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In June...

Nonfarm Employment

Connecticut 1,670,800
 Change over month 0.06%
 Change over year 1.3%

United States 133,537,000
 Change over month 0.11%
 Change over year 1.6%

Unemployment Rate

Connecticut 5.1%
 United States 5.0%

Consumer Price Index

United States 194.5
 Change over year 2.5%

Modest gain in 2004 UI covered employment

By Edward T. Doukas, Jr., Research Analyst, DOL

Reversing the trend over the past three years, employment covered by unemployment insurance in Connecticut recorded an increase of 6,176, or 0.4 percent according to preliminary annual average figures. Total private industry employment, accounting for 85.7 percent of the State's employment total, increased 0.6 percent in 2004. Government employment (including Indian Tribal councils and related establishments) declined in 2004, down 0.9 percent. For the second consecutive year, State government employment dropped, down 1,525, or 2.6 percent.

The annual average wage of all Constitution State workers increased by 5.5 percent to \$50,992 in 2004. The annual pay of private industry workers grew to

\$51,616, an increase of 5.5 percent over the previous year, while pay for government sector employees grew 5.6 percent in 2004 to \$47,249.

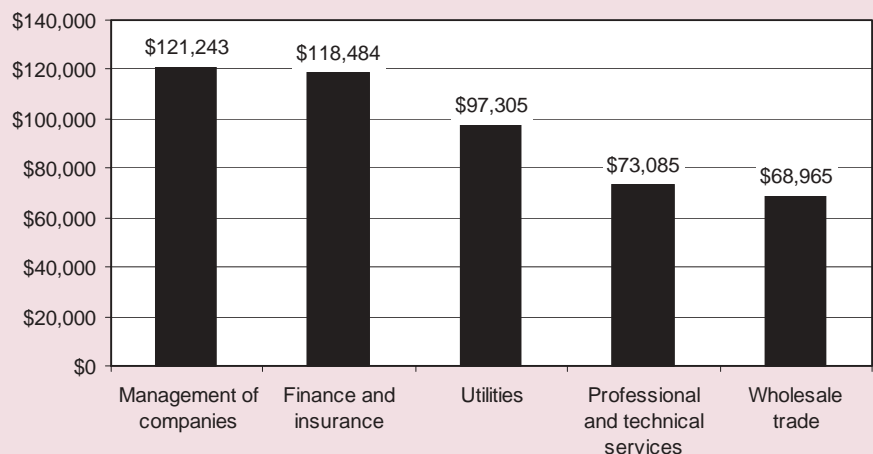
The total number of business establishments in Connecticut increased by 0.8 percent during 2004, totaling 109,644 at the end of the year compared to 108,744 at the end of 2003. Total private establishments numbered 105,966 in 2004 versus 105,103 in 2003. The number of government work sites totaled 3,678 in 2004 compared to 3,641 at the end of 2003.

Sector employment and wages

The construction sector recorded the largest percentage increase in private industry employment over the year, up 6.3

