Labor*	3Q 2005	1,234	-25.3	4,183	5,381	-22.3

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

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

STATE REVENUES

Total revenues were up from a year ago.

(Millions of dollars)	APR 2006	APR 2005	% CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
TOTAL ALL REVENUES*	1787.5	1614.1	10.7	5057.9	4600.2	9.9
Corporate Tax	71.7	71.9	-0.3	299.8	246.3	21.7
Personal Income Tax	1215.0	1086.3	11.8	2856.7	2530.4	12.9
Real Estate Conv. Tax	13.8	16.0	-13.8	54.1	56.1	-3.6
Sales & Use Tax	306.6	289.1	6.1	1160.3	1104.3	5.1
Indian Gaming Payments**	35.9	36.7	-2.2	139.2	134.8	3.2

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

Travel and Tourism Index rose over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
Info Center Visitors	APR 2006	27,787	23.0	79,577	78,302	1.6
Major Attraction Visitors	APR 2006	147,750	0.0	403,069	377,928	6.7
Air Passenger Count	APR 2006	607,804	-6.1	2,273,564	2,354,991	-3.5
Indian Gaming Slots (Mil.$)*	APR 2006	1,661	-1.5	6,346	6,305	0.6
Travel and Tourism Index**	1Q 2006	---	6.3	---	---	---

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 2.6 percent over the year.

EMPLOYMENT COST INDEX

	Seasonally Adjusted			Not Seasonally Adjusted		
Private Industry Workers	**MAR**	**DEC**	**3-Mo**	**MAR**	**MAR**	**12-Mo**
(Dec. 2005 = 100)	**2006**	**2005**	**% Chg**	**2006**	**2005**	**% Chg**
UNITED STATES TOTAL	100.8	100.2	0.6	100.8	98.2	2.6
Wages and Salaries	100.8	100.1	0.7	100.7	98.3	2.4
Benefit Costs	100.8	100.4	0.4	101.0	98.1	3.0
NORTHEAST TOTAL	---	---	---	100.9	97.6	3.4
Wages and Salaries	---	---	---	100.8	97.8	3.1

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

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

CONSUMER NEWS

			% CHANGE	
(Not seasonally adjusted)	**MO/QTR**	**LEVEL**	**Y/Y**	**P/P***
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	APR 2006	201.5	3.5	0.9
Purchasing Power of $ (1982-84=$1.00)	APR 2006	$0.496	-3.4	-0.8
Northeast Region	APR 2006	214.7	3.8	0.9
NY-Northern NJ-Long Island	APR 2006	220.2	3.6	0.9
Boston-Brockton-Nashua**	MAR 2006	221.3	3.3	0.4
CPI-W (1982-84=100)				
U.S. City Average	APR 2006	197.2	3.7	1.0
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	1Q 2006	88.1	5.9	NA
New England	APR 2006	NA	NA	NA
U.S.	APR 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 rose to 6.51 percent over the month.

INTEREST RATES

	APR	**MAR**	**APR**
(Percent)	**2006**	**2006**	**2005**
Prime	7.75	7.53	5.75
Federal Funds	4.79	4.59	2.79
3 Month Treasury Bill	4.72	4.63	2.84
6 Month Treasury Bill	4.90	4.79	3.14
1 Year Treasury Bill	4.90	4.77	3.32
3 Year Treasury Note	4.89	4.74	3.79
5 Year Treasury Note	4.90	4.72	4.00
7 Year Treasury Note	4.94	4.71	4.16
10 Year Treasury Note	4.99	4.72	4.34
20 Year Treasury Note	5.22	4.91	4.75
Conventional Mortgage	6.51	6.32	5.86

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 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
Connecticut	1,674.4	1,664.3	10.1	0.6	1,666.9
Maine	613.3	612.2	1.1	0.2	611.0
Massachusetts	3,218.0	3,194.5	23.5	0.7	3,209.9
New Hampshire	642.5	635.3	7.2	1.1	641.3
New Jersey	4,074.9	4,038.3	36.6	0.9	4,068.7
New York	8,583.5	8,543.2	40.3	0.5	8,573.9
Pennsylvania	5,747.2	5,698.7	48.5	0.9	5,741.1
Rhode Island	495.0	491.7	3.3	0.7	493.2
Vermont	307.1	305.5	1.6	0.5	306.2
United States	135,068.0	133,104.0	1,964.0	1.5	134,930.0

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)	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
Connecticut	1,830.8	1,814.2	16.6	0.9	1,831.6
Maine	716.3	708.4	7.9	1.1	714.4
Massachusetts	3,338.6	3,362.9	-24.3	-0.7	3,356.0
New Hampshire	735.3	730.4	4.9	0.7	737.4
New Jersey	4,501.8	4,408.7	93.1	2.1	4,496.7
New York	9,516.8	9,397.2	119.6	1.3	9,508.8
Pennsylvania	6,318.7	6,295.8	22.9	0.4	6,316.6
Rhode Island	578.4	567.5	10.9	1.9	574.6
Vermont	360.3	354.1	6.2	1.8	361.1
United States	150,811.0	148,839.0	1,972.0	1.3	150,652.0

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

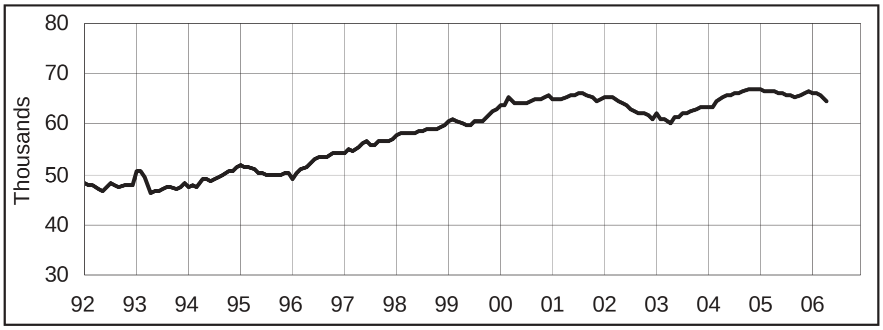
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	APR 2006	APR 2005	CHANGE	MAR 2006
Connecticut	3.9	4.9	-1.0	4.6
Maine	4.2	4.8	-0.6	4.1
Massachusetts	4.9	4.8	0.1	4.9
New Hampshire	3.4	3.6	-0.2	3.4
New Jersey	5.1	4.3	0.8	4.5
New York	4.9	5.0	-0.1	4.7
Pennsylvania	4.7	5.0	-0.3	4.5
Rhode Island	5.4	5.0	0.4	5.1
Vermont	3.3	3.3	0.0	3.3
United States	4.7	5.1	-0.4	4.7

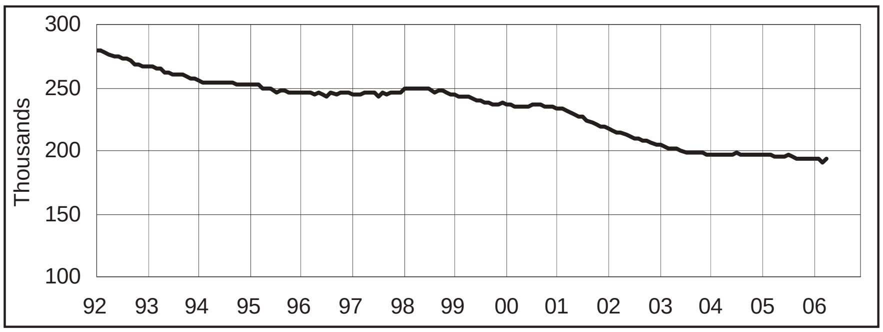
Source: U.S. Department of Labor, Bureau of Labor Statistics

