THE CONNECTICUT ECONOMIC DIGEST

Vol.11 No.5 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

MAY 2006

IN THIS ISSUE...

In March...

Nonfarm Employment

Connecticut	1,667,600
Change over month	-0.26%
Change over year	0.6%
United States	134,966,000
Change over month	0.16%
Change over year	1.6%

Unemployment Rate

Connecticut	4.6%
United States	4.7%

Consumer Price Index

United States	199.8
Change over year	3.4%

Employment services industry: a harbinger of the economy

By Jungmin Charles Joo, Associate Research Analyst, DOL

Ten years ago, personnel supply industry employment was analyzed (first issue of the Digest, July 1996) as a leading indicator of Connecticut's total nonfarm employment growth. As this article will show, this still holds true when using the broader NAICS-based industry called *employment services,* which includes both *temporary help services* (equivalent to the former personnel supply industry) and *employment placement agencies*. A majority of employment services employment is in businesses that provide temporary help services. The NAICS-based employment data go back to 1990. Current data appears monthly in the Digest, on page 12, under "nonfarm employment estimates."

National temporary help services trends

Nationally, after the 2001 recession, employment growth in the temporary help services industry began a generally upward trend and, more recently, added 151,700 jobs in 2005. In this latest phase of the business cycle, this industry was the major contributor to total nonfarm employment growth. Since hitting an employment low in April 2003 (following a peak in April 2000), the temporary help services industry recovered nearly all (91 percent) of the lost jobs by December 2005.

The temporary help services industry supplies labor to all types of businesses, including manufacturing, freight transportation, information technology, and healthcare. Companies may bring in temporary workers to keep pace with increased demand before hiring permanent workers. This practice ensures that increased demand is long lasting before permanent hires are made.

Trends in Connecticut's employment services industry

As in the nation overall, service providing industries continue to be the fastest growing sectors in the State. Over the 16-year period (1990-2005), goods producing industry employment, led by job losses in manufacturing, faced an annual average decline of 2.1 percent, while the service providing sector experienced a 0.7 percent average increase annually. The growth in the employment services industry was due mostly to shifts in employer leasing contracts for business services such as accounting, payroll, and building maintenance. During the same period, Connecticut's overall average employment grew by only 0.2 percent. Within the service providing industries, the

THE CONNECTICUT
ECONOMIC DIGEST

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

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

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

Connecticut Department of Labor
Raeanne V. Curtis, Acting Commissioner

Roger F. Therrien, Director
Office of Research
200 Folly Brook Boulevard
Wethersfield, CT 06109-1114
Phone: (860) 263-6275
Fax: (860) 263-6263
E-Mail: dol.econdigest@po.state.ct.us
Website: http://www.ctdol.state.ct.us/lmi

Connecticut Department of Economic and Community Development
James F. Abromaitis, Commissioner
Ronald Angelo, Deputy Commissioner

Compliance Office and Planning/Program Support
505 Hudson Street
Hartford, CT 06106-2502
Phone: (860) 270-8000
Fax: (860) 270-8200
E-Mail: decd@po.state.ct.us
Website: http://www.decd.org

professional and business services sector employment has grown by an annual average of 1.1 percent. Employment services, a part of professional and business services, experienced an even greater growth of 3.3 percent, even though it currently makes up less than two percent of total employment in Connecticut (see table below).

What is the employment services industry?

The *employment services* industry (NAICS 5613) consists of *employment placement agencies* (NAICS 561310) and *temporary help services* (NAICS 561320). Employment placement agencies are establishments primarily engaged in listing employment vacancies and in referring or placing applicants for employment. The individuals referred or placed are not employees of the employment agencies. Examples include: babysitting bureaus (i.e., registries); casting agencies or bureaus (i.e., motion picture, theatrical, video); employment agencies; employment registries; and model registries.

Temporary help services are comprised of establishments primarily engaged in supplying workers to clients' businesses for limited periods of time to supplement the working force of the client. The individuals provided are employees of the temporary help service establishment.

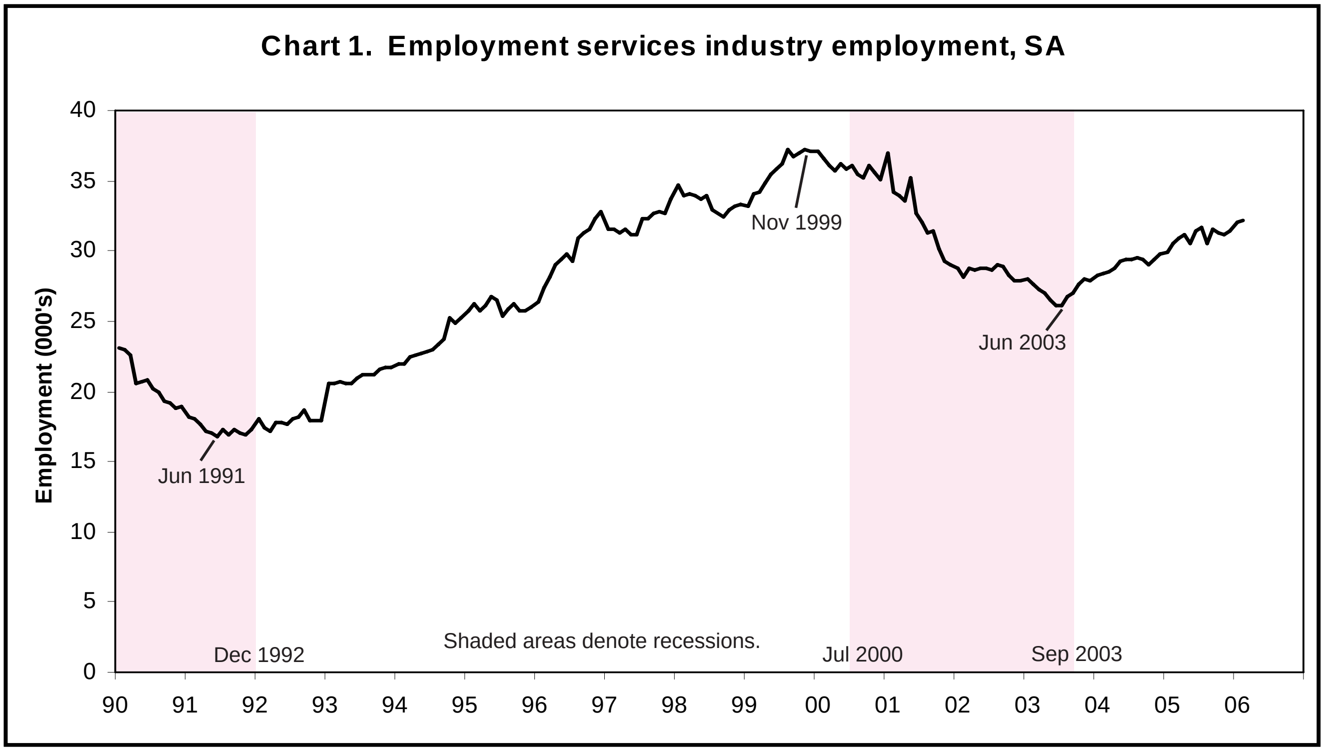
Employment Trends

Annual average (000s)

Year	Total	Goods Producing	Service Providing	Prof. and Bus. Svcs.	Employment Services
1990	1,623.5	361.4	1,262.0	170.7	20.5
1991	1,555.2	337.1	1,218.0	165.3	17.3
1992	1,526.2	322.1	1,204.1	163.8	17.8
1993	1,531.1	310.2	1,220.9	166.2	21.0
1994	1,543.7	303.3	1,240.3	171.2	23.3
1995	1,561.5	299.6	1,261.9	176.9	26.0
1996	1,583.6	298.4	1,285.1	187.7	29.9
1997	1,612.4	301.8	1,310.6	194.1	32.0
1998	1,643.4	307.1	1,336.2	203.9	33.4
1999	1,669.1	301.8	1,367.2	211.6	35.7
2000	1,693.1	301.0	1,392.1	215.9	35.9
2001	1,681.1	292.8	1,388.3	209.9	32.4
2002	1,664.9	275.3	1,389.5	202.0	28.5
2003	1,644.5	262.7	1,381.8	196.8	27.2
2004	1,649.8	263.6	1,386.2	197.1	29.1
2005	1,662.8	262.2	1,400.6	199.6	31.0

Annual growth rate (%)

Year	Total	Goods Producing	Service Providing	Prof. and Bus. Svcs.	Employment Services
1991	-4.2	-6.7	-3.5	-3.2	-15.6
1992	-1.9	-4.4	-1.1	-0.9	2.9
1993	0.3	-3.7	1.4	1.5	18.0
1994	0.8	-2.2	1.6	3.0	11.0
1995	1.2	-1.2	1.7	3.3	11.6
1996	1.4	-0.4	1.8	6.1	15.0
1997	1.8	1.1	2.0	3.4	7.0
1998	1.9	1.8	2.0	5.0	4.4
1999	1.6	-1.7	2.3	3.8	6.9
2000	1.4	-0.3	1.8	2.0	0.6
2001	-0.7	-2.7	-0.3	-2.8	-9.7
2002	-1.0	-6.0	0.1	-3.8	-12.0
2003	-1.2	-4.6	-0.6	-2.6	-4.6
2004	0.3	0.3	0.3	0.2	7.0
2005	0.8	-0.5	1.0	1.3	6.5
91-05 avg	0.2	-2.1	0.7	1.1	3.3



However, these establishments do not provide direct supervision of their employees at the clients' work sites. Examples include: help supply services; labor (except farm) contractors (i.e., personnel suppliers); manpower pools; model supply services; and temporary employment or temporary staffing services.

Employment services trends lead overall employment

The seasonally adjusted NAICS-based data, indeed, shows that this industry's employment trend continued to lead the aggregate nonfarm employment trend. As the Chart 1 above shows, peaks and troughs in the employment cycle of the employment services industry have led those in the total employment cycle during the latest recession and recovery.

A closer look at the data reveals that the employment services industry's changes preceded changes in total State employment by 3 to 18 months. This supports the notion that, during a recovery, businesses sometimes utilize temporary workers until they are convinced that they can maintain additional workers on a permanent basis. During the February 1989–December 1992 recession, employment services employment reached its trough in June 1991, thus signaling a total employment recovery 18 months ahead.

On the other hand, when firms start to cut back on the use of temporary workers, this is an early indicator that a recession will soon follow. Before the Connecticut economy entered the last recession in July 2000, as measured by total nonfarm employment, the temporary help services industry peaked eight months earlier in November 1999. This industry bottomed out in June 2003, three months prior to the trough in total employment in September 2003, signaling the end of the recession.