--Continued on page 5--

Connecticut's five highest paying industry sectors, 2004



Connecticut industry - 2003 and 2004*

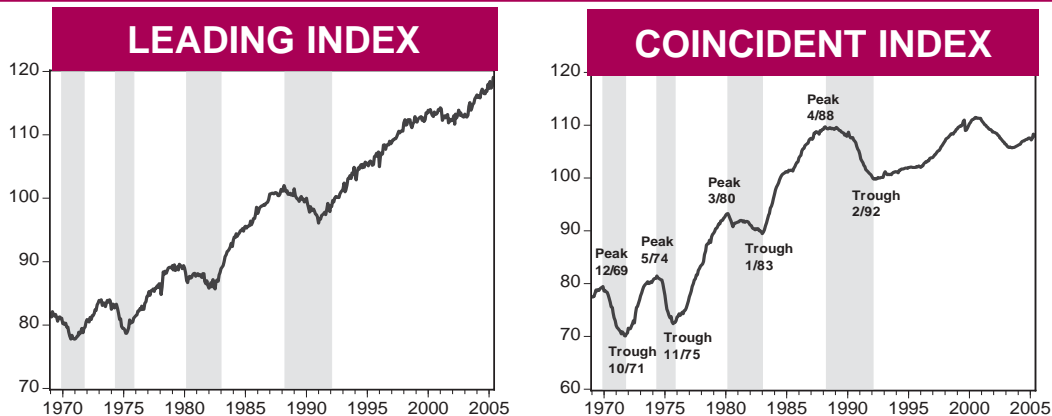
NAICS Description	Establishments			Employment				Wages		
	2003	2004	03-04 % Chg	2003	2004	03-04 Chg		2003	2004	03-04 % Chg
						No.	%			
Statewide	108,744	109,644	0.8	1,625,567	1,631,743	6,176	0.4	48,335	50,992	5.5
Total private	105,103	105,966	0.8	1,390,157	1,398,565	8,393	0.6	48,941	51,616	5.5
Goods-producing	16,692	16,730	0.2	267,458	269,014	1,556	0.6	55,049	57,515	4.5
Service-providing	92,052	92,914	0.9	1,358,109	1,362,729	4,620	0.3	47,013	49,704	5.7
11 Agriculture, forestry, fishing and hunting	353	349	-1.1	5,500	5,542	42	0.8	24,757	25,372	2.5
111 Crop production.....	174	174	0.0	4,085	4,089	4	0.1	23,913	24,859	4.0
112 Animal production.....	84	83	-1.2	862	853	-9	-1.0	28,541	29,058	1.8
113 Forestry and logging.....	10	10	0.0	28	27	-1	-3.6	32,109	36,039	12.2
114 Fishing, hunting and trapping.....	18	14	-22.2	56	58	2	3.6	36,871	37,201	0.9
115 Agriculture and forestry support activities.....	67	68	1.5	469	516	47	10.0	23,276	21,409	-8.0
21 Mining	66	62	4.8	707	722	15	2.1	56,047	55,233	-1.5
211 Oil and gas extraction.....	n	n	n	n	n	n	n	n	n	n
212 Mining, except oil and gas.....	61	56	-8.2	682	691	9	1.3	56,312	54,771	-2.7
213 Support activities for mining.....	n	n	n	n	n	n	n	n	n	n
22 Utilities	140	151	7.9	8,818	8,659	-159	-1.8	80,053	97,305	21.6
221 Utilities.....	140	151	7.9	8,818	8,659	-159	-1.8	80,053	97,305	21.6
23 Construction	10,694	10,821	1.2	61,806	65,715	3,909	6.3	48,044	49,598	3.2
236 Construction of buildings.....	2,974	3,029	1.8	13,382	14,009	627	4.7	52,108	54,284	4.2
237 Heavy and civil engineering construction.....	577	562	-2.6	6,506	6,345	-161	-2.5	57,851	59,613	3.0
238 Specialty trade construction.....	7,143	7,230	1.2	41,919	45,361	3,442	8.2	45,224	46,750	3.4
31-33 Manufacturing	5,579	5,498	-1.5	199,445	197,035	-2,410	-1.2	58,052	61,068	5.2
311 Food manufacturing.....	281	284	1.1	7,247	7,193	-54	-0.7	34,644	35,357	2.1
312 Beverage and tobacco product manufacturing.....	31	33	6.5	1,374	1,090	-284	-20.7	102,865	89,242	-13.2
313 Textile mills.....	36	35	-2.8	1,215	1,044	-171	-14.1	37,089	38,373	3.5
314 Textile product mills.....	101	106	5.0	1,190	1,296	106	8.9	32,398	32,778	1.2
315 Apparel manufacturing.....	46	37	-19.6	693	451	-242	-34.9	41,652	39,086	-6.2
316 Leather and allied product manufacturing.....	n	n	n	n	n	n	n	n	n	n
321 Wood product manufacturing.....	154	152	-1.3	1,858	1,806	-52	-2.8	38,975	40,122	2.9
322 Paper manufacturing.....	91	95	4.4	6,090	5,614	-476	-7.8	62,773	61,060	-2.7
323 Printing and related support activities.....	534	517	-3.2	8,016	8,405	389	4.9	46,551	47,114	1.2
324 Petroleum and coal products manufacturing.....	n	n	n	n	n	n	n	n	n	n
325 Chemical manufacturing.....	193	189	-2.1	17,669	17,196	-473	-2.7	90,774	96,501	6.3
326 Plastics and rubber products manufacturing.....	244	229	-6.1	8,098	7,624	-474	-5.9	42,510	45,091	6.1
327 Nonmetallic mineral product manufacturing.....	139	148	6.5	2,634	2,690	56	2.1	46,280	48,003	3.7
331 Primary metal manufacturing.....	100	93	-7.0	4,849	4,560	-289	-6.0	48,896	52,054	6.5
332 Fabricated metal product manufacturing.....	1,417	1,396	-1.5	33,291	33,724	433	1.3	46,166	49,089	6.3
333 Machinery manufacturing.....	632	615	-2.7	18,654	18,679	25	0.1	61,585	66,778	8.4
334 Computer and electronic product manufacturing.....	392	374	-4.6	15,882	15,372	-510	-3.2	55,601	58,002	4.3
335 Electrical equipment and appliance manufacturing.....	189	191	1.1	10,634	10,405	-229	-2.2	66,934	67,507	0.9
336 Transportation equipment manufacturing.....	244	248	1.6	43,296	43,124	-172	-0.4	66,376	71,047	7.0
337 Furniture and related product manufacturing.....	321	320	-0.3	3,369	3,449	80	2.4	38,533	39,869	3.5
339 Miscellaneous manufacturing.....	410	410	0.0	12,803	12,572	-231	-1.8	46,544	47,838	2.8
42 Wholesale trade	9,516	9,627	1.2	65,471	65,641	170	0.3	66,462	68,965	3.8
423 Merchant wholesalers, durable goods.....	2,953	2,943	-0.3	31,947	31,536	-411	-1.3	61,236	64,659	5.6
424 Merchant wholesalers, nondurable goods.....	1,391	1,406	1.1	21,233	21,348	115	0.5	62,951	63,838	1.4
425 Electronic markets and agents and brokers.....	5,172	5,278	2.0	12,292	12,757	465	3.8	86,105	88,129	2.4
44-45 Retail trade	13,322	13,342	0.2	191,712	192,974	1,262	0.7	27,880	28,534	2.3
441 Motor vehicle and parts dealers.....	1,333	1,318	-1.1	22,557	22,880	323	1.4	45,749	45,859	0.2
442 Furniture and home furnishings stores.....	861	890	3.4	7,848	8,424	576	7.3	31,973	31,455	-1.6
443 Electronics and appliance stores.....	712	721	1.3	6,241	6,091	-150	-2.4	41,836	41,154	-1.6
444 Building material and garden supply stores.....	973	960	-1.3	15,919	15,998	79	0.5	32,363	34,788	7.5
445 Food and beverage stores.....	2,231	2,241	0.4	44,298	43,862	-436	-1.0	22,217	22,714	2.2
446 Health and personal care stores.....	927	926	-0.1	14,568	14,462	-106	-0.7	27,712	28,602	3.2
447 Gasoline stations.....	1,074	1,094	1.9	6,404	6,304	-100	-1.6	22,004	22,268	1.2
448 Clothing and clothing accessories stores.....	1,622	1,663	2.5	19,279	20,161	882	4.6	19,422	19,880	2.4
451 Sporting goods, hobby, book and music stores.....	952	946	-0.6	9,570	9,244	-326	-3.4	17,767	18,176	2.3
452 General merchandise stores.....	364	363	-0.3	23,905	24,943	1,038	4.3	19,149	19,745	3.1
453 Miscellaneous store retailers.....	1,615	1,554	-3.8	11,667	11,318	-349	-3.0	21,485	21,874	1.8
454 Nonstore retailers.....	658	666	1.2	9,456	9,287	-169	-1.8	53,317	56,601	6.2
48-49 Transportation and warehousing	1,847	1,844	-0.2	37,944	38,897	953	2.5	36,906	38,824	5.2
481 Air transportation.....	85	88	3.5	1,862	1,847	-15	-0.8	46,536	51,137	9.9
482 Rail transportation.....	n	n	n	n	n	n	n	n	n	n
483 Water transportation.....	30	29	-3.3	980	961	-19	-1.9	75,742	79,524	5.0
484 Truck transportation.....	743	745	0.3	6,787	7,085	298	4.4	40,197	40,851	1.6
485 Transit and ground passenger transportation.....	353	348	-1.4	11,427	11,588	161	1.4	24,230	24,785	2.3
486 Pipeline transportation.....	4	5	25.0	183	177	-6	-3.3	86,748	92,388	6.5

