THE CONNECTICUT
ECONOMIC DIGEST

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MAY 2004

IN THIS ISSUE...

In March...

Nonfarm Employment

Connecticut	1,637,800
Change over month	-0.13%
Change over year	-0.5%
United States	130,548,000
Change over month	0.24%
Change over year	0.5%

Unemployment Rate

Connecticut	4.9%
United States	5.7%

Consumer Price Index

United States	187.4
Change over year	1.7%

Partnership for Growth II: A Blueprint for Connecticut's Economic Future

By James Abromaitis, Commissioner of DECD

A strategic plan is only as good as the inputs upon which is based. This article will provide an overview of the extensive research that went into making *Partnership for Growth II: A Competitiveness Agenda for Connecticut*, a historic milestone in the State's Industry Cluster Initiative that provides policy makers with a comprehensive set of recommendations in the areas of manufacturing, technology, workforce development and inner city revitalization.

In 1998, the landmark report *Partnership for Growth: Connecticut's Economic Competitiveness Strategy* set the stage for cluster-based economic development in the state and led to the creation of what is now called the Governor's Competitiveness Council, a bipartisan cross-section of leaders from business, government, and education that oversee the state's Industry Cluster Initiative.

Over the past five years, Connecticut's Industry Cluster Initiative has redefined the way we think about economic development in Connecticut. It is a demand-driven strategy that is predicated on public/private sector collaboration, and it has helped create jobs, attract investment and keep Connecticut's businesses and workers competitive in the global marketplace.

Today, there are nine industry clusters in Connecticut: Aerospace Components Manufacturers, Agriculture, Bioscience, Insurance and Financial Services, Maritime, Metal Manufacturing, Plastics, Software/IT, and Tourism. By participating in the Industry Cluster Initiative, companies and workers in these industries have become smarter and more productive, and ultimately more competitive.

All good business plans, however, need to be updated to reflect changing business conditions and market forces that alter the economic landscape. By late 2003, the Governor's Council decided the time was right to create a new competitiveness agenda for Connecticut and began working on *Partnership for Growth II.* Completed in March of this year, the report was "intended to spur decisive action by leaders in both the public and private sectors..." and "meant to serve as a basis for legislation and prompt widespread participation in cluster efforts by government, business, educational and community leaders statewide" (*Partnership for Growth II*, page 3).

In building the analytical groundwork for *Partnership for Growth II*, three major research tools were used: *Connecticut Economic Performance and Cluster Competitiveness Analysis* prepared by the consulting firm Aslan Global; *Connecticut's New Economy Benchmarks* developed by the Connecticut Economic Resource Center (CERC); and *Competitiveness Survey Findings* compiled

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with help from nine of the State's leading chambers of commerce. In addition, information and insights were drawn from: industry clusters; regional meetings with leaders from businesses, government agencies, civic organizations and community groups, as well as several advisory boards; and economic policy advisors, including Harvard Business School Professor Michael Porter, consultants from Aslan Global, Michael Gallis and his associates, and economists from CERC.

Connecticut Economic Performance and Cluster Competitiveness

Aslan Global performed this analysis using the data and analytical approach of Harvard Business School's Institute for Strategy and Competitiveness, led by Professor Michael Porter (*Partnership for Growth II*, Appendix C, page 2).

Identifying key indicators, such as levels and trends in wages and employment, the report indicates that Connecticut's recent economic performance has been generally strong. The following are some more specific findings (*Partnership for Growth II*, Appendix C, pages 2-5):

- More people have been employed in Connecticut in recent times than before the major recession of the early 1990s.
- Although the number of people employed in Connecticut has been increasing, the unemployment rate also has been increasing, largely due to the national recession and dot-com collapse.
- Regional peers, including Rhode Island, New Hampshire, New York, Massachusetts and Vermont, have been ahead of Connecticut in terms of their rates of new job creation.
- Wages in Connecticut rose steadily from 1990 to 2001.
- Connecticut continues to be among the states with the highest average wages.
- Connecticut's productivity has grown an average of 4.4 percent annually in recent times.
- Connecticut's Gross State Product (GSP) performance between 1990 and 2002 has made it one of the top three most productive, or "competitive," U.S. states.
- Data suggest that Connecticut's merchandise exports recently have been lagging, although our steady growth rates have brought the State close to the U.S. average.

The study also reviewed Connecticut's innovative capacity. Connecticut scored strong on most of the selected innovation "inputs," but showed weaker scores in terms of transforming its knowledge assets into commercially successful products and services.

Comments were also made about Connecticut's cluster performance, noting a diverse set of clusters, some of which are nationally "known" and some of which compose a healthy set of "traded clusters" which makes the State's economy more heavily weighted compared to the U.S. overall.

Connecticut's New Economy Benchmarks

The goal of this report was to provide a fact-finding, objective and unbiased overview of Connecticut's competitiveness from a New Economy perspective. Overall, Connecticut is well equipped for the New Economy. "Research conducted... shows that the State possesses an abundance of the assets critical to meeting the challenge of this global, knowledge-driven economy and, in many key areas, ranks in the top five or 10 among the 50 states" (*Partnership for Growth II*, Appendix D, pages 2-3). The study assessed Connecticut's standing in four major categories: entrepreneurial and business vitality; technology strengths; creating and sustaining innovation; and global links. Key indicators and trends that could dramatically affect Connecticut's economic future were also explored.

The following are some of the findings from the major categories (*Partnership for Growth II*, Appendix D, pages 5-8):

Entrepreneurial and Business Vitality

- Connecticut ranks 13th overall in this category, outpacing both the Northeast and the U.S. in share of jobs in fast-growing "gazelle" companies (1998-2000).
- However, Connecticut shows very slow growth in most areas that make up this category, ranking 50th in pace of growth between 1992 and 2002.
- In addition, the level of Small Business Innovative Research (SBIR) grants has fallen 50 percent between 1992 and 2001.

Technology Strengths

- Connecticut ranks 8th overall in the technology "concentration" score, 3rd in the percentage of high-tech jobs (2002), and 10th in the number of technology establishments (2002).
- Our technology productivity has skyrocketed 55 percent between 1992 and 2002.
- The State also ranks 4th in percentage of households with Internet access (2001).
- However, Connecticut's technology share of total employment has decreased almost 12 percent since 1992, while our share of U.S. growth in technology has ranked us 43rd (between 1992 and 2002).

Creating and Sustaining Innovation

- Our 8th graders rank among the top 16 states in scores on the National Assessment of Educational Progress (NAEP) tests in math and science (2000).
- Almost one-third of Connecticut adults holds a bachelor's degree or higher (2002), and we rank 8th among states in the number of Ph.D. scientists and engineers in its workforce (2001).
- However, while Connecticut's NAEP scores compare well nationally, the U.S. as a whole ranks between 15th and 20th among nations in technology, math and science achievement. Meanwhile, Connecticut ranks 39th among the states in this category in terms of pace of growth.

Global Links

- Thanks in part to our immigrant population and high percentage of international graduate students, we rank 8th overall among states in regard to substantial connections with foreign countries.
- However, Connecticut and the Northeast lag the U.S. in growth in exporting goods (1992-2002).

Competitiveness Survey Findings

Working with nine chambers of commerce, an outreach effort was conducted to gain feedback about business issues affecting Connecticut companies and their competitiveness. More than 1,200 surveys were completed and returned (a response rate of nearly 11 percent). The responses covered the areas of competitiveness, collaboration, urban revitalization, government priorities, manufacturing, education, transportation, cost of doing business, state government, regionalism and marketing/branding.

The top competitive strength identified by businesses was community colleges, while the weakest was healthcare costs. In regard to collaborative relationship, the top strength was indicated as local customers, while weakest was business incubators. Meanwhile, location was ranked a top urban strength, and taxes, the weakest. In the area of government priority, almost every choice was seen as important, such as streamlining compliance, increasing training in science, math and technology and building public-private research funds. The major theme that emerged from the feedback was that more needs to be done to make Connecticut globally competitive.

Partnership for Growth II Recommendations

As mentioned earlier, this research served as a basis for the development of the recommendations outlined in the *Partnership for Growth II* report. The issues addressed focus on five major categories (*Partnership for Growth II*, page 4):

Increasing the Competitiveness of Connecticut's Small and Midsize Manufacturers – assistance for this industry to adjust rapidly and effectively to the national and global changes, including launching a "next generation" manufacturing initiative and strengthening state and federal policies.

Specific proposals include: creating a five-year Manufacturing Competitiveness Enhancement Program; repealing or phasing out the property tax on newly acquired manufacturing equipment; and creating a Legislative Commission on Manufacturing Best Practices that would conduct a peer state best practices study comparing the costs, capital investment and depreciation incentives, and tax credits.

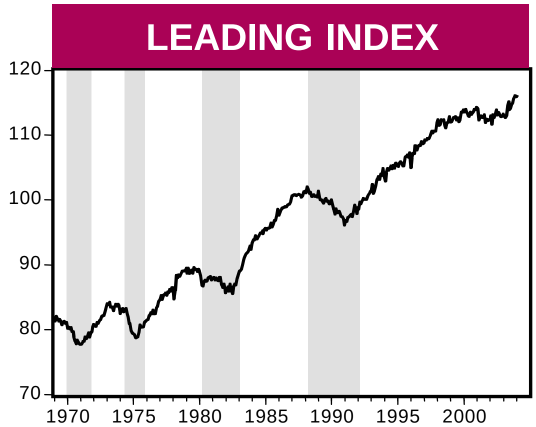
Capitalizing on Connecticut's Technology and Innovation Assets – ways to achieve technology growth to achieve more jobs, better jobs and more economic opportunity for residents.

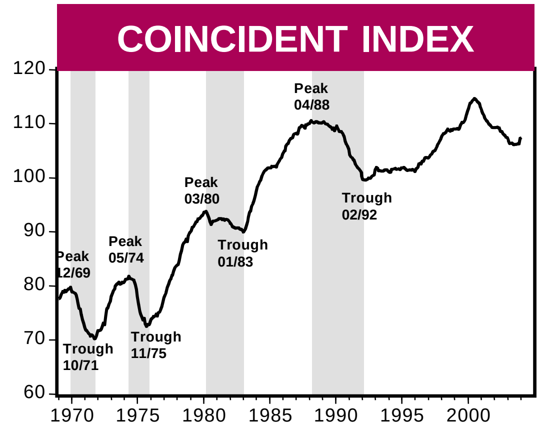
Specific proposals include: creating a professionally managed seed capital fund for early stage companies in bioscience and technology; making the amendment to the R&D tax credit exchange (CGS 12-217j) permanent; and allowing limited liability companies (LLC) and limited liability partnerships (LLP) the same tax benefits applicable to corporations, only if these benefits are reinvested in the LLC or LLP.

Expanding Business Growth in Connecticut Inner Cities – generating practical opportunities for inner city communities, including generating additional capital for business growth, accelerating inner city entrepreneurship, reinforcing a positive image of inner city opportunities and minority business leaders, and expanding job readiness training.

Specific proposals include:

--Continued on page 5--





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.

