THE CONNECTICUT
ECONOMIC DIGEST

Vol.10 No.9 A joint publication of the Connecticut Department of Labor & the Connecticut Department of Economic and Community Development

SEPTEMBER 2005

IN THIS ISSUE...

In July...

Nonfarm Employment
- Connecticut 1,671,100
  - Change over month 0.05%
  - Change over year 1.2%
- United States 133,786,000
  - Change over month 0.15%
  - Change over year 1.7%

Unemployment Rate
- Connecticut 5.1%
- United States 5.0%

Consumer Price Index
- United States 195.4
  - Change over year 3.2%

Is There a Housing Bubble?

By Kolie Sun, Senior Research Analyst, DECD

Is there a housing bubble? If so, when will it burst? These are the two most prevalent questions about today's housing market. And while there is speculation about these issues, one thing is clear: Connecticut's housing market continues to expand. This article will examine the State's housing results for 2004 and what they mean, including perspectives on production, sales, and pricing, as well as supply and demand.

Housing Production

According to recently released and revised 2004 data from the Bureau of the Census, Connecticut's cities and towns authorized 11,837 new housing units, the highest level since 1998 and second highest in 15 years. This level of production represented an increase of 13.4 percent from 2003, and 21.6 percent from 2002 (see Table 1).

New Haven County authorized the most new housing units with 2,534, followed by Fairfield County with 2,495, Hartford County with 2,389, and New London County with 1,348. The four counties combined accounted for 74 percent of the new housing market in 2004.

Last year, more than 78 percent of new permit applications were for single-family homes (six percentage points below the average of 84 percent for the previous ten-year period). Among counties, Litchfield County had the largest share of single-family homes among its applications with 98.6 percent of the total new permits for single-family homes. Windham County ranked second with 95.6 percent. By comparison, New Haven County had the smallest share with 69 percent.

Effect of Demolitions on Inventory

Demolition data is an essential component to determining the net gain to the housing inventory, defined as existing units (as counted by the 2000 Census), plus new production, minus demolitions. The Department of Economic and Community Development's survey found 1,729 demolition permits from cities and towns in 2004. Thus, the net gain was 10,108 units and that

Table 1

	1998	1999	2000	2001	2002	2003	2004	2003-04	2002-04
Connecticut	11,863	10,637	9,376	9,290	9,731	10,435	11,837	13.4%	21.6%
Fairfield	2,978	2,343	2,278	2,220	1,879	1,964	2,495	27.0%	32.8%
Hartford	2,790	2,182	1,705	2,026	2,284	2,585	2,389	-7.6%	4.6%
Litchfield	774	846	725	764	807	732	810	10.7%	0.4%
Middlesex	899	869	867	799	820	821	963	17.3%	17.4%
New Haven	2,301	2,334	1,918	1,586	1,701	1,826	2,534	38.8%	49.0%
New London	972	879	814	782	956	1,222	1,348	10.3%	41.0%
Tolland	714	792	693	679	742	731	706	-3.4%	-4.9%
Windham	435	392	376	434	542	554	592	6.9%	9.2%

Data Source: Bureau of Census

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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.

Table 2 — 2004 Demolitions by Ranking

Towns	County	Total	1 Unit	2 Unit	3/4 Unit	5+ Unit	Rank
State		1,729	1,095	118	64	452	
New Haven	New Haven	284	16	18	19	231	1
Stamford	Fairfield	203	42	16	0	145	2
Greenwich	Fairfield	160	153	4	3	0	3
Westport	Fairfield	112	112	0	0	0	4
New Canaan	Fairfield	81	81	0	0	0	5
New Britain	Hartford	69	3	18	6	42	6
Fairfield	Fairfield	63	61	2	0	0	7
Darien	Fairfield	43	43	0	0	0	8
Norwalk	Fairfield	35	35	0	0	0	9
Waterbury	New Haven	32	5	12	15	0	10

Data Source: DECD

brought the housing inventory to an estimated 1,421,070 units in 2004. Of these, 918,190 are single-family houses and 502,880 are multi-family dwellings such as apartments or condominium units. The data suggests that the State's housing stock split between single and multi-family units is 65/35 percent.

In many Connecticut communities, stringent zoning regulations and limited land space contribute to a tighter housing market. In Fairfield County more than the rest of the State, as suggested by the demolition data, homeowners and developers tear down existing houses and build bigger homes with many amenities. Almost half of the units demolished were in Fairfield County, more than a quarter were in New Haven County, and Hartford County registered 12 percent of the total units demolished. Table 2 shows that seven of the top ten municipalities, as measured by number of demolitions, are located in Fairfield County.

Home Sales and Prices

Home sales in Connecticut continued to be strong in 2004. Although the Federal Reserve raised interest rates a few times, and mortgage rates reacted upwards, this did not appear to dampen the housing buying market. As for existing home sales, Connecticut's rate of sales was much higher than in other states in the U.S. and New England. The State's average growth rate on home sales stood at 1.9 percent annually, more than twice that of the national rate of 0.7 percent between 2000 and 2004, according to data appearing in New England Economic Indicators, published by the Federal Reserve Bank of Boston. For the New England region as a whole, home sales grew at a more moderate pace of 1.4 percent during the same period.

Evidence of Connecticut's robust housing market is apparent in the rapidly rising median home sales prices. The State median selling price increased 15.8 percent to $219,900 in 2004, making it the third consecutive year of double-digit increases as sellers tried to capitalize on a strong market. All eight counties posted double-digit median home sales price increases over the year. Middlesex County experienced price increases of 19.0 percent to $225,000 in 2004 from just a year ago, the largest percentage increase among all counties. Fairfield County was not too far behind with gains of 17.5 percent, and Litchfield County enjoyed a 16.1 percent price appreciation. Hartford County showed slower growth of 12.1 percent in comparison to the statewide average.

Supply and Demand

The number of new housing permits authorized is a lead

--Continued on page 5--

OCCUPATION PROFILE

PERSONAL FINANCIAL ADVISORS

By Michael H. Zotos, Ed.D., Associate Research Analyst, DOL

Introduction

Among the fastest growing occupations in Connecticut is that of Personal Financial Advisors. For the ten year period 2002 to 2012, employment will jump by 48.5 percent according to the Connecticut Department of Labor. The only other occupation growing as rapidly is Personal and Home Care Aides. According to the Bureau of Labor Statistics, at the national level the rate of growth is 36 percent for the same ten year period. These very strong growth rates are occurring due to an aging population that is in need of reliable financial planning assistance. Almost 80 million baby boomers are nearing retirement and will be concerned with preserving their savings and ensuring adequate income as they approach the sunset years of their lives. Given these financial concerns, there will be growing opportunities for financial advisors to assist those who need advisement and guidance in this area.

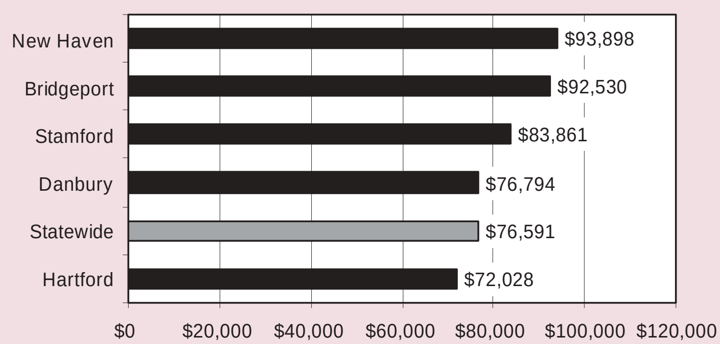
What do they do?

Personal financial advisors advise clients on financial plans utilizing knowledge of tax and investment strategies, securities, insurance, pension plans, and real estate. Duties include assessing clients'assets, liabilities, cash flow, insurance coverage, tax status, and financial objectives to establish investment strategies.

Effective financial programs require planning, design, and implementation. In the world of personal finance, all funds are intertwined. Cash flow, investments, taxes, etc. all interact and influence each other. A financial advisor is professionally trained to examine financial records, present an individual's financial condition, and design both present and future plans for action.

Personal financial advisors may work independently or may be employed in the banking, investment or other financial related industries. One of the greatest challenges of this occupation is building a customer base. Clients are often identified and pursued through analyses of individual databases, telemarketing, referral, and advertising. Seminars and small group sessions are held as a sales promotion type of activity.

Median Annual Wage for Personal Financial Advisors by Selected Labor Market Area, 2004



Potential customers are contacted through employment groups and direct advertisement. Topics on retirement, estate planning, tax consulting, and investments are often featured at these sessions.

Education and Training

According to the United States Department of Labor, there were approximately 126,000 personal financial advisors in the United States in 2002. Connecticut estimated employment in this category of work in the year 2002 was 2,490. With regard to education and training, a college degree is highly recommended in this field. In order to advance in this profession, advanced training in accounting and finance is helpful and probably required. A high level of interpersonal skills is necessary since meetings with clients require an understanding of how to interpret data and results effectively. Although a license is not required to perform the duties of a personal financial advisor, a certificate such as the CFP or Certified Financial Planner credential is recommended in order to enhance the credentials of an advisor. One college in Connecticut that offers a certificate program for Personal Financial Planning is Manchester Community College. Courses include Personal Financial Planning, Risk Management, Investment Management, Tax Planning, Retirement and Estate Planning.

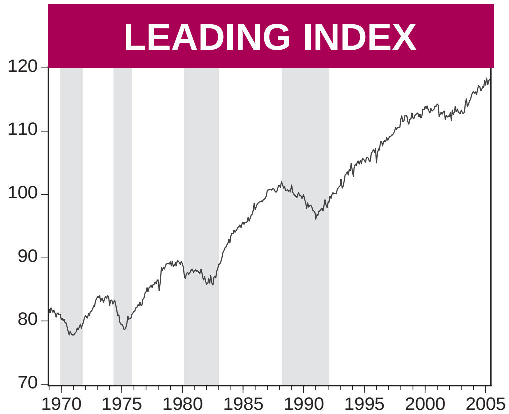
Earnings

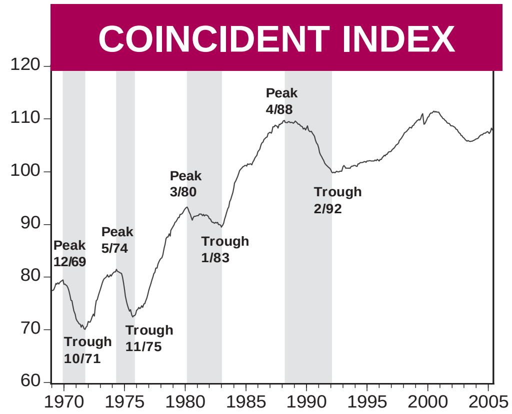
Personal financial planners in Connecticut earn a median annual wage of $76,591, but their earnings can vary widely from approximately $40,000 to more than $145,000 annually. Financial planners working in New Haven, Bridgeport, Stamford, Danbury, and Hartford areas have median earnings above $72,000 per year (see chart).