CONSTRUCTION EMPLOYMENT *(Seasonally adjusted)*



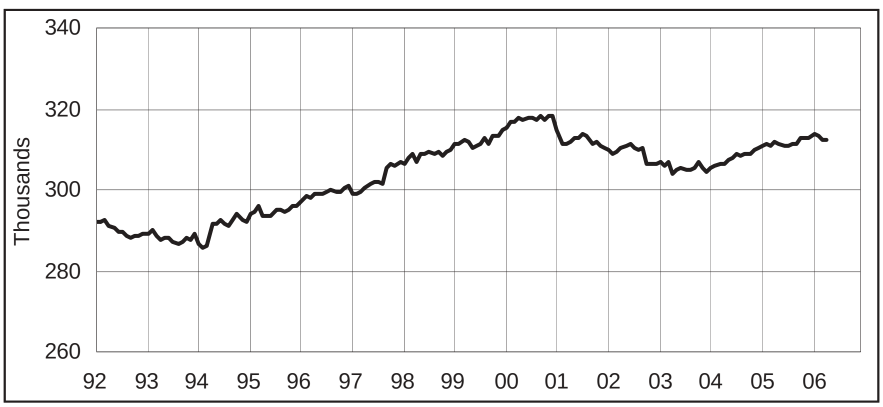
Month	2004	2005	2006
Jan	63.4	66.8	66.2
Feb	63.3	66.6	66.1
Mar	64.5	66.4	65.6
Apr	65.5	66.4	64.6
May	65.8	66.0	
Jun	65.9	66.2	
Jul	66.0	65.9	
Aug	66.3	65.8	
Sep	66.7	65.5	
Oct	66.9	65.9	
Nov	66.8	66.2	
Dec	67.0	66.4	

MANUFACTURING EMPLOYMENT *(Seasonally adjusted)*



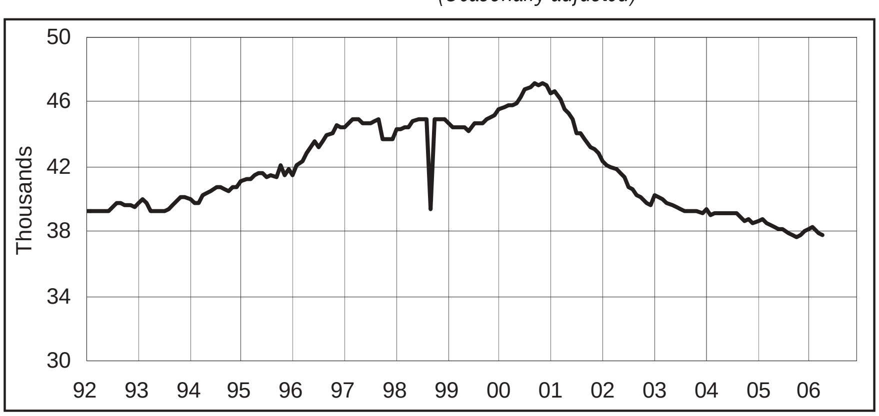
Month	2004	2005	2006
Jan	197.2	196.6	193.9
Feb	197.2	196.5	193.6
Mar	197.3	196.1	189.9
Apr	197.2	195.8	193.4
May	197.0	195.8	
Jun	197.0	195.8	
Jul	198.2	196.2	
Aug	197.3	194.9	
Sep	197.1	194.3	
Oct	197.0	194.3	
Nov	197.0	194.2	
Dec	196.7	194.0	

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



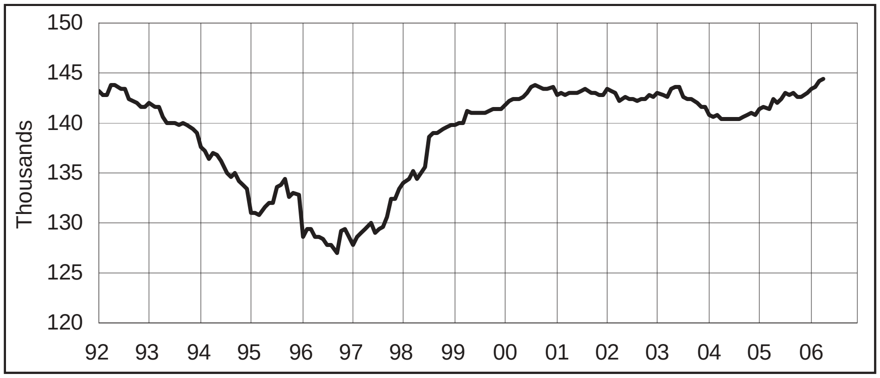
Month	2004	2005	2006
Jan	305.4	310.7	313.8
Feb	305.9	311.2	313.4
Mar	306.5	310.8	312.5
Apr	306.4	311.7	312.5
May	307.3	311.3	
Jun	307.8	311.1	
Jul	308.7	311.0	
Aug	308.4	311.3	
Sep	308.9	311.2	
Oct	308.9	312.6	
Nov	310.1	312.9	
Dec	310.2	312.9	

INFORMATION EMPLOYMENT *(Seasonally adjusted)*



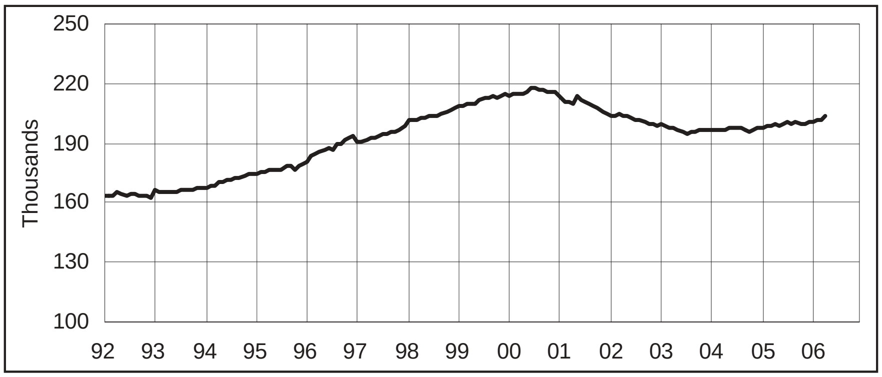
Month	2004	2005	2006
Jan	39.4	38.7	38.2
Feb	39.0	38.8	38.3
Mar	39.1	38.5	37.9
Apr	39.1	38.4	37.8
May	39.1	38.3	
Jun	39.1	38.2	
Jul	39.1	38.1	
Aug	39.1	37.9	
Sep	38.9	37.8	
Oct	38.7	37.6	
Nov	38.8	37.8	
Dec	38.5	38.0	

FINANCIAL ACTIVITIES EMPLOYMENT *(Seasonally adjusted)*



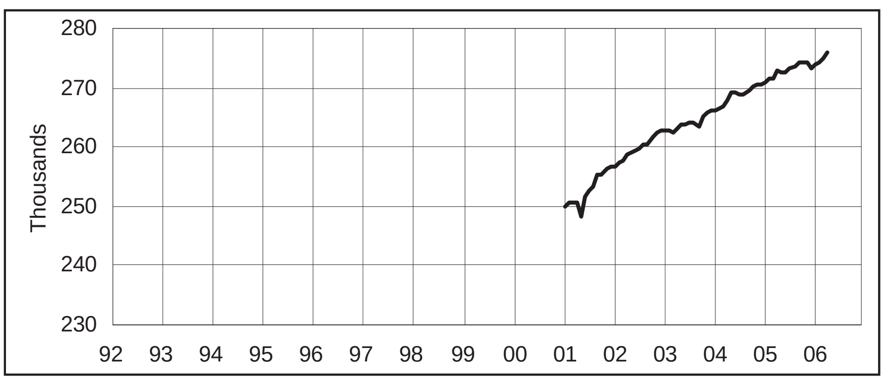
Month	2004	2005	2006
Jan	140.8	141.3	143.4
Feb	140.7	141.7	143.6
Mar	140.8	141.5	144.2
Apr	140.4	142.4	144.3
May	140.5	142.0	
Jun	140.5	142.3	
Jul	140.4	143.0	
Aug	140.5	142.8	
Sep	140.6	142.9	
Oct	140.8	142.6	
Nov	141.0	142.7	
Dec	140.8	143.0	