Like spring in New England, Connecticut's economy is warming up

As is frequently the case with economic news, it can be interpreted as either goods news or bad news. First, the good news is that all indications suggest that the U.S. economy grew at a healthy pace in the first quarter of this year. More importantly, there are also indications that finally, new jobs are being created at a much more rapid pace than 2003. The bad news is that, given the robust growth in the U.S. economy, Alan Greenspan, chairman of the Federal Reserve, in his address to the Joint Economic Committee of Congress, hinted that the Fed would have to raise short-term interest rate eventually to head off potential inflationary pressure. I personally do not view the Fed's raising of short-term interest rate as necessarily bad news. What the Fed wants to do is to use the short-term interest rate as an instrument to achieve price stability on the one hand, and sustainable economic growth on the other. The difficulty, of course, is in the implementation. In order to achieve its objective, the timing and the magnitude of the Fed's policy changes have to be just right. This, I can assure you, is the bad news really, because this kind of fine-tuning of the economy by the Fed is difficult to accomplish without a big dose of good fortune.

This month, the two employment indices provide us with very positive signals for the Connecticut economy. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 106.90 in February 2003 to 107.40 in February 2004. Three components of this index are positive contributors, with a lower insured unemployment rate, a lower total unemployment rate, and higher total employment. The sole negative contributor is lower total nonfarm employment. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index also rose from 107.34 in January 2004 to 107.40 in February 2004. A lower insured unemployment rate and higher total employment contributed positively to the index, while total unemployment rate and total nonfarm employment remained stable.

The revised CCEA-ECRI Connecticut leading employment index also provided us with good news. It rose from 112.86 in February 2003 to 116.17 in February 2004. All six components of this index are positive contributors, with a lower Moody's Baa corporate bond yield, higher total housing permits, lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, a lower Hartford help-wanted advertising index, and higher average weekly hours worked in manufacturing and construction. On a sequential month-to-month basis, the CCEA-ECRI Connecticut leading employment index rose from 115.86 in January 2004 to 116.17 in February 2004. Four components contributed positively to this index, with a lower Moody's Baa corporate bond yield, a very slight decrease in the short duration (less than 15 weeks) unemployment rate, a higher help wanted index, and higher average weekly hours worked in manufacturing and construction. Lower total housing permits and higher initial claims for unemployment insurance are the two negative contributors to this index.

Last month, I reported an unusually large drop in the total unemployment rate in Connecticut from 5.5 percent in December 2003 to 4.7 percent in January 2004. In February, the total unemployment rate remained at 4.7 percent. I also reported an unusually large drop of about 25 percent in initial claims for unemployment insurance from December 2003 to January 2004. At the same time, total employment in Connecticut went up by eleven thousand from December 2003 to January 2004, another unusually large change. While the direction of change of these indicators is consistent with each other, I continue to be puzzled by the magnitude of these changes. While I do not doubt that the employment picture is improving for Connecticut, I am skeptical of the magnitude of these changes. I suspect that part of the changes may be due to technical factors because both employment indices were re-benchmarked and re-calibrated starting with the January 2004 values. ■

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--Continued from page 3--

establishing a privately managed $25 million inner city equity investment fund; allowing cities of over 100,000 residents (on a pilot basis) to "de-categorize" and use State funds flowing into these cities in a flexible manner; and building upon the successful National Foundation for Teaching Entrepreneurship's (NFTE) entrepreneurial training initiative in Connecticut, which has already trained 2,800 inner city students throughout the State.

Strengthening Connecticut's Economic Foundations – cross-cutting factors that affect all clusters, including workforce training, an advanced transportation and communications infrastructure, strong business-education links, competitive taxes and regulations, a reputation as a "hot spot" of innovation and high technology, and a high quality of life.

Building Upon Private-Public Collaboration and Commitment – efforts that should be incorporated by the Governor's Council, industry clusters, private sector leadership and State government to bring about a greater level of collaboration and achieve goals that benefit themselves and people in the region.

Partnership for Growth II outlines both short- and long-term strategies that will greatly enhance Connecticut's business climate and, on a larger scale, its position in the global economy. Grounded on excellent research and economic analyses, this new report provides Connecticut with a blueprint for economic growth and prosperity for years to come. ■

To read *Partnership for Growth II: A Competitiveness Agenda for Connecticut*, visit www.YouBelonginCT.com and click on the Industry Clusters button.

HOUSING UPDATE

Housing permit activity surges in March

Commissioner James F. Abromaitis of the Connecticut Department of Economic and Community Development (DECD) announced that Connecticut communities authorized 929 new housing units in March 2004, a 54.8 percent increase compared to March of 2003 when 600 units were authorized.

The Department further indicated that the 929 units permitted in March 2004 represent a 66.5 percent increase from the 558 units permitted in February 2004. The year-to-date permits are up 29.3 percent, from 1,683 through March 2003, to 2,176 through March 2004.

Nine out of the ten Labor Market Areas showed gains compared to a year ago. Norwalk led all municipalities with 76 units, followed by Milford with 29 and Danbury with 27. From a county perspective, Fairfield County showed the largest year-to-date gain of 105 units (or 88.2 percent).

See data tables on pages 19 and 22.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q 2003	4Q 2002	CHANGE NO.	CHANGE %	3Q 2003
Employment Indexes (1992=100)*					
Leading	115.7	112.8	2.9	2.6	114.1
Coincident	107.5	108.6	-1.1	-1.0	107.1
General Drift Indicator (1986=100)*					
Leading	102.3	99.1	3.2	3.2	101.2
Coincident	100.8	101.4	-0.6	-0.6	101.1
Banknorth Business Barometer (1992=100)**	117.4	116.6	0.8	0.7	116.2

*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 decreased by 8,900 over the year.

EMPLOYMENT BY INDUSTRY SECTOR

(Seasonally adjusted; 000s)	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM	1,637.8	1,646.7	-8.9	-0.5	1,640.0
Construction	60.8	60.6	0.2	0.3	61.2
Manufacturing	194.5	202.3	-7.8	-3.9	194.3
Information	38.9	40.0	-1.1	-2.8	39.1
Financial Activities	143.0	142.3	0.7	0.5	143.2
Professional and Business Services	193.8	197.8	-4.0	-2.0	194.8
Government*	244.1	247.4	-3.3	-1.3	244.0

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)	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
Unemployment Rate, resident (%)	4.9	5.7	-0.8	---	4.8
Labor Force, resident (000s)	1,786.6	1,809.4	-22.8	-1.3	1,796.0
Employed (000s)	1,699.1	1,706.4	-7.3	-0.4	1,710.4
Unemployed (000s)	87.5	103.0	-15.5	-15.0	85.6
Average Weekly Initial Claims	4,259	5,133	-874	-17.0	4,746
Help Wanted Index -- Htfd. (1987=100)	10	9	1	11.1	12
Avg. Insured Unemp. Rate (%)	2.54	3.42	-0.88	---	3.17

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004	JAN 2004
Average Weekly Hours	41.8	41.3	0.5	1.2	41.5	--
Average Hourly Earnings	18.04	17.73	0.31	1.7	17.99	--
Average Weekly Earnings	754.07	732.25	21.82	3.0	746.59	--
CT Mfg. Production Index (1986=100)*	110.7	112.2	-1.5	-1.3	113.0	113.9
Production Worker Hours (000s)	4,822	5,059	-237	-4.7	4,790	--
Industrial Electricity Sales (mil kWh)**	410	416	-6.0	-1.4	396	382

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

Personal income for third quarter 2004 is forecasted to increase 3.4 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	3Q* 2004	3Q 2003	CHANGE NO.	CHANGE %	2Q* 2004
Personal Income	$156,100	$150,963	$5,137	3.4	$154,795
UI Covered Wages	$82,174	$78,558	$3,616	4.6	$81,649

Source: Bureau of Economic Analysis: April 2004 release
**Forecasted by Connecticut Department of Labor*

BUSINESS ACTIVITY

Electricity sales in 2003 were up 3.0 percent.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
New Housing Permits	MAR 2004	929	54.8	2,176	1,683	29.3
Electricity Sales (mil kWh)	DEC 2003	2,752	-0.5	31,821	30,906	3.0
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts						
Index (1980=100)	MAR 2004	377.5	64.1	---	---	---
New Auto Registrations	MAR 2004	18,072	-13.0	54,803	57,331	-4.4
Air Cargo Tons	MAR 2004	13,324	18.2	36,682	33,120	10.8
Exports (Bil. $)	4Q 2003	2.12	0.5	8.14	8.31	-2.0

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 19.1 percent to 5,532 from the same period last year.

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	MAR 2004	3,020	25.7	7,906	7,033	12.4
Department of Labor*	3Q 2003	1,900	-10.0	4,144	4,362	-5.0
TERMINATIONS						
Secretary of the State	MAR 2004	897	-31.1	2,374	2,387	-0.5
Department of Labor*	3Q 2003	1,046	-18.1	2,635	3,873	-32.0

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 13.1 percent from March last year.

(Millions of dollars)	MAR 2004	MAR 2003	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	919.5	812.9	13.1	2688.0	2393.1	12.3
Corporate Tax	114.4	104.9	9.1	143.6	138.9	3.4
Personal Income Tax	408.7	304.1	34.4	1301.9	1060.9	22.7
Real Estate Conv. Tax	11.0	7.4	48.6	32.8	25.1	30.7
Sales & Use Tax	222.3	210.5	5.6	797.8	750.6	6.3
Indian Gaming Payments**	33.1	33.8	-1.9	97.8	91.8	6.6

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

Year-to-date air passenger traffic was up 5.4 percent from a year ago.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	MAR 2004	22,154	2.4	53,395	53,752	-0.7
Major Attraction Visitors	MAR 2004	89,314	-10.9	282,721	262,615	7.7
Air Passenger Count	MAR 2004	565,259	5.3	1,528,048	1,449,232	5.4
Indian Gaming Slots (Mil.$)*	MAR 2004	1,605	-1.6	4,822	4,526	6.5
Travel and Tourism Index**	4Q 2003	---	0.5	---	---	---

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 costs for the nation and Northeast rose 3.9 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (June 1989=100)	Seasonally Adjusted MAR 2004	DEC 2003	3-Mo % Chg	Not Seasonally Adjusted MAR 2004	MAR 2003	12-Mo % Chg
UNITED STATES TOTAL	171.3	169.5	1.1	171.4	165.0	3.9
Wages and Salaries	163.5	162.5	0.6	163.4	159.3	2.6
Benefit Costs	191.2	186.3	2.6	192.2	179.6	7.0
NORTHEAST TOTAL	---	---	---	170.2	163.8	3.9
Wages and Salaries	---	---	---	162.0	157.3	3.0

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

The March U.S. inflation rate was 1.7 percent. New England consumer confidence increased 50.3 percent from a year ago, while U.S. consumer confidence rose 43.8 percent.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	4Q 2003	---	NA	---
CPI-U (1982-84=100)				
U.S. City Average	MAR 2004	187.4	1.7	0.6
Purchasing Power of $ (1982-84=$1.00)	MAR 2004	$0.534	-1.7	-0.6
Northeast Region	MAR 2004	198.6	2.9	0.9
NY-Northern NJ-Long Island	MAR 2004	203.4	3.2	1.1
Boston-Brockton-Nashua***	MAR 2004	208.7	2.9	0.1
CPI-W (1982-84=100)				
U.S. City Average	MAR 2004	182.9	1.4	0.5
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	4Q 2003	100.5	43.4	8.3
New England	MAR 2004	86.6	50.3	6.5
U.S.	MAR 2004	88.3	43.8	-0.2

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.*

All interest rates remained lower than a year ago, including the 30-year conventional mortgage rate at 5.45 percent.