Connecticut industry - 2003 and 2004*

NAICS Description	Establishments			Employment				Wages		
	2003	2004	03-04 % Chg	2003	2004	03-04 Chg		2003	2004	03-04 % Chg
						No.	%			
487 Scenic and sightseeing transportation.....	20	19	-5.0	193	172	-21	-10.9	25,147	26,500	5.4
488 Support activities for transportation.....	336	337	0.3	3,783	3,693	-90	-2.4	54,054	64,328	19.0
491 Postal service.....	n	n	n	n	n	n	n	n	n	n
492 Couriers and messengers.....	172	158	-8.1	7,345	7,247	-98	-1.3	33,941	35,740	5.3
493 Warehousing and storage.....	95	104	9.5	5,310	6,039	729	13.7	40,044	40,105	0.2
51 Information	1,751	1,736	-0.9	39,660	38,927	-733	-1.8	57,467	60,969	6.1
511 Publishing industries, except Internet.....	506	504	-0.4	12,755	12,458	-297	-2.3	52,721	54,915	4.2
512 Motion picture and sound recording industries.....	300	290	-3.3	2,265	2,200	-65	-2.9	30,212	29,619	-2.0
515 Broadcasting, except Internet.....	105	103	-1.9	4,322	4,512	190	4.4	65,909	69,686	5.7
516 Internet publishing and broadcasting.....	60	53	-11.7	619	619	0	0.0	67,908	87,986	29.6
517 Telecommunications.....	394	428	8.6	14,198	13,774	-424	-3.0	64,766	69,073	6.7
518 ISPs, search portals, and data processing.....	289	259	-10.4	4,326	4,177	-149	-3.4	60,078	65,606	9.2
519 Other information services.....	97	99	2.1	1,176	1,188	12	1.0	27,129	25,008	-7.8
52 Finance and insurance	6,522	6,759	3.6	122,538	120,489	-2,049	-1.7	104,248	118,484	13.7
521 Monetary authorities - central bank.....	n	n	n	n	n	n	n	n	n	n
522 Credit intermediation and related activities.....	2,224	2,315	4.1	32,340	31,649	-691	-2.1	75,623	78,028	3.2
523 Securities, commodity contracts, investments.....	1,825	1,923	5.4	17,366	18,385	1,019	5.9	252,442	281,352	11.5
524 Insurance carriers and related activities.....	2,357	2,411	2.3	67,822	65,603	-2,219	-3.3	80,131	91,482	14.2
525 Funds, trusts, and other financial vehicles.....	n	n	n	n	n	n	n	n	n	n
53 Real estate and rental and leasing	3,510	3,610	2.8	20,258	20,207	-51	-0.3	42,961	44,466	3.5
531 Real estate.....	2,809	2,913	3.7	13,475	13,466	-9	-0.1	45,036	46,449	3.1
532 Rental and leasing services.....	n	n	n	n	n	n	n	n	n	n
533 Lessors of nonfinancial intangible assets.....	n	n	n	n	n	n	n	n	n	n
54 Professional and technical services	12,819	12,553	-2.1	88,144	87,593	-551	-0.6	70,821	73,085	3.2
541 Professional and technical services.....	12,819	12,553	-2.1	88,144	87,593	-551	-0.6	70,821	73,085	3.2
55 Management of companies and enterprises	630	611	-3.0	27,660	25,736	-1,924	-7.0	105,495	121,243	14.9
551 Management of companies and enterprises.....	630	611	-3.0	27,660	25,736	-1,924	-7.0	105,495	121,243	14.9
56 Administrative and waste management	6,458	6,506	0.7	81,335	84,168	2,833	3.5	30,204	31,334	3.7
561 Administrative and support activities.....	5,963	6,001	0.6	75,656	78,129	2,473	3.3	29,186	30,259	3.7
562 Waste management and remediation services.....	495	505	2.0	5,679	6,039	360	6.3	43,765	45,234	3.4
61 Educational services	1,228	1,318	7.3	43,712	45,076	1,364	3.1	43,792	44,440	1.5
611 Educational services.....	1,228	1,318	7.3	43,712	45,076	1,364	3.1	43,792	44,440	1.5
62 Health care and social assistance	9,149	9,257	1.2	214,681	217,454	2,773	1.3	38,980	40,402	3.6
621 Ambulatory health care services.....	6,083	6,192	1.8	70,842	71,459	617	0.9	48,506	50,787	4.7
622 Hospitals.....	57	55	-3.5	54,573	55,384	811	1.5	46,808	48,698	4.0
623 Nursing and residential care facilities.....	1,145	1,136	-0.8	56,729	57,058	329	0.6	29,650	30,169	1.8
624 Social assistance.....	1,864	1,874	0.5	32,538	33,554	1,016	3.1	21,378	21,991	2.9
71 Arts, entertainment, and recreation	1,682	1,684	0.1	23,956	24,524	568	2.4	23,582	24,171	2.5
711 Performing arts and spectator sports.....	528	512	-3.0	4,722	4,757	35	0.7	36,014	38,508	6.9
712 Museums, historical sites, zoos, and parks.....	99	97	-2.0	1,991	2,007	16	0.8	24,944	25,720	3.1
713 Amusement, gambling, and recreation.....	1,055	1,075	1.9	17,243	17,759	516	3.0	20,020	20,157	0.7
72 Accommodation and food services	6,929	7,060	1.9	101,105	102,955	1,850	1.8	16,048	16,600	3.4
721 Accommodation.....	435	447	2.8	11,333	11,263	-70	-0.6	22,080	23,785	7.7
722 Food services and drinking places.....	6,494	6,613	1.8	89,772	91,692	1,920	2.1	15,286	15,717	2.8
81 Other services, except public administration	12,748	12,842	0.7	55,496	55,994	498	0.9	26,810	27,112	1.1
811 Repair and maintenance.....	2,808	2,801	-0.2	14,420	14,449	29	0.2	35,154	35,913	2.2
812 Personal and laundry services.....	3,142	3,187	1.4	18,669	18,943	274	1.5	22,252	22,877	2.8
813 Membership associations and organizations.....	2,007	2,035	1.4	15,636	15,609	-27	-0.2	27,602	26,950	-2.4
814 Private households.....	4,791	4,819	0.6	6,771	6,993	222	3.3	19,781	20,760	4.9
Total government	3,641	3,678	1.0	235,395	233,179	-2,216	-0.9	44,754	47,249	5.6
Federal.....	581	634	9.1	20,578	20,136	-442	-2.1	51,065	55,148	8.0
State.....	780	760	-2.6	59,550	58,025	-1,525	-2.6	50,684	55,402	9.3
Local.....	2,280	2,284	0.2	155,267	155,018	-249	-0.2	41,643	43,172	3.7

n = nondisclosable

*Note: These data are derived from unemployment insurance program reports supplemented by other sources. The industry employment figures will differ from the monthly sample-based nonfarm employment estimates due to the differences in employment coverages and methods used to produce the data.



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.

Connecticut Leads the Nation in Per Capita Income but Last in Employment Growth

In his semi-annual testimony to the House Banking Committee, Alan Greenspan, Chairman of the Federal Reserve Board painted an overall positive picture for the U.S. economy for the near term. The U.S. economy is expected to continue to grow in a low inflation environment. He also warned, however, that there are risks and uncertainties facing the economy. One risk is that high energy prices could pose an inflation threat to the economy and slow economic growth. Another risk is the bursting of the housing bubble in certain local housing markets should long-term interest rates start to rise. Against these assessments, Mr. Greenspan hinted strongly that the current policy of “measured” increases in the Federal Funds rate will continue.

As I have come to expect, the Connecticut economy turned in a mixed performance for May. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 106.59 in May 2004 to 107.88 in May 2005. Three components of this index are positive contributors, with a lower insured unemployment rate, higher total non-farm employment, and higher total employment. A higher total unemployment rate is the only negative contributor. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index fell from 108.31 in April 2005 to 107.88 in May 2005. Two components contributed positively to this index,

with a lower insured unemployment rate, and higher total non-farm employment. The two negative contributors are an unexpectedly large increase in the total unemployment rate from 4.9 percent in April to 5.3 percent in May, and lower total employment.

The revised CCEA-ECRI Connecticut leading employment index, on the other hand, provided us with good news. It rose from 116.73 in May 2004 to 119.12 in May 2005. Five components of this index are positive contributors, with a lower Moody's Baa corporate bond yield, a large increase in total housing permits, lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, and higher average weekly hours worked in manufacturing and construction. The Hartford help-wanted advertising index remained at its level of a year earlier. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index rose from 117.69 in April to 119.12 in May 2005. Four of the six components are positive contributors, with a lower Moody's Baa corporate bond yield, an increase in the number of total housing permits, a decrease in initial claims for unemployment insurance, and a higher Hartford help-wanted advertising index. A higher short duration (less than 15 weeks) unemployment rate, and lower average weekly hours worked in manufacturing and

construction are the two negative contributors to this index.