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



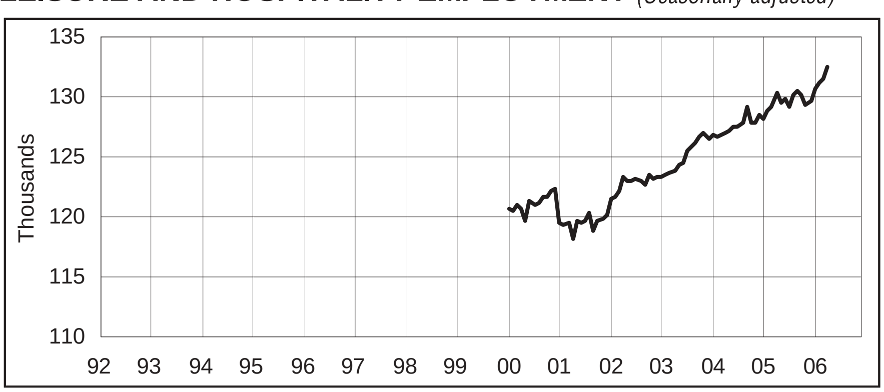
Month	2004	2005	2006
Jan	197.0	197.7	200.4
Feb	196.6	198.5	201.7
Mar	196.8	198.7	202.1
Apr	196.8	199.4	203.4
May	197.2	199.0	
Jun	197.5	200.0	
Jul	197.6	200.6	
Aug	197.5	200.1	
Sep	197.1	200.8	
Oct	195.9	199.2	
Nov	196.9	199.9	
Dec	197.8	200.9	

EDUCATIONAL & HEALTH SERV. EMPLOYMENT *(Seasonally adjusted)*



Month	2004	2005	2006
Jan	266.3	271.0	273.8
Feb	266.6	271.6	274.4
Mar	266.7	271.7	275.1
Apr	267.9	272.9	276.1
May	269.1	272.6	
Jun	269.1	272.5	
Jul	268.9	273.1	
Aug	268.9	273.6	
Sep	269.6	274.2	
Oct	270.3	274.4	
Nov	270.5	274.1	
Dec	270.5	273.2	

LEISURE AND HOSPITALITY EMPLOYMENT *(Seasonally adjusted)*



Month	2004	2005	2006
Jan	126.9	128.2	130.6
Feb	126.7	128.9	131.2
Mar	126.8	129.2	131.5
Apr	127.0	130.4	132.5
May	127.1	129.5	
Jun	127.5	129.8	
Jul	127.5	129.1	
Aug	127.9	130.1	
Sep	129.1	130.5	
Oct	127.9	130.1	
Nov	127.9	129.4	
Dec	128.5	129.6	

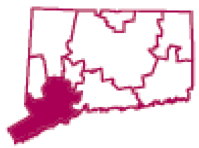
CONNECTICUT

Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**1,673,700**	**1,664,300**	**9,400**	**0.6**	**1,651,400 ***
GOODS PRODUCING INDUSTRIES	**257,500**	**261,700**	**-4,200**	**-1.6**	**250,600 ***
CONSTRUCTION, NAT. RES. & MINING	**64,200**	**65,900**	**-1,700**	**-2.6**	**60,800**
MANUFACTURING	**193,300**	**195,800**	**-2,500**	**-1.3**	**189,800 ***
Durable Goods	**144,300**	**145,900**	**-1,600**	**-1.1**	**140,700 ***
Fabricated Metal	33,600	33,900	-300	-0.9	33,500
Machinery	17,800	18,000	-200	-1.1	17,900
Computer and Electronic Product	14,700	15,200	-500	-3.3	14,600
Electrical Equipment	10,500	10,500	0	0.0	10,500
Transportation Equipment	43,600	43,400	200	0.5	39,800 *
Aerospace Product and Parts	30,500	29,900	600	2.0	26,800 *
Non-Durable Goods	**49,000**	**49,900**	**-900**	**-1.8**	**49,100**
Printing and Related	8,000	8,100	-100	-1.2	7,900
Chemical	16,800	17,100	-300	-1.8	16,800
Plastics and Rubber Products	7,400	7,500	-100	-1.3	7,400
SERVICE PROVIDING INDUSTRIES	**1,416,200**	**1,402,600**	**13,600**	**1.0**	**1,400,800**
TRADE, TRANSPORTATION, UTILITIES	**310,100**	**308,900**	**1,200**	**0.4**	**308,700**
Wholesale Trade	67,300	66,300	1,000	1.5	66,900
Retail Trade	189,600	190,200	-600	-0.3	188,700
Motor Vehicle and Parts Dealers	22,900	22,800	100	0.4	22,600
Building Material	16,100	16,100	0	0.0	14,900
Food and Beverage Stores	42,200	42,600	-400	-0.9	42,200
General Merchandise Stores	25,500	25,400	100	0.4	25,600
Transportation, Warehousing, & Utilities	53,200	52,400	800	1.5	53,100
Utilities	8,300	8,700	-400	-4.6	8,400
Transportation and Warehousing	44,900	43,700	1,200	2.7	44,700
INFORMATION	**37,800**	**38,200**	**-400**	**-1.0**	**37,700**
Telecommunications	12,700	13,000	-300	-2.3	12,700
FINANCIAL ACTIVITIES	**143,600**	**141,700**	**1,900**	**1.3**	**143,300**
Finance and Insurance	122,800	121,300	1,500	1.2	122,700
Credit Intermediation	32,200	32,200	0	0.0	32,100
Securities and Commodity Contracts	20,000	19,000	1,000	5.3	20,100
Insurance Carriers & Related Activities	65,500	65,200	300	0.5	65,400
Real Estate and Rental and Leasing	20,800	20,400	400	2.0	20,600
PROFESSIONAL & BUSINESS SERVICES	**202,800**	**199,400**	**3,400**	**1.7**	**199,200**
Professional, Scientific	89,600	88,800	800	0.9	89,500
Legal Services	14,200	14,500	-300	-2.1	14,100
Computer Systems Design	19,000	18,700	300	1.6	18,900
Management of Companies	25,200	25,100	100	0.4	25,100
Administrative and Support	88,000	85,500	2,500	2.9	84,600
Employment Services	31,200	29,900	1,300	4.3	31,400
EDUCATIONAL AND HEALTH SERVICES	**278,200**	**275,500**	**2,700**	**1.0**	**275,300**
Educational Services	55,400	54,800	600	1.1	52,700
Health Care and Social Assistance	222,800	220,700	2,100	1.0	222,600
Hospitals	56,200	55,500	700	1.3	56,300
Nursing & Residential Care Facilities	57,200	56,900	300	0.5	57,300
Social Assistance	36,800	36,100	700	1.9	36,700
LEISURE AND HOSPITALITY	**129,400**	**127,700**	**1,700**	**1.3**	**123,900**
Arts, Entertainment, and Recreation	23,700	23,000	700	3.0	21,000
Accommodation and Food Services	105,700	104,700	1,000	1.0	102,900
Food Serv., Restaurants, Drinking Places	94,000	93,600	400	0.4	91,300
OTHER SERVICES	**63,200**	**62,700**	**500**	**0.8**	**62,600**
GOVERNMENT	**251,100**	**248,500**	**2,600**	**1.0**	**250,100**
Federal Government	19,700	19,900	-200	-1.0	19,700
State Government	67,700	66,100	1,600	2.4	67,300
**Local Government	163,700	162,500	1,200	0.7	163,100