INTEREST RATES

(Percent)	MAR 2004	FEB 2004	MAR 2003
Prime	4.00	4.00	4.25
Federal Funds	1.00	1.01	1.25
3 Month Treasury Bill	0.94	0.94	1.12
6 Month Treasury Bill	0.99	1.01	1.13
1 Year Treasury Bill	1.19	1.41	1.32
3 Year Treasury Note	2.00	2.63	2.36
5 Year Treasury Note	2.79	3.45	3.17
7 Year Treasury Note	3.31	3.97	3.70
10 Year Treasury Note	3.83	4.46	4.22
20 Year Treasury Note	4.72	5.25	5.10
Conventional Mortgage	5.45	5.64	5.75

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

Six out of the nine states in the region added jobs over the year.

(Seasonally adjusted; 000s)	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
Connecticut	1,637.8	1,646.7	-8.9	-0.5	1,640.0
Maine	607.3	604.9	2.4	0.4	607.3
Massachusetts	3,155.4	3,190.9	-35.5	-1.1	3,153.5
New Hampshire	619.5	613.7	5.8	0.9	616.9
New Jersey	4,012.5	3,958.3	54.2	1.4	3,999.6
New York	8,432.7	8,409.9	22.8	0.3	8,417.0
Pennsylvania	5,586.8	5,608.7	-21.9	-0.4	5,575.8
Rhode Island	487.4	481.1	6.3	1.3	488.2
Vermont	299.0	297.8	1.2	0.4	299.2
United States	130,548.0	129,921.0	627.0	0.5	130,240.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
Connecticut	1,786.6	1,809.4	-22.8	-1.3	1,796.0
Maine	693.7	689.0	4.7	0.7	698.1
Massachusetts	3,401.2	3,431.8	-30.6	-0.9	3,414.0
New Hampshire	725.1	713.0	12.1	1.7	726.0
New Jersey	4,403.0	4,364.8	38.2	0.9	4,402.1
New York	9,328.4	9,332.7	-4.3	0.0	9,293.4
Pennsylvania	6,234.0	6,199.9	34.1	0.6	6,213.4
Rhode Island	565.7	570.4	-4.7	-0.8	563.2
Vermont	353.9	350.3	3.6	1.0	353.7
United States	146,650.0	145,818.0	832.0	0.6	146,471.0

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

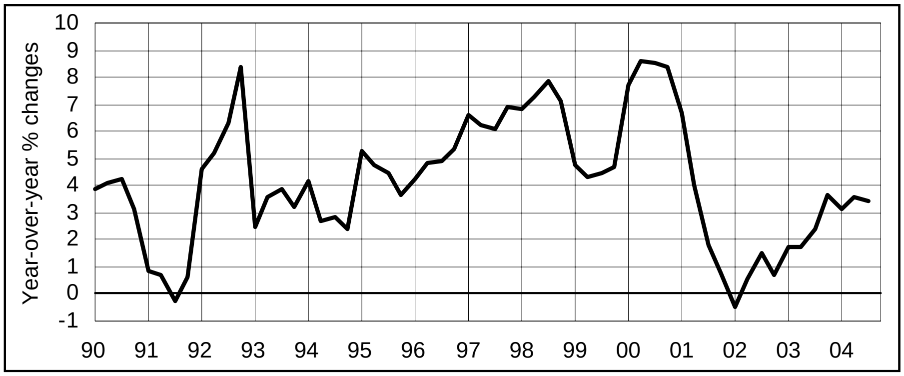
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	MAR 2004	MAR 2003	CHANGE	FEB 2004
Connecticut	4.9	5.7	-0.8	4.8
Maine	4.9	4.9	0.0	4.9
Massachusetts	5.1	5.9	-0.8	5.4
New Hampshire	4.0	4.4	-0.4	4.1
New Jersey	5.2	6.1	-0.9	5.4
New York	6.5	6.3	0.2	6.3
Pennsylvania	5.3	5.8	-0.5	5.1
Rhode Island	5.6	5.5	0.1	5.2
Vermont	3.6	4.5	-0.9	3.7
United States	5.7	5.8	-0.1	5.6

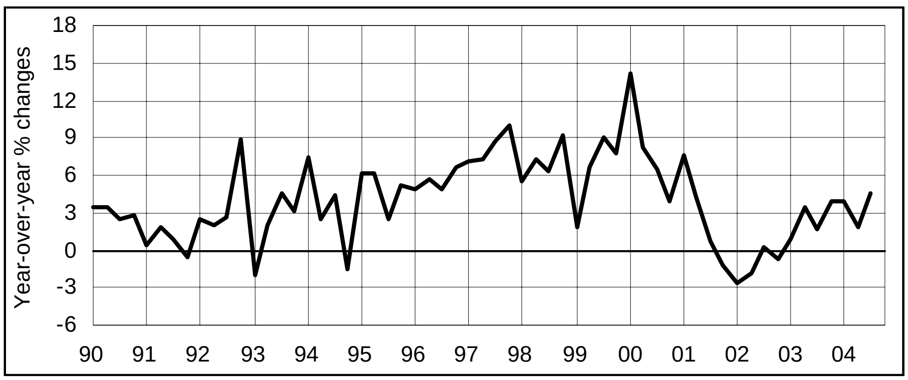
Source: U.S. Department of Labor, Bureau of Labor Statistics

PERSONAL INCOME *(Seasonally adjusted)*



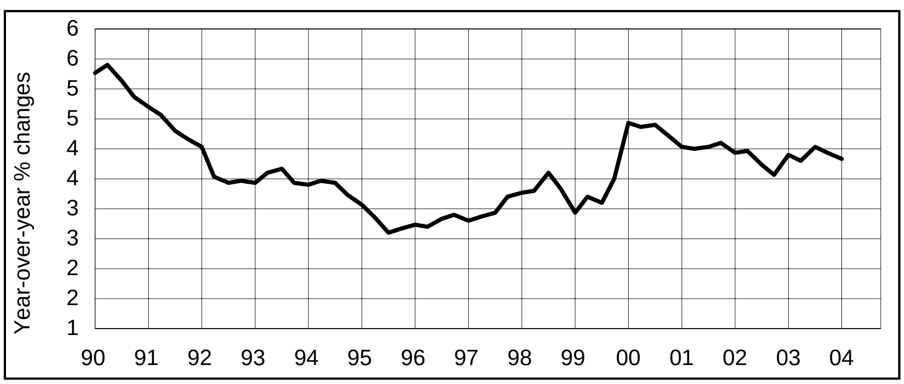
Quarter	2002	2003	2004
First	-0.5	1.7	3.1
Second	0.6	1.8	3.6
Third	1.5	2.4	3.4
Fourth	0.7	3.7	

UI COVERED WAGES *(Seasonally adjusted)*



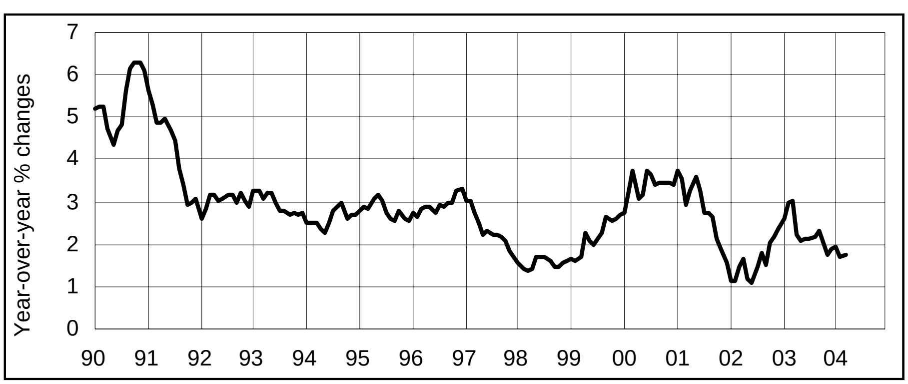
Quarter	2002	2003	2004
First	-2.7	0.9	3.9
Second	-1.8	3.4	1.9
Third	0.2	1.6	4.6
Fourth	-0.8	3.9	

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



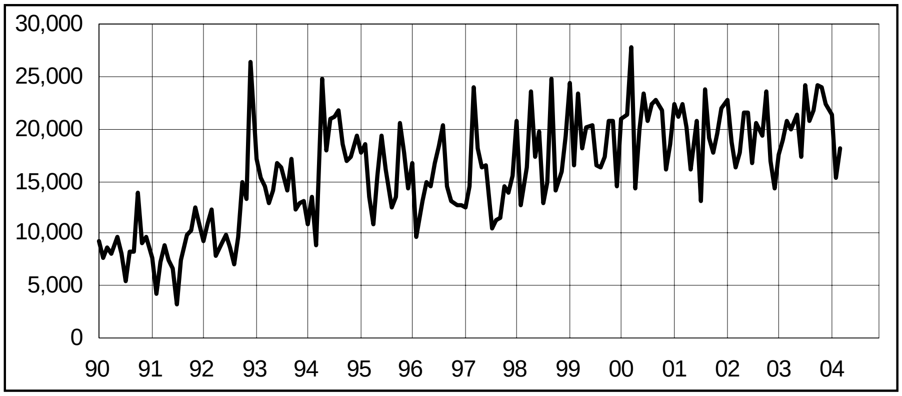
Quarter	2002	2003	2004
First	3.9	3.9	3.8
Second	4.0	3.8	
Third	3.7	4.0	
Fourth	3.6	3.9	

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



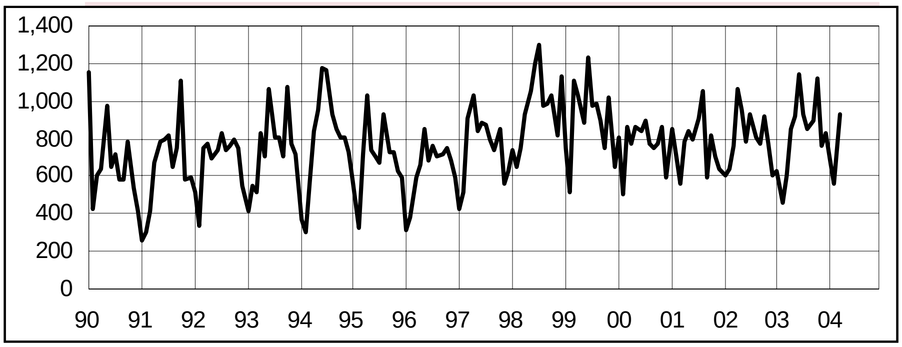
Month	2002	2003	2004
Jan	1.1	2.6	1.9
Feb	1.1	3.0	1.7
Mar	1.5	3.0	1.7
Apr	1.6	2.2	
May	1.2	2.1	
Jun	1.1	2.1	
Jul	1.5	2.1	
Aug	1.8	2.2	
Sep	1.5	2.3	
Oct	2.0	2.0	
Nov	2.2	1.8	
Dec	2.4	1.9	