A recent state profile for Connecticut, published by the Federal Deposit Insurance Corporation (FDIC), provided a sobering reminder that both job and employment growth in Connecticut have been sub-par in this current economic recovery and expansion. While we continue to lead the nation in per capita income, our employment level through the first quarter of 2005 is only slightly higher than at the beginning of the 1990s. In fact, Connecticut's employment growth for the first quarter of 2005 is the slowest in the nation. Our manufacturing employment, both absolute and relative to total employment, has been declining along with the rest of the nation. Unfortunately, our employment growth in the service sector has been rather anemic, only 15 percent since 1990, and last among the New England states, according to the FDIC report. This is especially disconcerting since the national economic expansion is entering a phase of slower growth. It is clear that we face significant challenges, not the least of which is the potential loss of the submarine base in Groton. The problem that we face is not new; manufacturing employment has been declining in Connecticut for the last decade and a half. Yet, we seem to have done a poor job in replacing lost employment. Let the FDIC report be a wake-up call to our policy makers.

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.

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.

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--Continued from page 1--

percent, followed by *administrative and waste management and educational services*. The largest percentage declines were in the *management of companies and enterprises*, (down 7.0 percent), *information*, and *utilities* sectors.

The highest annual average wage in 2004 was earned by employees in the *management of companies and enterprises* sector at \$121,243 (chart). Next highest were *finance and insurance*, \$118,484, and *utilities*, \$97,305. Conversely, workers in the *accommodation and food services* sector, in which there is a high prevalence of part-time workers, earned an annual average wage of \$16,600.

Looking at a finer level of industry detail, the industries that experienced the greatest employment gains from 2003 to 2004 were *specialty trade construction, administrative and support activities, food services and drinking places*, and *educational services*.

Industry sub-sectors that showed the largest employment declines over the year were *insur-*

ance carriers and related activities, management of companies and enterprises, and state government.

The change in number of industry establishments can also reveal potential trends. The greatest percent change often occurs in industry sectors where there are fewer establishments, but may identify areas in which business opportunities have been identified. From 2003 to 2004, the percent change in number of establishments was highest in *pipeline transportation, warehousing and storage, federal government, telecommunications, utilities and educational services*. Percentage declines were greatest in *fishing, hunting and trapping; apparel manufacturing; Internet publishing and broadcasting; and ISPs, search portals and data processing services*. ■

Covering more than 90 percent of all workers in the State, the Unemployment Insurance (UI) program provides a more detailed view of Connecticut industries than is available from other sources. For additional breakouts, see the table on pages 2 and 3.

GENERAL ECONOMIC INDICATORS

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

Sources: *The Connecticut Economy, Connecticut Center for Economic Analysis, University of Connecticut **Banknorth Bank

The Connecticut Economy's **General Drift Indicators** are composite measures of the four-quarter change in three coincident (Connecticut Manufacturing Production Index, nonfarm employment, and real personal income) and four leading (housing permits, manufacturing average weekly hours, Hartford help-wanted advertising, and initial unemployment claims) economic variables, and are indexed so 1986 = 100.

The **Banknorth Business Barometer** is a measure of overall economic growth in the state of Connecticut that is derived from non-manufacturing employment, real disposable personal income, and manufacturing production.

Total nonfarm employment increased over the year.

EMPLOYMENT BY INDUSTRY SECTOR

	JUN		CHANGE		MAY
	2005	2004	NO.	%	2005
<i>(Seasonally adjusted; 000s)</i>					
TOTAL NONFARM	1670.8	1,648.6	22.2	1.3	1,669.8
Construction	71.2	65.8	5.4	8.2	70.6
Manufacturing	198.0	197.5	0.5	0.3	198.2
Trade, Transportation and Utilities	314.0	308.0	6.0	1.9	313.5
Information	39.4	39.1	0.3	0.8	39.3
Financial Activities	141.1	140.5	0.6	0.4	141.1
Professional and Business Services	198.0	197.6	0.4	0.2	197.6
Leisure and Hospitality	131.8	127.4	4.4	3.5	130.7
Government*	242.2	241.9	0.3	0.1	242.4

Source: Connecticut Department of Labor (see page 12 for other industries, not seasonally adjusted)

* Includes Native American tribal government employment

Initial claims for unemployment insurance fell from a year ago.

UNEMPLOYMENT

	JUN		CHANGE		MAY
	2005	2004	NO.	%	2005
<i>(Seasonally adjusted)</i>					
Unemployment Rate, resident (%)	5.1	4.8	0.3	---	5.3
Labor Force, resident (000s)	1,800.6	1,796.8	3.8	0.2	1,812.9
Employed (000s)	1,708.5	1,709.8	-1.3	-0.1	1,716.1
Unemployed (000s)	92.0	87.0	5.0	5.7	96.8
Average Weekly Initial Claims	3,971	4,179	-208	-5.0	3,940
Help Wanted Index -- Htfd. (1987=100)	8	8	0	0.0	7
Avg. Insured Unemp. Rate (%)	2.46	2.69	-0.23	---	2.44

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

	JUN		CHANGE		MAY	APR
	2005	2004	NO.	%	2005	2005
<i>(Not seasonally adjusted)</i>						
Average Weekly Hours	42.4	42.0	0.4	1.0	42.2	--
Average Hourly Earnings	18.65	18.09	0.56	3.1	18.69	--
Average Weekly Earnings	790.76	759.78	30.98	4.1	788.72	--
CT Mfg. Production Index (1986=100)*	119.2	112.2	6.9	6.2	117.2	119.8
Production Worker Hours (000s)	5,095	4,994	101	2.0	5,050	--
Industrial Electricity Sales (mil kWh)**	454	432	22.2	5.1	428	410

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

	4Q*		CHANGE		3Q*
	2005	2004	NO.	%	2005
<i>(Seasonally adjusted)</i>					
<i>(Annualized; \$ Millions)</i>					
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

New auto registrations decreased from a year ago.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Electricity Sales (mil kWh)	APR 2005	2,337	-0.3	10,577	10,642	-0.6
Retail Sales (Bil. \$)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts						
Index (1980=100)	JUN 2005	577.2	22.2	---	---	---
New Auto Registrations	JUN 2005	19,005	-20.5	109,989	117,511	-6.4
Air Cargo Tons	JUN 2005	14,239	12.0	77,826	75,064	3.7
Exports (Bil. \$)	1Q 2005	2.31	6.9	2.31	2.16	6.9

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

BUSINESS STARTS AND TERMINATIONS

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

	MO/QTR	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
STARTS						
Secretary of the State	JUN 2005	2,607	6.4	15,835	15,265	3.7
Department of Labor*	4Q 2004	1,863	5.7	9,155	8,695	5.3
TERMINATIONS						
Secretary of the State	JUN 2005	647	-4.1	4,431	4,645	-4.6
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

STATE REVENUES

Gaming payments were up from a year ago.