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

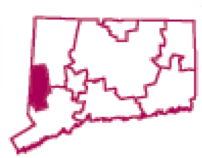


Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**413,200**	**411,100**	**2,100**	**0.5**	**405,700 ***
GOODS PRODUCING INDUSTRIES	**56,400**	**56,300**	**100**	**0.2**	**51,600 ***
CONSTRUCTION, NAT. RES. & MINING	**15,500**	**15,100**	**400**	**2.6**	**14,100**
MANUFACTURING	**40,900**	**41,200**	**-300**	**-0.7**	**37,500 ***
Durable Goods	**29,800**	**29,800**	**0**	**0.0**	**26,300 ***
SERVICE PROVIDING INDUSTRIES	**356,800**	**354,800**	**2,000**	**0.6**	**354,100**
TRADE, TRANSPORTATION, UTILITIES	**73,700**	**74,100**	**-400**	**-0.5**	**73,500**
Wholesale Trade	14,600	14,600	0	0.0	14,600
Retail Trade	48,400	49,000	-600	-1.2	48,400
Transportation, Warehousing, & Utilities	10,700	10,500	200	1.9	10,500
INFORMATION	**11,200**	**11,600**	**-400**	**-3.4**	**11,200**
FINANCIAL ACTIVITIES	**44,400**	**42,800**	**1,600**	**3.7**	**44,200**
Finance and Insurance	37,700	36,400	1,300	3.6	37,600
PROFESSIONAL & BUSINESS SERVICES	**69,700**	**69,400**	**300**	**0.4**	**68,900**
EDUCATIONAL AND HEALTH SERVICES	**60,000**	**59,800**	**200**	**0.3**	**60,400**
Health Care and Social Assistance	51,200	50,500	700	1.4	51,100
LEISURE AND HOSPITALITY	**32,900**	**32,200**	**700**	**2.2**	**31,000**
Accommodation and Food Services	24,400	23,800	600	2.5	23,400
OTHER SERVICES	**17,100**	**16,900**	**200**	**1.2**	**16,900**
GOVERNMENT	**47,800**	**48,000**	**-200**	**-0.4**	**48,000**
Federal	3,500	3,500	0	0.0	3,500
State & Local	44,300	44,500	-200	-0.4	44,500

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

DANBURY LMA



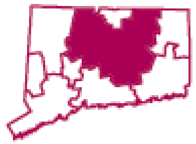
Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**69,600**	**68,600**	**1,000**	**1.5**	**69,200**
GOODS PRODUCING INDUSTRIES	**12,800**	**12,900**	**-100**	**-0.8**	**12,600**
SERVICE PROVIDING INDUSTRIES	**56,800**	**55,700**	**1,100**	**2.0**	**56,600**
TRADE, TRANSPORTATION, UTILITIES	**15,500**	**15,300**	**200**	**1.3**	**15,500**
Retail Trade	11,500	11,500	0	0.0	11,600
PROFESSIONAL & BUSINESS SERVICES	**8,400**	**8,500**	**-100**	**-1.2**	**8,200**
LEISURE AND HOSPITALITY	**4,900**	**5,100**	**-200**	**-3.9**	**4,800**
GOVERNMENT	**8,700**	**8,200**	**500**	**6.1**	**8,700**
Federal	600	600	0	0.0	600
State & Local	8,100	7,600	500	6.6	8,100

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

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**551,000**	**544,700**	**6,300**	**1.2**	**543,900**
GOODS PRODUCING INDUSTRIES	**85,600**	**85,200**	**400**	**0.5**	**83,500**
CONSTRUCTION, NAT. RES. & MINING	**22,000**	**21,200**	**800**	**3.8**	**20,200**
MANUFACTURING	**63,600**	**64,000**	**-400**	**-0.6**	**63,300**
Durable Goods	**53,300**	**53,600**	**-300**	**-0.6**	**53,100**
Transportation Equipment	18,200	18,300	-100	-0.5	18,300
SERVICE PROVIDING INDUSTRIES	**465,400**	**459,500**	**5,900**	**1.3**	**460,400**
TRADE, TRANSPORTATION, UTILITIES	**90,100**	**90,100**	**0**	**0.0**	**89,800**
Wholesale Trade	19,400	19,300	100	0.5	19,400
Retail Trade	55,800	55,900	-100	-0.2	55,500
Transportation, Warehousing, & Utilities	14,900	14,900	0	0.0	14,900
Transportation and Warehousing	11,400	11,200	200	1.8	11,300
INFORMATION	**11,500**	**11,400**	**100**	**0.9**	**11,500**
FINANCIAL ACTIVITIES	**68,200**	**67,900**	**300**	**0.4**	**67,300**
Depository Credit Institutions	7,700	7,900	-200	-2.5	7,400
Insurance Carriers & Related Activities	45,900	45,900	0	0.0	45,900
PROFESSIONAL & BUSINESS SERVICES	**59,400**	**58,200**	**1,200**	**2.1**	**58,400**
Professional, Scientific	28,000	27,600	400	1.4	27,800
Administrative and Support	26,200	24,700	1,500	6.1	25,100
EDUCATIONAL AND HEALTH SERVICES	**86,100**	**84,600**	**1,500**	**1.8**	**85,700**
Health Care and Social Assistance	74,900	73,300	1,600	2.2	74,400
Ambulatory Health Care	22,700	22,300	400	1.8	22,500
LEISURE AND HOSPITALITY	**39,800**	**38,400**	**1,400**	**3.6**	**38,300**
Accommodation and Food Services	33,400	32,000	1,400	4.4	32,100
OTHER SERVICES	**20,600**	**20,800**	**-200**	**-1.0**	**20,500**
GOVERNMENT	**89,700**	**88,100**	**1,600**	**1.8**	**88,900**
Federal	6,000	6,000	0	0.0	5,900
State & Local	83,700	82,100	1,600	1.9	83,000

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

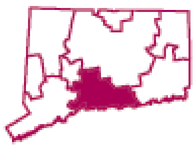
Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2005.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- **Employment in married-couple families**
  In 2005, the percentage of married-couple families with an employed family member (in U.S.) was 83.8 percent, up from 83.5 percent in 2004. The proportion of married-couple families in which only the husband worked (20.2 percent) edged down in 2005, as did the proportion of married-couple families in which only the wife worked (6.5 percent). The proportion that were dual-worker couples (both husband and wife employed) rose to 51.3 percent. The proportion of married-family couples in which no family member was employed was 16.2 percent. These data are from the Current Population Survey. To learn more, see "Employment Characteristics of Families in 2005," news release USDL 06-731. A family is a group of two or more persons residing together who are related by birth, marriage, or adoption. (The Editor's Desk, Bureau of Labor Statistics, April 28, 2006)

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**275,500**	**275,100**	**400**	**0.1**	**270,400**
GOODS PRODUCING INDUSTRIES	**43,900**	**44,200**	**-300**	**-0.7**	**43,000**
CONSTRUCTION, NAT. RES. & MINING	**10,700**	**10,600**	**100**	**0.9**	**10,000**
MANUFACTURING	**33,200**	**33,600**	**-400**	**-1.2**	**33,000**
Durable Goods	**22,800**	**22,800**	**0**	**0.0**	**22,700**
SERVICE PROVIDING INDUSTRIES	**231,600**	**230,900**	**700**	**0.3**	**227,400**
TRADE, TRANSPORTATION, UTILITIES	**51,700**	**50,700**	**1,000**	**2.0**	**51,700**
Wholesale Trade	11,800	11,400	400	3.5	11,700
Retail Trade	30,500	29,800	700	2.3	30,500
Transportation, Warehousing, & Utilities	9,400	9,500	-100	-1.1	9,500
INFORMATION	**8,400**	**8,500**	**-100**	**-1.2**	**8,500**
FINANCIAL ACTIVITIES	**14,000**	**13,900**	**100**	**0.7**	**13,800**
Finance and Insurance	10,600	10,400	200	1.9	10,400
PROFESSIONAL & BUSINESS SERVICES	**25,500**	**25,700**	**-200**	**-0.8**	**25,000**
Administrative and Support	12,600	12,100	500	4.1	11,800
EDUCATIONAL AND HEALTH SERVICES	**65,600**	**65,400**	**200**	**0.3**	**63,600**
Educational Services	24,700	24,400	300	1.2	22,400
Health Care and Social Assistance	40,900	41,000	-100	-0.2	41,200
LEISURE AND HOSPITALITY	**20,400**	**20,200**	**200**	**1.0**	**19,200**
Accommodation and Food Services	16,500	17,100	-600	-3.5	15,900
OTHER SERVICES	**10,900**	**10,800**	**100**	**0.9**	**10,600**
GOVERNMENT	**35,100**	**35,700**	**-600**	**-1.7**	**35,000**
Federal	5,400	5,400	0	0.0	5,400
State & Local	29,700	30,300	-600	-2.0	29,600

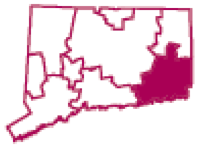
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

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.)