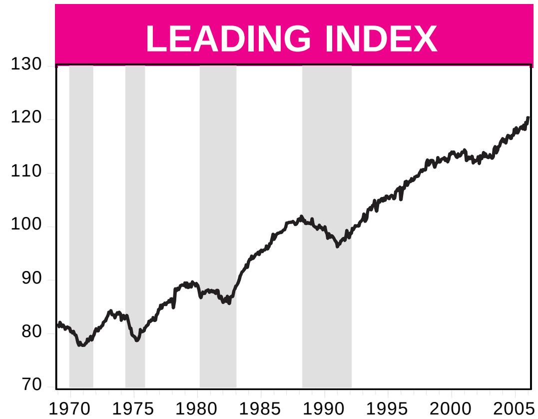
The intensity of the employment cycle

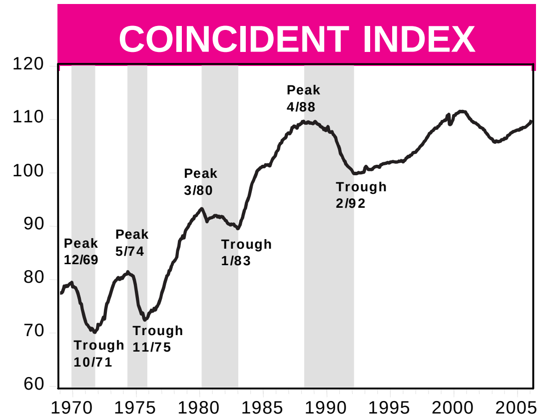
As Chart 2 on page 5 shows, the over-the-year growth rate in employment in the employment services industry has been much higher than that of total employment, averaging 6.9 percent, compared with 0.6 percent in the aggregate State employment over the last two years. Also evident, employment services industry job growth is much more volatile, falling more during economic contractions and rising more during expansions. However, the employment services industry's magnitude of change appears to correspond proportionately with total employment aggregate changes. In other words, the greater the decline in the employment services industry, the greater the decline in total employment which soon follows.

A harbinger of the economy

The recent trend in the employment services industry suggests that we are in a flat economy, with no clear indication of another downturn anytime soon. However, its weak job growth could also foretell continued slow job growth overall in the State. Employment services

--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.

After a So So 2005, Connecticut Has Gotten Off to a Promising Start in 2006

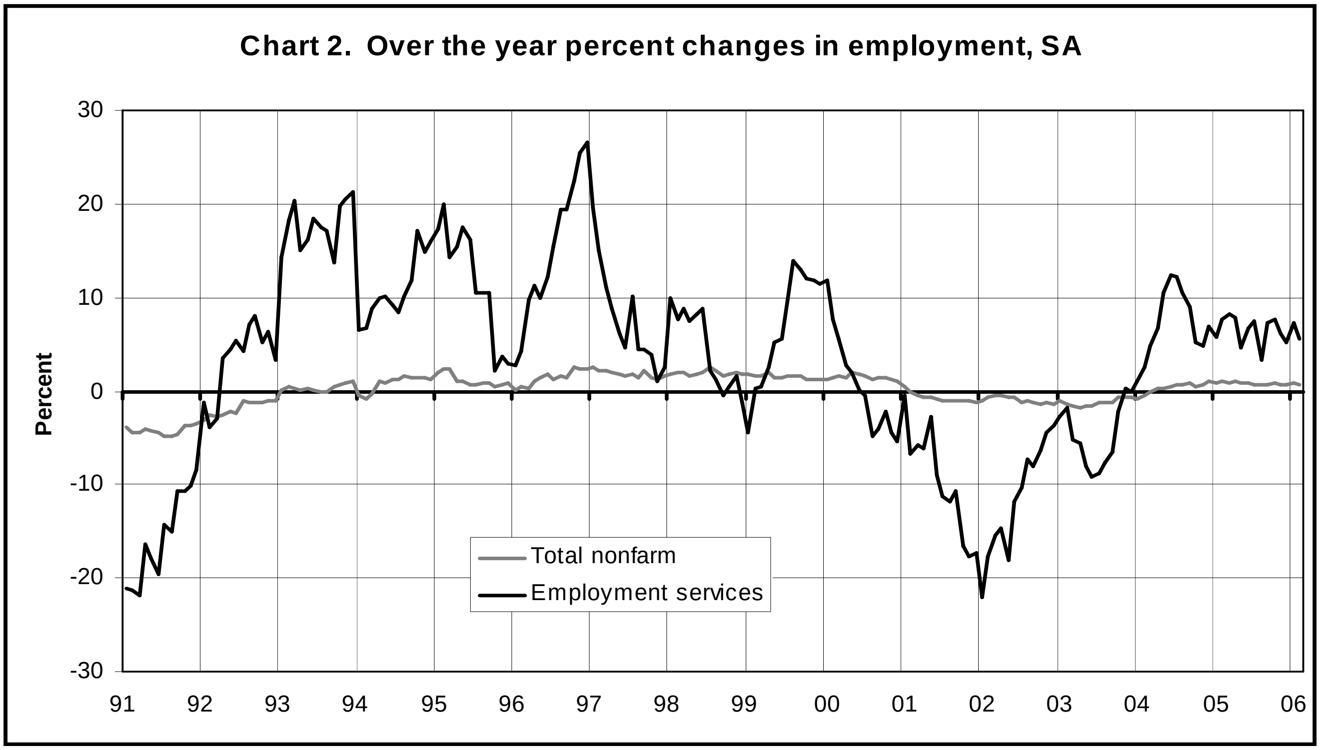
The U.S. economy continued to hum along in the fourth quarter of 2005. The real Gross Domestic Product (GDP) grew at a 1.7 percent annual rate. For the entire year, real GDP grew 3.5 percent, not bad for an economy that is entering the fifth year of an economic expansion, and against the background of rising interest rates. Fed Chairman Ben Bernanke held his first meeting of the FOMC on March 27th – 28th, and raised the Federal Funds rate by another 25 basis points to 4.75 percent. Going forward, Chairman Bernanke faces the task of preventing rising energy costs from posing an inflation threat to the economy, while at the same time avoiding causing the economy to go into a recession.

The two indexes reported this month have been revised and re-benchmarked. The revised and re-benchmarked CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 108.09 in February 2005 to 109.85 in February 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 and re-benchmarked CCEA-ECRI Connecticut coincident employment index rose from 109.34 in January 2006 to 109.85 in February 2006. A marginally lower total unemployment rate, higher total non-farm employment, and higher total employment contributed positively to this index. The only negative contributor is a higher insured unemployment rate. The revised Connecticut Coincident Index published by the Philadelphia Federal Reserve Bank also increased from 151.00 in February 2005 to 156.140 in February 2006, and increased from 155.59 in January to 156.14 in February 2006. Thus, both the CCEA-ECRI coincident employment index and the Philadelphia Federal Reserve Bank's Connecticut Coincident Index indicate continuing growth for the Connecticut economy.

The revised and re-benchmarked CCEA-ECRI Connecticut leading employment index rose from 118.49 in February 2005 to 120.26 in February 2006. An increase in total housing permits, 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. A higher Moody's Baa corporate bond yield, and a rather substantial increase in initial claims for unemployment insurance are the two negative contributors to the index. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index fell from 120.43 in January 2006 to 120.26 in February 2006. Higher total housing permits, a lower short duration (less than 15 weeks) unemployment rate, and a higher Hartford help-wanted advertising index contributed positively to this index. A marginally higher Moody's Baa corporate bond yield, a very substantial increase in initial claims for unemployment insurance, and lower average weekly hours worked in manufacturing and construction are the negative contributors.

The Connecticut economy has gotten off to a promising start in 2006. Since December, both total non-farm employment and total employment have risen, and the total unemployment rate decreased from 4.6 percent in December 2005 to 4.5 percent in February 2006. The revised and re-benchmarked data now show a much less rosy picture for Connecticut in 2005, however. On a December-to-December basis, the new data now shows that total employment grew only 0.9 percent in 2005, and not the 1.76 percent originally reported. The new data also show a 0.6 percent growth in total employment for 2004 (again, December-to-December) and not the 0.26 percent originally reported. Thus, after a dismal year for employment growth in 2004, we did not do much better in 2005. Given that this is an election year, employment and job growth are now hot issues in the race for the governorship. I hope that this time, the politicians realize the severity of the situation, and offer sensible solutions that would put Connecticut on a solid foundation for long-term economic growth.

Francis W. Ahking, Department of Economics, University of Connecticut, Storrs, CT 06269. Phone: (860) 486-3026. Stan McMillen [(860) 486-0485, Storrs Campus], Connecticut Center for Economic Analysis, University of Connecticut, provided research support. Leading and coincident employment indexes were developed by Pami Dua and Stephen M. Miller, in cooperation with Anirvan Banerji at the Economic Cycle Research Institute. Components of the indexes are described in the Technical Notes on page 23.



--Continued from page 3--

industry employment trends could continue to serve as a reliable leading economic indicator. By continuing to track the movements of the employment services industry, we may be able to get early notice of the next turn in Connecticut's employment. ■

Sources:
"Personnel supply industry: leading growth indicator," The Connecticut Economic Digest, July 1996, Office of Research, Connecticut Department of Labor.

"Payroll employment grows in 2004," Monthly Labor Review, March 2005, the Bureau of Labor Statistics.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	4Q 2005	4Q 2004	CHANGE NO.	CHANGE %	3Q 2005
Employment Indexes (1992=100)*					
Leading	118.8	117.3	1.5	1.3	118.6
Coincident	108.9	108.0	0.9	0.8	108.0
General Drift Indicator (1986=100)*					
Leading	104.6	103.8	0.8	0.8	104.2
Coincident	103.2	103.1	0.1	0.1	103.2
Banknorth Business Barometer (1992=100)**	120.6	120.0	0.6	0.5	119.9

*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)	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM	1,667.6	1,657.3	10.3	0.6	1,671.9
Natural Res & Mining (Not Sea. Adj.)	0.7	0.6	0.1	16.7	0.7
Construction	65.6	66.4	-0.8	-1.2	66.1
Manufacturing	189.8	196.1	-6.3	-3.2	193.6
Trade, Transportation & Utilities	313.0	310.8	2.2	0.7	313.4
Information	38.0	38.5	-0.5	-1.3	38.3
Financial Activities	144.2	141.5	2.7	1.9	143.6
Professional and Business Services	202.3	198.7	3.6	1.8	201.7
Educational and Health Services	275.1	271.7	3.4	1.3	274.4
Leisure and Hospitality Services	131.5	129.2	2.3	1.8	131.2
Other Services	62.8	62.7	0.1	0.2	62.9
Government*	244.6	241.1	3.5	1.5	246

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

Initial claims for unemployment insurance fell from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
Unemployment Rate, resident (%)	4.6	5.1	-0.5	---	4.5
Labor Force, resident (000s)	1,831.6	1,815.1	16.5	0.9	1,829.4
Employed (000s)	1,746.7	1,723.4	23.3	1.4	1,746.8
Unemployed (000s)	84.9	91.8	-6.8	-7.5	82.6
Average Weekly Initial Claims	3,941	4,298	-356	-8.3	4,281
Help Wanted Index -- Htfd. (1987=100)	13	13	0	0.0	12
Avg. Insured Unemp. Rate (%)	2.36	2.64	-0.28	---	2.46

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006	JAN 2006
Average Weekly Hours	42.0	42.0	0.0	0.0	42.3	--
Average Hourly Earnings	19.63	18.93	0.70	3.7	19.51	--
Average Weekly Earnings	824.46	795.06	29.40	3.7	825.27	--
CT Mfg. Production Index (2000=100)	98.4	101.0	-2.6	-2.5	96.2	96.2
Production Worker Hours (000s)	4,710	4,972	-262	-5.3	4,900	--
Industrial Electricity Sales (mil kWh)*	416	432	-16.2	-3.8	394	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 4.3 percent from a year earlier.