NEW AUTO REGISTRATIONS PROCESSED *(Not seasonally adjusted)*



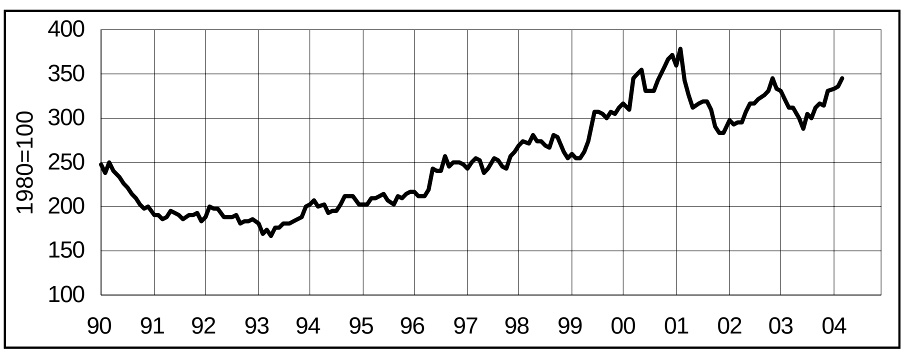
Month	2002	2003	2004
Jan	22,780	17,598	21,377
Feb	18,679	18,956	15,354
Mar	16,234	20,777	18,072
Apr	17,703	19,972	
May	21,590	21,302	
Jun	21,445	17,304	
Jul	16,800	24,240	
Aug	20,460	20,830	
Sep	19,388	21,649	
Oct	23,652	24,130	
Nov	16,982	23,988	
Dec	14,222	22,430	

NEW HOUSING PERMITS *(Not seasonally adjusted)*



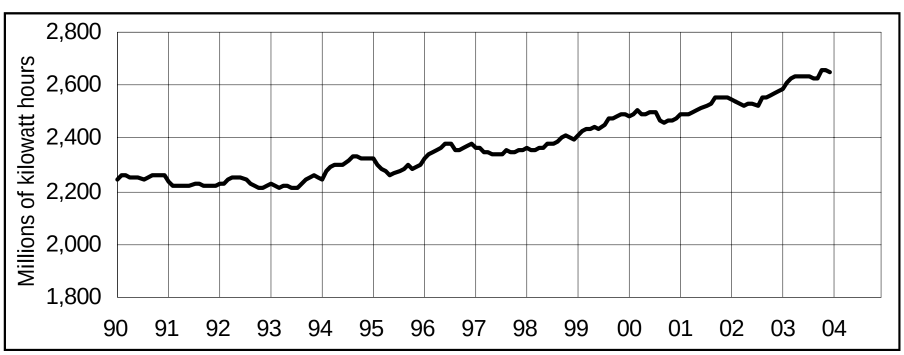
Month	2002	2003	2004
Jan	601	629	689
Feb	633	454	558
Mar	762	600	929
Apr	1,061	856	
May	957	916	
Jun	782	1,143	
Jul	927	928	
Aug	811	850	
Sep	773	893	
Oct	924	1,121	
Nov	771	766	
Dec	605	829	

CONSTRUCTION CONTRACTS INDEX *(12-month moving average)*



Month	2002	2003	2004
Jan	297.9	330.7	334.0
Feb	293.9	320.3	336.0
Mar	296.4	312.6	346.4
Apr	295.0	311.9	
May	306.7	299.7	
Jun	317.1	287.4	
Jul	317.2	304.9	
Aug	322.3	300.5	
Sep	325.1	312.4	
Oct	332.0	316.8	
Nov	344.1	314.0	
Dec	333.2	330.4	

ELECTRICITY SALES *(12-month moving average)*



Month	2002	2003	2004
Jan	2,546	2,582	
Feb	2,536	2,607	
Mar	2,530	2,626	
Apr	2,524	2,635	
May	2,531	2,637	
Jun	2,530	2,634	
Jul	2,520	2,632	
Aug	2,551	2,623	
Sep	2,557	2,623	
Oct	2,564	2,658	
Nov	2,571	2,655	
Dec	2,580	2,653	

CONNECTICUT

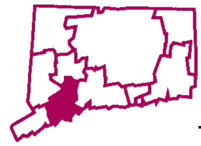
Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT	**1,623,100**	**1,630,800**	**-7,700**	**-0.5**	**1,617,700**
GOODS PRODUCING INDUSTRIES	**251,200**	**257,900**	**-6,700**	**-2.6**	**249,500**
CONSTRUCTION, NAT. RES. & MINING	**56,800**	**55,800**	**1,000**	**1.8**	**55,400**
MANUFACTURING	**194,400**	**202,100**	**-7,700**	**-3.8**	**194,100**
Durable Goods	**143,900**	**149,200**	**-5,300**	**-3.6**	**143,800**
Fabricated Metal	32,600	33,500	-900	-2.7	32,500
Machinery	17,600	19,200	-1,600	-8.3	17,600
Computer and Electronic Product	15,000	16,300	-1,300	-8.0	14,900
Electrical Equipment	10,600	10,800	-200	-1.9	10,600
Transportation Equipment	42,400	43,600	-1,200	-2.8	42,400
Aerospace Product and Parts	29,500	30,500	-1,000	-3.3	29,500
Non-Durable Goods	**50,500**	**52,900**	**-2,400**	**-4.5**	**50,300**
Printing and Related	7,600	8,200	-600	-7.3	7,600
Chemical	17,200	17,900	-700	-3.9	17,100
Plastics and Rubber Products	8,100	8,200	-100	-1.2	8,000
SERVICE PROVIDING INDUSTRIES	**1,371,900**	**1,372,900**	**-1,000**	**-0.1**	**1,368,200**
TRADE, TRANSPORTATION, UTILITIES	**302,100**	**302,500**	**-400**	**-0.1**	**300,700**
Wholesale Trade	65,200	65,400	-200	-0.3	64,800
Retail Trade	187,900	188,200	-300	-0.2	187,100
Motor Vehicle and Parts Dealers	22,400	22,200	200	0.9	22,300
Building Material	14,800	15,000	-200	-1.3	14,200
Food and Beverage Stores	43,800	44,300	-500	-1.1	43,300
General Merchandise Stores	23,300	23,300	0	0.0	23,400
Transportation, Warehousing, & Utilities	49,000	48,900	100	0.2	48,800
Utilities	8,600	8,900	-300	-3.4	8,600
Transportation and Warehousing	40,400	40,000	400	1.0	40,200
INFORMATION	**38,900**	**39,800**	**-900**	**-2.3**	**38,900**
Telecommunications	13,900	14,200	-300	-2.1	13,900
FINANCIAL ACTIVITIES	**142,400**	**141,700**	**700**	**0.5**	**142,500**
Finance and Insurance	122,400	122,100	300	0.2	122,600
Credit Intermediation	32,800	32,400	400	1.2	32,900
Securities and Commodity Contracts	17,500	17,200	300	1.7	17,600
Insurance Carriers & Related Activities	67,200	67,600	-400	-0.6	67,200
Real Estate and Rental and Leasing	20,000	19,600	400	2.0	19,900
PROFESSIONAL & BUSINESS SERVICES	**191,400**	**194,400**	**-3,000**	**-1.5**	**190,300**
Professional, Scientific	87,100	89,200	-2,100	-2.4	86,900
Legal Services	15,200	14,800	400	2.7	15,000
Computer Systems Design	17,500	18,300	-800	-4.4	17,500
Management of Companies	27,800	28,000	-200	-0.7	27,600
Administrative and Support	76,500	77,200	-700	-0.9	75,800
Employment Services	26,100	26,300	-200	-0.8	25,700
EDUCATIONAL AND HEALTH SERVICES	**265,400**	**263,000**	**2,400**	**0.9**	**267,200**
Educational Services	48,300	47,800	500	1.0	50,600
Health Care and Social Assistance	217,100	215,200	1,900	0.9	216,600
Hospitals	54,800	54,900	-100	-0.2	54,700
Nursing & Residential Care Facilities	56,900	56,500	400	0.7	56,700
Social Assistance	33,700	33,500	200	0.6	33,800
LEISURE AND HOSPITALITY	**120,000**	**116,400**	**3,600**	**3.1**	**118,300**
Arts, Entertainment, and Recreation	21,400	20,400	1,000	4.9	20,700
Accommodation and Food Services	98,600	96,000	2,600	2.7	97,600
Food Serv., Restaurants, Drinking Places	88,100	85,500	2,600	3.0	87,300
OTHER SERVICES	**62,300**	**61,900**	**400**	**0.6**	**61,800**
GOVERNMENT	**249,400**	**253,200**	**-3,800**	**-1.5**	**248,500**
Federal Government	20,400	21,100	-700	-3.3	20,500
State Government	66,800	69,500	-2,700	-3.9	66,700
**Local Government	162,200	162,600	-400	-0.2	161,300

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2003.

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

BRIDGEPORT LMA

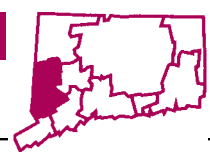


Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT……………	**183,300**	**184,200**	**-900**	**-0.5**	**181,900**
GOODS PRODUCING INDUSTRIES……………	**35,000**	**35,900**	**-900**	**-2.5**	**34,900**
CONSTRUCTION, NAT. RES. & MINING……..	**6,300**	**6,300**	**0**	**0.0**	**6,200**
MANUFACTURING……………………………	**28,700**	**29,600**	**-900**	**-3.0**	**28,700**
Durable Goods………………………………	**23,900**	**24,700**	**-800**	**-3.2**	**23,900**
SERVICE PROVIDING INDUSTRIES…………..	**148,300**	**148,300**	**0**	**0.0**	**147,000**
TRADE, TRANSPORTATION, UTILITIES…..	**35,900**	**36,200**	**-300**	**-0.8**	**35,600**
Wholesale Trade………………………………	7,000	7,100	-100	-1.4	7,000
Retail Trade……………………………………	23,600	23,300	300	1.3	23,400
Transportation, Warehousing, & Utilities……..	5,300	5,800	-500	-8.6	5,200
INFORMATION…………………………………	**4,300**	**4,400**	**-100**	**-2.3**	**4,200**
FINANCIAL ACTIVITIES………………………	**13,800**	**13,400**	**400**	**3.0**	**13,700**
PROFESSIONAL & BUSINESS SERVICES	**18,900**	**19,900**	**-1,000**	**-5.0**	**18,800**
EDUCATIONAL AND HEALTH SERVICES	**33,000**	**32,200**	**800**	**2.5**	**32,600**
LEISURE AND HOSPITALITY…………………	**13,400**	**12,700**	**700**	**5.5**	**13,100**
Accommodation and Food Services…………	10,500	10,200	300	2.9	10,400
OTHER SERVICES……………………………	**6,500**	**6,700**	**-200**	**-3.0**	**6,500**
GOVERNMENT ………………………………	**22,500**	**22,800**	**-300**	**-1.3**	**22,500**
Federal…………………………………………	1,800	1,900	-100	-5.3	1,800
State & Local……………………………………	20,700	20,900	-200	-1.0	20,700