- **Productivity in largest manufacturing industries**
  Labor productivity-defined as output per hour-rose in 2004 (in U.S.) in each of the four largest manufacturing industries, those with more than 500,000 employees. The largest, motor vehicle parts manufacturing, recorded a productivity gain of 1.1 percent. The next largest industry, printing and related support activities, had a 2.5 percent increase in output per hour. The two other industries, plastics product manufacturing and animal slaughtering and processing, recorded hourly productivity increases of 0.9 and 2.0 percent, respectively. Among these four largest industries, two increased output slightly and all four industries posted slight to moderate declines in hours. This information is from the BLS Productivity and Costs Program. Additional information is available from "Productivity and Costs by Industry: Manufacturing, 2004," news release USDL 06-774. (The Editor's Desk, Bureau of Labor Statistics, May 3, 2006)

NORWICH - NEW LONDON LMA

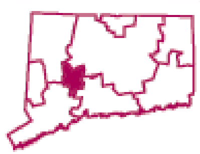


Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT...............	**135,300**	**135,400**	**-100**	**-0.1**	**133,600**
GOODS PRODUCING INDUSTRIES............	**22,600**	**22,600**	**0**	**0.0**	**22,400**
CONSTRUCTION, NAT. RES. & MINING.....	**4,700**	**4,600**	**100**	**2.2**	**4,500**
MANUFACTURING................................	**17,900**	**18,000**	**-100**	**-0.6**	**17,900**
Durable Goods....................................	**11,500**	**11,400**	**100**	**0.9**	**11,500**
Non-Durable Goods.............................	**6,400**	**6,600**	**-200**	**-3.0**	**6,400**
SERVICE PROVIDING INDUSTRIES...........	**112,700**	**112,800**	**-100**	**-0.1**	**111,200**
TRADE, TRANSPORTATION, UTILITIES.....	**22,100**	**22,000**	**100**	**0.5**	**22,000**
Wholesale Trade..................................	2,000	1,900	100	5.3	2,000
Retail Trade..	15,700	15,800	-100	-0.6	15,600
Transportation, Warehousing, & Utilities....	4,400	4,300	100	2.3	4,400
INFORMATION......................................	**1,900**	**2,100**	**-200**	**-9.5**	**1,900**
FINANCIAL ACTIVITIES..........................	**3,600**	**3,400**	**200**	**5.9**	**3,600**
PROFESSIONAL & BUSINESS SERVICES	**9,700**	**10,000**	**-300**	**-3.0**	**9,500**
EDUCATIONAL AND HEALTH SERVICES	**19,100**	**18,600**	**500**	**2.7**	**19,100**
Health Care and Social Assistance...........	16,400	15,900	500	3.1	16,600
LEISURE AND HOSPITALITY...................	**12,600**	**12,700**	**-100**	**-0.8**	**11,600**
Accommodation and Food Services..........	10,500	10,500	0	0.0	9,900
Food Serv., Restaurants, Drinking Places.	8,600	8,500	100	1.2	8,200
OTHER SERVICES................................	**3,600**	**3,700**	**-100**	**-2.7**	**3,600**
GOVERNMENT	**40,100**	**40,300**	**-200**	**-0.5**	**39,900**
Federal...	2,400	2,400	0	0.0	2,300
**State & Local.......................................	37,700	37,900	-200	-0.5	37,600

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

WATERBURY LMA



Not Seasonally Adjusted

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT...............	**68,700**	**69,200**	**-500**	**-0.7**	**68,300**
GOODS PRODUCING INDUSTRIES............	**12,900**	**13,200**	**-300**	**-2.3**	**12,700**
CONSTRUCTION, NAT. RES. & MINING.....	**2,800**	**2,800**	**0**	**0.0**	**2,600**
MANUFACTURING................................	**10,100**	**10,400**	**-300**	**-2.9**	**10,100**
SERVICE PROVIDING INDUSTRIES...........	**55,800**	**56,000**	**-200**	**-0.4**	**55,600**
TRADE, TRANSPORTATION, UTILITIES.....	**13,600**	**13,800**	**-200**	**-1.4**	**13,700**
Wholesale Trade..................................	2,200	2,300	-100	-4.3	2,200
Retail Trade..	9,500	9,400	100	1.1	9,600
Transportation, Warehousing, & Utilities....	1,900	2,100	-200	-9.5	1,900
INFORMATION......................................	**900**	**900**	**0**	**0.0**	**900**
FINANCIAL ACTIVITIES..........................	**2,600**	**2,600**	**0**	**0.0**	**2,600**
PROFESSIONAL & BUSINESS SERVICES	**7,000**	**6,500**	**500**	**7.7**	**7,000**
EDUCATIONAL AND HEALTH SERVICES	**13,800**	**14,300**	**-500**	**-3.5**	**13,800**
Health Care and Social Assistance...........	12,700	12,800	-100	-0.8	12,600
LEISURE AND HOSPITALITY...................	**4,800**	**4,700**	**100**	**2.1**	**4,600**
OTHER SERVICES................................	**2,700**	**2,700**	**0**	**0.0**	**2,700**
GOVERNMENT	**10,400**	**10,500**	**-100**	**-1.0**	**10,300**
Federal...	600	600	0	0.0	600
State & Local.......................................	9,800	9,900	-100	-1.0	9,700

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

	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA	**46,800**	**46,800**	**0**	**0.0**	**46,700**
TORRINGTON LMA	**37,200**	**36,700**	**500**	**1.4**	**37,300**
WILLIMANTIC - DANIELSON LMA	**37,000**	**36,900**	**100**	**0.3**	**36,900**