Employment Outlook

According to the March 21, 2005 issue of Fortune Magazine, personal financial advisor is listed as one of the "Hot Careers for the Next 10 Years." This profession ranked third of twenty of the fastest-growing professional jobs that were identified.

In Connecticut, there are estimated to be 153 jobs available annually through 2012. As the economy in Connecticut moves towards an expansion mode, there will be a more pronounced need for personal financial advisors. ■





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.

Progress in the First Half of this Year Was Modest

Once again, as expected, the FOMC at its meeting on August 9, raised the target Federal Funds rate by another 25 basis points to 3.5 percent. The statement released by the FOMC after the meeting leaves no doubt that this "measured" increase in the Federal Funds rate will continue. Meanwhile, real GDP growth for the second quarter came in below expectations but nevertheless the economy grew at a robust 3.4 percent annual rate, somewhat lower than the 3.8 percent annual rate for the first quarter. The chained GDP deflator, on the other hand, came in below expectations for the second quarter at an annual rate of 2.4 percent, despite record-setting energy prices. Thus, the report card for the U.S. economy at the midpoint of 2005 is one of healthy growth and tamed inflation.

June 2005 was a relatively good month for the Connecticut economy. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 107.24 in June 2004 to 107.86 in June 2005. Two components of this index are positive contributors, with a lower insured unemployment rate, and higher total non-farm employment. A higher total unemployment rate and lower total employment are the two negative contributors. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index fell slightly from 107.862 in May 2005 to 107.857 in June 2005. Three components contributed positively to this index, with a lower insured unemployment rate, a drop in the total unemployment rate from 5.3 percent in May to 5.1 percent, and higher total non-farm employment. The only negative contributor is lower total employment.

The revised CCEA-ECRI Connecticut leading employment index provided us with positive news as well. It rose from 117.20 in June 2004 to 118.66 in June 2005. Four components of this index are positive contributors, with a lower Moody's Baa corporate bond yield, lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in both manufacturing and construction. A decrease in total housing permits and a lower Hartford help-wanted advertising index are the two negative contributors. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose from 118.23 in May 2005 to 118.66 in June 2005. Three of the six components are positive contributors, with a lower Moody's Baa corporate bond yield, a higher Hartford help-wanted advertising index, and an increase in the average weekly hours worked in manufacturing and construction. A decrease in the number of total housing permits, an increase in initial claims for unemployment insurance, and a higher short duration (less than 15 weeks) unemployment rate, are the three negative contributors to this index.

Connecticut's economy has made some modest progress since the beginning of the year. Since January, the total unemployment rate has gone up from 4.7 percent to 5.1 percent, while short duration unemployment rate (less than 15 weeks) has gone down from 1.63 percent to 1.52 percent. Total employment and total non-farm employment both increased by approximately 10,000. The average total non-farm employment for the first six months of this year is higher than the average for 2004. On the other hand, average total employment for the first six months of 2005 is lower than that for 2004. While we have made some modest progress since the beginning of 2005, the employment picture is rather mixed when compared to last year. Finally, the Base Realignment and Closure Commission (BRAC) will make its final recommendations in September. At that time, we will know the fate of the Groton submarine base. At this time, we can only hope for the best.

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

--Continued from page 2--

indicator in determining housing supply. In Connecticut during the 1980s, the oversupply of new housing units was one of the reasons that led to the real estate crash. Table 3 shows that, between 2000 and 2004, new permits grew at six percent annually, less than half as much the increase from 1980 to 1984. This indicates that the housing supply is at an adequate/moderate level. Today, oversupply is not an issue in our State.

Is Connecticut Experiencing a Housing Boom?

The Federal Deposit Insurance Corporation defines a housing boom market as one in which *inflation adjusted prices* for homes rise by 30 percent or more in a three-year period. Overall, though impressive by state historical growth rates, the rise in Connecticut housing prices is nowhere near the definition of a boom market.

Table 3

Year	# permits	Growth Rate
1980	12,975	
1981	12,836	
1982	13,682	
1983	18,910	
1984	21,369	13.3%
...	...	
2000	9,376	
2001	9,290	
2002	9,731	
2003	10,435	
2004	11,837	6.0%

Data Source: DECD

Housing Size/Mortgages

As baby boomers and affluent young buyers seek "better" and more spacious living arrangements than their parents' generation, single family homes are getting bigger and, due to the ever-increasing cost of raw materials, labor and land, more expensive to own. Many new homes are equipped with "luxury" features such as larger rooms, crown molding, spas, kitchens with granite counter tops, stainless steel appliances, high ceilings, pools and fitness rooms. American Community Survey data indicated that 12.7 percent of households surveyed reported home values worth more than a half million dollars in 2003, compared with 7.1 percent in the 2000 Census.

As a result, in Connecticut an estimated 163,000 homeowners are making mortgage payments of $2,000 or more each month, a 45 percent increase from 113,000 homeowners in 2000. Households with $2,000 or more in monthly mortgage payments accounted for 30 percent of homeowners, compared to approximately 22 percent in 2000. Median mortgage payments increased from $473 per month to $533.

Conclusion

Current production, sales, pricing, and supply/demand confirm that housing market conditions in Connecticut remain strong. Due to low mortgage rates, home value appreciation, and a rising demand for second homes and vacation properties, the outlook is still positive. Even on the national level, Federal Reserve Chairman Greenspan has described the trend as "froth" instead of a "bubble." The lone indicator, if any - that the strong market trend might slow down at all - is Chairman Greenspan's more recent statement that since the economy is healthy, higher interest rates may be ahead. Ultimately, higher mortgage rates should slow *all* housing markets. Until that time, Connecticut's housing market will continue its current strong expansion. All indications are that this growth can and will be sustained and therefore there is no "bubble." ■

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	2Q 2005	2Q 2004	CHANGE NO.	CHANGE %	1Q 2005
Employment Indexes (1992=100)*					
Leading	118.3	116.6	1.7	1.5	117.7
Coincident	108.0	107.0	1.0	0.9	107.4
General Drift Indicator (1986=100)*					
Leading	103.5	102.9	0.6	0.6	103.9
Coincident	103.2	101.9	1.3	1.3	103.1
Banknorth Business Barometer (1992=100)**	117.1	114.4	2.7	2.4	116.9

*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)	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM	1671.1	1,650.7	20.4	1.2	1,670.3
Construction	71.4	65.8	5.6	8.5	71.1
Manufacturing	197.4	198.1	-0.7	-0.4	197.9
Trade, Transportation and Utilities	316.0	308.9	7.1	2.3	314.0
Information	39.1	39.1	0.0	0.0	39.4
Financial Activities	141.1	140.6	0.5	0.4	141.2
Professional and Business Services	199.6	198.2	1.4	0.7	197.8
Leisure and Hospitality	131.6	127.1	4.5	3.5	131.6
Government*	241.9	241.7	0.2	0.1	242.2

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 rose from a year ago.

UNEMPLOYMENT

(Seasonally adjusted)	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
Unemployment Rate, resident (%)	5.1	4.8	0.3	---	5.1
Labor Force, resident (000s)	1,801.6	1,796.8	4.8	0.3	1,800.5
Employed (000s)	1,709.3	1,710.2	-0.9	0.0	1,708.6
Unemployed (000s)	92.3	86.7	5.6	6.5	92.0
Average Weekly Initial Claims	4,197	4,033	163	4.1	3,971
Help Wanted Index -- Htfd. (1987=100)	6	10	-4	-40.0	8
Avg. Insured Unemp. Rate (%)	2.59	2.85	-0.26	---	2.46

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

(Not seasonally adjusted)	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005	MAY 2005
Average Weekly Hours	42.1	41.4	0.7	1.7	42.5	--
Average Hourly Earnings	18.78	18.27	0.51	2.8	18.68	--
Average Weekly Earnings	790.64	756.38	34.26	4.5	793.90	--
CT Mfg. Production Index (1986=100)*	120.5	131.1	-10.6	-8.1	119.2	117.2
Production Worker Hours (000s)	4,962	4,858	104	2.1	5,099	--
Industrial Electricity Sales (mil kWh)**	452	534	-81.8	-15.3	454	428

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

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

INCOME

(Seasonally adjusted) (Annualized; $ Millions)	4Q* 2005	4Q 2004	CHANGE NO.	CHANGE %	3Q* 2005
Personal Income	$167,975	$163,330	$4,645	2.8	$166,150
UI Covered Wages	$85,274	$84,948	$326	0.4	$85,196

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

BUSINESS ACTIVITY

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Electricity Sales (mil kWh)	MAY 2005	2,370	-2.2	12,947	13,065	-0.9
Retail Sales (Bil. $)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts Index (1980=100)	JUL 2005	447.5	-22.5	---	---	---
New Auto Registrations	JUL 2005	22,588	21.2	132,577	136,144	-2.6
Air Cargo Tons	JUL 2005	12,892	0.7	90,718	87,871	3.2
Exports (Bil. $)	2Q 2005	2.35	8.3	4.66	4.33	7.6

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

New auto registrations increased from a year ago.

BUSINESS STARTS AND TERMINATIONS

	MO/QTR	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
STARTS						
Secretary of the State	JUL 2005	2,244	-1.7	18,079	17,548	3.0
Department of Labor*	4Q 2004	1,863	5.7	9,155	8,695	5.3
TERMINATIONS						
Secretary of the State	JUL 2005	601	0.8	5,032	5,241	-4.0
Department of Labor*	4Q 2004	2,329	-23.3	7,197	8,577	-16.1

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

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

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

STATE REVENUES

(Millions of dollars)	JUL 2005	JUL 2004	% CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
TOTAL ALL REVENUES*	NA	NA	NA	NA	NA	NA
Corporate Tax	NA	NA	NA	NA	NA	NA
Personal Income Tax	NA	NA	NA	NA	NA	NA
Real Estate Conv. Tax	NA	NA	NA	NA	NA	NA
Sales & Use Tax	NA	NA	NA	NA	NA	NA
Indian Gaming Payments**	40.1	39.0	2.7	245.7	238.2	3.1

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.*

Gaming payments were up from a year ago.