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	3Q* 2006	3Q 2005	CHANGE NO.	CHANGE %	2Q* 2006
Personal Income	$175,360	$168,095	$7,265	4.3	$174,250
UI Covered Wages	$90,132	$87,280	$2,852	3.3	$88,976

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

BUSINESS ACTIVITY

New auto registrations declined over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
New Housing Permits*	MAR 2006	960	8.4	2,177	2,220	-1.9
Electricity Sales (mil kWh)	JAN 2006	2,777	-6.4	2,777	2,966	-6.4
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	MAR 2006	373.4	23.6	---	---	---
New Auto Registrations	MAR 2006	18,850	-0.9	47,726	53,078	-10.1
Air Cargo Tons	MAR 2006	14,821	6.7	37,603	37,721	-0.3
Exports (Bil. $)	4Q 2005	2.62	17.5	9.69	8.56	13.2

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)	MAR 2006	MAR 2005	% CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
TOTAL ALL REVENUES*	1085.7	1046.3	3.8	3270.4	2986.2	9.5
Corporate Tax	164.7	137.5	19.8	228.1	174.4	30.8
Personal Income Tax	515.8	452.3	14.0	1641.7	1444.1	13.7
Real Estate Conv. Tax	14.2	14.4	-1.4	40.3	40.1	0.5
Sales & Use Tax	233.2	225.9	3.2	853.7	815.3	4.7
Indian Gaming Payments**	36.3	34.7	4.6	103.3	98.1	5.3

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

TOURISM AND TRAVEL

Gaming slots rose over the year.

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	YEAR TO DATE PRIOR	% CHG
Info Center Visitors	MAR 2006	14,405	-38.9	46,154	55,718	-17.2
Major Attraction Visitors	MAR 2006	83,799	3.6	255,319	230,173	10.9
Air Passenger Count	MAR 2006	622,156	-1.0	1,665,760	1,708,028	-2.5
Indian Gaming Slots (Mil.$)*	MAR 2006	1,632	2.0	4,684	4,618	1.4
Travel and Tourism Index**	4Q 2005	---	1.6	---	---	---

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

**See page 23 for explanation*

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

Compensation cost for the nation rose 2.6 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers	Seasonally Adjusted			Not Seasonally Adjusted		
(Dec. 2005 = 100)	MAR 2006	DEC 2005	3-Mo % Chg	MAR 2006	MAR 2005	12-Mo % 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 3.4 percent over the year.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE Y/Y	P/P*
CONSUMER PRICES				
CPI-U (1982-84=100)				
U.S. City Average	MAR 2006	199.8	3.4	0.6
Purchasing Power of $ (1982-84=$1.00)	MAR 2006	$0.501	-3.3	-0.6
Northeast Region	MAR 2006	212.8	3.3	0.6
NY-Northern NJ-Long Island	MAR 2006	218.2	2.7	0.8
Boston-Brockton-Nashua**	MAR 2006	221.3	3.3	0.4
CPI-W (1982-84=100)				
U.S. City Average	MAR 2006	195.3	3.6	0.6
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	4Q 2005	NA	NA	NA
New England	MAR 2006	NA	NA	NA
U.S.	MAR 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 6.32 percent over the month.

INTEREST RATES

(Percent)	MAR 2006	FEB 2006	MAR 2005
Prime	7.53	7.50	5.58
Federal Funds	4.59	4.49	2.63
3 Month Treasury Bill	4.63	4.54	2.80
6 Month Treasury Bill	4.79	4.69	3.09
1 Year Treasury Bill	4.77	4.68	3.30
3 Year Treasury Note	4.74	4.64	3.91
5 Year Treasury Note	4.72	4.57	4.17
7 Year Treasury Note	4.71	4.56	4.33
10 Year Treasury Note	4.72	4.57	4.50
20 Year Treasury Note	4.91	4.73	4.89
Conventional Mortgage	6.32	6.25	5.93

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
Connecticut	1,667.6	1,657.3	10.3	0.6	1,671.9
Maine	610.9	609.7	1.2	0.2	611.3
Massachusetts	3,209.1	3,184.1	25.0	0.8	3,211.5
New Hampshire	641.6	632.2	9.4	1.5	640.5
New Jersey	4,069.1	4,024.1	45.0	1.1	4,065.4
New York	8,574.7	8,491.3	83.4	1.0	8,569.8
Pennsylvania	5,744.3	5,671.4	72.9	1.3	5,745.4
Rhode Island	493.1	490.0	3.1	0.6	492.7
Vermont	306.2	305.0	1.2	0.4	306.0
United States	134,966.0	132,876.0	2,090.0	1.6	134,755.0

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)	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
Connecticut	1,831.6	1,815.1	16.5	0.9	1,829.4
Maine	714.4	706.5	7.9	1.1	717.4
Massachusetts	3,356.0	3,364.3	-8.3	-0.2	3,365.6
New Hampshire	737.4	730.3	7.1	1.0	735.9
New Jersey	4,496.7	4,404.6	92.1	2.1	4,479.1
New York	9,508.8	9,359.2	149.6	1.6	9,517.4
Pennsylvania	6,316.6	6,284.8	31.8	0.5	6,311.5
Rhode Island	574.6	565.8	8.8	1.6	574.9
Vermont	361.1	354.4	6.7	1.9	362.6
United States	150,652.0	148,217.0	2,435.0	1.6	150,449.0

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

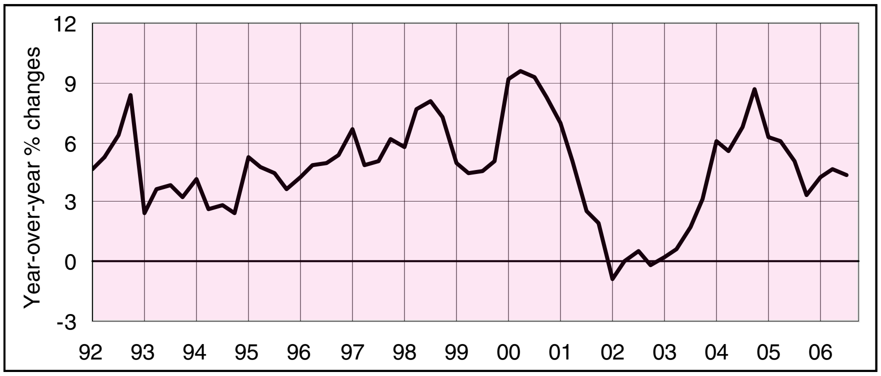
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	MAR 2006	MAR 2005	CHANGE	FEB 2006
Connecticut	4.6	5.1	-0.5	4.5
Maine	4.1	4.8	-0.7	4.6
Massachusetts	4.9	4.9	0.0	5.0
New Hampshire	3.4	3.7	-0.3	3.5
New Jersey	4.5	4.4	0.1	4.7
New York	4.7	4.8	-0.1	4.7
Pennsylvania	4.5	5.2	-0.7	4.5
Rhode Island	5.1	5.0	0.1	5.1
Vermont	3.3	3.5	-0.2	3.5
United States	4.7	5.1	-0.4	4.8

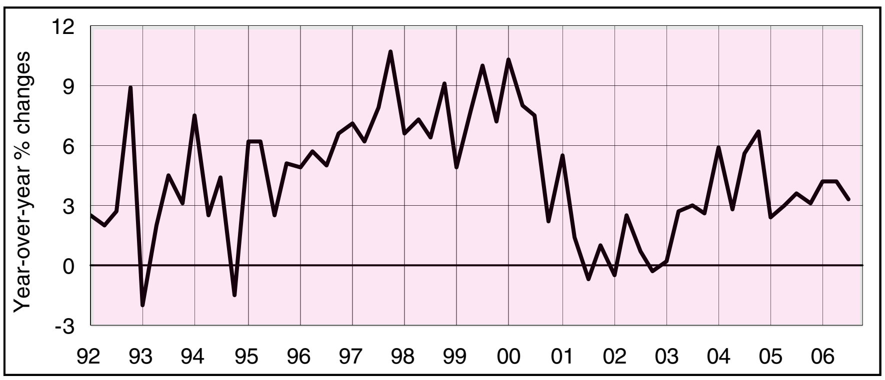
Source: U.S. Department of Labor, Bureau of Labor Statistics

PERSONAL INCOME *(Seasonally adjusted)*



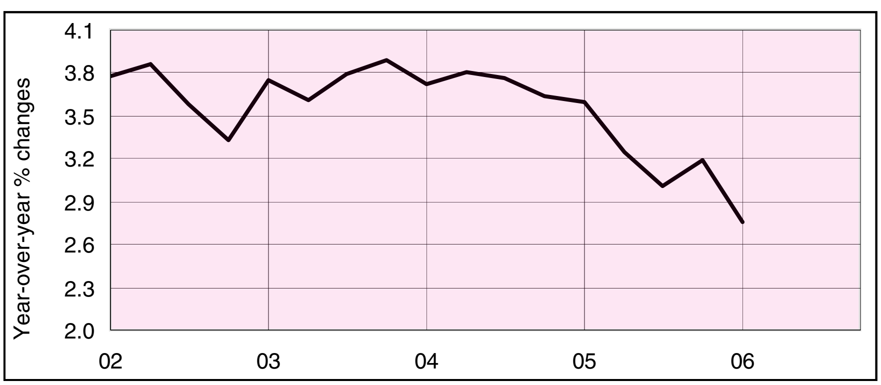
Quarter	2004	2005	2006
First	6.1	6.2	4.2
Second	5.6	6.1	4.6
Third	6.8	5.0	4.3
Fourth	8.7	3.3	

UI COVERED WAGES *(Seasonally adjusted)*



Quarter	2004	2005	2006
First	5.9	2.4	4.2
Second	2.8	3.0	4.2
Third	5.6	3.6	3.3
Fourth	6.7	3.1	