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 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
TOTAL NONFARM EMPLOYMENT	**296,600**	**296,500**	**100**	**0.0**	**291,500**
GOODS PRODUCING INDUSTRIES	**48,800**	**49,000**	**-200**	**-0.4**	**47,300**
CONSTRUCTION, NAT. RES. & MINING	**10,600**	**10,600**	**0**	**0.0**	**9,400**
MANUFACTURING	**38,200**	**38,400**	**-200**	**-0.5**	**37,900**
Durable Goods	**24,100**	**24,200**	**-100**	**-0.4**	**23,900**
Non-Durable Goods	**14,100**	**14,200**	**-100**	**-0.7**	**14,000**
SERVICE PROVIDING INDUSTRIES	**247,800**	**247,500**	**300**	**0.1**	**244,200**
TRADE, TRANSPORTATION, UTILITIES	**61,200**	**61,300**	**-100**	**-0.2**	**60,600**
Wholesale Trade	11,500	11,500	0	0.0	11,400
Retail Trade	36,100	36,300	-200	-0.6	35,600
Transportation, Warehousing, & Utilities	13,600	13,500	100	0.7	13,600
INFORMATION	**4,400**	**4,600**	**-200**	**-4.3**	**4,400**
FINANCIAL ACTIVITIES	**15,800**	**15,700**	**100**	**0.6**	**15,900**
Finance and Insurance	12,100	11,900	200	1.7	12,200
Insurance Carriers & Related Activities	7,300	7,200	100	1.4	7,400
PROFESSIONAL & BUSINESS SERVICES	**24,500**	**24,400**	**100**	**0.4**	**23,300**
EDUCATIONAL AND HEALTH SERVICES	**55,100**	**54,300**	**800**	**1.5**	**55,000**
Educational Services	13,000	12,500	500	4.0	13,000
Health Care and Social Assistance	42,100	41,800	300	0.7	42,000
LEISURE AND HOSPITALITY	**26,300**	**26,500**	**-200**	**-0.8**	**24,500**
OTHER SERVICES	**11,700**	**11,600**	**100**	**0.9**	**11,700**
GOVERNMENT	**48,800**	**49,100**	**-300**	**-0.6**	**48,800**
Federal	6,600	6,800	-200	-2.9	6,600
State & Local	42,200	42,300	-100	-0.2	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	APR 2006	APR 2005	CHANGE NO.	CHANGE %	MAR 2006
CONNECTICUT	Civilian Labor Force	1,821,900	1,805,200	16,700	0.9	1,821,300
	Employed	1,752,400	1,717,900	34,500	2.0	1,734,300
	Unemployed	69,600	87,300	-17,700	-20.3	87,000
	Unemployment Rate	3.8	4.8	-1.0	---	4.8
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	461,500	457,500	4,000	0.9	462,000
	Employed	445,400	437,100	8,300	1.9	441,900
	Unemployed	16,000	20,500	-4,500	-22.0	20,000
	Unemployment Rate	3.5	4.5	-1.0	---	4.3
DANBURY LMA	Civilian Labor Force	90,200	88,700	1,500	1.7	90,300
	Employed	87,600	85,500	2,100	2.5	87,100
	Unemployed	2,600	3,200	-600	-18.8	3,200
	Unemployment Rate	2.9	3.7	-0.8	---	3.5
ENFIELD LMA	Civilian Labor Force	48,500	48,100	400	0.8	48,200
	Employed	46,500	45,800	700	1.5	45,900
	Unemployed	1,900	2,300	-400	-17.4	2,300
	Unemployment Rate	4.0	4.8	-0.8	---	4.8
HARTFORD LMA	Civilian Labor Force	573,400	565,800	7,600	1.3	572,600
	Employed	550,700	537,100	13,600	2.5	543,800
	Unemployed	22,700	28,700	-6,000	-20.9	28,800
	Unemployment Rate	4.0	5.1	-1.1	---	5.0
NEW HAVEN LMA	Civilian Labor Force	304,000	302,000	2,000	0.7	302,200
	Employed	292,200	287,200	5,000	1.7	287,800
	Unemployed	11,800	14,800	-3,000	-20.3	14,400
	Unemployment Rate	3.9	4.9	-1.0	---	4.8
NORWICH - NEW LONDON LMA	Civilian Labor Force	148,600	147,600	1,000	0.7	148,200
	Employed	143,000	141,200	1,800	1.3	141,300
	Unemployed	5,600	6,400	-800	-12.5	6,900
	Unemployment Rate	3.8	4.3	-0.5	---	4.6
TORRINGTON LMA	Civilian Labor Force	54,100	53,400	700	1.3	54,600
	Employed	52,200	50,900	1,300	2.6	52,000
	Unemployed	1,900	2,500	-600	-24.0	2,600
	Unemployment Rate	3.5	4.8	-1.3	---	4.7
WATERBURY LMA	Civilian Labor Force	99,600	99,700	-100	-0.1	100,300
	Employed	94,700	93,300	1,400	1.5	94,000
	Unemployed	5,000	6,400	-1,400	-21.9	6,300
	Unemployment Rate	5.0	6.4	-1.4	---	6.3
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	55,300	55,400	-100	-0.2	56,300
	Employed	52,700	52,300	400	0.8	53,100
	Unemployed	2,600	3,000	-400	-13.3	3,200
	Unemployment Rate	4.7	5.5	-0.8	---	5.7
UNITED STATES	Civilian Labor Force	150,209,000	148,274,000	1,935,000	1.3	150,027,000
	Employed	143,405,000	140,939,000	2,466,000	1.7	142,772,000
	Unemployed	6,804,000	7,335,000	-531,000	-7.2	7,255,000
	Unemployment Rate	4.5	4.9	-0.4	---	4.8

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 APR 2006	APR 2005	CHG Y/Y	MAR 2006	AVG WEEKLY HOURS APR 2006	APR 2005	CHG Y/Y	MAR 2006	AVG HOURLY EARNINGS APR 2006	APR 2005	CHG Y/Y	MAR 2006
MANUFACTURING	**$815.65**	**$789.74**	**$25.91**	**$821.94**	**41.7**	**42.3**	**-0.6**	**42.0**	**$19.56**	**$18.67**	**$0.89**	**$19.57**
DURABLE GOODS	**844.53**	**816.20**	**28.33**	**850.68**	**41.5**	**42.4**	**-0.9**	**41.7**	**20.35**	**19.25**	**1.10**	**20.40**
Fabricated Metal	768.03	743.04	24.99	764.54	41.9	43.2	-1.3	42.1	18.33	17.20	1.13	18.16
Machinery	800.78	774.11	26.67	798.37	40.2	39.8	0.4	40.2	19.92	19.45	0.47	19.86
Computer & Electronic	657.64	640.38	17.26	653.65	40.1	39.8	0.3	40.2	16.40	16.09	0.31	16.26
Transport. Equipment	1,049.16	1,024.88	24.28	1,058.77	42.0	42.9	-0.9	42.3	24.98	23.89	1.09	25.03
NON-DUR. GOODS	**739.28**	**723.70**	**15.58**	**749.33**	**42.1**	**42.1**	**0.0**	**42.6**	**17.56**	**17.19**	**0.37**	**17.59**
CONSTRUCTION	**894.59**	**906.76**	**-12.17**	**894.34**	**38.1**	**38.8**	**-0.7**	**38.8**	**23.48**	**23.37**	**0.11**	**23.05**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS APR 2006	APR 2005	CHG Y/Y	MAR 2006	AVG WEEKLY HOURS APR 2006	APR 2005	CHG Y/Y	MAR 2006	AVG HOURLY EARNINGS APR 2006	APR 2005	CHG Y/Y	MAR 2006
Bridgeport - Stamford	$870.62	$782.28	$88.34	$901.82	40.4	41.0	-0.6	44.8	$21.55	$19.08	$2.47	$20.13
New Haven	644.92	657.31	-12.39	661.05	37.3	40.6	-3.3	39.0	17.29	16.19	1.10	16.95
Norwich - New London	824.33	793.05	31.28	827.22	42.8	42.5	0.3	42.4	19.26	18.66	0.60	19.51

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

- April 2006 had the announcement that Verizon Wireless will hire 188 new employees, mainly at its Wallingford call center. The former Regal Cinemas property in Stonington is the site of a planned Stop & Shop which will employ 200 new workers. The state's first Fuddruckers restaurant opened on April 4th at Foxwoods Resort Casino with 100 employees. Approval has been given to begin construction on a new Target store in Torrington, which will bring 200 new jobs to the area when it opens in 2007. Sikorsky Aircraft is looking to hire 150 engineers.

- Due to the soaring cost of energy, Franklin Mushroom Farm announced that they will move their mushroom growing plant out of state, laying off 380 workers. Health insurer CIGNA will lay off 181 employees in Bristol in an effort to cut costs.