TOURISM AND TRAVEL

	MONTH	LEVEL	Y/Y % CHG	YEAR TO DATE CURRENT	PRIOR	% CHG
Info Center Visitors	JUL 2005	61,102	-12.4	201,133	223,343	-9.9
Major Attraction Visitors	JUL 2005	267,030	-7.8	996,419	1,079,427	-7.7
Air Passenger Count	JUL 2005	674,287	10.6	4,321,018	3,864,070	11.8
Indian Gaming Slots (Mil.$)*	JUL 2005	1,878	-2.5	11,473	11,723	-2.1
Travel and Tourism Index**	2Q 2005	---	5.9	---	---	---

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*

Gaming slots fell over the year.

Compensation cost for the nation rose 3.2 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers *(June 1989=100)*	Seasonally Adjusted JUN 2005	MAR 2005	3-Mo % Chg	Not Seasonally Adjusted JUN 2005	JUN 2004	12-Mo % Chg
UNITED STATES TOTAL	178.4	177.3	0.6	178.5	173.0	3.2
Wages and Salaries	168.4	167.4	0.6	168.4	164.5	2.4
Benefit Costs	203.6	202.0	0.8	204.9	195.3	4.9
NORTHEAST TOTAL	---	---	---	177.6	172.3	3.1
Wages and Salaries	---	---	---	167.3	163.6	2.3

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

U.S. inflation rate increased 3.2 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	JUL 2005	195.4	3.2	0.5
Purchasing Power of $ (1982-84=$1.00)	JUL 2005	$0.512	-3.1	-0.5
Northeast Region	JUL 2005	207.9	3.4	0.8
NY-Northern NJ-Long Island	JUL 2005	212.5	3.4	0.9
Boston-Brockton-Nashua**	JUL 2005	217.2	4.0	1.2
CPI-W (1982-84=100)				
U.S. City Average	JUL 2005	191.0	3.3	0.5
CONSUMER CONFIDENCE (1985=100)				
Connecticut***	2Q 2005	87.2	-17.3	4.8
New England	JUL 2005	79.4	-21.7	-18.2
U.S.	JUL 2005	103.2	-2.4	-2.8

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*

30-year conventional mortgage rate rose to 5.70 percent over the month.

INTEREST RATES

(Percent)	JUL 2005	JUN 2005	JUL 2004
Prime	6.25	6.01	4.25
Federal Funds	3.26	3.04	1.26
3 Month Treasury Bill	3.29	3.04	1.36
6 Month Treasury Bill	3.53	3.22	1.70
1 Year Treasury Bill	3.64	3.36	2.10
3 Year Treasury Note	3.91	3.69	3.05
5 Year Treasury Note	3.98	3.77	3.69
7 Year Treasury Note	4.06	3.86	4.11
10 Year Treasury Note	4.18	4.00	4.50
20 Year Treasury Note	4.48	4.35	5.24
Conventional Mortgage	5.70	5.58	6.06

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

(Seasonally adjusted; 000s)	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
Connecticut	1,671.1	1,650.7	20.4	1.2	1,670.3
Maine	618.4	613.7	4.7	0.8	618.5
Massachusetts	3,215.4	3,186.6	28.8	0.9	3,205.9
New Hampshire	640.1	627.8	12.3	2.0	637.6
New Jersey	4,053.8	4,005.2	48.6	1.2	4,056.9
New York	8,526.8	8,455.0	71.8	0.8	8,526.4
Pennsylvania	5,705.6	5,653.0	52.6	0.9	5,703.7
Rhode Island	496.2	489.8	6.4	1.3	495.2
Vermont	308.3	303.4	4.9	1.6	308.5
United States	133,786.0	131,562.0	2,224.0	1.7	133,579.0

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

LABOR FORCE

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

(Seasonally adjusted; 000s)	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
Connecticut	1,801.6	1,796.8	4.8	0.3	1,800.5
Maine	710.4	699.1	11.3	1.6	707.0
Massachusetts	3,377.2	3,392.8	-15.6	-0.5	3,367.4
New Hampshire	734.7	723.7	11.0	1.5	733.7
New Jersey	4,434.5	4,394.2	40.3	0.9	4,415.3
New York	9,397.2	9,359.4	37.8	0.4	9,366.7
Pennsylvania	6,312.1	6,281.1	31.0	0.5	6,286.7
Rhode Island	570.8	563.9	6.9	1.2	569.0
Vermont	352.3	353.4	-1.1	-0.3	351.9
United States	149,573.0	147,823.0	1,750.0	1.2	149,123.0

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

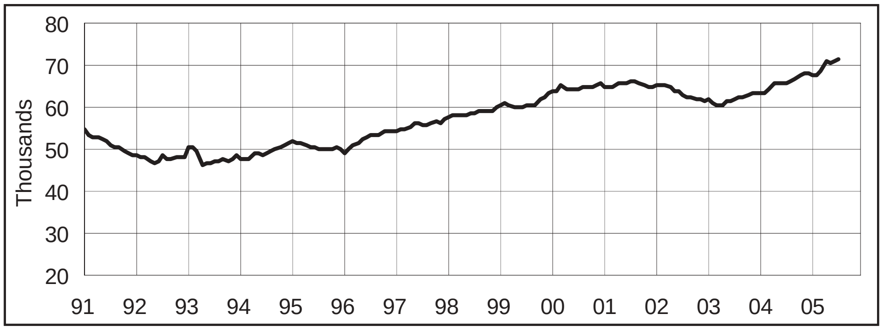
UNEMPLOYMENT RATES

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

(Seasonally adjusted)	JUL 2005	JUL 2004	CHANGE	JUN 2005
Connecticut	5.1	4.8	0.3	5.1
Maine	5.0	4.5	0.5	4.7
Massachusetts	4.7	5.1	-0.4	4.7
New Hampshire	3.6	3.8	-0.2	3.5
New Jersey	4.1	4.8	-0.7	4.0
New York	5.1	5.7	-0.6	4.9
Pennsylvania	5.1	5.5	-0.4	5.0
Rhode Island	5.1	5.1	0.0	4.8
Vermont	3.6	3.5	0.1	3.4
United States	5.0	5.5	-0.5	5.0

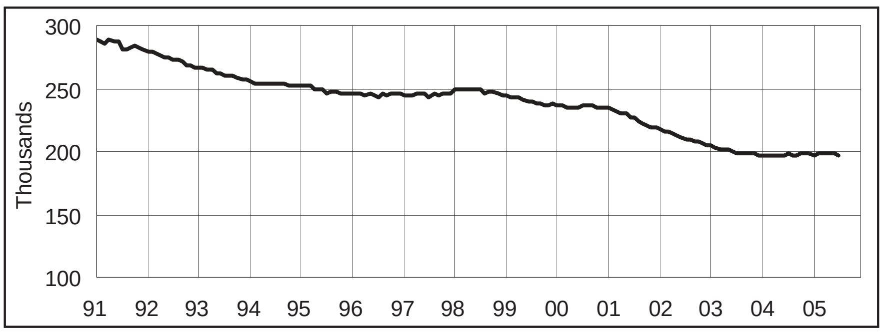
Source: U.S. Department of Labor, Bureau of Labor Statistics

CONSTRUCTION EMPLOYMENT *(Seasonally adjusted)*



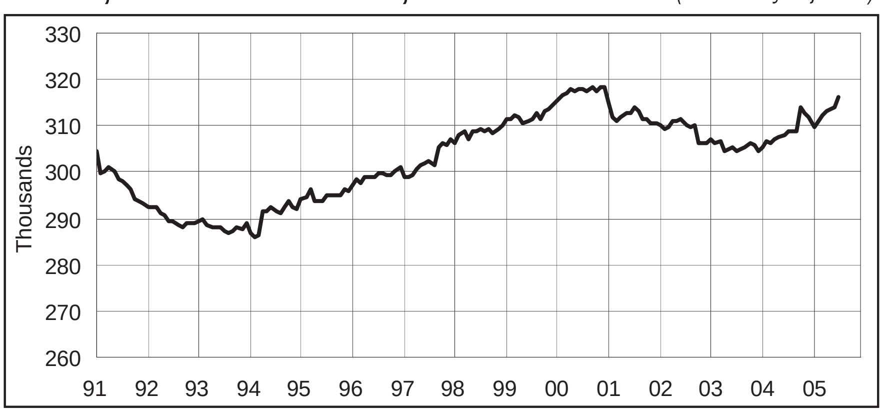
Month	2003	2004	2005
Jan	62.0	63.4	67.5
Feb	61.0	63.2	67.7
Mar	60.7	64.2	68.8
Apr	60.5	65.6	70.8
May	61.3	65.6	70.6
Jun	61.2	65.8	71.1
Jul	62.1	65.8	71.4
Aug	62.3	66.1	
Sep	62.4	66.5	
Oct	63.0	67.6	
Nov	63.3	68.1	
Dec	63.3	68.1	

MANUFACTURING EMPLOYMENT *(Seasonally adjusted)*



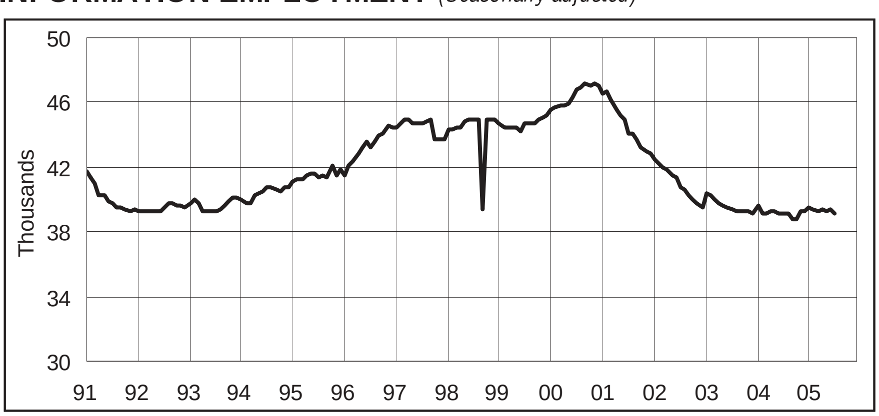
Month	2003	2004	2005
Jan	204.5	197.3	197.6
Feb	203.2	197.2	198.9
Mar	202.2	197.3	198.9
Apr	201.6	197.5	198.7
May	200.9	197.4	198.2
Jun	200.0	197.5	197.9
Jul	199.1	198.1	197.4
Aug	198.4	197.3	
Sep	197.7	197.0	
Oct	197.9	197.7	
Nov	197.7	197.7	
Dec	197.3	197.9	