	YEAR TO DATE			YEAR TO DATE		
	JUN 2005	JUN 2004	% CHG	CURRENT	PRIOR	% CHG
<i>(Millions of dollars)</i>						
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**	33.8	32.4	4.2	205.6	199.2	3.2

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

TOURISM AND TRAVEL

Air passenger count rose over the year.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Info Center Visitors	JUN 2005	35,906	-22.3	137,557	153,598	-10.4
Major Attraction Visitors	JUN 2005	188,962	-1.2	729,389	789,803	-7.6
Air Passenger Count	JUN 2005	629,806	11.0	3,646,731	3,254,597	12.0
Indian Gaming Slots (Mil.\$)*	JUN 2005	1,575	-2.4	9,595	9,796	-2.1
Travel and Tourism Index**	1Q 2005	---	-3.6	---	---	---

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

*See page 23 for explanation

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

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

EMPLOYMENT COST INDEX

	Seasonally Adjusted			Not Seasonally Adjusted		
	JUN 2005	MAR 2005	3-Mo % Chg	JUN 2005	JUN 2004	12-Mo % Chg
Private Industry Workers <i>(June 1989=100)</i>						
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 2.5 percent over the year.

CONSUMER NEWS

<i>(Not seasonally adjusted)</i>	MO/QTR	LEVEL	% CHANGE	
			Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	1Q 2005	---	NA	---
CPI-U (1982-84=100)				
U.S. City Average	JUN 2005	194.5	2.5	0.1
Purchasing Power of \$ (1982-84=\$1.00)	JUN 2005	\$0.514	-2.5	-0.1
Northeast Region	JUN 2005	206.2	2.5	0.0
NY-Northern NJ-Long Island	JUN 2005	210.7	2.3	-0.3
Boston-Brockton-Nashua***	MAY 2005	214.6	2.8	0.2
CPI-W (1982-84=100)				
U.S. City Average	JUN 2005	190.1	2.6	0.1
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	1Q 2005	83.2	-11.5	-13.6
New England	JUN 2005	91.7	-8.4	1.2
U.S.	JUN 2005	105.8	2.9	2.6

Sources: U.S. Department of Labor, Bureau of Labor Statistics; The Conference Board

*Change over prior monthly or quarterly period

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

***The Boston CPI can be used as a proxy for New England and is measured every other month.

30-year conventional mortgage rate fell to 5.58 percent over the month.

INTEREST RATES

<i>(Percent)</i>	JUN 2005	MAY 2005	JUN 2004
Prime	6.01	5.98	4.00
Federal Funds	3.04	3.00	1.03
3 Month Treasury Bill	3.04	2.90	1.29
6 Month Treasury Bill	3.22	3.17	1.64
1 Year Treasury Bill	3.36	3.33	2.12
3 Year Treasury Note	3.69	3.72	3.26
5 Year Treasury Note	3.77	3.85	3.93
7 Year Treasury Note	3.86	3.94	4.35
10 Year Treasury Note	4.00	4.14	4.73
20 Year Treasury Note	4.35	4.56	5.45
Conventional Mortgage	5.58	5.72	6.29

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

<i>(Seasonally adjusted; 000s)</i>	JUN	JUN	CHANGE		MAY
	2005	2004	NO.	%	2005
Connecticut	1,670.8	1,648.6	22.2	1.3	1,669.8
Maine	618.4	614.0	4.4	0.7	618.0
Massachusetts	3,205.8	3,182.0	23.8	0.7	3,200.9
New Hampshire	637.9	626.1	11.8	1.9	639.8
New Jersey	4,056.1	4,003.2	52.9	1.3	4,052.7
New York	8,525.1	8,450.5	74.6	0.9	8,510.6
Pennsylvania	5,703.6	5,641.7	61.9	1.1	5,697.1
Rhode Island	495.0	488.4	6.6	1.4	494.3
Vermont	308.5	302.7	5.8	1.9	308.1
United States	133,537.0	131,479.0	2,058.0	1.6	133,391.0

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

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

LABOR FORCE

<i>(Seasonally adjusted; 000s)</i>	JUN	JUN	CHANGE		MAY
	2005	2004	NO.	%	2005
Connecticut	1,800.6	1,796.8	3.8	0.2	1,812.9
Maine	707.1	699.0	8.1	1.2	708.9
Massachusetts	3,367.1	3,394.1	-27.0	-0.8	3,373.8
New Hampshire	733.7	723.1	10.6	1.5	734.7
New Jersey	4,415.4	4,387.7	27.7	0.6	4,406.4
New York	9,365.9	9,357.1	8.8	0.1	9,423.7
Pennsylvania	6,287.3	6,258.3	29.0	0.5	6,350.0
Rhode Island	569.0	562.9	6.1	1.1	570.7
Vermont	352.0	353.0	-1.0	-0.3	351.5
United States	149,123.0	147,386.0	1,737.0	1.2	149,122.0

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

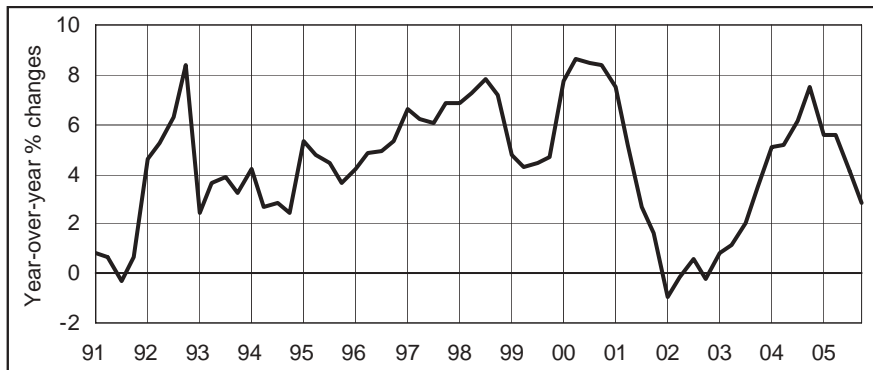
Seven of nine states posted increases in the labor force from last year.

UNEMPLOYMENT RATES

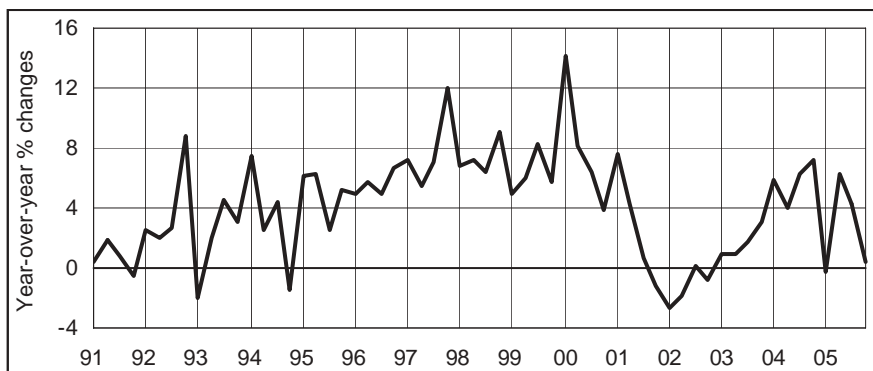
<i>(Seasonally adjusted)</i>	JUN	JUN	CHANGE	MAY
	2005	2004		2005
Connecticut	5.1	4.8	0.3	5.3
Maine	4.7	4.5	0.2	5.0
Massachusetts	4.7	5.1	-0.4	4.8
New Hampshire	3.5	3.8	-0.3	3.6
New Jersey	4.0	4.8	-0.8	3.9
New York	4.9	5.9	-1.0	5.0
Pennsylvania	5.0	5.5	-0.5	4.8
Rhode Island	4.8	5.2	-0.4	4.5
Vermont	3.5	3.5	0.0	3.1
United States	5.0	5.6	-0.6	5.1