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

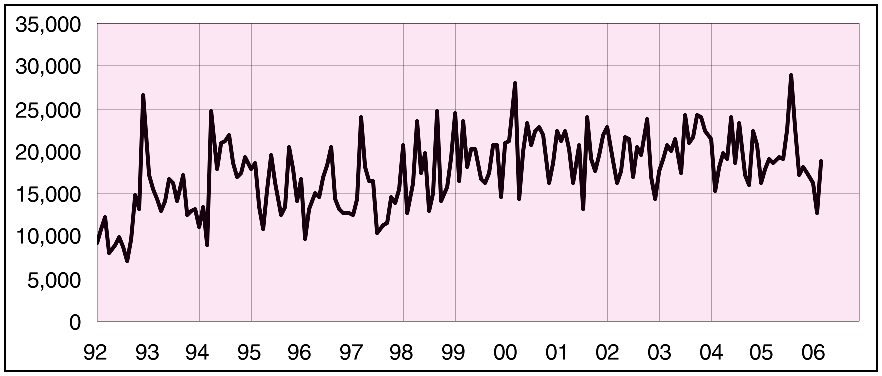


Quarter	2004	2005	2006
First	3.7	3.6	2.8
Second	3.8	3.2	
Third	3.8	3.0	
Fourth	3.6	3.2	

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

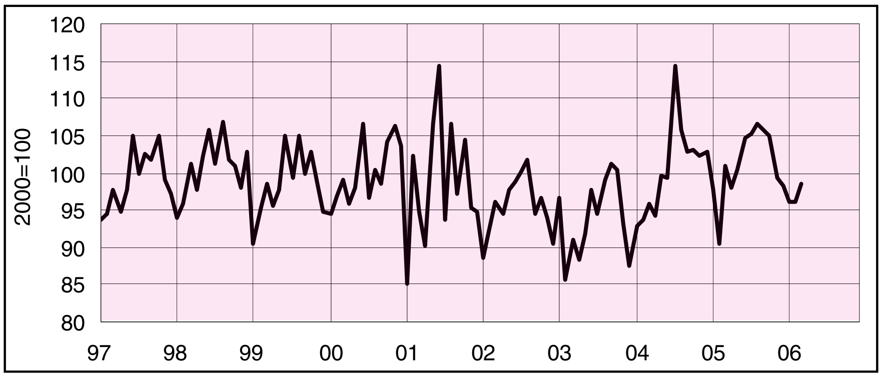
Month	2004	2005	2006
Jan	1.9	3.0	4.0
Feb	1.7	3.0	3.6
Mar	1.7	3.1	3.4
Apr	2.3	3.5	
May	3.1	2.8	
Jun	3.3	2.5	
Jul	3.0	3.2	
Aug	2.7	3.6	
Sep	2.5	4.7	
Oct	3.2	4.3	
Nov	3.5	3.5	
Dec	3.3	3.4	

NEW AUTO REGISTRATIONS PROCESSED *(Not seasonally adjusted)*



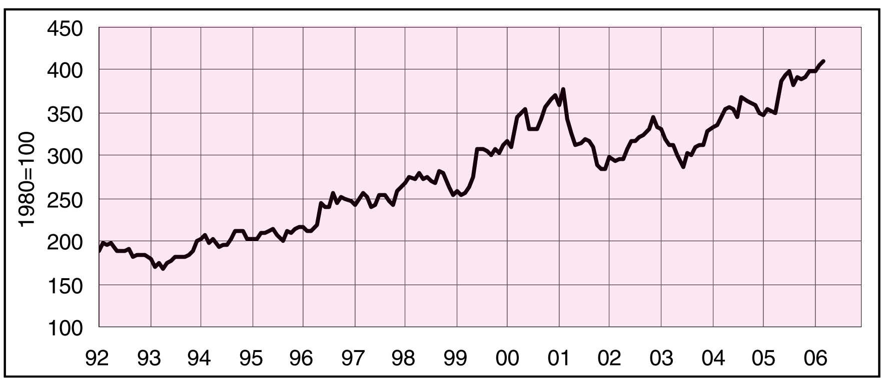
Month	2004	2005	2006
Jan	21,377	16,156	16,166
Feb	15,354	17,903	12,710
Mar	18,072	19,019	18,850
Apr	19,687	18,576	
May	19,117	19,330	
Jun	23,904	19,005	
Jul	18,633	22,588	
Aug	23,343	28,911	
Sep	17,263	22,590	
Oct	15,896	17,148	
Nov	22,202	18,004	
Dec	20,739	17,456	

CT MANUFACTURING PRODUCTION INDEX *(Not seasonally adjusted)*



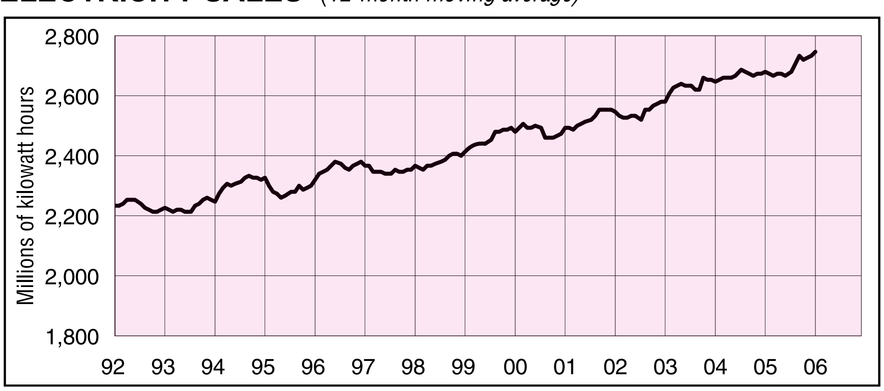
Month	2004	2005	2006
Jan	92.8	97.8	96.2
Feb	93.6	90.5	96.2
Mar	95.9	101.0	98.4
Apr	94.3	98.0	
May	99.6	100.5	
Jun	99.2	104.6	
Jul	114.5	105.3	
Aug	105.8	106.6	
Sep	102.9	105.8	
Oct	103.0	104.9	
Nov	102.4	99.4	
Dec	102.8	98.1	

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



Month	2004	2005	2006
Jan	334.0	347.9	399.8
Feb	335.7	353.9	405.0
Mar	345.4	352.8	409.3
Apr	355.2	349.0	
May	356.4	386.5	
Jun	353.6	394.4	
Jul	346.1	398.3	
Aug	367.9	383.1	
Sep	363.7	391.1	
Oct	362.4	389.0	
Nov	358.8	391.3	
Dec	350.8	398.2	

ELECTRICITY SALES *(12-month moving average)*



Month	2004	2005	2006
Jan	2,649	2,677	2,749
Feb	2,657	2,671	
Mar	2,659	2,665	
Apr	2,661	2,673	
May	2,660	2,673	
Jun	2,670	2,668	
Jul	2,686	2,683	
Aug	2,682	2,706	
Sep	2,673	2,732	
Oct	2,665	2,722	
Nov	2,676	2,726	
Dec	2,677	2,731	

CONNECTICUT

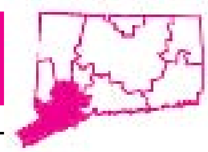
Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**1,652,100 ***	**1,639,600**	**12,500**	**0.8**	**1,649,200**
GOODS PRODUCING INDUSTRIES	**250,500 ***	**257,100**	**-6,600**	**-2.6**	**253,200**
CONSTRUCTION, NAT. RES. & MINING	**60,800**	**61,100**	**-300**	**-0.5**	**59,800**
MANUFACTURING	**189,700 ***	**196,000**	**-6,300**	**-3.2**	**193,400**
Durable Goods	**140,600 ***	**146,100**	**-5,500**	**-3.8**	**144,200**
Fabricated Metal	33,500	33,800	-300	-0.9	33,400
Machinery	17,900	18,500	-600	-3.2	17,800
Computer and Electronic Product	14,700	15,200	-500	-3.3	14,700
Electrical Equipment	10,500	10,500	0	0.0	10,700
Transportation Equipment	39,700 *	43,200	-3,500	-8.1	43,200
Aerospace Product and Parts	26,700 *	29,900	-3,200	-10.7	30,200
Non-Durable Goods	**49,100**	**49,900**	**-800**	**-1.6**	**49,200**
Printing and Related	7,900	8,200	-300	-3.7	7,900
Chemical	16,800	17,300	-500	-2.9	16,900
Plastics and Rubber Products	7,500	7,600	-100	-1.3	7,400
SERVICE PROVIDING INDUSTRIES	**1,401,600**	**1,382,500**	**19,100**	**1.4**	**1,396,000**
TRADE, TRANSPORTATION, UTILITIES	**309,200**	**306,600**	**2,600**	**0.8**	**308,200**
Wholesale Trade	67,000	65,600	1,400	2.1	66,900
Retail Trade	189,100	189,100	0	0.0	188,300
Motor Vehicle and Parts Dealers	22,600	22,500	100	0.4	22,600
Building Material	14,900	15,000	-100	-0.7	14,400
Food and Beverage Stores	42,200	42,600	-400	-0.9	42,100
General Merchandise Stores	25,600	25,300	300	1.2	25,500
Transportation, Warehousing, & Utilities	53,100	51,900	1,200	2.3	53,000
Utilities	8,400	8,700	-300	-3.4	8,400
Transportation and Warehousing	44,700	43,200	1,500	3.5	44,600
INFORMATION	**37,800**	**38,300**	**-500**	**-1.3**	**38,100**
Telecommunications	12,700	13,100	-400	-3.1	12,700
FINANCIAL ACTIVITIES	**143,300**	**140,500**	**2,800**	**2.0**	**142,800**
Finance and Insurance	122,700	120,300	2,400	2.0	122,200
Credit Intermediation	32,100	31,900	200	0.6	32,000
Securities and Commodity Contracts	20,100	18,900	1,200	6.3	20,000
Insurance Carriers & Related Activities	65,400	64,600	800	1.2	65,200
Real Estate and Rental and Leasing	20,600	20,200	400	2.0	20,600
PROFESSIONAL & BUSINESS SERVICES	**199,400**	**195,300**	**4,100**	**2.1**	**196,900**
Professional, Scientific	89,700	88,500	1,200	1.4	89,500
Legal Services	14,200	14,400	-200	-1.4	14,100
Computer Systems Design	19,000	18,600	400	2.2	18,900
Management of Companies	25,100	25,100	0	0.0	24,900
Administrative and Support	84,600	81,700	2,900	3.5	82,500
Employment Services	31,700	30,100	1,600	5.3	30,200
EDUCATIONAL AND HEALTH SERVICES	**275,300**	**271,800**	**3,500**	**1.3**	**276,300**
Educational Services	52,600	51,800	800	1.5	54,600
Health Care and Social Assistance	222,700	220,000	2,700	1.2	221,700
Hospitals	56,300	55,600	700	1.3	55,900
Nursing & Residential Care Facilities	57,300	56,800	500	0.9	57,200
Social Assistance	36,800	35,800	1,000	2.8	36,600
LEISURE AND HOSPITALITY	**123,900**	**121,500**	**2,400**	**2.0**	**121,800**
Arts, Entertainment, and Recreation	21,000	20,800	200	1.0	20,200
Accommodation and Food Services	102,900	100,700	2,200	2.2	101,600
Food Serv., Restaurants, Drinking Places	91,300	89,900	1,400	1.6	90,100
OTHER SERVICES	**62,500**	**62,100**	**400**	**0.6**	**62,000**
GOVERNMENT	**250,200**	**246,400**	**3,800**	**1.5**	**249,900**
Federal Government	19,700	19,700	0	0.0	19,700
State Government	67,300	65,500	1,800	2.7	67,600
**Local Government	163,200	161,200	2,000	1.2	162,600