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



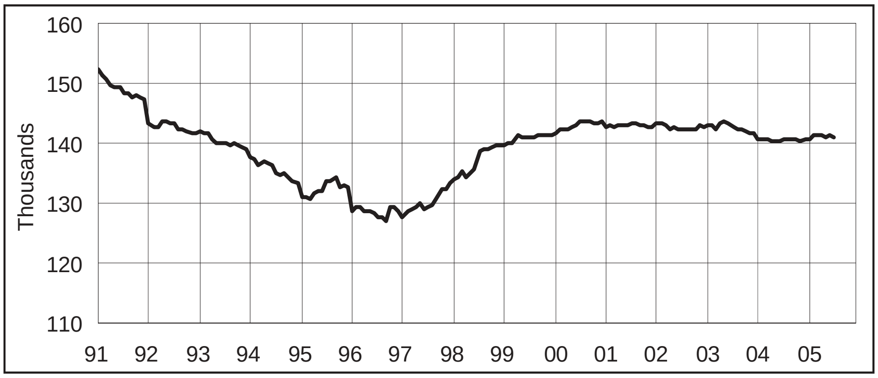
Month	2003	2004	2005
Jan	306.9	305.5	309.7
Feb	306.4	306.5	310.8
Mar	306.7	306.4	312.1
Apr	304.5	307.0	313.1
May	305.1	307.6	313.5
Jun	305.4	308.0	314.0
Jul	304.6	308.9	316.0
Aug	304.8	308.7	
Sep	305.4	308.9	
Oct	306.4	313.8	
Nov	305.6	312.9	
Dec	304.3	311.7	

INFORMATION EMPLOYMENT *(Seasonally adjusted)*



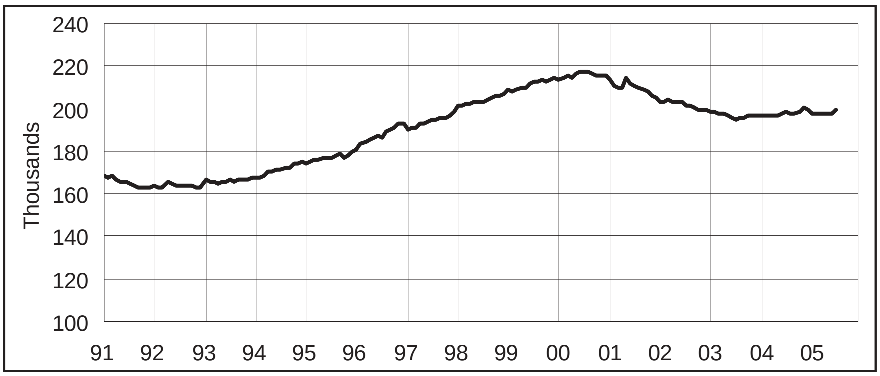
Month	2003	2004	2005
Jan	40.4	39.6	39.5
Feb	40.2	39.1	39.4
Mar	40.0	39.1	39.3
Apr	39.8	39.2	39.4
May	39.6	39.2	39.3
Jun	39.5	39.1	39.4
Jul	39.4	39.1	39.1
Aug	39.3	39.1	
Sep	39.2	38.8	
Oct	39.2	38.8	
Nov	39.2	39.2	
Dec	39.1	39.3	

FINANCIAL ACTIVITIES EMPLOYMENT *(Seasonally adjusted)*



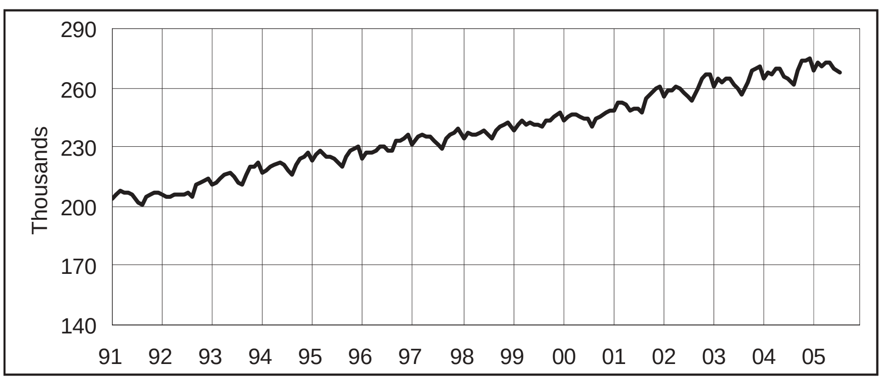
Month	2003	2004	2005
Jan	143.1	140.8	140.7
Feb	142.9	140.8	141.2
Mar	142.5	140.6	141.3
Apr	143.4	140.5	141.3
May	143.7	140.4	141.1
Jun	143.5	140.5	141.2
Jul	142.7	140.6	141.1
Aug	142.5	140.6	
Sep	142.3	140.7	
Oct	142.1	140.8	
Nov	141.7	140.4	
Dec	141.6	140.8	

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



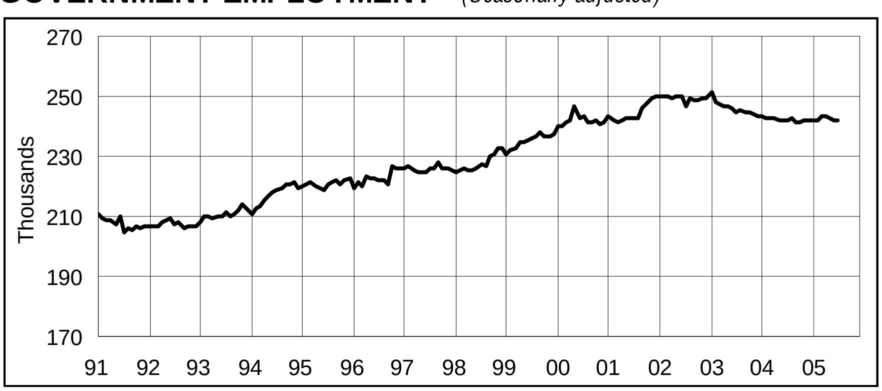
Month	2003	2004	2005
Jan	199.1	196.6	197.8
Feb	198.9	196.6	198.1
Mar	197.8	196.7	198.0
Apr	197.3	196.9	197.9
May	196.6	197.1	197.6
Jun	195.6	197.6	197.8
Jul	195.3	198.2	199.6
Aug	195.4	198.0	
Sep	195.6	198.0	
Oct	196.4	199.0	
Nov	196.9	200.1	
Dec	196.5	199.5	

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



Month	2003	2004	2005
Jan	261.1	264.4	268.7
Feb	264.3	268.2	272.7
Mar	263.0	267.0	271.1
Apr	265.1	269.5	273.1
May	264.6	269.8	272.6
Jun	261.4	266.0	269.5
Jul	260.0	264.5	268.1
Aug	257.0	261.5	
Sep	262.4	268.3	
Oct	268.5	273.5	
Nov	270.0	274.1	
Dec	270.3	274.3	

GOVERNMENT EMPLOYMENT* *(Seasonally adjusted)*



Includes Indian tribal government employment

Month	2003	2004	2005
Jan	251.3	243.1	242.3
Feb	247.9	242.7	242.0
Mar	247.3	242.9	243.4
Apr	246.4	243.0	243.1
May	246.6	242.1	242.4
Jun	246.0	241.9	242.2
Jul	244.6	241.7	241.9
Aug	245.3	243.0	
Sep	244.6	241.6	
Oct	244.6	241.2	
Nov	244.0	241.8	
Dec	243.2	242.0	

NONFARM EMPLOYMENT ESTIMATES

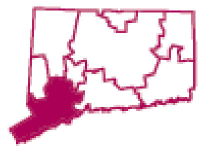
CONNECTICUT

Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**1,665,800**	**1,644,400**	**21,400**	**1.3**	**1,687,300**
GOODS PRODUCING INDUSTRIES	**272,600**	**267,200**	**5,400**	**2.0**	**273,300**
CONSTRUCTION, NAT. RES. & MINING	**76,100**	**70,500**	**5,600**	**7.9**	**74,900**
MANUFACTURING	**196,500**	**196,700**	**-200**	**-0.1**	**198,400**
Durable Goods	**146,700**	**146,300**	**400**	**0.3**	**147,700**
Fabricated Metal	33,700	33,700	0	0.0	34,000
Machinery	18,500	18,700	-200	-1.1	18,600
Computer and Electronic Product	15,200	15,400	-200	-1.3	15,300
Electrical Equipment	10,400	10,200	200	2.0	10,400
Transportation Equipment	43,500	43,400	100	0.2	43,700
Aerospace Product and Parts	30,100	30,100	0	0.0	30,300
Non-Durable Goods	**49,800**	**50,400**	**-600**	**-1.2**	**50,700**
Printing and Related	8,000	8,300	-300	-3.6	8,200
Chemical	17,000	17,100	-100	-0.6	17,200
Plastics and Rubber Products	7,400	7,500	-100	-1.3	7,600
SERVICE PROVIDING INDUSTRIES	**1,393,200**	**1,377,200**	**16,000**	**1.2**	**1,414,000**
TRADE, TRANSPORTATION, UTILITIES	**312,200**	**304,700**	**7,500**	**2.5**	**316,400**
Wholesale Trade	67,100	65,900	1,200	1.8	67,300
Retail Trade	197,000	192,400	4,600	2.4	197,300
Motor Vehicle and Parts Dealers	23,500	23,100	400	1.7	23,400
Building Material	17,600	16,700	900	5.4	17,900
Food and Beverage Stores	44,000	43,700	300	0.7	44,700
General Merchandise Stores	26,000	25,700	300	1.2	25,900
Transportation, Warehousing, & Utilities	48,100	46,400	1,700	3.7	51,800
Utilities	8,600	8,700	-100	-1.1	8,700
Transportation and Warehousing	39,500	37,700	1,800	4.8	43,100
INFORMATION	**39,400**	**39,300**	**100**	**0.3**	**39,600**
Telecommunications	13,300	13,700	-400	-2.9	13,400
FINANCIAL ACTIVITIES	**142,300**	**142,200**	**100**	**0.1**	**142,100**
Finance and Insurance	121,200	121,400	-200	-0.2	121,100
Credit Intermediation	31,900	31,900	0	0.0	31,600
Securities and Commodity Contracts	19,800	18,700	1,100	5.9	19,700
Insurance Carriers & Related Activities	64,700	66,000	-1,300	-2.0	65,100
Real Estate and Rental and Leasing	21,100	20,800	300	1.4	21,000
PROFESSIONAL & BUSINESS SERVICES	**200,100**	**199,500**	**600**	**0.3**	**201,000**
Professional, Scientific	86,400	87,600	-1,200	-1.4	86,400
Legal Services	15,100	15,100	0	0.0	15,100
Computer Systems Design	18,800	18,400	400	2.2	18,700
Management of Companies	25,000	25,700	-700	-2.7	25,000
Administrative and Support	88,700	86,200	2,500	2.9	89,600
Employment Services	30,800	29,000	1,800	6.2	31,600
EDUCATIONAL AND HEALTH SERVICES	**268,100**	**264,500**	**3,600**	**1.4**	**269,500**
Educational Services	46,300	45,200	1,100	2.4	47,600
Health Care and Social Assistance	221,800	219,300	2,500	1.1	221,900
Hospitals	56,200	55,800	400	0.7	55,900
Nursing & Residential Care Facilities	57,700	57,600	100	0.2	58,000
Social Assistance	35,700	34,700	1,000	2.9	35,900
LEISURE AND HOSPITALITY	**140,400**	**137,900**	**2,500**	**1.8**	**138,800**
Arts, Entertainment, and Recreation	31,200	30,800	400	1.3	29,400
Accommodation and Food Services	109,200	107,100	2,100	2.0	109,400
Food Serv., Restaurants, Drinking Places	96,200	94,400	1,800	1.9	97,300
OTHER SERVICES	**65,700**	**64,300**	**1,400**	**2.2**	**64,700**
GOVERNMENT	**225,000**	**224,800**	**200**	**0.1**	**241,900**
Federal Government	20,200	20,300	-100	-0.5	20,000
State Government	58,900	59,300	-400	-0.7	60,300
**Local Government	145,900	145,200	700	0.5	161,600