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

DANBURY LMA



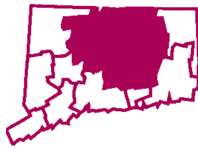
Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT……………	**87,900**	**87,600**	**300**	**0.3**	**87,500**
GOODS PRODUCING INDUSTRIES……………	**15,900**	**16,800**	**-900**	**-5.4**	**16,000**
CONSTRUCTION, NAT. RES. & MINING……..	**3,800**	**3,700**	**100**	**2.7**	**3,800**
MANUFACTURING……………………………	**12,100**	**13,100**	**-1,000**	**-7.6**	**12,200**
SERVICE PROVIDING INDUSTRIES…………..	**72,000**	**70,800**	**1,200**	**1.7**	**71,500**
TRADE, TRANSPORTATION, UTILITIES…..	**19,000**	**18,400**	**600**	**3.3**	**18,800**
Wholesale Trade………………………………	2,800	2,700	100	3.7	2,800
Retail Trade……………………………………	14,400	13,900	500	3.6	14,200
INFORMATION…………………………………	**2,700**	**2,800**	**-100**	**-3.6**	**2,700**
FINANCIAL ACTIVITIES………………………	**4,200**	**4,200**	**0**	**0.0**	**4,200**
PROFESSIONAL & BUSINESS SERVICES	**9,200**	**9,800**	**-600**	**-6.1**	**9,200**
EDUCATIONAL AND HEALTH SERVICES	**13,600**	**13,100**	**500**	**3.8**	**13,400**
LEISURE AND HOSPITALITY…………………	**6,700**	**6,600**	**100**	**1.5**	**6,600**
OTHER SERVICES……………………………	**4,000**	**3,700**	**300**	**8.1**	**4,000**
GOVERNMENT ………………………………	**12,600**	**12,200**	**400**	**3.3**	**12,600**
Federal…………………………………………	700	800	-100	-12.5	700
State & Local……………………………………	11,900	11,400	500	4.4	11,900

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 2003.
**Total excludes workers idled due to labor-management disputes.*

HARTFORD LMA



	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
	Not Seasonally Adjusted				
TOTAL NONFARM EMPLOYMENT	**587,800**	**592,800**	**-5,000**	**-0.8**	**587,600**
GOODS PRODUCING INDUSTRIES	**88,700**	**93,500**	**-4,800**	**-5.1**	**88,600**
CONSTRUCTION, NAT. RES. & MINING	**18,300**	**19,100**	**-800**	**-4.2**	**18,200**
MANUFACTURING	**70,400**	**74,400**	**-4,000**	**-5.4**	**70,400**
Durable Goods	**58,300**	**61,500**	**-3,200**	**-5.2**	**58,300**
Fabricated Metal	14,600	15,200	-600	-3.9	14,600
Non-Durable Goods	**12,100**	**12,900**	**-800**	**-6.2**	**12,100**
SERVICE PROVIDING INDUSTRIES	**499,100**	**499,300**	**-200**	**0.0**	**499,000**
TRADE, TRANSPORTATION, UTILITIES	**100,400**	**102,300**	**-1,900**	**-1.9**	**100,200**
Wholesale Trade	22,600	22,400	200	0.9	22,400
Retail Trade	58,600	60,500	-1,900	-3.1	58,600
Transportation, Warehousing, & Utilities	19,200	19,400	-200	-1.0	19,200
Transportation and Warehousing	15,600	15,800	-200	-1.3	15,600
INFORMATION	**11,400**	**12,000**	**-600**	**-5.0**	**11,400**
FINANCIAL ACTIVITIES	**70,700**	**71,300**	**-600**	**-0.8**	**71,000**
Finance and Insurance	65,100	65,600	-500	-0.8	65,200
Insurance Carriers & Related Activities	47,800	48,400	-600	-1.2	47,800
PROFESSIONAL & BUSINESS SERVICES	**60,900**	**60,000**	**900**	**1.5**	**60,700**
Professional, Scientific	27,800	28,100	-300	-1.1	27,800
Administrative and Support	24,500	25,000	-500	-2.0	24,200
EDUCATIONAL AND HEALTH SERVICES	**88,600**	**87,800**	**800**	**0.9**	**88,600**
Health Care and Social Assistance	77,900	77,600	300	0.4	77,700
LEISURE AND HOSPITALITY	**40,500**	**39,800**	**700**	**1.8**	**40,200**
Accommodation and Food Services	34,700	33,500	1,200	3.6	34,400
Food Serv., Restaurants, Drinking Places	30,600	30,200	400	1.3	30,300
OTHER SERVICES	**24,300**	**23,500**	**800**	**3.4**	**24,200**
GOVERNMENT	**102,300**	**102,600**	**-300**	**-0.3**	**102,700**
Federal	7,100	7,200	-100	-1.4	7,200
State & Local	95,200	95,400	-200	-0.2	95,500

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 2003.
**Total excludes workers idled due to labor-management disputes.*

BUSINESS AND ECONOMIC NEWS

- Diageo Plc, a producer of spirits, confirmed that it will move their North American headquarters to Norwalk in the winter of 2005, bringing along 700 jobs and creating an additional 300 positions. *(Stamford Advocate, April 13, 2004)* Construction has begun on the new Pfizer Inc. clinical research unit in New Haven which will create 50 new jobs by the end of the year. *(New London Day, April 15, 2004)*

- CIGNA and Prudential Financial announced a merger. This will result in the loss of 200 jobs in Hartford over the next 12 to 18 months. *(Hartford Courant, April 1, 2004)* Plastic Molding Technology, Inc. of Seymour will close their plant eliminating 40 jobs. *(New Haven Register, April 2, 2004)* After being in downtown New Haven for more than 90 years, Horowitz Bros. will close their fabric store on July 1st. *(New Haven Register, April 6, 2004)* By 2006, Bic USA will eliminate 300 jobs in Milford. *(New Haven Register, April 8, 2004)*

- Median weekly earnings for women (nationally) rose 4.3 percent from 2002 to 2003, compared with a 2.4-percent increase for men. Over the same period, the Consumer Price Index for All Urban Consumers increased by 2.3 percent. All

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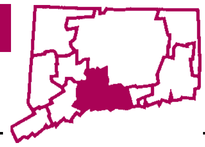
NEW HAVEN LMA



Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT……………	**253,400**	**255,600**	**-2,200**	**-0.9**	**253,900**
GOODS PRODUCING INDUSTRIES…………..	**38,800**	**40,000**	**-1,200**	**-3.0**	**38,300**
CONSTRUCTION, NAT. RES. & MINING…….	**8,800**	**9,100**	**-300**	**-3.3**	**8,300**
MANUFACTURING……………………………	**30,000**	**30,900**	**-900**	**-2.9**	**30,000**
Durable Goods………………………………	**19,900**	**20,500**	**-600**	**-2.9**	**19,900**
Non-Durable Goods…………………………	**10,100**	**10,400**	**-300**	**-2.9**	**10,100**
SERVICE PROVIDING INDUSTRIES………….	**214,600**	**215,600**	**-1,000**	**-0.5**	**215,600**
TRADE, TRANSPORTATION, UTILITIES…..	**45,400**	**46,300**	**-900**	**-1.9**	**45,100**
Wholesale Trade………………………………	10,600	10,200	400	3.9	10,400
Retail Trade……………………………………	27,300	28,300	-1,000	-3.5	27,300
Transportation, Warehousing, & Utilities…….	7,500	7,800	-300	-3.8	7,400
INFORMATION…………………………………	**9,300**	**9,000**	**300**	**3.3**	**9,200**
Telecommunications…………………………..	6,000	5,800	200	3.4	6,000
FINANCIAL ACTIVITIES………………………	**13,700**	**13,700**	**0**	**0.0**	**13,800**
Finance and Insurance…………………………	10,000	10,300	-300	-2.9	10,000
PROFESSIONAL & BUSINESS SERVICES	**25,200**	**26,000**	**-800**	**-3.1**	**25,300**
Administrative and Support……………………	9,900	11,300	-1,400	-12.4	10,100
EDUCATIONAL AND HEALTH SERVICES	**59,900**	**59,900**	**0**	**0.0**	**61,200**
Educational Services…………………………..	21,500	21,800	-300	-1.4	23,100
Health Care and Social Assistance……………	38,400	38,100	300	0.8	38,100
LEISURE AND HOSPITALITY…………………	**16,600**	**16,200**	**400**	**2.5**	**16,900**
Accommodation and Food Services…………	13,600	13,600	0	0.0	13,900
OTHER SERVICES……………………………	**10,400**	**10,000**	**400**	**4.0**	**10,300**
GOVERNMENT ………………………………	**34,100**	**34,500**	**-400**	**-1.2**	**33,800**
Federal…………………………………………	5,300	5,600	-300	-5.4	5,300
State & Local……………………………………	28,800	28,900	-100	-0.3	28,500

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 2003.
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

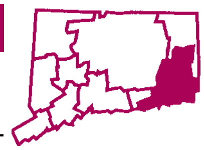
BUSINESS AND ECONOMIC NEWS (Cont.)

the major demographic groups saw earnings growth between 2002 and 2003, and earnings growth outpaced the rise in consumer prices for all groups except white men. Among women, blacks had the largest earnings growth, 3.8 percent, followed by whites, at 3.7 percent. Hispanic women experienced a slightly lower earnings growth of 3.3 percent. Black men's earnings grew by 5.9 percent over the year, the largest increase in earnings among all the demographic groups. Hispanic men's earnings grew by 2.9 percent, higher than the white men's earnings growth of 1.9 percent. *(The Editor's Desk, Bureau of Labor Statistics, http://www.bls.gov/opub/ted/2004/apr/wk1/art05.htm)*

- In 2003, 8.1 percent of families (in U.S.) had an unemployed member, an increase of 0.3 percentage point from the prior year. This was the third consecutive year this measure rose. In an average week in 2003, 6.1 million families had at least one unemployed member, up from 5.8 million families the year before. The proportion of black families with an unemployed member (13.7 percent) was higher than the proportion of white families (7.1 percent), Asian families (9.4 percent), and Hispanic families (11.1 percent). Of the 6.1 million families with at least one unemployed member, 70.5 percent also had an employed family member. Asian families with unemployment were most likely to have at least one member employed (82.7 percent), followed by white families (73.6 percent), Hispanic families (70.1 percent), and black families (57.3 percent). *(The Editor's Desk, Bureau of Labor Statistics, http://www.bls.gov/opub/ted/2004/apr/wk3/art03.htm)*