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 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	461,468	**445,431**	**16,037**	**3.5**
Ansonia	9,788	9,345	443	4.5
Bridgeport	61,552	57,849	3,703	6.0
Darien	9,064	8,844	220	2.4
Derby	6,751	6,474	277	4.1
Easton	3,698	3,605	93	2.5
Fairfield	27,766	26,950	816	2.9
Greenwich	29,791	28,994	797	2.7
Milford	30,801	29,730	1,071	3.5
Monroe	10,475	10,174	301	2.9
New Canaan	8,754	8,552	202	2.3
Newtown	13,930	13,567	363	2.6
Norwalk	47,643	46,133	1,510	3.2
Oxford	6,443	6,245	198	3.1
Redding	4,475	4,374	101	2.3
Ridgefield	11,580	11,290	290	2.5
Seymour	8,991	8,633	358	4.0
Shelton	22,013	21,311	702	3.2
Southbury	8,821	8,562	259	2.9
Stamford	65,481	63,436	2,045	3.1
Stratford	25,709	24,689	1,020	4.0
Trumbull	17,627	17,108	519	2.9
Weston	4,835	4,728	107	2.2
Westport	12,431	12,115	316	2.5
Wilton	8,233	8,017	216	2.6
Woodbridge	4,818	4,707	111	2.3
DANBURY	**90,203**	**87,594**	**2,609**	**2.9**
Bethel	10,822	10,519	303	2.8
Bridgewater	1,028	1,005	23	2.2
Brookfield	8,909	8,658	251	2.8
Danbury	43,586	42,256	1,330	3.1
New Fairfield	7,550	7,354	196	2.6
New Milford	16,175	15,722	453	2.8
Sherman	2,132	2,079	53	2.5
ENFIELD	**48,467**	**46,531**	**1,936**	**4.0**
East Windsor	5,941	5,703	238	4.0
Enfield	23,864	22,823	1,041	4.4
Somers	4,635	4,472	163	3.5
Suffield	7,132	6,895	237	3.3
Windsor Locks	6,895	6,638	257	3.7
HARTFORD	**573,363**	**550,695**	**22,668**	**4.0**
Andover	1,938	1,888	50	2.6
Ashford	2,540	2,468	72	2.8
Avon	8,991	8,752	239	2.7
Barkhamsted	2,200	2,122	78	3.5
Berlin	10,846	10,486	360	3.3
Bloomfield	9,875	9,390	485	4.9
Bolton	3,013	2,946	67	2.2
Bristol	33,644	32,226	1,418	4.2
Burlington	5,192	5,058	134	2.6

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,421	5,290	131	2.4
Colchester	8,656	8,359	297	3.4
Columbia	3,001	2,909	92	3.1
Coventry	6,917	6,688	229	3.3
Cromwell	7,710	7,458	252	3.3
East Granby	2,874	2,789	85	3.0
East Haddam	5,067	4,921	146	2.9
East Hampton	6,656	6,354	302	4.5
East Hartford	25,182	23,883	1,299	5.2
Ellington	8,515	8,241	274	3.2
Farmington	12,633	12,276	357	2.8
Glastonbury	17,931	17,456	475	2.6
Granby	6,151	5,981	170	2.8
Haddam	4,665	4,543	122	2.6
Hartford	47,912	44,252	3,660	7.6
Hartland	1,188	1,156	32	2.7
Harwinton	3,096	2,999	97	3.1
Hebron	5,379	5,212	167	3.1
Lebanon	4,202	4,073	129	3.1
Manchester	31,530	30,328	1,202	3.8
Mansfield	12,607	12,243	364	2.9
Marlborough	3,538	3,417	121	3.4
Middlefield	2,382	2,294	88	3.7
Middletown	25,955	25,046	909	3.5
New Britain	34,324	32,339	1,985	5.8
New Hartford	3,705	3,595	110	3.0
Newington	16,440	15,901	539	3.3
Plainville	9,988	9,594	394	3.9
Plymouth	6,737	6,440	297	4.4
Portland	5,153	5,000	153	3.0
Rocky Hill	10,527	10,206	321	3.0
Simsbury	11,897	11,577	320	2.7
Southington	23,591	22,881	710	3.0
South Windsor	14,424	14,021	403	2.8
Stafford	6,736	6,471	265	3.9
Thomaston	4,578	4,386	192	4.2
Tolland	8,172	7,940	232	2.8
Union	459	451	8	1.7
Vernon	16,964	16,318	646	3.8
West Hartford	29,146	28,148	998	3.4
Wethersfield	13,339	12,852	487	3.7
Willington	3,872	3,761	111	2.9
Windsor	15,904	15,310	594	3.7

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 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**303,990**	**292,152**	**11,838**	**3.9**
Bethany	3,002	2,925	77	2.6
Branford	17,095	16,579	516	3.0
Cheshire	14,549	14,144	405	2.8
Chester	2,239	2,187	52	2.3
Clinton	7,840	7,599	241	3.1
Deep River	2,567	2,481	86	3.4
Durham	4,122	4,013	109	2.6
East Haven	15,891	15,226	665	4.2
Essex	3,752	3,649	103	2.7
Guilford	12,720	12,416	304	2.4
Hamden	30,479	29,396	1,083	3.6
Killingworth	3,517	3,429	88	2.5
Madison	9,918	9,690	228	2.3
Meriden	30,853	29,383	1,470	4.8
New Haven	54,480	51,322	3,158	5.8
North Branford	8,218	7,915	303	3.7
North Haven	12,786	12,371	415	3.2
Old Saybrook	5,400	5,230	170	3.1
Orange	7,033	6,832	201	2.9
Wallingford	24,765	23,965	800	3.2
Westbrook	3,617	3,498	119	3.3
West Haven	29,148	27,903	1,245	4.3
***NORWICH-NEW LONDON**				
	135,386	**130,357**	**5,029**	**3.7**
Bozrah	1,468	1,402	66	4.5
Canterbury	3,117	2,988	129	4.1
East Lyme	9,578	9,274	304	3.2
Franklin	1,182	1,145	37	3.1
Griswold	6,968	6,688	280	4.0
Groton	19,198	18,500	698	3.6
Ledyard	8,448	8,196	252	3.0
Lisbon	2,555	2,458	97	3.8
Lyme	1,138	1,115	23	2.0
Montville	10,842	10,462	380	3.5
New London	13,522	12,843	679	5.0
No. Stonington	3,226	3,123	103	3.2
Norwich	20,404	19,479	925	4.5
Old Lyme	4,207	4,097	110	2.6
Preston	2,779	2,702	77	2.8
Salem	2,549	2,476	73	2.9
Sprague	1,795	1,697	98	5.5
Stonington	10,365	10,111	254	2.5
Voluntown	1,602	1,537	65	4.1
Waterford	10,443	10,064	379	3.6

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

NORWICH-NEW LONDON				
	148,627	**143,015**	**5,612**	**3.8**
Westerly, RI	13,241	12,658	583	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	**54,089**	**52,220**	**1,869**	**3.5**
Bethlehem	2,024	1,966	58	2.9
Canaan	613	588	25	4.1
Colebrook	826	810	16	1.9
Cornwall	829	805	24	2.9
Goshen	1,532	1,498	34	2.2
Kent	1,588	1,541	47	3.0
Litchfield	4,336	4,196	140	3.2
Morris	1,295	1,264	31	2.4
Norfolk	952	926	26	2.7
North Canaan	1,738	1,675	63	3.6
Roxbury	1,356	1,329	27	2.0
Salisbury	1,986	1,933	53	2.7
Sharon	1,551	1,520	31	2.0
Torrington	19,369	18,538	831	4.3
Warren	720	701	19	2.6
Washington	1,946	1,889	57	2.9
Winchester	5,981	5,727	254	4.2
Woodbury	5,446	5,312	134	2.5
WATERBURY	**99,636**	**94,672**	**4,964**	**5.0**
Beacon Falls	3,188	3,060	128	4.0
Middlebury	3,672	3,570	102	2.8
Naugatuck	16,918	16,183	735	4.3
Prospect	5,201	5,033	168	3.2
Waterbury	49,569	46,495	3,074	6.2
Watertown	12,226	11,790	436	3.6
Wolcott	8,862	8,541	321	3.6
WILLIMANTIC-DANIELSON				
	55,345	**52,742**	**2,603**	**4.7**
Brooklyn	3,712	3,572	140	3.8
Chaplin	1,394	1,338	56	4.0
Eastford	966	932	34	3.5
Hampton	1,135	1,088	47	4.1
Killingly	9,125	8,644	481	5.3
Plainfield	8,203	7,807	396	4.8
Pomfret	2,215	2,131	84	3.8
Putnam	5,080	4,836	244	4.8
Scotland	965	945	20	2.1
Sterling	1,887	1,799	88	4.7
Thompson	5,231	5,007	224	4.3
Windham	10,986	10,376	610	5.6
Woodstock	4,446	4,267	179	4.0