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

BRIDGEPORT - STAMFORD LMA

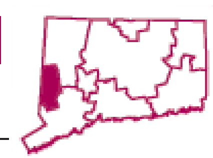


Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**412,600**	**409,400**	**3,200**	**0.8**	**415,500**
GOODS PRODUCING INDUSTRIES	**55,800**	**57,000**	**-1,200**	**-2.1**	**56,100**
CONSTRUCTION, NAT. RES. & MINING	**15,300**	**15,400**	**-100**	**-0.6**	**14,900**
MANUFACTURING	**40,500**	**41,600**	**-1,100**	**-2.6**	**41,200**
Durable Goods	**28,900**	**30,200**	**-1,300**	**-4.3**	**29,700**
SERVICE PROVIDING INDUSTRIES	**356,800**	**352,400**	**4,400**	**1.2**	**359,400**
TRADE, TRANSPORTATION, UTILITIES	**74,300**	**74,500**	**-200**	**-0.3**	**75,200**
Wholesale Trade	14,700	14,900	-200	-1.3	14,700
Retail Trade	49,900	49,700	200	0.4	50,000
Transportation, Warehousing, & Utilities	9,700	9,900	-200	-2.0	10,500
INFORMATION	**12,100**	**12,200**	**-100**	**-0.8**	**12,200**
FINANCIAL ACTIVITIES	**42,700**	**42,200**	**500**	**1.2**	**42,600**
Finance and Insurance	36,000	35,600	400	1.1	36,000
PROFESSIONAL & BUSINESS SERVICES	**69,000**	**70,700**	**-1,700**	**-2.4**	**69,500**
EDUCATIONAL AND HEALTH SERVICES	**59,500**	**59,100**	**400**	**0.7**	**59,100**
Health Care and Social Assistance	51,500	50,900	600	1.2	51,200
LEISURE AND HOSPITALITY	**36,400**	**35,600**	**800**	**2.2**	**35,400**
Accommodation and Food Services	24,200	24,200	0	0.0	24,300
OTHER SERVICES	**17,800**	**17,500**	**300**	**1.7**	**17,200**
GOVERNMENT	**45,000**	**40,600**	**4,400**	**10.8**	**48,200**
Federal	3,500	3,600	-100	-2.8	3,600
State & Local	41,500	37,000	4,500	12.2	44,600

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

DANBURY LMA



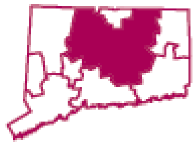
Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**67,900**	**67,200**	**700**	**1.0**	**69,200**
GOODS PRODUCING INDUSTRIES	**13,000**	**13,100**	**-100**	**-0.8**	**13,300**
SERVICE PROVIDING INDUSTRIES	**54,900**	**54,100**	**800**	**1.5**	**55,900**
TRADE, TRANSPORTATION, UTILITIES	**15,800**	**15,800**	**0**	**0.0**	**15,900**
Retail Trade	11,900	12,200	-300	-2.5	12,100
PROFESSIONAL & BUSINESS SERVICES	**8,700**	**8,400**	**300**	**3.6**	**8,700**
LEISURE AND HOSPITALITY	**5,500**	**5,500**	**0**	**0.0**	**5,400**
GOVERNMENT	**7,000**	**6,000**	**1,000**	**16.7**	**7,900**
Federal	600	600	0	0.0	600
State & Local	6,400	5,400	1,000	18.5	7,300

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

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

HARTFORD LMA



Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**536,400**	**533,600**	**2,800**	**0.5**	**545,200**
GOODS PRODUCING INDUSTRIES	**86,200**	**86,600**	**-400**	**-0.5**	**86,100**
CONSTRUCTION, NAT. RES. & MINING	**22,300**	**22,400**	**-100**	**-0.4**	**21,600**
MANUFACTURING	**63,900**	**64,200**	**-300**	**-0.5**	**64,500**
Durable Goods	**53,800**	**53,800**	**0**	**0.0**	**54,000**
Transportation Equipment	18,700	18,500	200	1.1	18,700
SERVICE PROVIDING INDUSTRIES	**450,200**	**447,000**	**3,200**	**0.7**	**459,100**
TRADE, TRANSPORTATION, UTILITIES	**88,100**	**87,800**	**300**	**0.3**	**89,900**
Wholesale Trade	18,500	19,100	-600	-3.1	18,800
Retail Trade	56,100	55,200	900	1.6	56,500
Transportation, Warehousing, & Utilities	13,500	13,500	0	0.0	14,600
Transportation and Warehousing	9,800	9,900	-100	-1.0	10,900
INFORMATION	**11,700**	**11,400**	**300**	**2.6**	**11,900**
FINANCIAL ACTIVITIES	**68,500**	**68,800**	**-300**	**-0.4**	**69,000**
Depository Credit Institutions	8,000	7,900	100	1.3	8,000
Insurance Carriers & Related Activities	45,100	46,500	-1,400	-3.0	45,000
PROFESSIONAL & BUSINESS SERVICES	**58,400**	**57,500**	**900**	**1.6**	**58,500**
Professional, Scientific	27,500	26,900	600	2.2	27,200
Administrative and Support	25,600	24,800	800	3.2	25,800
EDUCATIONAL AND HEALTH SERVICES	**83,900**	**82,700**	**1,200**	**1.5**	**84,100**
Health Care and Social Assistance	73,900	73,000	900	1.2	73,900
Ambulatory Health Care	22,300	21,900	400	1.8	22,300
LEISURE AND HOSPITALITY	**40,300**	**39,800**	**500**	**1.3**	**40,100**
Accommodation and Food Services	31,600	31,000	600	1.9	31,800
OTHER SERVICES	**21,100**	**21,000**	**100**	**0.5**	**21,100**
GOVERNMENT	**78,200**	**78,000**	**200**	**0.3**	**84,500**
Federal	6,100	6,100	0	0.0	6,100
State & Local	72,100	71,900	200	0.3	78,400

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

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

BUSINESS AND ECONOMIC NEWS

- **Job searching via the Internet**
  Slightly more than 1 in every 10 individuals in the civilian noninstitutional population age 16 and over (in U.S.) reported that they had used the Internet between January and October 2003 to search for a job. Men and women were about equally likely to have used the Internet to search for a job. Among age groups, Internet job search rates were highest for individuals in the 20-to-24 (21.2 percent), 25-to-34 (19.3 percent), and 35-to-44 year-old (14.3 percent) age groups. Internet job search rates by race and ethnicity ranged from 8.3 percent for Hispanic or Latino individuals to 13.9 percent for Asian individuals. These data on Internet job searches are from a special supplement to the October 2003 Current Population Survey program. See Computer and Internet Use at Work in 2003, USDL 05-1457, to learn more about how people use computers when working and when searching for a job. (The Editor's Desk, Bureau of Labor Statistics, August 5, 2005)

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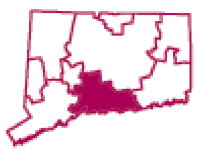
NEW HAVEN LMA



Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**270,100**	**270,100**	**0**	**0.0**	**272,300**
GOODS PRODUCING INDUSTRIES	**47,100**	**46,500**	**600**	**1.3**	**46,900**
CONSTRUCTION, NAT. RES. & MINING	**13,100**	**12,400**	**700**	**5.6**	**12,800**
MANUFACTURING	**34,000**	**34,100**	**-100**	**-0.3**	**34,100**
Durable Goods	**22,900**	**23,300**	**-400**	**-1.7**	**22,700**
SERVICE PROVIDING INDUSTRIES	**223,000**	**223,600**	**-600**	**-0.3**	**225,400**
TRADE, TRANSPORTATION, UTILITIES	**50,400**	**50,200**	**200**	**0.4**	**50,400**
Wholesale Trade	11,500	11,300	200	1.8	11,300
Retail Trade	32,200	31,200	1,000	3.2	31,800
Transportation, Warehousing, & Utilities	6,700	7,700	-1,000	-13.0	7,300
INFORMATION	**8,900**	**8,700**	**200**	**2.3**	**8,900**
Telecommunications	5,200	5,300	-100	-1.9	5,200
FINANCIAL ACTIVITIES	**13,500**	**14,200**	**-700**	**-4.9**	**13,400**
Finance and Insurance	9,500	10,500	-1,000	-9.5	9,600
PROFESSIONAL & BUSINESS SERVICES	**25,000**	**25,900**	**-900**	**-3.5**	**25,700**
Administrative and Support	12,000	11,900	100	0.8	12,100
EDUCATIONAL AND HEALTH SERVICES	**60,000**	**60,300**	**-300**	**-0.5**	**59,900**
Educational Services	19,100	19,900	-800	-4.0	19,300
Health Care and Social Assistance	40,900	40,400	500	1.2	40,600
LEISURE AND HOSPITALITY	**23,000**	**22,000**	**1,000**	**4.5**	**23,300**
Accommodation and Food Services	19,600	17,700	1,900	10.7	19,700
OTHER SERVICES	**11,100**	**10,800**	**300**	**2.8**	**10,900**
GOVERNMENT	**31,100**	**31,500**	**-400**	**-1.3**	**32,900**
Federal	5,400	5,500	-100	-1.8	5,400
State & Local	25,700	26,000	-300	-1.2	27,500

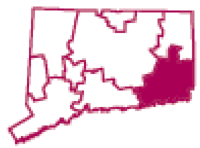
For further information on the New Haven Labor Market Area contact Joseph Slepski at (860) 263-6278.

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

BUSINESS AND ECONOMIC NEWS (Cont.)