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

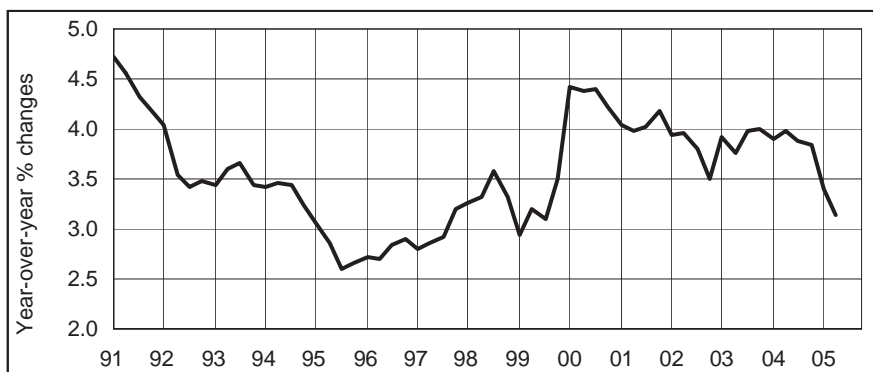
Six of nine states showed a decrease in its unemployment rate over the year.

PERSONAL INCOME *(Seasonally adjusted)*

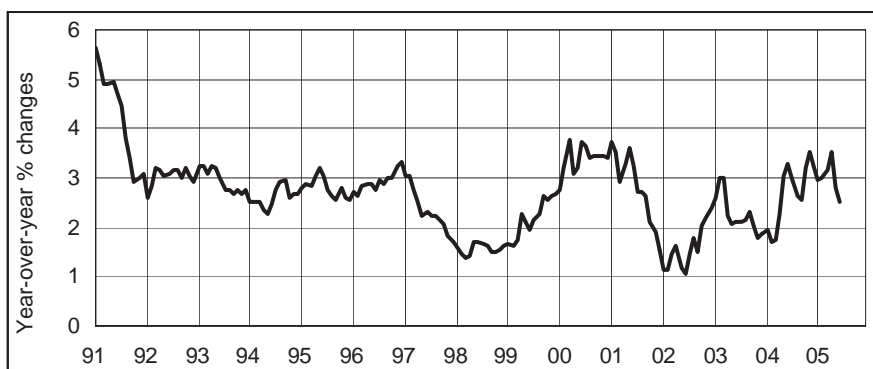
Quarter	2003	2004	2005
First	0.9	5.1	5.5
Second	1.1	5.2	5.5
Third	2.1	6.2	4.1
Fourth	3.5	7.5	2.8

UI COVERED WAGES *(Seasonally adjusted)*

Quarter	2003	2004	2005
First	1.0	5.9	-0.3
Second	1.0	4.0	6.2
Third	1.7	6.2	4.3
Fourth	3.1	7.2	0.4

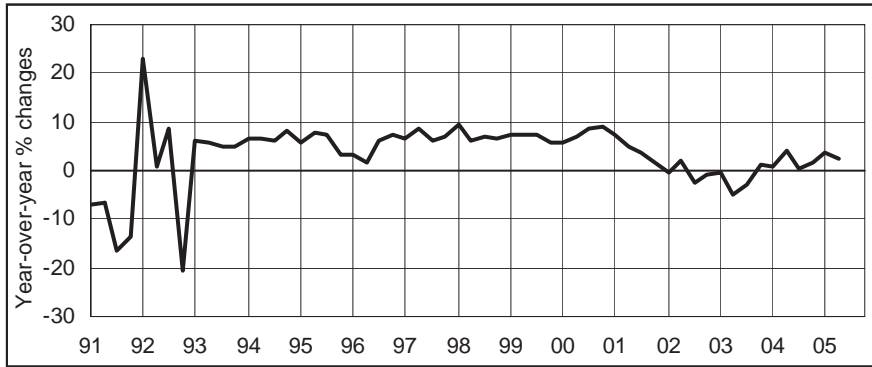
U.S. EMPLOYMENT COST INDEX *(Seasonally adjusted)*

Quarter	2003	2004	2005
First	3.9	3.9	3.4
Second	3.8	4.0	3.1
Third	4.0	3.9	
Fourth	4.0	3.8	

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

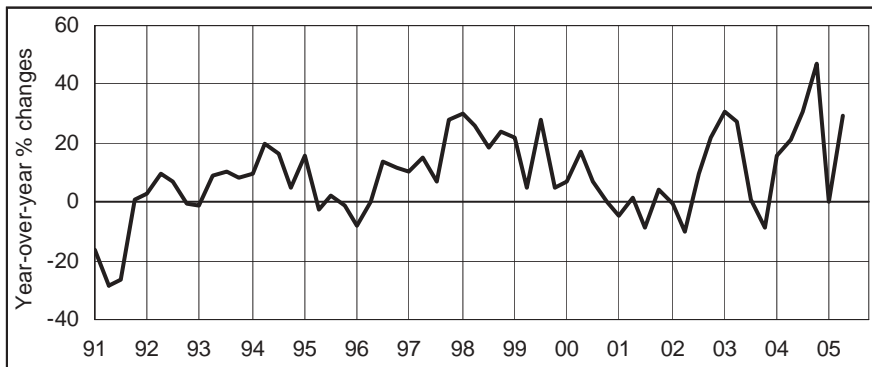
Month	2003	2004	2005
Jan	2.6	1.9	3.0
Feb	3.0	1.7	3.0
Mar	3.0	1.7	3.1
Apr	2.2	2.3	3.5
May	2.1	3.1	2.8
Jun	2.1	3.3	2.5
Jul	2.1	3.0	
Aug	2.2	2.7	
Sep	2.3	2.5	
Oct	2.0	3.2	
Nov	1.8	3.5	
Dec	1.9	3.3	

SALES TAX



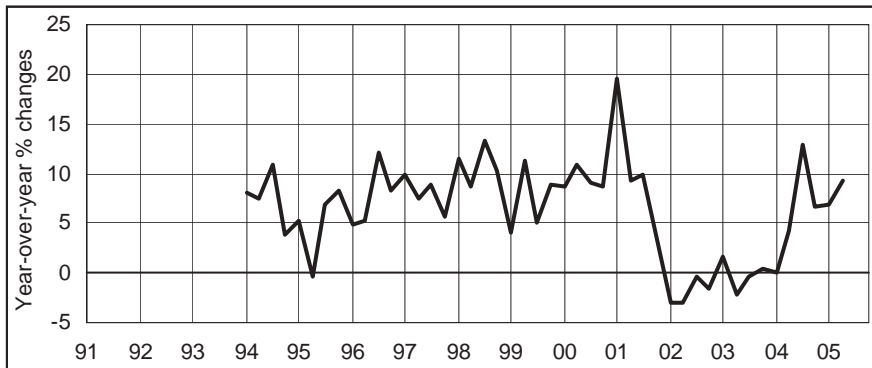
Quarter	FY 2003	FY 2004	FY 2005
First	-0.3	0.7	3.9
Second	-5.1	4.1	2.5
Third	-2.7	0.5	
Fourth	1.3	1.8	