Not Seasonally Adjusted:				
CONNECTICUT	**1,821,900**	**1,752,400**	**69,600**	**3.8**
UNITED STATES	**150,209,000**	**143,405,000**	**6,804,000**	**4.5**
Seasonally Adjusted:				
CONNECTICUT	**1,830,800**	**1,758,800**	**71,900**	**3.9**
UNITED STATES	**150,811,000**	**143,688,000**	**7,123,000**	**4.7**

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 2006	YR TO DATE 2006	YR TO DATE 2005	TOWN	APR 2006	YR TO DATE 2006	YR TO DATE 2005	TOWN	APR 2006	YR TO DATE 2006	YR TO DATE 2005
Andover	0	1	4	Griswold	na	na	na	Preston	3	9	7
Ansonia	0	1	2	Groton	8	20	75	Prospect	na	na	na
Ashford	1	4	4	Guilford	7	25	23	Putnam	3	9	11
Avon	7	21	39	Haddam	1	16	12	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	3	8	8	Ridgefield	2	12	9
Beacon Falls	na	na	na	Hampton	2	6	4	Rocky Hill	3	25	17
Berlin	22	35	12	Hartford	6	140	81	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	4	7	5
Bethel	3	7	4	Harwinton	2	11	7	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	2	2
Bloomfield	na	na	na	Kent	0	2	4	Seymour	8	21	15
Bolton	0	4	2	Killingly	9	43	37	Sharon	0	0	1
Bozrah	0	6	6	Killingworth	na	na	na	Shelton	6	35	52
Branford	na	na	na	Lebanon	3	13	7	Sherman	na	na	na
Bridgeport	14	46	23	Ledyard	4	14	11	Simsbury	5	21	14
Bridgewater	na	na	na	Lisbon	5	7	5	Somers	4	11	9
Bristol	8	19	22	Litchfield	na	na	na	South Windsor	9	42	11
Brookfield	na	na	na	Lyme	0	2	5	Southbury	5	8	25
Brooklyn	11	20	18	Madison	2	13	8	Southington	10	34	45
Burlington	3	6	8	Manchester	16	40	53	Sprague	0	2	6
Canaan	1	1	1	Mansfield	5	22	18	Stafford	na	na	na
Canterbury	2	10	8	Marlborough	3	10	8	Stamford	7	39	35
Canton	6	15	34	Meriden	5	16	43	Sterling	na	na	na
Chaplin	2	6	5	Middlebury	na	na	na	Stonington	3	19	25
Cheshire	7	25	12	Middlefield	0	0	0	Stratford	4	14	6
Chester	na	na	na	Middletown	19	69	75	Suffield	5	11	28
Clinton	2	7	8	Milford	24	97	86	Thomaston	na	na	na
Colchester	6	29	13	Monroe	2	6	10	Thompson	na	na	na
Colebrook	1	1	1	Montville	1	6	15	Tolland	8	24	30
Columbia	3	7	9	Morris	1	1	2	Torrington	11	26	22
Cornwall	0	2	2	Naugatuck	5	21	27	Trumbull	5	51	12
Coventry	4	20	9	New Britain	na	na	na	Union	1	1	1
Cromwell	2	7	1	New Canaan	13	26	17	Vernon	15	63	64
Danbury	10	195	123	New Fairfield	na	na	na	Voluntown	1	4	3
Darien	na	na	na	New Hartford	0	6	16	Wallingford	18	31	48
Deep River	0	2	1	New Haven	3	19	14	Warren	0	2	3
Derby	na	na	na	New London	6	23	17	Washington	na	na	na
Durham	4	14	14	New Milford	11	24	22	Waterbury	28	65	24
East Granby	7	16	4	Newington	12	53	11	Waterford	2	7	12
East Haddam	3	12	17	Newtown	9	17	34	Watertown	6	22	21
East Hampton	3	16	48	Norfolk	0	0	2	West Hartford	2	54	3
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	5	12	18	North Canaan	0	1	1	Westbrook	2	5	16
East Lyme	19	49	28	North Haven	1	3	114	Weston	na	na	na
East Windsor	13	24	31	North Stonington	2	5	8	Westport	9	31	34
Eastford	0	4	4	Norwalk	10	35	64	Wethersfield	na	na	na
Easton	1	2	4	Norwich	20	33	154	Willington	3	6	5
Ellington	9	33	16	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	1	6	21	Winchester	3	6	12
Essex	2	3	1	Orange	na	na	na	Windham	5	9	23
Fairfield	9	38	42	Oxford	20	67	75	Windsor	na	na	na
Farmington	4	49	23	Plainfield	3	8	12	Windsor Locks	na	na	na
Franklin	0	0	1	Plainville	0	0	5	Wolcott	8	20	15
Glastonbury	6	49	19	Plymouth	2	9	5	Woodbridge	na	na	na
Goshen	4	13	11	Pomfret	1	4	4	Woodbury	3	6	7
Granby	2	13	22	Portland	0	11	22	Woodstock	5	16	19
Greenwich	22	73	45								

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	**+2.6**
Coincident Employment Index	**+1.6**
Leading General Drift Indicator	**+1.3**
Coincident General Drift Indicator	**-0.2**
Banknorth Business Barometer	**+1.0**
Total Nonfarm Employment	**+0.6**
Unemployment Rate	**-1.0**
Labor Force	+0.9
Employed	+2.0
Unemployed	-19.7
Average Weekly Initial Claims	**+0.6**
Help Wanted Index -- Hartford	**-10.0**
Avg Insured Unempl. Rate	**-0.34***
Average Weekly Hours, Mfg	**-1.4**
Average Hourly Earnings, Mfg	**+4.8**
Average Weekly Earnings, Mfg	**+3.3**
CT Mfg. Production Index	**-2.2**
Production Worker Hours	-3.5
Industrial Electricity Sales	-4.1
Personal Income	**+4.0**
UI Covered Wages	**+4.7**

Business Activity	
New Housing Permits	-13.9
Electricity Sales	-1.8
Retail Sales	-0.6
Construction Contracts Index	-38.9
New Auto Registrations	-15.2
Air Cargo Tons	+0.5
Exports	+19.5
Business Starts	
Secretary of the State	+9.0
Dept. of Labor	-3.6
Business Terminations	
Secretary of the State	+24.4
Dept. of Labor	-25.3
State Revenues	**+10.7**
Corporate Tax	-0.3
Personal Income Tax	+11.8
Real Estate Conveyance Tax	-13.8
Sales & Use Tax	+6.1
Indian Gaming Payments	-2.2

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

Tourism and Travel	
Info Center Visitors	+23.0
Attraction Visitors	-0.0
Air Passenger Count	-6.1
Indian Gaming Slots	-1.5
Travel and Tourism Index	+6.3
Employment Cost Index (U.S.)	
Total	+2.6
Wages & Salaries	+2.4
Benefit Costs	+3.0
Consumer Prices	
U.S. City Average	+3.5
Northeast Region	+3.8
NY-NJ-Long Island	+3.6
Boston-Brockton-Nashua	+3.3
Consumer Confidence	
Connecticut	+5.9
New England	NA
U.S.	NA
Interest Rates	
Prime	+2.00*
Conventional Mortgage	+0.65*

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