- **Alternative employment arrangements and worker preferences**
  In February 2005, there were 10.3 million independent contractors, 2.5 million on-call workers, and 1.2 million temporary help agency workers (U.S.). These types of workers are considered to have alternative employment arrangements, in contrast to traditional arrangements. The majority of independent contractors (82 percent) preferred their work arrangement to a traditional job, while only 32 percent of temporary help agency workers preferred their current arrangement. Among on-call workers, 46 percent preferred their current arrangement while 45 percent would prefer a traditional job. These data are from a supplement to the February 2005 Current Population Survey. The percentages on the chart for each group do not sum to 100, because in some cases the worker response was "It depends" and in other cases a response was not available. To find out more, see Contingent and Alternative Employment Arrangements, February 2005, news release USDL 05-1433. (The Editor's Desk, Bureau of Labor Statistics, August 4, 2005)

NORWICH - NEW LONDON LMA

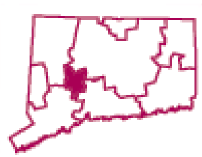


Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**139,000**	**136,400**	**2,600**	**1.9**	**138,300**
GOODS PRODUCING INDUSTRIES	**23,100**	**22,400**	**700**	**3.1**	**23,000**
CONSTRUCTION, NAT. RES. & MINING	**5,200**	**4,900**	**300**	**6.1**	**5,100**
MANUFACTURING	**17,900**	**17,500**	**400**	**2.3**	**17,900**
Durable Goods	**11,300**	**11,000**	**300**	**2.7**	**11,300**
Non-Durable Goods	**6,600**	**6,500**	**100**	**1.5**	**6,600**
SERVICE PROVIDING INDUSTRIES	**115,900**	**114,000**	**1,900**	**1.7**	**115,300**
TRADE, TRANSPORTATION, UTILITIES	**22,500**	**21,900**	**600**	**2.7**	**22,700**
Wholesale Trade	1,900	1,900	0	0.0	1,900
Retail Trade	16,500	16,200	300	1.9	16,400
Transportation, Warehousing, & Utilities	4,100	3,800	300	7.9	4,400
INFORMATION	**2,000**	**2,100**	**-100**	**-4.8**	**2,000**
FINANCIAL ACTIVITIES	**3,400**	**3,400**	**0**	**0.0**	**3,400**
PROFESSIONAL & BUSINESS SERVICES	**10,300**	**10,200**	**100**	**1.0**	**10,300**
EDUCATIONAL AND HEALTH SERVICES	**18,100**	**17,600**	**500**	**2.8**	**18,300**
Health Care and Social Assistance	15,900	15,500	400	2.6	16,100
LEISURE AND HOSPITALITY	**15,900**	**15,500**	**400**	**2.6**	**14,900**
Accommodation and Food Services	13,000	12,600	400	3.2	12,300
Food Serv., Restaurants, Drinking Places	10,500	10,100	400	4.0	10,000
OTHER SERVICES	**4,100**	**3,900**	**200**	**5.1**	**4,000**
GOVERNMENT	**39,600**	**39,400**	**200**	**0.5**	**39,700**
Federal	2,200	2,400	-200	-8.3	2,200
**State & Local	37,400	37,000	400	1.1	37,500

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

WATERBURY LMA



Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT	**68,900**	**68,300**	**600**	**0.9**	**70,500**
GOODS PRODUCING INDUSTRIES	**14,100**	**13,800**	**300**	**2.2**	**14,400**
CONSTRUCTION, NAT. RES. & MINING	**3,200**	**3,100**	**100**	**3.2**	**3,100**
MANUFACTURING	**10,900**	**10,700**	**200**	**1.9**	**11,300**
SERVICE PROVIDING INDUSTRIES	**54,800**	**54,500**	**300**	**0.6**	**56,100**
TRADE, TRANSPORTATION, UTILITIES	**13,200**	**13,200**	**0**	**0.0**	**13,600**
Wholesale Trade	2,100	2,100	0	0.0	2,100
Retail Trade	9,000	9,200	-200	-2.2	9,100
Transportation, Warehousing, & Utilities	2,100	1,900	200	10.5	2,400
INFORMATION	**1,100**	**1,100**	**0**	**0.0**	**1,100**
FINANCIAL ACTIVITIES	**2,800**	**2,800**	**0**	**0.0**	**2,800**
PROFESSIONAL & BUSINESS SERVICES	**5,800**	**5,600**	**200**	**3.6**	**6,200**
EDUCATIONAL AND HEALTH SERVICES	**14,400**	**13,900**	**500**	**3.6**	**14,200**
Health Care and Social Assistance	13,100	12,800	300	2.3	13,000
LEISURE AND HOSPITALITY	**5,000**	**5,200**	**-200**	**-3.8**	**5,200**
OTHER SERVICES	**2,900**	**2,900**	**0**	**0.0**	**2,900**
GOVERNMENT	**9,600**	**9,800**	**-200**	**-2.0**	**10,100**
Federal	600	600	0	0.0	600
State & Local	9,000	9,200	-200	-2.2	9,500

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

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

SMALLER LMAS

Not Seasonally Adjusted

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA.....................................	**44,300**	**45,500**	**-1,200**	**-2.6**	**45,600**
TORRINGTON LMA..............................	**36,100**	**36,600**	**-500**	**-1.4**	**36,900**
WILLIMANTIC - DANIELSON LMA.............	**35,200**	**34,200**	**1,000**	**2.9**	**37,400**

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

	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
TOTAL NONFARM EMPLOYMENT..............	**293,100**	**291,800**	**1,300**	**0.4**	**299,000**
GOODS PRODUCING INDUSTRIES...........	**50,400**	**50,000**	**400**	**0.8**	**51,100**
CONSTRUCTION, NAT. RES. & MINING.....	**11,700**	**11,500**	**200**	**1.7**	**11,400**
MANUFACTURING................................	**38,700**	**38,500**	**200**	**0.5**	**39,700**
Durable Goods....................................	**24,100**	**23,800**	**300**	**1.3**	**25,000**
Non-Durable Goods.............................	**14,600**	**14,700**	**-100**	**-0.7**	**14,700**
SERVICE PROVIDING INDUSTRIES...........	**242,700**	**241,800**	**900**	**0.4**	**247,900**
TRADE, TRANSPORTATION, UTILITIES.....	**60,200**	**59,600**	**600**	**1.0**	**61,600**
Wholesale Trade..................................	11,500	11,200	300	2.7	11,500
Retail Trade..	36,700	36,000	700	1.9	37,200
Transportation, Warehousing, & Utilities....	12,000	12,400	-400	-3.2	12,900
INFORMATION.......................................	**4,300**	**4,700**	**-400**	**-8.5**	**4,400**
FINANCIAL ACTIVITIES..........................	**16,300**	**16,500**	**-200**	**-1.2**	**16,400**
Finance and Insurance..........................	12,300	12,500	-200	-1.6	12,400
Insurance Carriers & Related Activities....	7,800	7,800	0	0.0	7,900
PROFESSIONAL & BUSINESS SERVICES	**24,200**	**24,500**	**-300**	**-1.2**	**24,300**
EDUCATIONAL AND HEALTH SERVICES	**52,300**	**52,000**	**300**	**0.6**	**52,700**
Educational Services............................	10,100	10,000	100	1.0	10,400
Health Care and Social Assistance..........	42,200	42,000	200	0.5	42,300
LEISURE AND HOSPITALITY...................	**29,200**	**28,400**	**800**	**2.8**	**29,000**
OTHER SERVICES.................................	**11,700**	**11,500**	**200**	**1.7**	**11,400**
GOVERNMENT	**44,500**	**44,600**	**-100**	**-0.2**	**48,100**
Federal..	7,000	6,800	200	2.9	6,900
State & Local..	37,500	37,800	-300	-0.8	41,200

* New England City and Town Area

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

LABOR FORCE ESTIMATES

(Not seasonally adjusted)	EMPLOYMENT STATUS	JUL 2005	JUL 2004	CHANGE NO.	CHANGE %	JUN 2005
CONNECTICUT	Civilian Labor Force	1,844,000	1,836,800	7,200	0.4	1,827,500
	Employed	1,743,900	1,739,600	4,300	0.2	1,729,000
	Unemployed	100,100	97,200	2,900	3.0	98,500
	Unemployment Rate	5.4	5.3	0.1	---	5.4
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force	471,700	469,100	2,600	0.6	465,000
	Employed	447,600	445,800	1,800	0.4	441,500
	Unemployed	24,100	23,300	800	3.4	23,500
	Unemployment Rate	5.1	5.0	0.1	---	5.1
DANBURY LMA	Civilian Labor Force	91,000	90,400	600	0.7	90,400
	Employed	87,100	86,500	600	0.7	86,500
	Unemployed	4,000	3,800	200	5.3	3,800
	Unemployment Rate	4.3	4.3	0.0	---	4.2
ENFIELD LMA	Civilian Labor Force	48,000	48,000	0	0.0	48,400
	Employed	45,800	45,500	300	0.7	45,800
	Unemployed	2,200	2,400	-200	-8.3	2,600
	Unemployment Rate	4.7	5.0	-0.3	---	5.4
HARTFORD LMA	Civilian Labor Force	573,900	572,500	1,400	0.2	570,800
	Employed	541,100	540,400	700	0.1	538,600
	Unemployed	32,900	32,000	900	2.8	32,300
	Unemployment Rate	5.7	5.6	0.1	---	5.7
NEW HAVEN LMA	Civilian Labor Force	306,800	306,400	400	0.1	303,000
	Employed	289,600	290,100	-500	-0.2	286,400
	Unemployed	17,200	16,300	900	5.5	16,700
	Unemployment Rate	5.6	5.3	0.3	---	5.5
NORWICH - NEW LONDON LMA	Civilian Labor Force	155,200	152,900	2,300	1.5	152,000
	Employed	147,700	145,700	2,000	1.4	144,600
	Unemployed	7,500	7,200	300	4.2	7,400
	Unemployment Rate	4.9	4.7	0.2	---	4.9
TORRINGTON LMA	Civilian Labor Force	53,900	54,800	-900	-1.6	54,000
	Employed	51,100	52,100	-1,000	-1.9	51,300
	Unemployed	2,700	2,700	0	0.0	2,700
	Unemployment Rate	5.1	5.0	0.1	---	4.9
WATERBURY LMA	Civilian Labor Force	101,800	101,200	600	0.6	101,300
	Employed	94,900	94,500	400	0.4	94,600
	Unemployed	6,900	6,700	200	3.0	6,700
	Unemployment Rate	6.8	6.6	0.2	---	6.6
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force	55,500	55,000	500	0.9	56,100
	Employed	52,300	51,800	500	1.0	52,700
	Unemployed	3,200	3,200	0	0.0	3,400
	Unemployment Rate	5.7	5.8	-0.1	---	6.0
UNITED STATES	Civilian Labor Force	151,122,000	149,217,000	1,905,000	1.3	150,327,000
	Employed	143,283,000	140,700,000	2,583,000	1.8	142,456,000
	Unemployed	7,839,000	8,518,000	-679,000	-8.0	7,870,000
	Unemployment Rate	5.2	5.7	-0.5	---	5.2