NONFARM EMPLOYMENT ESTIMATES

NEW LONDON LMA

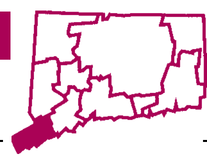


Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT	**142,900**	**142,000**	**900**	**0.6**	**142,200**
GOODS PRODUCING INDUSTRIES	**23,600**	**23,500**	**100**	**0.4**	**23,600**
CONSTRUCTION, NAT. RES. & MINING	**4,400**	**4,100**	**300**	**7.3**	**4,300**
MANUFACTURING	**19,200**	**19,400**	**-200**	**-1.0**	**19,300**
Durable Goods	**11,900**	**11,800**	**100**	**0.8**	**11,900**
Non-Durable Goods	**7,300**	**7,600**	**-300**	**-3.9**	**7,400**
SERVICE PROVIDING INDUSTRIES	**119,300**	**118,500**	**800**	**0.7**	**118,600**
TRADE, TRANSPORTATION, UTILITIES	**24,000**	**23,600**	**400**	**1.7**	**23,900**
Wholesale Trade	2,300	2,200	100	4.5	2,300
Retail Trade	17,600	17,200	400	2.3	17,500
Transportation, Warehousing, & Utilities	4,100	4,200	-100	-2.4	4,100
INFORMATION	**2,400**	**2,400**	**0**	**0.0**	**2,400**
FINANCIAL ACTIVITIES	**3,700**	**3,500**	**200**	**5.7**	**3,700**
PROFESSIONAL & BUSINESS SERVICES	**10,700**	**10,800**	**-100**	**-0.9**	**10,500**
EDUCATIONAL AND HEALTH SERVICES	**19,200**	**18,900**	**300**	**1.6**	**19,200**
Health Care and Social Assistance	16,900	16,500	400	2.4	16,900
LEISURE AND HOSPITALITY	**13,500**	**13,100**	**400**	**3.1**	**13,300**
Accommodation and Food Services	11,400	11,200	200	1.8	11,300
Food Serv., Restaurants, Drinking Places	8,800	8,500	300	3.5	8,700
OTHER SERVICES	**4,300**	**4,200**	**100**	**2.4**	**4,300**
GOVERNMENT	**41,500**	**42,000**	**-500**	**-1.2**	**41,300**
Federal	2,600	2,900	-300	-10.3	2,600
**State & Local	38,900	39,100	-200	-0.5	38,700

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

STAMFORD LMA



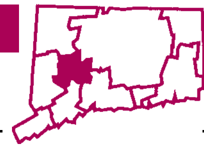
Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT	**193,400**	**192,200**	**1,200**	**0.6**	**192,500**
GOODS PRODUCING INDUSTRIES	**15,700**	**16,700**	**-1,000**	**-6.0**	**15,600**
CONSTRUCTION, NAT. RES. & MINING	**5,600**	**5,400**	**200**	**3.7**	**5,500**
MANUFACTURING	**10,100**	**11,300**	**-1,200**	**-10.6**	**10,100**
SERVICE PROVIDING INDUSTRIES	**177,700**	**175,500**	**2,200**	**1.3**	**176,900**
TRADE, TRANSPORTATION, UTILITIES	**33,800**	**33,900**	**-100**	**-0.3**	**34,000**
Wholesale Trade	7,400	7,400	0	0.0	7,400
Retail Trade	22,000	22,100	-100	-0.5	22,200
Transportation, Warehousing, & Utilities	4,400	4,400	0	0.0	4,400
INFORMATION	**6,400**	**6,600**	**-200**	**-3.0**	**6,500**
FINANCIAL ACTIVITIES	**26,800**	**26,500**	**300**	**1.1**	**27,000**
Finance and Insurance	22,900	22,800	100	0.4	23,100
PROFESSIONAL & BUSINESS SERVICES	**44,200**	**43,700**	**500**	**1.1**	**44,000**
Professional, Scientific	18,800	20,700	-1,900	-9.2	18,800
Management of Companies	9,600	9,900	-300	-3.0	9,700
Administrative and Support	15,800	13,100	2,700	20.6	15,500
EDUCATIONAL AND HEALTH SERVICES	**23,200**	**22,200**	**1,000**	**4.5**	**22,800**
Health Care and Social Assistance	19,800	19,100	700	3.7	19,500
LEISURE AND HOSPITALITY	**15,700**	**14,800**	**900**	**6.1**	**15,100**
Accommodation and Food Services	10,700	10,400	300	2.9	10,500
OTHER SERVICES	**8,900**	**8,800**	**100**	**1.1**	**8,800**
GOVERNMENT	**18,700**	**19,000**	**-300**	**-1.6**	**18,700**
Federal	1,600	1,700	-100	-5.9	1,700
State & Local	17,100	17,300	-200	-1.2	17,000

For further information on the Stamford 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 2003.
**Total excludes workers idled due to labor-management disputes. **Includes Indian tribal government employment.*

WATERBURY LMA

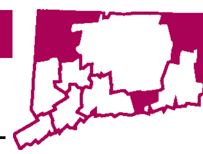


Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT	**82,500**	**82,100**	**400**	**0.5**	**81,700**
GOODS PRODUCING INDUSTRIES	**16,000**	**16,300**	**-300**	**-1.8**	**15,900**
CONSTRUCTION, NAT. RES. & MINING	**3,100**	**3,200**	**-100**	**-3.1**	**3,000**
MANUFACTURING	**12,900**	**13,100**	**-200**	**-1.5**	**12,900**
Durable Goods	**10,600**	**10,900**	**-300**	**-2.8**	**10,600**
SERVICE PROVIDING INDUSTRIES	**66,500**	**65,800**	**700**	**1.1**	**65,800**
TRADE, TRANSPORTATION, UTILITIES	**15,900**	**15,500**	**400**	**2.6**	**15,700**
Wholesale Trade	2,200	2,300	-100	-4.3	2,200
Retail Trade	11,100	10,600	500	4.7	10,900
Transportation, Warehousing, & Utilities	2,600	2,600	0	0.0	2,600
INFORMATION	**1,300**	**1,300**	**0**	**0.0**	**1,300**
FINANCIAL ACTIVITIES	**3,500**	**3,400**	**100**	**2.9**	**3,500**
PROFESSIONAL & BUSINESS SERVICES	**8,700**	**8,300**	**400**	**4.8**	**8,500**
EDUCATIONAL AND HEALTH SERVICES	**15,400**	**15,500**	**-100**	**-0.6**	**15,300**
Health Care and Social Assistance	14,100	14,200	-100	-0.7	14,000
LEISURE AND HOSPITALITY	**5,500**	**5,300**	**200**	**3.8**	**5,400**
OTHER SERVICES	**3,200**	**3,200**	**0**	**0.0**	**3,100**
GOVERNMENT	**13,000**	**13,300**	**-300**	**-2.3**	**13,000**
Federal	700	700	0	0.0	700
State & Local	12,300	12,600	-300	-2.4	12,300

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

SMALLER LMAS



Not Seasonally Adjusted

	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
TOTAL NONFARM EMPLOYMENT					
DANIELSON LMA	**21,300**	**21,500**	**-200**	**-0.9**	**21,400**
LOWER RIVER LMA	**9,800**	**9,500**	**300**	**3.2**	**9,900**
TORRINGTON LMA	**28,500**	**27,100**	**1,400**	**5.2**	**27,800**

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2003.

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

NOTE: More industry detail data is available for the State and its ten 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.

(Not seasonally adjusted)	EMPLOYMENT STATUS	MAR 2004	MAR 2003	CHANGE NO.	CHANGE %	FEB 2004
CONNECTICUT	Civilian Labor Force	1,779,000	1,801,700	-22,700	-1.3	1,774,400
	Employed	1,687,200	1,694,600	-7,400	-0.4	1,679,600
	Unemployed	91,700	107,100	-15,400	-14.4	94,800
	Unemployment Rate	5.2	5.9	-0.7	---	5.3
BRIDGEPORT LMA	Civilian Labor Force	227,600	231,500	-3,900	-1.7	226,900
	Employed	213,800	215,300	-1,500	-0.7	212,500
	Unemployed	13,800	16,300	-2,500	-15.3	14,500
	Unemployment Rate	6.1	7.0	-0.9	---	6.4
DANBURY LMA	Civilian Labor Force	115,200	115,500	-300	-0.3	114,700
	Employed	111,100	110,700	400	0.4	110,400
	Unemployed	4,100	4,800	-700	-14.6	4,300
	Unemployment Rate	3.5	4.1	-0.6	---	3.7
DANIELSON LMA	Civilian Labor Force	35,900	36,400	-500	-1.4	35,900
	Employed	33,800	33,900	-100	-0.3	33,800
	Unemployed	2,000	2,500	-500	-20.0	2,100
	Unemployment Rate	5.7	6.8	-1.1	---	6.0
HARTFORD LMA	Civilian Labor Force	601,600	613,600	-12,000	-2.0	601,800
	Employed	567,900	573,900	-6,000	-1.0	567,000
	Unemployed	33,700	39,700	-6,000	-15.1	34,800
	Unemployment Rate	5.6	6.5	-0.9	---	5.8
LOWER RIVER LMA	Civilian Labor Force	13,100	12,900	200	1.6	12,900
	Employed	12,600	12,300	300	2.4	12,400
	Unemployed	500	600	-100	-16.7	500
	Unemployment Rate	3.7	4.6	-0.9	---	3.9
NEW HAVEN LMA	Civilian Labor Force	287,500	292,100	-4,600	-1.6	287,700
	Employed	273,100	276,000	-2,900	-1.1	273,000
	Unemployed	14,400	16,100	-1,700	-10.6	14,800
	Unemployment Rate	5.0	5.5	-0.5	---	5.1
NEW LONDON LMA	Civilian Labor Force	166,600	167,600	-1,000	-0.6	165,600
	Employed	158,700	158,800	-100	-0.1	157,500
	Unemployed	7,900	8,700	-800	-9.2	8,100
	Unemployment Rate	4.7	5.2	-0.5	---	4.9
STAMFORD LMA	Civilian Labor Force	191,600	192,300	-700	-0.4	190,400
	Employed	185,300	184,900	400	0.2	184,000
	Unemployed	6,300	7,500	-1,200	-16.0	6,400
	Unemployment Rate	3.3	3.9	-0.6	---	3.4
TORRINGTON LMA	Civilian Labor Force	40,000	38,900	1,100	2.8	39,400
	Employed	38,000	36,600	1,400	3.8	37,300
	Unemployed	2,000	2,300	-300	-13.0	2,100
	Unemployment Rate	4.9	5.9	-1.0	---	5.4
WATERBURY LMA	Civilian Labor Force	118,400	119,600	-1,200	-1.0	117,500
	Employed	110,300	109,900	400	0.4	109,300
	Unemployed	8,000	9,700	-1,700	-17.5	8,200
	Unemployment Rate	6.8	8.1	-1.3	---	7.0
UNITED STATES	Civilian Labor Force	146,525,000	145,801,000	724,000	0.5	146,154,000
	Employed	137,691,000	136,783,000	908,000	0.7	137,384,000
	Unemployed	8,834,000	9,018,000	-184,000	-2.0	8,770,000
	Unemployment Rate	6.0	6.2	-0.2	---	6.0

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2003.