REAL ESTATE TAX



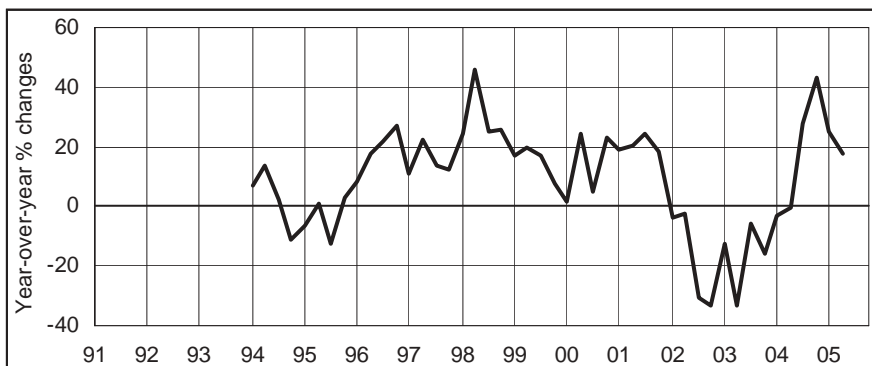
Quarter	FY 2003	FY 2004	FY 2005
First	30.8	15.8	0.2
Second	27.2	21.4	29.6
Third	0.6	30.8	
Fourth	-8.6	47.2	

PERSONAL INCOME TAX : SALARIES & WAGES



Quarter	FY 2003	FY 2004	FY 2005
First	1.6	0.0	6.8
Second	-2.1	4.3	9.2
Third	-0.3	12.9	
Fourth	0.5	6.6	

PERSONAL INCOME TAX : ALL OTHER SOURCES



Quarter	FY 2003	FY 2004	FY 2005
First	-12.6	-3.1	25.1
Second	-33.4	-0.5	17.8
Third	-5.8	27.7	
Fourth	-15.8	43.2	

Note: These economic growth rates were derived by the Office of Fiscal Analysis and were made by comparing tax collections in each quarter with the same quarter in the previous year and were adjusted for legislative changes

CONNECTICUT

Not Seasonally Adjusted

	JUN	JUN	CHANGE		MAY
	2005	2004	NO.	%	2005
TOTAL NONFARM EMPLOYMENT	1,687,800	1,666,600	21,200	1.3	1,679,300
GOODS PRODUCING INDUSTRIES	273,500	268,300	5,200	1.9	271,000
CONSTRUCTION, NAT. RES. & MINING	75,000	69,400	5,600	8.1	72,900
MANUFACTURING	198,500	198,900	-400	-0.2	198,100
Durable Goods	147,800	147,300	500	0.3	147,500
Fabricated Metal.....	34,000	34,100	-100	-0.3	34,400
Machinery.....	18,600	18,800	-200	-1.1	18,600
Computer and Electronic Product.....	15,400	15,500	-100	-0.6	15,400
Electrical Equipment.....	10,400	10,400	0	0.0	10,200
Transportation Equipment	43,700	43,300	400	0.9	43,300
Aerospace Product and Parts.....	30,300	30,000	300	1.0	30,100
Non-Durable Goods	50,700	51,600	-900	-1.7	50,600
Printing and Related.....	8,200	8,500	-300	-3.5	8,200
Chemical.....	17,200	17,300	-100	-0.6	17,100
Plastics and Rubber Products.....	7,600	7,700	-100	-1.3	7,600
SERVICE PROVIDING INDUSTRIES	1,414,300	1,398,300	16,000	1.1	1,408,300
TRADE, TRANSPORTATION, UTILITIES	316,400	309,600	6,800	2.2	313,100
Wholesale Trade.....	67,300	66,600	700	1.1	66,700
Retail Trade.....	197,400	192,700	4,700	2.4	195,200
Motor Vehicle and Parts Dealers.....	23,400	23,300	100	0.4	23,300
Building Material.....	17,900	17,000	900	5.3	17,800
Food and Beverage Stores.....	44,700	44,500	200	0.4	43,800
General Merchandise Stores.....	26,000	23,600	2,400	10.2	25,800
Transportation, Warehousing, & Utilities....	51,700	50,300	1,400	2.8	51,200
Utilities.....	8,700	8,700	0	0.0	8,600
Transportation and Warehousing.....	43,000	41,600	1,400	3.4	42,600
INFORMATION	39,600	39,400	200	0.5	39,300
Telecommunications.....	13,500	13,800	-300	-2.2	13,300
FINANCIAL ACTIVITIES	142,000	141,700	300	0.2	140,600
Finance and Insurance.....	121,100	121,000	100	0.1	120,400
Credit Intermediation.....	31,600	32,000	-400	-1.3	31,300
Securities and Commodity Contracts.....	19,700	18,400	1,300	7.1	19,400
Insurance Carriers & Related Activities....	65,100	65,900	-800	-1.2	65,000
Real Estate and Rental and Leasing.....	20,900	20,700	200	1.0	20,200
PROFESSIONAL & BUSINESS SERVICES	201,200	200,400	800	0.4	198,400
Professional, Scientific.....	86,400	87,600	-1,200	-1.4	85,600
Legal Services.....	15,100	15,100	0	0.0	14,600
Computer Systems Design.....	18,700	18,400	300	1.6	18,500
Management of Companies.....	25,100	25,600	-500	-2.0	24,900
Administrative and Support.....	89,700	87,200	2,500	2.9	87,900
Employment Services.....	31,800	30,200	1,600	5.3	31,100
EDUCATIONAL AND HEALTH SERVICES	269,400	266,000	3,400	1.3	272,600
Educational Services.....	47,600	46,300	1,300	2.8	51,800
Health Care and Social Assistance.....	221,800	219,700	2,100	1.0	220,800
Hospitals.....	55,900	55,500	400	0.7	55,700
Nursing & Residential Care Facilities.....	57,900	57,900	0	0.0	57,400
Social Assistance.....	35,900	34,800	1,100	3.2	36,100
LEISURE AND HOSPITALITY	139,000	136,000	3,000	2.2	133,600
Arts, Entertainment, and Recreation.....	29,500	28,900	600	2.1	26,700
Accommodation and Food Services.....	109,500	107,100	2,400	2.2	106,900
Food Serv., Restaurants, Drinking Places.	97,400	95,400	2,000	2.1	95,500
OTHER SERVICES	64,800	63,300	1,500	2.4	63,900
GOVERNMENT	241,900	241,900	0	0.0	246,800
Federal Government.....	20,000	20,100	-100	-0.5	19,900
State Government.....	60,300	60,800	-500	-0.8	63,900
**Local Government.....	161,600	161,000	600	0.4	163,000