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

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**405,800 ***	**404,700**	**1,100**	**0.3**	**406,400**
GOODS PRODUCING INDUSTRIES	**51,500 ***	**54,900**	**-3,400**	**-6.2**	**54,400**
CONSTRUCTION, NAT. RES. & MINING	**14,000**	**13,500**	**500**	**3.7**	**13,600**
MANUFACTURING	**37,500 ***	**41,400**	**-3,900**	**-9.4**	**40,800**
Durable Goods	**26,300 ***	**30,200**	**-3,900**	**-12.9**	**29,700**
SERVICE PROVIDING INDUSTRIES	**354,300**	**349,800**	**4,500**	**1.3**	**352,000**
TRADE, TRANSPORTATION, UTILITIES	**73,600**	**74,200**	**-600**	**-0.8**	**73,700**
Wholesale Trade	14,600	14,700	-100	-0.7	14,600
Retail Trade	48,500	49,000	-500	-1.0	48,500
Transportation, Warehousing, & Utilities	10,500	10,500	0	0.0	10,600
INFORMATION	**11,200**	**11,600**	**-400**	**-3.4**	**11,200**
FINANCIAL ACTIVITIES	**44,200**	**42,600**	**1,600**	**3.8**	**43,900**
Finance and Insurance	37,600	36,300	1,300	3.6	37,400
PROFESSIONAL & BUSINESS SERVICES	**68,900**	**67,900**	**1,000**	**1.5**	**68,100**
EDUCATIONAL AND HEALTH SERVICES	**60,500**	**59,400**	**1,100**	**1.9**	**59,700**
Health Care and Social Assistance	51,000	50,400	600	1.2	50,700
LEISURE AND HOSPITALITY	**31,000**	**30,300**	**700**	**2.3**	**30,700**
Accommodation and Food Services	23,400	22,900	500	2.2	23,400
OTHER SERVICES	**16,900**	**16,700**	**200**	**1.2**	**16,800**
GOVERNMENT	**48,000**	**47,100**	**900**	**1.9**	**47,900**
Federal	3,500	3,500	0	0.0	3,500
State & Local	44,500	43,600	900	2.1	44,400

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

DANBURY LMA

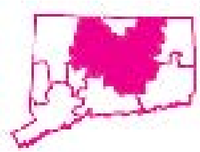
Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**69,100**	**67,800**	**1,300**	**1.9**	**68,300**
GOODS PRODUCING INDUSTRIES	**12,600**	**12,700**	**-100**	**-0.8**	**12,500**
SERVICE PROVIDING INDUSTRIES	**56,500**	**55,100**	**1,400**	**2.5**	**55,800**
TRADE, TRANSPORTATION, UTILITIES	**15,500**	**15,300**	**200**	**1.3**	**15,400**
Retail Trade	11,500	11,500	0	0.0	11,400
PROFESSIONAL & BUSINESS SERVICES	**8,200**	**8,100**	**100**	**1.2**	**8,200**
LEISURE AND HOSPITALITY	**4,800**	**4,900**	**-100**	**-2.0**	**4,700**
GOVERNMENT	**8,700**	**8,300**	**400**	**4.8**	**8,500**
Federal	600	600	0	0.0	600
State & Local	8,100	7,700	400	5.2	7,900

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

HARTFORD LMA



Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**543,900**	**537,300**	**6,600**	**1.2**	**541,800**
GOODS PRODUCING INDUSTRIES	**83,500**	**83,500**	**0**	**0.0**	**82,800**
CONSTRUCTION, NAT. RES. & MINING	**20,200**	**19,800**	**400**	**2.0**	**19,600**
MANUFACTURING	**63,300**	**63,700**	**-400**	**-0.6**	**63,200**
Durable Goods	**53,100**	**53,500**	**-400**	**-0.7**	**52,900**
Transportation Equipment	18,300	18,300	0	0.0	18,300
SERVICE PROVIDING INDUSTRIES	**460,400**	**453,800**	**6,600**	**1.5**	**459,000**
TRADE, TRANSPORTATION, UTILITIES	**89,800**	**89,300**	**500**	**0.6**	**89,600**
Wholesale Trade	19,400	19,100	300	1.6	19,300
Retail Trade	55,500	55,400	100	0.2	55,500
Transportation, Warehousing, & Utilities	14,900	14,800	100	0.7	14,800
Transportation and Warehousing	11,300	11,100	200	1.8	11,200
INFORMATION	**11,500**	**11,400**	**100**	**0.9**	**11,500**
FINANCIAL ACTIVITIES	**67,300**	**67,000**	**300**	**0.4**	**67,500**
Depository Credit Institutions	7,400	7,700	-300	-3.9	7,500
Insurance Carriers & Related Activities	45,800	45,300	500	1.1	45,700
PROFESSIONAL & BUSINESS SERVICES	**58,400**	**57,500**	**900**	**1.6**	**57,900**
Professional, Scientific	27,800	27,500	300	1.1	27,800
Administrative and Support	25,000	24,200	800	3.3	24,400
EDUCATIONAL AND HEALTH SERVICES	**85,700**	**84,200**	**1,500**	**1.8**	**85,600**
Health Care and Social Assistance	74,400	73,100	1,300	1.8	74,200
Ambulatory Health Care	22,600	22,200	400	1.8	22,600
LEISURE AND HOSPITALITY	**38,300**	**37,100**	**1,200**	**3.2**	**37,500**
Accommodation and Food Services	32,100	30,800	1,300	4.2	31,600
OTHER SERVICES	**20,500**	**20,500**	**0**	**0.0**	**20,400**
GOVERNMENT	**88,900**	**86,800**	**2,100**	**2.4**	**89,000**
Federal	5,900	6,000	-100	-1.7	5,900
State & Local	83,000	80,800	2,200	2.7	83,100

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.*

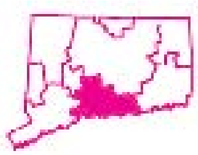
BUSINESS AND ECONOMIC NEWS

- **Annual hires, total separations, and quits rates, 2001 - 2005**
  In 2005, annual hires rose for the second year in a row, reaching 57 million after weaker hiring in 2002 and 2003 (in U.S.). Total separations rose to 55 million in 2005. Total separations include quits (voluntary separations), layoffs and discharges (involuntary separations), and other separations (including retirements). The number of quits increased notably for the second year in a row, reaching 31 million in 2005. In contrast, the levels of layoffs and discharges were relatively flat over the past several years, as was the level of other separations. These data are from the BLS Job Openings and Labor Turnover Survey. To learn more about hires, separations, and quits, see Job Openings and Labor Turnover: January 2006, news release USDL 06-457. These data are not seasonally adjusted. (The Editor's Desk, Bureau of Labor Statistics, March 15, 2006)

--Continued on the following page--

NONFARM EMPLOYMENT ESTIMATES

NEW HAVEN LMA



Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT............	**270,500**	**269,300**	**1,200**	**0.4**	**271,600**
GOODS PRODUCING INDUSTRIES.........	**43,200**	**43,700**	**-500**	**-1.1**	**42,400**
CONSTRUCTION, NAT. RES. & MINING	**10,100**	**9,900**	**200**	**2.0**	**9,600**
MANUFACTURING..............................	**33,100**	**33,800**	**-700**	**-2.1**	**32,800**
Durable Goods.................................	**22,700**	**22,900**	**-200**	**-0.9**	**22,500**
SERVICE PROVIDING INDUSTRIES........	**227,300**	**225,600**	**1,700**	**0.8**	**229,200**
TRADE, TRANSPORTATION, UTILITIES	**51,700**	**50,200**	**1,500**	**3.0**	**51,500**
Wholesale Trade.................................	11,700	11,300	400	3.5	11,700
Retail Trade..	30,500	29,500	1,000	3.4	30,300
Transportation, Warehousing, & Utilities....	9,500	9,400	100	1.1	9,500
INFORMATION...................................	**8,500**	**8,500**	**0**	**0.0**	**8,800**
FINANCIAL ACTIVITIES.......................	**13,800**	**13,800**	**0**	**0.0**	**13,700**
Finance and Insurance.........................	10,400	10,300	100	1.0	10,300
PROFESSIONAL & BUSINESS SERVICE	**25,000**	**24,800**	**200**	**0.8**	**25,000**
Administrative and Support....................	11,800	11,400	400	3.5	11,800
EDUCATIONAL AND HEALTH SERVICE	**63,500**	**63,500**	**0**	**0.0**	**65,400**
Educational Services............................	22,400	22,600	-200	-0.9	24,100
Health Care and Social Assistance...........	41,100	40,900	200	0.5	41,300
LEISURE AND HOSPITALITY................	**19,200**	**18,900**	**300**	**1.6**	**19,300**
Accommodation and Food Services..........	16,000	16,200	-200	-1.2	16,000
OTHER SERVICES..............................	**10,600**	**10,800**	**-200**	**-1.9**	**10,300**
GOVERNMENT	**35,000**	**35,100**	**-100**	**-0.3**	**35,200**
Federal...	5,400	5,400	0	0.0	5,400
State & Local.......................................	29,600	29,700	-100	-0.3	29,800

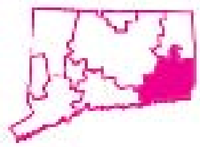
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

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

BUSINESS AND ECONOMIC NEWS (Cont.)