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004	AVG WEEKLY HOURS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004	AVG HOURLY EARNINGS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004
MANUFACTURING	**$754.07**	**$732.25**	**$21.82**	**$746.59**	**41.8**	**41.3**	**0.5**	**41.5**	**$18.04**	**$17.73**	**$0.31**	**$17.99**
DURABLE GOODS	**780.60**	**758.94**	**21.66**	**773.72**	**41.9**	**41.7**	**0.2**	**41.8**	**18.63**	**18.20**	**0.43**	**18.51**
Fabricated Metal	700.96	683.70	17.26	695.54	41.6	42.1	-0.5	41.9	16.85	16.24	0.61	16.60
Machinery	752.51	743.46	9.05	734.91	39.9	39.8	0.1	39.3	18.86	18.68	0.18	18.70
Computer & Electronic	612.52	576.72	35.80	615.13	39.8	40.5	-0.7	40.1	15.39	14.24	1.15	15.34
Transport. Equipment	986.97	928.14	58.83	965.74	42.8	42.4	0.4	42.6	23.06	21.89	1.17	22.67
NON-DUR. GOODS	**685.17**	**666.16**	**19.01**	**679.73**	**41.4**	**40.3**	**1.1**	**40.8**	**16.55**	**16.53**	**0.02**	**16.66**
CONSTRUCTION	**899.00**	**894.84**	**4.16**	**893.97**	**38.8**	**39.7**	**-0.9**	**38.7**	**23.17**	**22.54**	**0.63**	**23.10**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004	AVG WEEKLY HOURS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004	AVG HOURLY EARNINGS MAR 2004	MAR 2003	CHG Y/Y	FEB 2004
Bridgeport	$813.44	$740.75	$72.69	$794.88	41.0	40.5	0.5	41.4	$19.84	$18.29	$1.55	$19.20
Danbury	690.03	741.03	-51.00	715.39	40.4	41.1	-0.7	41.4	17.08	18.03	-0.95	17.28
Danielson*												
Hartford	853.15	798.37	54.78	838.20	42.7	42.9	-0.2	42.7	19.98	18.61	1.37	19.63
Lower River*												
New Haven	656.45	732.25	-75.80	658.49	41.6	42.4	-0.8	40.9	15.78	17.27	-1.49	16.10
New London	758.52	736.33	22.19	737.84	42.0	42.1	-0.1	40.9	18.06	17.49	0.57	18.04
Stamford*												
Torrington*												
Waterbury	713.53	643.56	69.97	687.96	38.3	37.2	1.1	37.8	18.63	17.30	1.33	18.20

Current month's data are preliminary. Prior months' data have been revised. All data are benchmarked to March 2003.

**Due to staff cuts, data for the Danielson, Lower River and Torrington labor market areas are no longer being prepared for publication. Manufacturing hours and earnings estimates for the Stamford labor market area will no longer be published due to their not meeting sample reliability tests.*

NEW HOUSING PERMITS

	MAR 2004	MAR 2003	CHANGE Y/Y UNITS	%	YTD 2004	2003	CHANGE YTD UNITS	%	FEB 2004
Connecticut	929	600	329	54.8	2,176	1,683	493	29.3	558
LMAs:									
Bridgeport	93	54	39	72.2	324	142	182	128.2	91
Danbury	78	44	34	77.3	191	112	79	70.5	64
Danielson	29	20	9	45.0	68	56	12	21.4	18
Hartford	365	267	98	36.7	851	721	130	18.0	223
Lower River	11	11	0	0.0	18	24	-6	-25.0	2
New Haven	63	52	11	21.2	154	154	0	0.0	53
New London	96	54	42	77.8	179	138	41	29.7	36
Stamford	125	44	81	184.1	234	217	17	7.8	38
Torrington	25	15	10	66.7	54	48	6	12.5	10
Waterbury	44	39	5	12.8	103	71	32	45.1	23

Additional data by town are on page 22.

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

MARCH 2004

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT	**227,643**	**213,811**	**13,832**	**6.1**
Ansonia	9,006	8,417	589	6.5
Beacon Falls	3,004	2,829	175	5.8
BRIDGEPORT	**62,897**	**57,029**	**5,868**	**9.3**
Derby	6,608	6,177	431	6.5
Easton	3,562	3,453	109	3.1
Fairfield	28,182	27,158	1,024	3.6
Milford	27,828	26,442	1,386	5.0
Monroe	10,210	9,813	397	3.9
Oxford	5,477	5,218	259	4.7
Seymour	8,275	7,830	445	5.4
Shelton	20,373	19,330	1,043	5.1
Stratford	25,063	23,655	1,408	5.6
Trumbull	17,156	16,458	698	4.1
DANBURY	**115,196**	**111,111**	**4,085**	**3.5**
Bethel	9,588	9,208	380	4.0
Bridgewater	964	937	27	2.8
Brookfield	8,421	8,149	272	3.2
DANBURY	**39,961**	**38,245**	**1,716**	**4.3**
New Fairfield	7,004	6,792	212	3.0
New Milford	14,563	14,028	535	3.7
Newtown	12,740	12,323	417	3.3
Redding	4,415	4,289	126	2.9
Ridgefield	12,573	12,291	282	2.2
Roxbury	1,109	1,082	27	2.4
Sherman	2,078	2,040	38	1.8
Washington	1,778	1,726	52	2.9
DANIELSON	**35,851**	**33,810**	**2,041**	**5.7**
Brooklyn	3,979	3,808	171	4.3
Eastford	958	912	46	4.8
Hampton	1,211	1,160	51	4.2
KILLINGLY	**9,220**	**8,571**	**649**	**7.0**
Pomfret	2,319	2,231	88	3.8
Putnam	4,600	4,282	318	6.9
Scotland	927	900	27	2.9
Sterling	1,746	1,650	96	5.5
Thompson	4,749	4,427	322	6.8
Union	433	416	17	3.9
Voluntown	1,499	1,405	94	6.3
Woodstock	4,209	4,047	162	3.8
HARTFORD	**601,632**	**567,888**	**33,744**	**5.6**
Andover	1,673	1,611	62	3.7
Ashford	2,212	2,109	103	4.7
Avon	8,160	7,889	271	3.3
Barkhamsted	2,061	1,925	136	6.6
Berlin	9,585	9,144	441	4.6
Bloomfield	10,057	9,464	593	5.9
Bolton	2,813	2,724	89	3.2
Bristol	31,595	29,495	2,100	6.6

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Burlington	4,611	4,407	204	4.4
Canton	4,916	4,723	193	3.9
Chaplin	1,190	1,126	64	5.4
Colchester	7,533	7,118	415	5.5
Columbia	2,714	2,601	113	4.2
Coventry	6,381	6,065	316	5.0
Cromwell	6,934	6,611	323	4.7
Durham	3,548	3,415	133	3.7
East Granby	2,601	2,501	100	3.8
East Haddam	4,499	4,289	210	4.7
East Hampton	7,363	7,045	318	4.3
East Hartford	25,897	24,160	1,737	6.7
East Windsor	5,454	5,121	333	6.1
Ellington	7,597	7,266	331	4.4
Enfield	23,080	21,917	1,163	5.0
Farmington	12,202	11,738	464	3.8
Glastonbury	16,746	16,238	508	3.0
Granby	5,630	5,419	211	3.7
Haddam	4,116	3,930	186	4.5
HARTFORD	**50,727**	**45,229**	**5,498**	**10.8**
Harwinton	2,885	2,711	174	6.0
Hebron	4,593	4,405	188	4.1
Lebanon	3,598	3,453	145	4.0
Manchester	28,592	27,129	1,463	5.1
Mansfield	9,716	9,470	246	2.5
Marlborough	3,060	2,919	141	4.6
Middlefield	2,253	2,147	106	4.7
Middletown	23,325	22,041	1,284	5.5
New Britain	33,913	31,036	2,877	8.5
New Hartford	3,494	3,312	182	5.2
Newington	15,525	14,802	723	4.7
Plainville	9,329	8,754	575	6.2
Plymouth	6,200	5,763	437	7.0
Portland	4,613	4,378	235	5.1
Rocky Hill	10,121	9,695	426	4.2
Simsbury	11,870	11,511	359	3.0
Somers	4,374	4,183	191	4.4
Southington	21,467	20,335	1,132	5.3
South Windsor	13,877	13,379	498	3.6
Stafford	5,665	5,286	379	6.7
Suffield	6,843	6,563	280	4.1
Tolland	7,604	7,312	292	3.8
Vernon	15,579	14,810	769	4.9
West Hartford	28,286	27,252	1,034	3.7
Wethersfield	12,352	11,720	632	5.1
Willington	3,407	3,266	141	4.1
Winchester	5,615	5,167	448	8.0
Windham	10,517	9,796	721	6.9
Windsor	14,489	13,759	730	5.0
Windsor Locks	6,574	6,254	320	4.9

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)

MARCH 2004

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
LOWER RIVER	**13,082**	**12,595**	**487**	**3.7**
Chester	2,098	2,024	74	3.5
Deep River	2,649	2,554	95	3.6
Essex	3,578	3,438	140	3.9
Lyme	1,136	1,108	28	2.5
Westbrook	3,621	3,471	150	4.1
NEW HAVEN	**287,532**	**273,105**	**14,427**	**5.0**
Bethany	3,003	2,884	119	4.0
Branford	16,823	16,105	718	4.3
Cheshire	14,698	14,183	515	3.5
Clinton	7,461	7,174	287	3.8
East Haven	15,605	14,738	867	5.6
Guilford	12,217	11,828	389	3.2
Hamden	31,225	29,980	1,245	4.0
Killingworth	3,304	3,193	111	3.4
Madison	9,264	9,019	245	2.6
MERIDEN	**31,020**	**29,054**	**1,966**	**6.3**
NEW HAVEN	**57,722**	**53,737**	**3,985**	**6.9**
North Branford	8,106	7,770	336	4.1
North Haven	12,823	12,361	462	3.6
Orange	6,944	6,724	220	3.2
Wallingford	24,107	22,993	1,114	4.6
West Haven	28,757	27,026	1,731	6.0
Woodbridge	4,454	4,337	117	2.6
***NEW LONDON**	**148,102**	**141,249**	**6,853**	**4.6**
Bozrah	1,566	1,499	67	4.3
Canterbury	2,923	2,755	168	5.7
East Lyme	10,701	10,391	310	2.9
Franklin	1,185	1,154	31	2.6
Griswold	6,215	5,840	375	6.0
Groton	17,682	16,786	896	5.1
Ledyard	8,440	8,161	279	3.3
Lisbon	2,483	2,371	112	4.5
Montville	11,706	11,261	445	3.8
NEW LONDON	**13,593**	**12,671**	**922**	**6.8**
No. Stonington	3,082	2,959	123	4.0
NORWICH	**19,900**	**18,732**	**1,168**	**5.9**
Old Lyme	4,453	4,328	125	2.8
Old Saybrook	6,296	6,132	164	2.6
Plainfield	8,571	7,968	603	7.0
Preston	2,717	2,614	103	3.8
Salem	2,412	2,316	96	4.0
Sprague	1,799	1,657	142	7.9
Stonington	10,904	10,625	279	2.6
Waterford	11,473	11,028	445	3.9

*Connecticut portion only. For whole MSA, including Rhode Island towns, see below.