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

MANUFACTURING HOURS AND EARNINGS

LMA

CONNECTICUT

(Not seasonally adjusted)	AVG WEEKLY EARNINGS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005	AVG WEEKLY HOURS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005	AVG HOURLY EARNINGS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005
MANUFACTURING	**$790.64**	**$756.38**	**$34.26**	**$793.90**	**42.1**	**41.4**	**0.7**	**42.5**	**$18.78**	**$18.27**	**$0.51**	**$18.68**
DURABLE GOODS	**817.32**	**780.00**	**37.32**	**825.18**	**42.0**	**41.6**	**0.4**	**42.8**	**19.46**	**18.75**	**0.71**	**19.28**
Fabricated Metal	726.76	689.70	37.06	741.74	42.6	41.8	0.8	43.2	17.06	16.50	0.56	17.17
Machinery	784.57	771.44	13.13	783.50	40.4	40.2	0.2	40.2	19.42	19.19	0.23	19.49
Computer & Electronic	632.02	615.44	16.58	639.17	39.6	39.2	0.4	39.7	15.96	15.70	0.26	16.10
Transport. Equipment	1,019.72	977.13	42.59	1,024.45	42.4	42.3	0.1	42.9	24.05	23.10	0.95	23.88
NON-DUR. GOODS	**721.22**	**694.01**	**27.21**	**714.32**	**42.3**	**40.8**	**1.5**	**41.7**	**17.05**	**17.01**	**0.04**	**17.13**
CONSTRUCTION	**940.89**	**910.64**	**30.25**	**949.60**	**39.5**	**39.1**	**0.4**	**40.0**	**23.82**	**23.29**	**0.53**	**23.74**

LMAs

MANUFACTURING	AVG WEEKLY EARNINGS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005	AVG WEEKLY HOURS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005	AVG HOURLY EARNINGS JUL 2005	JUL 2004	CHG Y/Y	JUN 2005
Bridgeport - Stamford	$804.27	$897.57	-$93.30	$830.76	41.5	42.1	-0.6	42.0	$19.38	$21.32	-$1.94	$19.78
Hartford	908.87	861.49	47.38	909.34	43.3	43.4	-0.1	44.1	20.99	19.85	1.14	20.62
New Haven	719.47	630.09	89.38	701.76	42.8	41.7	1.1	42.3	16.81	15.11	1.70	16.59
Norwich - New London	779.57	765.44	14.13	798.32	41.8	41.6	0.2	42.6	18.65	18.40	0.25	18.74
Waterbury	760.42	701.91	58.51	766.26	39.4	37.9	1.5	39.6	19.30	18.52	0.78	19.35

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

BUSINESS AND EMPLOYMENT CHANGES ANNOUNCED IN THE NEWS MEDIA

- July 2005 had the announcement that RoadLink USA, an intermodal trucking company, and CT Portable Storage, a self-storage concern, will open locations on the New Haven waterfront in March that will combine for 65 jobs. Velocity Sports & Entertainment, a sports marketing firm, will add 25 new workers to its payroll when it moves from Wilton to Norwalk in August. SoNo Baking Co. and Café has opened at SoNo Square in South Norwalk with a staff of 12. Commercial Sewing in Torrington is hiring 50 new workers.

- July 2005 included the report that Stamford drug maker, Purdue Pharma, is laying off 290 Connecticut workers as a result of the company losing its patent for OxyContin. ExxonMobil Chemical revealed that they will leave the state within two years and immediately laid off 100 workers at its Stratford plant. As a result of a merger, Greenwich based Premcor, an oil refiner, will lay off 225 workers.

- DEPARTMENT NEWS: The fall 2005 Connecticut Department of Labor Job Fairs will be on Tuesday September 15, at the Economy Inn in New London; Tuesday September 27, at Rentschler Field in East Hartford; and Tuesday October 18, at the Holiday Inn in North Haven. Job Fairs will run from 11:00 a.m. to 3:00 p.m. More information can be obtained by visiting the Job Fair and Conference webpage at www.ctjobfairs.com, or by calling the hotline at (860) 263-6306.

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

LABOR FORCE ESTIMATES BY TOWN

(By Place of Residence - Not Seasonally Adjusted)

JULY 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD	**471,657**	**447,601**	**24,056**	**5.1**
Ansonia	10,129	9,421	708	7.0
Bridgeport	63,548	58,300	5,248	8.3
Darien	9,002	8,674	328	3.6
Derby	6,986	6,528	458	6.6
Easton	3,767	3,634	133	3.5
Fairfield	28,828	27,490	1,338	4.6
Greenwich	30,246	29,145	1,101	3.6
Milford	31,146	29,676	1,470	4.7
Monroe	10,750	10,222	528	4.9
New Canaan	8,912	8,580	332	3.7
Newtown	14,050	13,439	611	4.3
Norwalk	48,534	46,447	2,087	4.3
Oxford	6,367	6,075	292	4.6
Redding	4,547	4,374	173	3.8
Ridgefield	11,802	11,349	453	3.8
Seymour	9,147	8,664	483	5.3
Shelton	22,545	21,405	1,140	5.1
Southbury	8,949	8,524	425	4.7
Stamford	67,183	63,979	3,204	4.8
Stratford	26,472	24,888	1,584	6.0
Trumbull	17,890	17,119	771	4.3
Weston	4,940	4,755	185	3.7
Westport	12,619	12,127	492	3.9
Wilton	8,380	8,057	323	3.9
Woodbridge	4,920	4,729	191	3.9
DANBURY	**91,018**	**87,066**	**3,952**	**4.3**
Bethel	10,924	10,460	464	4.2
Bridgewater	1,041	1,005	36	3.5
Brookfield	8,965	8,594	371	4.1
Danbury	43,923	41,968	1,955	4.5
New Fairfield	7,691	7,352	339	4.4
New Milford	16,330	15,624	706	4.3
Sherman	2,143	2,062	81	3.8
ENFIELD	**48,000**	**45,758**	**2,242**	**4.7**
East Windsor	5,898	5,596	302	5.1
Enfield	23,672	22,555	1,117	4.7
Somers	4,624	4,415	209	4.5
Suffield	6,949	6,664	285	4.1
Windsor Locks	6,856	6,528	328	4.8
HARTFORD	**573,904**	**541,051**	**32,853**	**5.7**
Andover	1,955	1,860	95	4.9
Ashford	2,523	2,404	119	4.7
Avon	8,787	8,485	302	3.4
Barkhamsted	2,161	2,078	83	3.8
Berlin	10,790	10,283	507	4.7
Bloomfield	9,663	8,997	666	6.9
Bolton	3,073	2,928	145	4.7
Bristol	33,667	31,714	1,953	5.8
Burlington	5,126	4,907	219	4.3

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
HARTFORD cont....				
Canton	5,333	5,125	208	3.9
Colchester	8,549	8,150	399	4.7
Columbia	2,961	2,838	123	4.2
Coventry	6,935	6,584	351	5.1
Cromwell	7,689	7,339	350	4.6
East Granby	2,850	2,730	120	4.2
East Haddam	5,049	4,822	227	4.5
East Hampton	6,631	6,142	489	7.4
East Hartford	25,630	23,725	1,905	7.4
Ellington	8,399	8,034	365	4.3
Farmington	12,582	12,025	557	4.4
Glastonbury	17,915	17,191	724	4.0
Granby	6,082	5,839	243	4.0
Haddam	4,640	4,446	194	4.2
Hartford	48,716	43,591	5,125	10.5
Hartland	1,179	1,136	43	3.6
Harwinton	3,065	2,948	117	3.8
Hebron	5,348	5,122	226	4.2
Lebanon	4,213	3,976	237	5.6
Manchester	31,587	29,902	1,685	5.3
Mansfield	12,379	11,654	725	5.9
Marlborough	3,456	3,322	134	3.9
Middlefield	2,380	2,267	113	4.7
Middletown	25,976	24,637	1,339	5.2
New Britain	34,805	31,917	2,888	8.3
New Hartford	3,648	3,490	158	4.3
Newington	16,524	15,731	793	4.8
Plainville	10,075	9,534	541	5.4
Plymouth	6,746	6,344	402	6.0
Portland	5,145	4,911	234	4.5
Rocky Hill	10,476	10,015	461	4.4
Simsbury	11,927	11,442	485	4.1
Southington	23,516	22,423	1,093	4.6
South Windsor	14,238	13,657	581	4.1
Stafford	6,778	6,370	408	6.0
Thomaston	4,570	4,314	256	5.6
Tolland	8,073	7,755	318	3.9
Union	456	441	15	3.3
Vernon	16,881	16,076	805	4.8
West Hartford	29,512	27,907	1,605	5.4
Wethersfield	13,430	12,726	704	5.2
Willington	3,906	3,719	187	4.8
Windsor	15,909	15,078	831	5.2

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

LABOR FORCE CONCEPTS

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

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

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

LABOR FORCE ESTIMATES BY TOWN

Town

(By Place of Residence - Not Seasonally Adjusted)

JULY 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	**306,818**	**289,627**	**17,191**	**5.6**
Bethany	2,992	2,858	134	4.5
Branford	17,227	16,454	773	4.5
Cheshire	14,652	13,983	669	4.6
Chester	2,257	2,173	84	3.7
Clinton	7,931	7,560	371	4.7
Deep River	2,591	2,476	115	4.4
Durham	4,109	3,948	161	3.9
East Haven	15,955	15,079	876	5.5
Essex	3,768	3,620	148	3.9
Guilford	12,683	12,231	452	3.6
Hamden	31,023	29,337	1,686	5.4
Killingworth	3,528	3,399	129	3.7
Madison	9,922	9,574	348	3.5
Meriden	31,150	29,129	2,021	6.5
New Haven	55,423	50,900	4,523	8.2
North Branford	8,200	7,819	381	4.6
North Haven	12,906	12,251	655	5.1
Old Saybrook	5,446	5,210	236	4.3
Orange	7,076	6,782	294	4.2
Wallingford	24,847	23,668	1,179	4.7
Westbrook	3,650	3,474	176	4.8
West Haven	29,482	27,700	1,782	6.0
***NORWICH-NEW LONDON**	**141,436**	**134,466**	**6,970**	**4.9**
Bozrah	1,524	1,445	79	5.2
Canterbury	3,189	3,047	142	4.5
East Lyme	10,042	9,599	443	4.4
Franklin	1,226	1,178	48	3.9
Griswold	7,276	6,893	383	5.3
Groton	20,001	19,005	996	5.0
Ledyard	8,806	8,436	370	4.2
Lisbon	2,702	2,540	162	6.0
Lyme	1,192	1,151	41	3.4
Montville	11,338	10,813	525	4.6
New London	14,189	13,310	879	6.2
No. Stonington	3,371	3,227	144	4.3
Norwich	21,282	20,047	1,235	5.8
Old Lyme	4,397	4,236	161	3.7
Preston	2,915	2,785	130	4.5
Salem	2,660	2,542	118	4.4
Sprague	1,866	1,757	109	5.8
Stonington	10,829	10,434	395	3.6
Voluntown	1,671	1,576	95	5.7
Waterford	10,960	10,446	514	4.7