- **Payroll employment, 2000-2005**
  Nation's nonfarm payroll employment continued to grow at a modest pace in 2005, increasing by nearly 2 million. With this growth, employment recovered to its prerecession peak by February 2005, and then entered a period of expansion. Employment growth was widespread, with most industries adding jobs. Demand for housing and remodeling throughout 2005 supported ongoing hiring in construction and housing-dependent industries within financial activities and retail trade. Improved consumer confidence through most of the year also helped spur employment growth in retail trade, as well as in leisure and hospitality industries. The effects of surging energy prices proved to be twofold, with mining experiencing unusually strong job gains, but many other industries seeing dampened hiring. Despite rising output, manufacturing was one of the three major industries not to add jobs in 2005-the other two were information and other services. These data are from the Current Employment Statistics survey. Learn more about employment in 2005 in "Payroll employment in 2005: recovery and expansion," by Robert P. Stephens, David Langdon, and Brady M. Stephens, Monthly Labor Review, March 2006. (The Editor's Desk, Bureau of Labor Statistics, April 5, 2006)

NORWICH - NEW LONDON LMA

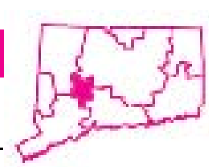


Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**133,500**	**133,400**	**100**	**0.1**	**132,800**
GOODS PRODUCING INDUSTRIES	**22,400**	**22,400**	**0**	**0.0**	**22,400**
CONSTRUCTION, NAT. RES. & MINING	**4,500**	**4,500**	**0**	**0.0**	**4,500**
MANUFACTURING	**17,900**	**17,900**	**0**	**0.0**	**17,900**
Durable Goods	**11,500**	**11,300**	**200**	**1.8**	**11,500**
Non-Durable Goods	**6,400**	**6,600**	**-200**	**-3.0**	**6,400**
SERVICE PROVIDING INDUSTRIES	**111,100**	**111,000**	**100**	**0.1**	**110,400**
TRADE, TRANSPORTATION, UTILITIES	**21,900**	**21,800**	**100**	**0.5**	**21,800**
Wholesale Trade	2,000	1,900	100	5.3	2,000
Retail Trade	15,600	15,600	0	0.0	15,500
Transportation, Warehousing, & Utilities	4,300	4,300	0	0.0	4,300
INFORMATION	**1,900**	**2,000**	**-100**	**-5.0**	**1,900**
FINANCIAL ACTIVITIES	**3,600**	**3,400**	**200**	**5.9**	**3,500**
PROFESSIONAL & BUSINESS SERVICES	**9,500**	**9,700**	**-200**	**-2.1**	**9,400**
EDUCATIONAL AND HEALTH SERVICES	**19,100**	**18,600**	**500**	**2.7**	**19,100**
Health Care and Social Assistance	16,600	16,000	600	3.8	16,500
LEISURE AND HOSPITALITY	**11,600**	**11,700**	**-100**	**-0.9**	**11,300**
Accommodation and Food Services	9,900	9,900	0	0.0	9,500
Food Serv., Restaurants, Drinking Places	8,200	8,100	100	1.2	8,000
OTHER SERVICES	**3,600**	**3,700**	**-100**	**-2.7**	**3,500**
GOVERNMENT	**39,900**	**40,100**	**-200**	**-0.5**	**39,900**
Federal	2,300	2,300	0	0.0	2,300
**State & Local	37,600	37,800	-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



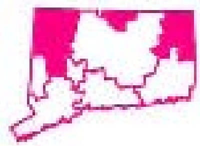
Not Seasonally Adjusted

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT	**68,300**	**69,000**	**-700**	**-1.0**	**68,300**
GOODS PRODUCING INDUSTRIES	**12,700**	**13,200**	**-500**	**-3.8**	**12,800**
CONSTRUCTION, NAT. RES. & MINING	**2,600**	**2,700**	**-100**	**-3.7**	**2,600**
MANUFACTURING	**10,100**	**10,500**	**-400**	**-3.8**	**10,200**
SERVICE PROVIDING INDUSTRIES	**55,600**	**55,800**	**-200**	**-0.4**	**55,500**
TRADE, TRANSPORTATION, UTILITIES	**13,700**	**13,600**	**100**	**0.7**	**13,500**
Wholesale Trade	2,200	2,200	0	0.0	2,200
Retail Trade	9,600	9,300	300	3.2	9,400
Transportation, Warehousing, & Utilities	1,900	2,100	-200	-9.5	1,900
INFORMATION	**900**	**1,000**	**-100**	**-10.0**	**900**
FINANCIAL ACTIVITIES	**2,600**	**2,600**	**0**	**0.0**	**2,600**
PROFESSIONAL & BUSINESS SERVICES	**7,000**	**6,700**	**300**	**4.5**	**6,800**
EDUCATIONAL AND HEALTH SERVICES	**13,800**	**14,200**	**-400**	**-2.8**	**14,000**
Health Care and Social Assistance	12,600	12,900	-300	-2.3	12,800
LEISURE AND HOSPITALITY	**4,600**	**4,600**	**0**	**0.0**	**4,700**
OTHER SERVICES	**2,700**	**2,700**	**0**	**0.0**	**2,700**
GOVERNMENT	**10,300**	**10,400**	**-100**	**-1.0**	**10,300**
Federal	600	600	0	0.0	600
State & Local	9,700	9,800	-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

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA....................................	**46,700**	**46,300**	**400**	**0.9**	**46,600**
TORRINGTON LMA...............................	**37,200**	**35,900**	**1,300**	**3.6**	**36,800**
WILLIMANTIC - DANIELSON LMA............	**36,800**	**36,200**	**600**	**1.7**	**36,400**

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

	MAR 2006	MAR 2005	CHANGE NO.	CHANGE %	FEB 2006
TOTAL NONFARM EMPLOYMENT.............	**291,900**	**291,300**	**600**	**0.2**	**291,300**
GOODS PRODUCING INDUSTRIES.........	**47,400**	**47,200**	**200**	**0.4**	**47,400**
CONSTRUCTION, NAT. RES. & MINING	**9,400**	**9,100**	**300**	**3.3**	**9,300**
MANUFACTURING...............................	**38,000**	**38,100**	**-100**	**-0.3**	**38,100**
Durable Goods..................................	**24,000**	**23,900**	**100**	**0.4**	**24,000**
Non-Durable Goods............................	**14,000**	**14,200**	**-200**	**-1.4**	**14,100**
SERVICE PROVIDING INDUSTRIES........	**244,500**	**244,100**	**400**	**0.2**	**243,900**
TRADE, TRANSPORTATION, UTILITIES	**60,700**	**60,800**	**-100**	**-0.2**	**60,700**
Wholesale Trade..................................	11,400	11,500	-100	-0.9	11,500
Retail Trade..	35,700	35,800	-100	-0.3	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........................	**16,000**	**15,800**	**200**	**1.3**	**15,900**
Finance and Insurance..........................	12,200	12,100	100	0.8	12,200
Insurance Carriers & Related Activities....	7,400	7,400	0	0.0	7,400
PROFESSIONAL & BUSINESS SERVICES	**23,400**	**23,200**	**200**	**0.9**	**23,100**
EDUCATIONAL AND HEALTH SERVICES	**55,000**	**54,600**	**400**	**0.7**	**55,000**
Educational Services.............................	13,000	12,600	400	3.2	13,100
Health Care and Social Assistance..........	42,000	42,000	0	0.0	41,900
LEISURE AND HOSPITALITY................	**24,500**	**24,700**	**-200**	**-0.8**	**24,300**
OTHER SERVICES...............................	**11,700**	**11,300**	**400**	**3.5**	**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.*

(Not seasonally adjusted)	EMPLOYMENT STATUS	MAR 2006	MAR 2005	CHANGE NO.	%	FEB 2006
CONNECTICUT	Civilian Labor Force	1,821,300	1,797,900	23,400	1.3	1,811,900
	Employed	1,734,300	1,707,100	27,200	1.6	1,720,500
	Unemployed	87,000	90,800	-3,800	-4.2	91,400
	Unemployment Rate	4.8	5.0	-0.2	---	5.0
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	462,000	455,500	6,500	1.4	458,500
	Employed	441,900	434,400	7,500	1.7	437,400
	Unemployed	20,000	21,100	-1,100	-5.2	21,000
	Unemployment Rate	4.3	4.6	-0.3	---	4.6
DANBURY LMA	Civilian Labor Force	90,300	88,500	1,800	2.0	89,300
	Employed	87,100	85,100	2,000	2.4	85,800
	Unemployed	3,200	3,400	-200	-5.9	3,400
	Unemployment Rate	3.5	3.9	-0.4	---	3.8
ENFIELD LMA	Civilian Labor Force	48,200	47,700	500	1.0	48,100
	Employed	45,900	45,400	500	1.1	45,500
	Unemployed	2,300	2,300	0	0.0	2,500
	Unemployment Rate	4.8	4.9	-0.1	---	5.2
HARTFORD LMA	Civilian Labor Force	572,600	564,500	8,100	1.4	570,000
	Employed	543,800	534,400	9,400	1.8	539,800
	Unemployed	28,800	30,100	-1,300	-4.3	30,200
	Unemployment Rate	5.0	5.3	-0.3	---	5.3
NEW HAVEN LMA	Civilian Labor Force	302,200	299,600	2,600	0.9	302,300
	Employed	287,800	284,400	3,400	1.2	287,200
	Unemployed	14,400	15,200	-800	-5.3	15,100
	Unemployment Rate	4.8	5.1	-0.3	---	5.0
NORWICH - NEW LONDON LMA	Civilian Labor Force	148,200	147,000	1,200	0.8	147,600
	Employed	141,300	140,200	1,100	0.8	140,400
	Unemployed	6,900	6,800	100	1.5	7,200
	Unemployment Rate	4.6	4.6	0.0	---	4.9
TORRINGTON LMA	Civilian Labor Force	54,600	53,100	1,500	2.8	54,200
	Employed	52,000	50,200	1,800	3.6	51,500
	Unemployed	2,600	2,800	-200	-7.1	2,700
	Unemployment Rate	4.7	5.3	-0.6	---	5.0
WATERBURY LMA	Civilian Labor Force	100,300	99,900	400	0.4	99,700
	Employed	94,000	93,300	700	0.8	93,100
	Unemployed	6,300	6,600	-300	-4.5	6,500
	Unemployment Rate	6.3	6.6	-0.3	---	6.6
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	56,300	55,200	1,100	2.0	55,800
	Employed	53,100	52,000	1,100	2.1	52,300
	Unemployed	3,200	3,100	100	3.2	3,400
	Unemployment Rate	5.7	5.7	0.0	---	6.2
UNITED STATES	Civilian Labor Force	150,027,000	147,745,000	2,282,000	1.5	149,686,000
	Employed	142,772,000	139,759,000	3,013,000	2.2	141,994,000
	Unemployed	7,255,000	7,986,000	-731,000	-9.2	7,692,000
	Unemployment Rate	4.8	5.4	-0.6	---	5.1