NEW LONDON	**166,571**	**158,716**	**7,855**	**4.7**
Hopkinton, RI	4,779	4,500	279	5.8
Westerly, RI	13,690	12,967	723	5.3

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
STAMFORD	**191,568**	**185,298**	**6,270**	**3.3**
Darien	9,626	9,408	218	2.3
Greenwich	30,525	29,884	641	2.1
New Canaan	9,413	9,245	168	1.8
NORWALK	**48,305**	**46,226**	**2,079**	**4.3**
STAMFORD	**65,715**	**63,158**	**2,557**	**3.9**
Weston	5,071	4,970	101	2.0
Westport	14,038	13,748	290	2.1
Wilton	8,874	8,659	215	2.4
TORRINGTON	**39,989**	**38,032**	**1,957**	**4.9**
Canaan**	724	704	20	2.8
Colebrook	838	823	15	1.8
Cornwall	813	793	20	2.5
Goshen	1,553	1,497	56	3.6
Hartland	1,070	1,016	54	5.0
Kent**	1,976	1,923	53	2.7
Litchfield	4,264	4,082	182	4.3
Morris	1,273	1,216	57	4.5
Norfolk	909	859	50	5.5
North Canaan**	2,187	2,118	69	3.2
Salisbury**	2,385	2,322	63	2.6
Sharon**	2,060	2,025	35	1.7
TORRINGTON	**19,277**	**18,014**	**1,263**	**6.6**
Warren	660	640	20	3.0
WATERBURY	**118,358**	**110,315**	**8,043**	**6.8**
Bethlehem	2,026	1,931	95	4.7
Middlebury	3,536	3,394	142	4.0
Naugatuck	16,953	15,807	1,146	6.8
Prospect	4,914	4,687	227	4.6
Southbury	7,533	7,213	320	4.2
Thomaston	4,313	3,975	338	7.8
WATERBURY	**53,016**	**48,561**	**4,455**	**8.4**
Watertown	12,095	11,423	672	5.6
Wolcott	8,646	8,201	445	5.1
Woodbury	5,325	5,122	203	3.8

Not Seasonally Adjusted:				
CONNECTICUT	**1,779,000**	**1,687,200**	**91,700**	**5.2**
UNITED STATES	**146,525,000**	**137,691,000**	**8,834,000**	**6.0**
Seasonally Adjusted:				
CONNECTICUT	**1,786,600**	**1,699,100**	**87,500**	**4.9**
UNITED STATES	**146,650,000**	**138,298,000**	**8,352,000**	**5.7**

**The Bureau of Labor Statistics has identified these five towns as a separate area to report 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 town of Thompson, which is officially part of the Worcester, MA MSA, is included in the Danielson LMA.

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	MAR 2004	YR TO DATE 2004	YR TO DATE 2003	TOWN	MAR 2004	YR TO DATE 2004	YR TO DATE 2003	TOWN	MAR 2004	YR TO DATE 2004	YR TO DATE 2003
Andover	3	8	1	Griswold	7	11	4	Preston	2	4	3
Ansonia	0	1	5	Groton	7	13	16	Prospect	4	7	3
Ashford	1	7	4	Guilford	8	11	11	Putnam	1	3	1
Avon	18	30	37	Haddam	4	7	10	Redding	2	3	7
Barkhamsted	3	5	2	Hamden	10	17	21	Ridgefield	5	8	5
Beacon Falls	4	7	1	Hampton	3	5	3	Rocky Hill	13	20	14
Berlin	8	15	23	Hartford	3	7	115	Roxbury	0	1	5
Bethany	5	9	3	Hartland	1	2	0	Salem	5	9	2
Bethel	5	6	13	Harwinton	4	9	7	Salisbury	2	4	3
Bethlehem	0	0	1	Hebron	3	7	8	Scotland	4	5	0
Bloomfield	5	15	11	Kent	1	3	2	Seymour	9	12	5
Bolton	1	5	0	Killingly	3	10	8	Sharon	1	1	1
Bozrah	1	2	0	Killingworth	0	7	6	Shelton	2	19	11
Branford	4	7	9	Lebanon	8	16	4	Sherman	0	2	4
Bridgeport	5	18	27	Ledyard	9	16	17	Simsbury	0	4	1
Bridgewater	2	3	0	Lisbon	3	5	3	Somers	5	10	6
Bristol	8	16	13	Litchfield	1	3	3	South Windsor	5	14	9
Brookfield	5	11	11	Lyme	1	1	1	Southbury	2	27	17
Brooklyn	4	8	7	Madison	3	14	10	Southington	15	28	51
Burlington	5	8	14	Manchester	21	39	19	Sprague	1	3	2
Canaan	0	0	1	Mansfield	5	12	8	Stafford	7	12	8
Canterbury	2	3	4	Marlborough	4	9	7	Stamford	3	12	8
Canton	13	22	8	Meriden	2	13	22	Sterling	1	7	9
Chaplin	2	4	3	Middlebury	0	7	4	Stonington	11	21	13
Cheshire	4	8	6	Middlefield	0	0	4	Stratford	2	16	4
Chester	1	1	2	Middletown	21	49	34	Suffield	5	8	12
Clinton	4	6	4	Milford	29	85	10	Thomaston	3	6	2
Colchester	8	21	16	Monroe	4	6	5	Thompson	4	4	4
Colebrook	0	0	0	Montville	10	11	18	Tolland	13	27	23
Columbia	0	2	5	Morris	4	6	0	Torrington	7	15	23
Cornwall	1	3	3	Naugatuck	3	7	7	Trumbull	11	19	31
Coventry	5	9	12	New Britain	5	6	3	Union	0	0	1
Cromwell	9	12	9	New Canaan	9	22	14	Vernon	21	50	30
Danbury	27	83	19	New Fairfield	3	9	2	Voluntown	0	0	3
Darien	6	15	96	New Hartford	3	7	9	Wallingford	5	20	16
Deep River	2	2	2	New Haven	2	6	2	Warren	1	2	3
Derby	1	3	2	New London	1	1	0	Washington	1	2	0
Durham	5	11	9	New Milford	13	22	22	Waterbury	21	29	11
East Granby	0	0	5	Newington	5	7	4	Waterford	3	5	10
East Haddam	9	20	8	Newtown	15	41	24	Watertown	6	8	5
East Hampton	5	20	25	Norfolk	0	1	1	West Hartford	1	8	4
East Hartford	0	5	1	North Branford	3	5	4	West Haven	2	4	2
East Haven	2	7	7	North Canaan	1	3	2	Westbrook	4	9	13
East Lyme	9	17	13	North Haven	4	8	23	Weston	1	1	4
East Windsor	7	21	7	North Stonington	2	5	4	Westport	11	21	40
Eastford	2	3	1	Norwalk	76	126	24	Wethersfield	3	4	3
Easton	3	4	2	Norwich	9	26	12	Willington	4	7	6
Ellington	9	13	29	Old Lyme	5	8	6	Wilton	4	7	6
Enfield	4	11	9	Old Saybrook	4	9	4	Winchester	3	5	4
Essex	3	5	6	Orange	5	12	3	Windham	2	2	4
Fairfield	10	93	19	Oxford	13	41	20	Windsor	16	20	6
Farmington	3	35	20	Plainfield	4	9	7	Windsor Locks	6	11	3
Franklin	1	1	0	Plainville	5	5	8	Wolcott	5	9	16
Glastonbury	11	19	10	Plymouth	7	10	6	Woodbridge	0	0	5
Goshen	5	11	6	Pomfret	0	4	13	Woodbury	0	3	5
Granby	5	15	9	Portland	1	82	1	Woodstock	7	19	6
Greenwich	15	30	25								

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 multiple variable coefficient regression 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. Due to the small size of the sample taken in Connecticut, the CPS results are subject to significant sampling error and produce considerable month-to-month fluctuations in estimates derived from the sample. In general, the CPS estimates, at the 90 percent confidence level, have an error range of about 1.5 percentage points on a rate of 6.0 percent. An accepted method for calculating the error range for model estimates is currently not available. 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 in Connecticut except three are federally designated areas for developing labor statistics. Industry employment data for the Danielson, Lower River and Torrington Labor Market Areas are prepared exclusively by the Connecticut Department of Labor, following the same statistical procedures used to prepare estimates for the other Labor Market Areas, which are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The Bureau of Labor Statistics has identified the five towns of Canaan, Kent, North Canaan, Salisbury and Sharon 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 Labor Market Area. For the same purpose, data for the town of Thompson, which is officially part of the Worcester Metropolitan Statistical Area, are included in the Danielson Labor Market Area. Also, data for Hopkinton and Westerly, Rhode Island are included in the New London Labor Market Area.

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	**+2.9**
Coincident Employment Index	**+0.5**
Leading General Drift Indicator	**+3.2**
Coincident General Drift Indicator	**-0.6**
Banknorth Business Barometer	**+0.7**
Total Nonfarm Employment	**-0.5**
Unemployment	**-0.8**
Labor Force	-1.3
Employed	-0.4
Unemployed	-15.0
Average Weekly Initial Claims	**-17.0**
Help Wanted Index -- Hartford	**+11.1**
Average Ins. Unempl. Rate	**-0.88***
Average Weekly Hours, Mfg	**+1.2**
Average Hourly Earnings, Mfg	**+1.7**
Average Weekly Earnings, Mfg	**+3.0**
CT Mfg. Production Index	**-1.3**
Production Worker Hours	-4.7
Industrial Electricity Sales	-1.4
Personal Income	**+3.4**
UI Covered Wages	**+4.6**

Business Activity	
New Housing Permits	+54.8
Electricity Sales	-0.5
Retail Sales	-0.6
Construction Contracts Index	+64.1
New Auto Registrations	-13.0
Air Cargo Tons	+18.2
Exports	+0.5
Business Starts	
Secretary of the State	+25.7
Dept. of Labor	-10.0
Business Terminations	
Secretary of the State	-31.1
Dept. of Labor	-18.1
State Revenues	**+13.1**
Corporate Tax	+9.1
Personal Income Tax	+34.4
Real Estate Conveyance Tax	+48.6
Sales & Use Tax	+5.6
Indian Gaming Payments	-1.9

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

Tourism and Travel	
Info Center Visitors	+2.4
Attraction Visitors	-10.9
Air Passenger Count	+5.3
Indian Gaming Slots	-1.6
Travel and Tourism Index	+0.5
Employment Cost Index (U.S.)	
Total	+3.9
Wages & Salaries	+2.6
Benefit Costs	+7.0
Consumer Prices	
Connecticut	NA
U.S. City Average	+1.7
Northeast Region	+2.9
NY-NJ-Long Island	+3.2
Boston-Brockton-Nashua	+2.9
Consumer Confidence	
Connecticut	+43.4
New England	+50.3
U.S.	+43.8
Interest Rates	
Prime	-0.25*
Conventional Mortgage	-0.30*

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

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