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

NORWICH-NEW LONDON	**155,249**	**147,718**	**7,531**	**4.9**
Westerly, RI	13,813	13,252	561	4.1

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

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
TORRINGTON	**53,861**	**51,136**	**2,725**	**5.1**
Bethlehem	2,036	1,950	86	4.2
Canaan	608	585	23	3.8
Colebrook	826	803	23	2.8
Cornwall	818	794	24	2.9
Goshen	1,523	1,452	71	4.7
Kent	1,582	1,524	58	3.7
Litchfield	4,363	4,154	209	4.8
Morris	1,323	1,257	66	5.0
Norfolk	958	918	40	4.2
North Canaan	1,760	1,664	96	5.5
Roxbury	1,348	1,307	41	3.0
Salisbury	2,002	1,916	86	4.3
Sharon	1,562	1,506	56	3.6
Torrington	18,963	17,846	1,117	5.9
Warren	719	686	33	4.6
Washington	1,973	1,884	89	4.5
Winchester	6,043	5,666	377	6.2
Woodbury	5,455	5,225	230	4.2
WATERBURY	**101,817**	**94,875**	**6,942**	**6.8**
Beacon Falls	3,237	3,063	174	5.4
Middlebury	3,706	3,540	166	4.5
Naugatuck	17,240	16,234	1,006	5.8
Prospect	5,284	5,033	251	4.8
Waterbury	50,911	46,667	4,244	8.3
Watertown	12,453	11,816	637	5.1
Wolcott	8,986	8,521	465	5.2
WILLIMANTIC-DANIELSON	**55,512**	**52,345**	**3,167**	**5.7**
Brooklyn	3,645	3,479	166	4.6
Chaplin	1,366	1,297	69	5.1
Eastford	941	894	47	5.0
Hampton	1,101	1,046	55	5.0
Killingly	9,048	8,481	567	6.3
Plainfield	8,243	7,690	553	6.7
Pomfret	2,180	2,077	103	4.7
Putnam	5,032	4,787	245	4.9
Scotland	954	919	35	3.7
Sterling	1,831	1,734	97	5.3
Thompson	5,214	4,978	236	4.5
Windham	11,603	10,773	830	7.2
Woodstock	4,354	4,190	164	3.8

Not Seasonally Adjusted:				
CONNECTICUT	**1,844,000**	**1,743,900**	**100,100**	**5.4**
UNITED STATES	**151,122,000**	**143,283,000**	**7,839,000**	**5.2**
Seasonally Adjusted:				
CONNECTICUT	**1,801,600**	**1,709,300**	**92,300**	**5.1**
UNITED STATES	**149,573,000**	**142,076,000**	**7,497,000**	**5.0**

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	JUL 2005	YR TO DATE 2005	YR TO DATE 2004
Andover	1	8	16
Ansonia	3	9	8
Ashford	2	10	20
Avon	6	49	54
Barkhamsted	na	na	11
Beacon Falls	na	na	18
Berlin	7	41	49
Bethany	na	na	22
Bethel	0	6	21
Bethlehem	na	na	3
Bloomfield	na	na	85
Bolton	1	3	7
Bozrah	1	9	8
Branford	na	na	26
Bridgeport	10	166	54
Bridgewater	na	na	7
Bristol	11	70	65
Brookfield	na	na	53
Brooklyn	9	44	30
Burlington	3	20	23
Canaan	0	3	0
Canterbury	4	15	11
Canton	7	69	85
Chaplin	2	11	14
Cheshire	4	27	27
Chester	na	na	6
Clinton	3	21	23
Colchester	12	50	46
Colebrook	0	4	6
Columbia	5	22	17
Cornwall	1	5	9
Coventry	8	23	25
Cromwell	3	8	35
Danbury	13	274	272
Darien	na	na	84
Deep River	0	2	9
Derby	na	na	9
Durham	5	28	28
East Granby	4	15	12
East Haddam	3	24	35
East Hampton	9	88	89
East Hartford	na	na	8
East Haven	15	49	20
East Lyme	5	62	53
East Windsor	1	51	42
Eastford	1	9	14
Easton	0	5	7
Ellington	5	46	33
Enfield	na	na	32
Essex	1	4	14
Fairfield	10	71	114
Farmington	29	70	85
Franklin	0	2	3
Glastonbury	10	45	62
Goshen	5	25	32
Granby	9	43	42
Greenwich	21	111	105
Griswold	na	na	40
Groton	25	120	229
Guilford	6	41	54
Haddam	1	31	31
Hamden	3	17	28
Hampton	2	12	18
Hartford	5	93	74
Hartland	na	na	7
Harwinton	1	11	21
Hebron	na	na	21
Kent	1	7	10
Killingly	7	56	46
Killingworth	na	na	16
Lebanon	6	26	54
Ledyard	6	29	42
Lisbon	2	11	11
Litchfield	na	na	17
Lyme	2	7	4
Madison	3	17	28
Manchester	11	113	99
Mansfield	5	34	24
Marlborough	3	18	25
Meriden	8	85	55
Middlebury	na	na	29
Middlefield	1	2	7
Middletown	25	155	133
Milford	31	186	236
Monroe	1	25	14
Montville	6	50	47
Morris	1	5	6
Naugatuck	11	49	44
New Britain	na	na	17
New Canaan	5	39	36
New Fairfield	na	na	32
New Hartford	5	24	27
New Haven	26	59	22
New London	8	42	21
New Milford	11	51	70
Newington	9	27	29
Newtown	7	72	85
Norfolk	1	3	1
North Branford	na	na	37
North Canaan	0	6	7
North Haven	0	115	48
North Stonington	3	17	15
Norwalk	3	96	171
Norwich	14	210	121
Old Lyme	na	na	20
Old Saybrook	2	34	20
Orange	na	na	20
Oxford	24	139	117
Plainfield	3	22	34
Plainville	1	11	17
Plymouth	1	10	38
Pomfret	1	9	17
Portland	5	31	114
Preston	3	17	13
Prospect	na	na	23
Putnam	3	22	29
Redding	na	na	8
Ridgefield	1	21	30
Rocky Hill	21	50	61
Roxbury	na	na	7
Salem	3	16	20
Salisbury	na	na	8
Scotland	1	6	10
Seymour	2	29	29
Sharon	0	6	12
Shelton	8	80	70
Sherman	na	na	19
Simsbury	3	22	10
Somers	3	16	26
South Windsor	6	40	54
Southbury	10	49	63
Southington	19	100	107
Sprague	3	15	7
Stafford	na	na	47
Stamford	64	162	122
Sterling	na	na	30
Stonington	8	39	52
Stratford	5	17	34
Suffield	15	49	30
Thomaston	na	na	20
Thompson	na	na	21
Tolland	30	71	51
Torrington	7	54	54
Trumbull	7	24	47
Union	2	4	1
Vernon	20	129	116
Voluntown	0	3	8
Wallingford	14	83	99
Warren	2	7	9
Washington	na	na	5
Waterbury	12	97	44
Waterford	2	25	24
Watertown	5	38	35
West Hartford	1	13	30
West Haven	na	na	13
Westbrook	0	23	24
Weston	na	na	7
Westport	10	67	69
Wethersfield	na	na	5
Willington	2	8	18
Wilton	na	na	21
Winchester	3	23	20
Windham	8	47	11
Windsor	na	na	53
Windsor Locks	na	na	35
Wolcott	6	35	32
Woodbridge	na	na	7
Woodbury	4	21	25
Woodstock	11	46	58

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 .... **+1.2**
Coincident Employment Index ...... **+0.6**
Leading General Drift Indicator ..... **+0.6**
Coincident General Drift Indicator **+1.3**
Banknorth Business Barometer ... **+2.4**

Total Nonfarm Employment .... **+1.2**

Unemployment Rate .... **+0.3**
- Labor Force .... +0.3
- Employed .... -0.0
- Unemployed .... +6.5

Average Weekly Initial Claims .... **+4.1**
Help Wanted Index -- Hartford ...... **-40.0**
Average Ins. Unempl. Rate .... **-0.26***

Average Weekly Hours, Mfg .... **+1.7**
Average Hourly Earnings, Mfg ...... **+2.8**
Average Weekly Earnings, Mfg ..... **+4.5**
CT Mfg. Production Index .... **-8.1**
- Production Worker Hours .... +2.1
- Industrial Electricity Sales .... -15.3

Personal Income .... **+2.8**
UI Covered Wages .... **+0.4**

Business Activity
- Electricity Sales .... -2.2
- Retail Sales .... -0.6
- Construction Contracts Index .... -22.5
- New Auto Registrations .... +21.2
- Air Cargo Tons .... +0.7
- Exports .... +8.3

Business Starts
- Secretary of the State .... -1.7
- Dept. of Labor .... +5.7

Business Terminations
- Secretary of the State .... +0.8
- Dept. of Labor .... -23.3

State Revenues .... **NA**
- Corporate Tax .... NA
- Personal Income Tax .... NA
- Real Estate Conveyance Tax .... NA
- Sales & Use Tax .... NA
- Indian Gaming Payments .... +2.7

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

Tourism and Travel
- Info Center Visitors .... -12.4
- Attraction Visitors .... -7.8
- Air Passenger Count .... +10.6
- Indian Gaming Slots .... -2.5
- Travel and Tourism Index .... +5.9

Employment Cost Index (U.S.)
- Total .... +3.2
- Wages & Salaries .... +2.4
- Benefit Costs .... +4.9

Consumer Prices
- U.S. City Average .... +3.2
- Northeast Region .... +3.4
- NY-NJ-Long Island .... +3.4
- Boston-Brockton-Nashua .... +4.0

Consumer Confidence
- Connecticut .... -17.3
- New England .... -21.7
- U.S. .... -2.4

Interest Rates
- Prime .... +2.00*
- Conventional Mortgage .... -0.36*

THE CONNECTICUT ECONOMIC DIGEST

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DECD

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We would appreciate your input:

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

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

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