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 MAR 2006	MAR 2005	CHG Y/Y	FEB 2006	AVG WEEKLY HOURS MAR 2006	MAR 2005	CHG Y/Y	FEB 2006	AVG HOURLY EARNINGS MAR 2006	MAR 2005	CHG Y/Y	FEB 2006
MANUFACTURING	**$824.46**	**$795.06**	**$29.40**	**$825.27**	**42.0**	**42.0**	**0.0**	**42.3**	**$19.63**	**$18.93**	**$0.70**	**$19.51**
DURABLE GOODS	**852.35**	**823.06**	**29.29**	**854.55**	**41.7**	**42.1**	**-0.4**	**42.2**	**20.44**	**19.55**	**0.89**	**20.25**
Fabricated Metal	764.54	745.20	19.34	759.29	42.1	43.1	-1.0	42.3	18.16	17.29	0.87	17.95
Machinery	798.37	767.60	30.77	789.97	40.2	40.0	0.2	40.1	19.86	19.19	0.67	19.70
Computer & Electronic	653.65	628.44	25.21	664.40	40.2	39.8	0.4	40.0	16.26	15.79	0.47	16.61
Transport. Equipment	1,058.77	1,035.01	23.76	1,045.72	42.3	43.0	-0.7	42.2	25.03	24.07	0.96	24.78
NON-DUR. GOODS	**753.59**	**720.51**	**33.08**	**749.70**	**42.6**	**41.6**	**1.0**	**42.5**	**17.69**	**17.32**	**0.37**	**17.64**
CONSTRUCTION	**895.89**	**868.68**	**27.21**	**875.90**	**38.8**	**38.1**	**0.7**	**38.4**	**23.09**	**22.80**	**0.29**	**22.81**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS MAR 2006	MAR 2005	CHG Y/Y	FEB 2006	AVG WEEKLY HOURS MAR 2006	MAR 2005	CHG Y/Y	FEB 2006	AVG HOURLY EARNINGS MAR 2006	MAR 2005	CHG Y/Y	FEB 2006
Bridgeport - Stamford	$845.01	$791.62	$53.39	$811.13	41.2	40.7	0.5	41.3	$20.51	$19.45	$1.06	$19.64
New Haven	661.44	631.63	29.81	646.41	39.0	39.7	-0.7	39.2	16.96	15.91	1.05	16.49
Norwich - New London	827.22	798.62	28.60	819.52	42.4	42.3	0.1	42.2	19.51	18.88	0.63	19.42

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

- March 2006 had the announcement that City Market will open in Norwalk, in April, and employ 10 to 12 employees. On March 13th, Frank Pepe Pizzeria opened a branch of their famous eatery in Fairfield which employs 25 people. On March 19th, Alga Marina, a new restaurant opened in Norwalk with 15-20 employees. In 2008, NuPower will open a wood-burning energy site in Plainfield which will create 275 jobs. On March 10th, Borders Books & Music opened a new store in Milford which employs 65 people. On March 19th, Buffalo Wild Wings also opened in Milford with 80 employees.

- On March 10th, Longwood Engineered Products, a manufacturer of rubber components, closed its Norwich plant which affected 58 workers. In May, CIGNA HealthCare will lay off 65 employees in Bloomfield as work will be outsourced to the Philippines. Pfizer, Inc. will eliminate 40 positions at its Groton plant in April as part of a restructuring. UnitedHealth Group will lay off 120 workers 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.

Town

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

MARCH 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD				
	461,960	**441,944**	**20,016**	**4.3**
Ansonia	9,823	9,271	552	5.6
Bridgeport	62,171	57,396	4,775	7.7
Darien	9,056	8,775	281	3.1
Derby	6,787	6,423	364	5.4
Easton	3,697	3,577	120	3.2
Fairfield	27,770	26,739	1,031	3.7
Greenwich	29,678	28,767	911	3.1
Milford	30,758	29,497	1,261	4.1
Monroe	10,444	10,094	350	3.4
New Canaan	8,726	8,485	241	2.8
Newtown	13,889	13,461	428	3.1
Norwalk	47,772	45,772	2,000	4.2
Oxford	6,415	6,196	219	3.4
Redding	4,475	4,340	135	3.0
Ridgefield	11,523	11,201	322	2.8
Seymour	8,994	8,565	429	4.8
Shelton	22,037	21,144	893	4.1
Southbury	8,827	8,495	332	3.8
Stamford	65,500	62,939	2,561	3.9
Stratford	25,743	24,496	1,247	4.8
Trumbull	17,627	16,974	653	3.7
Weston	4,825	4,691	134	2.8
Westport	12,410	12,020	390	3.1
Wilton	8,206	7,954	252	3.1
Woodbridge	4,807	4,670	137	2.9
DANBURY	**90,260**	**87,074**	**3,186**	**3.5**
Bethel	10,819	10,457	362	3.3
Bridgewater	1,027	1,000	27	2.6
Brookfield	8,897	8,607	290	3.3
Danbury	43,668	42,005	1,663	3.8
New Fairfield	7,541	7,311	230	3.0
New Milford	16,182	15,629	553	3.4
Sherman	2,128	2,066	62	2.9
ENFIELD	**48,155**	**45,860**	**2,295**	**4.8**
East Windsor	5,945	5,620	325	5.5
Enfield	23,626	22,493	1,133	4.8
Somers	4,613	4,408	205	4.4
Suffield	7,088	6,796	292	4.1
Windsor Locks	6,883	6,542	341	5.0
HARTFORD	**572,616**	**543,801**	**28,815**	**5.0**
Andover	1,941	1,865	76	3.9
Ashford	2,535	2,437	98	3.9
Avon	8,923	8,643	280	3.1
Barkhamsted	2,190	2,095	95	4.3
Berlin	10,818	10,355	463	4.3
Bloomfield	9,839	9,272	567	5.8
Bolton	3,010	2,909	101	3.4
Bristol	33,696	31,823	1,873	5.6
Burlington	5,185	4,995	190	3.7

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,414	5,224	190	3.5
Colchester	8,627	8,254	373	4.3
Columbia	2,981	2,872	109	3.7
Coventry	6,910	6,605	305	4.4
Cromwell	7,684	7,364	320	4.2
East Granby	2,871	2,754	117	4.1
East Haddam	5,026	4,859	167	3.3
East Hampton	6,673	6,274	399	6.0
East Hartford	25,162	23,584	1,578	6.3
Ellington	8,501	8,138	363	4.3
Farmington	12,599	12,122	477	3.8
Glastonbury	17,812	17,238	574	3.2
Granby	6,136	5,906	230	3.7
Haddam	4,652	4,486	166	3.6
Hartford	48,342	43,698	4,644	9.6
Hartland	1,190	1,141	49	4.1
Harwinton	3,092	2,962	130	4.2
Hebron	5,365	5,146	219	4.1
Lebanon	4,202	4,022	180	4.3
Manchester	31,428	29,949	1,479	4.7
Mansfield	12,543	12,090	453	3.6
Marlborough	3,511	3,374	137	3.9
Middlefield	2,376	2,265	111	4.7
Middletown	25,930	24,732	1,198	4.6
New Britain	34,435	31,934	2,501	7.3
New Hartford	3,703	3,550	153	4.1
Newington	16,411	15,702	709	4.3
Plainville	9,980	9,474	506	5.1
Plymouth	6,742	6,360	382	5.7
Portland	5,155	4,938	217	4.2
Rocky Hill	10,495	10,078	417	4.0
Simsbury	11,812	11,432	380	3.2
Southington	23,573	22,595	978	4.1
South Windsor	14,360	13,845	515	3.6
Stafford	6,714	6,390	324	4.8
Thomaston	4,623	4,331	292	6.3
Tolland	8,118	7,841	277	3.4
Union	458	446	12	2.6
Vernon	16,904	16,114	790	4.7
West Hartford	28,960	27,795	1,165	4.0
Wethersfield	13,319	12,691	628	4.7
Willington	3,864	3,714	150	3.9
Windsor	15,826	15,118	708	4.5

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

MARCH 2006

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**302,176**	**287,786**	**14,390**	**4.8**
Bethany	2,973	2,881	92	3.1
Branford	16,949	16,332	617	3.6
Cheshire	14,432	13,933	499	3.5
Chester	2,226	2,155	71	3.2
Clinton	7,798	7,485	313	4.0
Deep River	2,555	2,444	111	4.3
Durham	4,091	3,953	138	3.4
East Haven	15,767	14,999	768	4.9
Essex	3,736	3,594	142	3.8
Guilford	12,620	12,230	390	3.1
Hamden	30,268	28,957	1,311	4.3
Killingworth	3,497	3,378	119	3.4
Madison	9,822	9,545	277	2.8
Meriden	30,725	28,944	1,781	5.8
New Haven	54,257	50,555	3,702	6.8
North Branford	8,158	7,797	361	4.4
North Haven	12,680	12,186	494	3.9
Old Saybrook	5,366	5,152	214	4.0
Orange	6,980	6,729	251	3.6
Wallingford	24,666	23,607	1,059	4.3
Westbrook	3,581	3,446	135	3.8
West Haven	29,031	27,486	1,545	5.3
*NORWICH-NEW LONDON				
	134,879	**128,746**	**6,133**	**4.5**
Bozrah	1,463	1,385	78	5.3
Canterbury	3,113	2,951	162	5.2
East Lyme	9,514	9,159	355	3.7
Franklin	1,185	1,131	54	4.6
Griswold	6,971	6,605	366	5.3
Groton	19,132	18,271	861	4.5
Ledyard	8,397	8,095	302	3.6
Lisbon	2,527	2,427	100	4.0
Lyme	1,136	1,101	35	3.1
Montville	10,776	10,333	443	4.1
New London	13,483	12,685	798	5.9
No. Stonington	3,203	3,084	119	3.7
Norwich	20,371	19,238	1,133	5.6
Old Lyme	4,193	4,046	147	3.5
Preston	2,775	2,669	106	3.8
Salem	2,545	2,445	100	3.9
Sprague	1,802	1,676	126	7.0
Stonington	10,288	9,986	302	2.9
Voluntown	1,590	1,518	72	4.5
Waterford	10,412	9,939	473	4.5

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

NORWICH-NEW LONDON				
	148,209	**141,337**	**6,872**	**4.6**
Westerly, RI	13,330	12,591	739	5.5

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	**54,604**	**52,013**	**2,591**	**4.7**
Bethlehem	2,036	1,959	77	3.8
Canaan	616	586	30	4.9
Colebrook	831	807	24	2.9
Cornwall	837	803	34	4.1
Goshen	1,550	1,493	57	3.7
Kent	1,585	1,536	49	3.1
Litchfield	4,367	4,181	186	4.3
Morris	1,312	1,260	52	4.0
Norfolk	967	923	44	4.6
North Canaan	1,757	1,669	88	5.0
Roxbury	1,366	1,325	41	3.0
Salisbury	2,018	1,926	92	4.6
Sharon	1,561	1,515	46	2.9
Torrington	19,566	18,447	1,119	5.7
Warren	722	699	23	3.2
Washington	1,948	1,882	66	3.4
Winchester	6,075	5,707	368	6.1
Woodbury	5,487	5,294	193	3.5
WATERBURY	**100,310**	**93,997**	**6,313**	**6.3**
Beacon Falls	3,200	3,038	162	5.1
Middlebury	3,682	3,544	138	3.7
Naugatuck	17,065	16,068	997	5.8
Prospect	5,211	4,997	214	4.1
Waterbury	50,013	46,164	3,849	7.7
Watertown	12,267	11,706	561	4.6
Wolcott	8,873	8,480	393	4.4
WILLIMANTIC-DANIELSON				
	56,304	**53,072**	**3,232**	**5.7**
Brooklyn	3,781	3,589	192	5.1
Chaplin	1,394	1,322	72	5.2
Eastford	966	920	46	4.8
Hampton	1,141	1,075	66	5.8
Killingly	9,271	8,687	584	6.3
Plainfield	8,344	7,846	498	6.0
Pomfret	2,256	2,142	114	5.1
Putnam	5,058	4,771	287	5.7
Scotland	963	933	30	3.1
Sterling	1,917	1,808	109	5.7
Thompson	5,222	4,940	282	5.4
Windham	11,582	10,830	752	6.5
Woodstock	4,409	4,209	200	4.5

Not Seasonally Adjusted:				
CONNECTICUT	**1,821,300**	**1,734,300**	**87,000**	**4.8**
UNITED STATES	**150,027,000**	**142,772,000**	**7,255,000**	**4.8**
Seasonally Adjusted:				
CONNECTICUT	**1,831,600**	**1,746,700**	**84,900**	**4.6**
UNITED STATES	**150,652,000**	**143,641,000**	**7,011,000**	**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.

Town

HOUSING PERMIT ACTIVITY BY TOWN

TOWN	MAR 2006	YR TO DATE 2006	YR TO DATE 2005	TOWN	MAR 2006	YR TO DATE 2006	YR TO DATE 2005	TOWN	MAR 2006	YR TO DATE 2006	YR TO DATE 2005
Andover	0	1	1	Griswold	na	na	na	Preston	3	6	4
Ansonia	1	1	1	Groton	5	12	72	Prospect	na	na	na
Ashford	1	3	3	Guilford	5	18	10	Putnam	2	6	8
Avon	8	14	20	Haddam	4	15	7	Redding	na	na	na
Barkhamsted	na	na	na	Hamden	2	5	6	Ridgefield	4	10	6
Beacon Falls	na	na	na	Hampton	2	4	2	Rocky Hill	10	22	10
Berlin	6	13	9	Hartford	0	134	77	Roxbury	na	na	na
Bethany	na	na	na	Hartland	na	na	na	Salem	1	3	2
Bethel	1	4	3	Harwinton	5	9	4	Salisbury	na	na	na
Bethlehem	na	na	na	Hebron	na	na	na	Scotland	0	2	2
Bloomfield	na	na	na	Kent	0	2	3	Seymour	2	13	12
Bolton	1	4	1	Killingly	6	34	26	Sharon	0	0	1
Bozrah	3	6	3	Killingworth	na	na	na	Shelton	10	29	43
Branford	na	na	na	Lebanon	7	10	6	Sherman	na	na	na
Bridgeport	7	32	11	Ledyard	8	10	6	Simsbury	8	16	14
Bridgewater	na	na	na	Lisbon	1	2	3	Somers	1	7	8
Bristol	5	11	8	Litchfield	na	na	na	South Windsor	14	33	11
Brookfield	na	na	na	Lyme	1	2	2	Southbury	0	3	18
Brooklyn	3	9	9	Madison	1	11	5	Southington	14	24	27
Burlington	3	3	5	Manchester	10	24	41	Sprague	0	2	2
Canaan	0	0	0	Mansfield	9	17	13	Stafford	na	na	na
Canterbury	2	8	4	Marlborough	3	7	6	Stamford	12	32	24
Canton	7	9	19	Meriden	9	11	32	Sterling	na	na	na
Chaplin	2	4	3	Middlebury	na	na	na	Stonington	4	16	18
Cheshire	12	18	8	Middlefield	0	0	0	Stratford	6	10	4
Chester	na	na	na	Middletown	22	50	50	Suffield	2	6	18
Clinton	4	5	5	Milford	29	73	54	Thomaston	na	na	na
Colchester	14	23	10	Monroe	2	4	8	Thompson	na	na	na
Colebrook	0	0	1	Montville	0	5	11	Tolland	6	16	12
Columbia	2	4	5	Morris	0	0	1	Torrington	8	15	14
Cornwall	0	2	1	Naugatuck	8	16	15	Trumbull	42	46	7
Coventry	4	16	6	New Britain	na	na	na	Union	0	0	1
Cromwell	5	5	1	New Canaan	5	13	10	Vernon	21	48	44
Danbury	146	185	93	New Fairfield	na	na	na	Voluntown	1	3	2
Darien	na	na	na	New Hartford	3	6	12	Wallingford	8	13	35
Deep River	1	2	1	New Haven	1	16	4	Warren	1	2	2
Derby	na	na	na	New London	7	17	10	Washington	na	na	na
Durham	4	10	10	New Milford	6	13	16	Waterbury	19	37	18
East Granby	8	9	2	Newington	16	41	8	Waterford	0	5	6
East Haddam	7	9	11	Newtown	3	8	14	Watertown	5	16	11
East Hampton	9	13	34	Norfolk	0	0	0	West Hartford	10	52	1
East Hartford	na	na	na	North Branford	na	na	na	West Haven	na	na	na
East Haven	2	7	8	North Canaan	1	1	0	Westbrook	2	3	12
East Lyme	16	30	19	North Haven	0	2	112	Weston	na	na	na
East Windsor	5	11	25	North Stonington	0	3	5	Westport	9	22	25
Eastford	2	4	3	Norwalk	8	25	32	Wethersfield	na	na	na
Easton	0	1	1	Norwich	8	13	93	Willington	3	3	4
Ellington	10	24	11	Old Lyme	na	na	na	Wilton	na	na	na
Enfield	na	na	na	Old Saybrook	5	5	18	Winchester	1	3	8
Essex	0	1	0	Orange	na	na	na	Windham	1	4	19
Fairfield	9	29	30	Oxford	33	47	38	Windsor	na	na	na
Farmington	4	45	16	Plainfield	1	5	8	Windsor Locks	na	na	na
Franklin	0	0	1	Plainville	0	0	3	Wolcott	6	12	10
Glastonbury	13	43	15	Plymouth	4	7	2	Woodbridge	na	na	na
Goshen	4	9	7	Pomfret	0	3	2	Woodbury	2	3	7
Granby	7	11	16	Portland	1	11	9	Woodstock	6	11	14
Greenwich	20	51	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 signal-plus noise model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Beginning with the publication of January 2005 data, an improved methodology is being used to develop labor force estimates, by which monthly state model-based employment and unemployment estimates are controlled to add to the national CPS levels. This will ensure that national economic events are reflected in the state estimates, and it will significantly reduce end-of-year revisions. (For more information, please see the Connecticut Economic Digest, December 2004 issue.) Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

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

LEADING AND COINCIDENT EMPLOYMENT INDICES
The leading employment index is a composite of six individual largely employment-related series -- the average workweek of manufacturing production and construction workers, Hartford help-wanted advertising index, short-duration (less than 15 weeks) unemployment rate, initial claims for unemployment insurance, total housing permits, and Moody's BAA corporate bond yield. While not employment-sector variables, housing permits are closely related to construction employment and the corporate bond yield adds important information about the movement in interest rates. The coincident employment index is a composite indicator of four individual employment-related series -- the total unemployment rate, nonfarm employment (employer survey), total employment (state residents employed measured by a household survey), and the insured unemployment rate. All data are seasonally adjusted and come from the Connecticut Labor Department, the Federal Reserve Bank of Boston, and the Board of Governors of the Federal Reserve System.

NONFARM EMPLOYMENT ESTIMATES
Nonfarm employment estimates are derived from a survey of businesses to measure *jobs* by industry. The estimates include all full- and part-time wage and salary employees who worked during or received pay for the pay period which includes the 12th of the month. Excluded from these estimates are proprietors, self-employed workers, private household employees and unpaid family workers. In some cases, due to space constraints, all industry estimates are not shown. Call (860) 263-6275 for a more comprehensive breakout of nonfarm employment estimates. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

UI COVERED WAGES
UI covered wages is the total amount paid to those employees who are covered under the Connecticut's Unemployment Insurance (UI) law for services performed during the quarter. The fluctuations in the 1992-93 period reflect the effect of the changes in the tax law and the massive restructuring in the state's economy.

ECONOMIC INDICATORS AT A GLANCE

(Percent change from prior year; see pages 5-8 for reference months or quarters)

Leading Employment Index	**+1.5**
Coincident Employment Index	**+1.6**
Leading General Drift Indicator	**+0.8**
Coincident General Drift Indicator	**+0.1**
Banknorth Business Barometer	**+0.5**
Total Nonfarm Employment	**+0.6**
Unemployment Rate	**-0.5**
Labor Force	+0.9
Employed	+1.4
Unemployed	-7.5
Average Weekly Initial Claims	**-8.3**
Help Wanted Index -- Hartford	**0.0**
Avg Insured Unempl. Rate	**-0.28***
Average Weekly Hours, Mfg	**0.0**
Average Hourly Earnings, Mfg	**+3.7**
Average Weekly Earnings, Mfg	**+3.7**
CT Mfg. Production Index	**-2.5**
Production Worker Hours	-5.3
Industrial Electricity Sales	-3.8
Personal Income	**+4.3**
UI Covered Wages	**+3.3**

Business Activity	
New Housing Permits	+8.4
Electricity Sales	-6.4
Retail Sales	-0.6
Construction Contracts Index	+23.6
New Auto Registrations	-0.9
Air Cargo Tons	+6.7
Exports	+17.5
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	**+3.8**
Corporate Tax	+19.8
Personal Income Tax	+14.0
Real Estate Conveyance Tax	-1.4
Sales & Use Tax	+3.2
Indian Gaming Payments	+4.6

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

Tourism and Travel	
Info Center Visitors	-38.9
Attraction Visitors	+3.6
Air Passenger Count	-1.0
Indian Gaming Slots	+2.0
Travel and Tourism Index	+1.6
Employment Cost Index (U.S.)	
Total	+2.6
Wages & Salaries	+2.4
Benefit Costs	+3.0
Consumer Prices	
U.S. City Average	+3.4
Northeast Region	+3.3
NY-NJ-Long Island	+2.7
Boston-Brockton-Nashua	+3.3
Consumer Confidence	
Connecticut	NA
New England	NA
U.S.	NA
Interest Rates	
Prime	+1.95*
Conventional Mortgage	+0.39*

THE CONNECTICUT ECONOMIC DIGEST

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

Opportunity • Guidance • Support
CONNECTICUT DEPARTMENT OF LABOR

DECD

Mailing address:

Connecticut Economic Digest
Connecticut Department of Labor
Office of Research
200 Folly Brook Boulevard
Wethersfield, CT 06109-1114

The Connecticut Economic Digest is available on the internet at:
http://www.ctdol.state.ct.us/lmi

We would appreciate your input:

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

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

❑ If you wish to have your name removed from our mailing list, please check here and return this page (or a photocopy) to the address at left.

❑ If your address has changed, please check here, make the necessary changes to your address label and return this page to the address at left.

❑ If you receive more than one copy of this publication, please check here and return this page from the duplicate copy to the address at left.