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



	<i>Not Seasonally Adjusted</i>				
	JUN 2005	JUN 2004	CHANGE NO.	CHANGE %	MAY 2005
TOTAL NONFARM EMPLOYMENT.....	415,100	415,100	0	0.0	412,100
GOODS PRODUCING INDUSTRIES.....	56,100	57,100	-1,000	-1.8	55,600
CONSTRUCTION, NAT. RES. & MINING.....	14,900	14,900	0	0.0	14,700
MANUFACTURING.....	41,200	42,200	-1,000	-2.4	40,900
Durable Goods.....	29,700	30,500	-800	-2.6	29,600
SERVICE PROVIDING INDUSTRIES.....	359,000	358,000	1,000	0.3	356,500
TRADE, TRANSPORTATION, UTILITIES.....	75,000	75,400	-400	-0.5	74,400
Wholesale Trade.....	14,700	15,000	-300	-2.0	14,600
Retail Trade.....	50,000	49,800	200	0.4	49,600
Transportation, Warehousing, & Utilities....	10,300	10,600	-300	-2.8	10,200
INFORMATION.....	12,200	12,200	0	0.0	12,100
FINANCIAL ACTIVITIES.....	42,600	41,800	800	1.9	42,300
Finance and Insurance.....	36,000	35,300	700	2.0	35,600
PROFESSIONAL & BUSINESS SERVICES	69,500	70,800	-1,300	-1.8	69,100
EDUCATIONAL AND HEALTH SERVICES	59,100	58,700	400	0.7	59,800
Health Care and Social Assistance.....	51,200	50,600	600	1.2	51,300
LEISURE AND HOSPITALITY.....	35,400	34,700	700	2.0	33,600
Accommodation and Food Services.....	24,300	24,300	0	0.0	23,700
OTHER SERVICES.....	17,200	16,900	300	1.8	17,100
GOVERNMENT	48,000	47,500	500	1.1	48,100
Federal.....	3,600	3,600	0	0.0	3,600
State & Local.....	44,400	43,900	500	1.1	44,500

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

DANBURY LMA



	<i>Not Seasonally Adjusted</i>				
	JUN 2005	JUN 2004	CHANGE NO.	CHANGE %	MAY 2005
TOTAL NONFARM EMPLOYMENT.....	69,200	69,700	-500	-0.7	68,700
GOODS PRODUCING INDUSTRIES.....	13,300	13,500	-200	-1.5	13,300
SERVICE PROVIDING INDUSTRIES.....	55,900	56,200	-300	-0.5	55,400
TRADE, TRANSPORTATION, UTILITIES.....	15,900	15,900	0	0.0	15,700
Retail Trade.....	12,200	12,200	0	0.0	12,000
PROFESSIONAL & BUSINESS SERVICES	8,800	8,500	300	3.5	8,600
LEISURE AND HOSPITALITY.....	5,400	5,400	0	0.0	5,200
GOVERNMENT	7,900	8,000	-100	-1.3	8,100
Federal.....	600	600	0	0.0	600
State & Local.....	7,300	7,400	-100	-1.4	7,500

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*

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	545,200	540,900	4,300	0.8	545,200
GOODS PRODUCING INDUSTRIES	86,100	86,700	-600	-0.7	85,000
CONSTRUCTION, NAT. RES. & MINING	21,600	21,800	-200	-0.9	21,000
MANUFACTURING	64,500	64,900	-400	-0.6	64,000
Durable Goods	54,000	54,000	0	0.0	53,500
Transportation Equipment	18,700	18,400	300	1.6	18,500
SERVICE PROVIDING INDUSTRIES	459,100	454,200	4,900	1.1	460,200
TRADE, TRANSPORTATION, UTILITIES	89,900	89,100	800	0.9	89,300
Wholesale Trade.....	18,800	19,000	-200	-1.1	18,600
Retail Trade.....	56,500	55,500	1,000	1.8	56,200
Transportation, Warehousing, & Utilities....	14,600	14,600	0	0.0	14,500
Transportation and Warehousing.....	10,900	11,100	-200	-1.8	10,800
INFORMATION	11,900	11,500	400	3.5	11,700
FINANCIAL ACTIVITIES	69,000	68,200	800	1.2	68,200
Depository Credit Institutions.....	8,000	7,800	200	2.6	8,000
Insurance Carriers & Related Activities....	45,000	46,100	-1,100	-2.4	44,400
PROFESSIONAL & BUSINESS SERVICES	58,500	57,400	1,100	1.9	58,300
Professional, Scientific.....	27,200	26,600	600	2.3	27,100
Administrative and Support.....	25,800	25,000	800	3.2	25,400
EDUCATIONAL AND HEALTH SERVICES	84,100	83,200	900	1.1	85,200
Health Care and Social Assistance.....	73,900	73,300	600	0.8	73,800
Ambulatory Health Care.....	22,300	22,100	200	0.9	22,100
LEISURE AND HOSPITALITY	40,100	39,600	500	1.3	39,700
Accommodation and Food Services.....	31,800	31,200	600	1.9	31,800
OTHER SERVICES	21,100	21,000	100	0.5	20,900
GOVERNMENT	84,500	84,200	300	0.4	86,900
Federal.....	6,100	6,100	0	0.0	6,100
State & Local.....	78,400	78,100	300	0.4	80,800

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.*

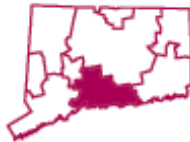
BUSINESS AND ECONOMIC NEWS

- **New business establishments: survival and longevity**

Across sectors, 66 percent of new establishments were still in existence 2 years after their birth in the second quarter of 1998, and 44 percent were still in existence 4 years after their birth (in U.S.). These survival rates did not vary much by industry. Despite the early success of the "dot-coms" during the 1990s, the information industry had the lowest 2- and 4-year survival rates, 63 percent and 38 percent, respectively. Education and health services had the highest 2- and 4-year survival rates, 73 percent and 55 percent. According to the conventional wisdom, restaurants should bring down the averages for the sector that includes them, because they are constantly starting and failing. However, the leisure and hospitality sector's 2- and 4-year survival rates of 65 percent and 44 percent are only slightly below average. Data used in this analysis are from the BLS Quarterly Census of Employment and Wages (QCEW) program. To learn more, see "Survival and longevity in the Business Employment Dynamics data", by Amy E. Knaup, Monthly Labor Review, May 2005. This analysis only includes completely new entrants—that is, new firms which open a single

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	272,100	274,200	-2,100	-0.8	271,700
GOODS PRODUCING INDUSTRIES	46,600	46,400	200	0.4	46,400
CONSTRUCTION, NAT. RES. & MINING	12,800	12,200	600	4.9	12,500
MANUFACTURING	33,800	34,200	-400	-1.2	33,900
Durable Goods.....	22,400	23,300	-900	-3.9	22,600
SERVICE PROVIDING INDUSTRIES	225,500	227,800	-2,300	-1.0	225,300
TRADE, TRANSPORTATION, UTILITIES	50,500	50,700	-200	-0.4	49,600
Wholesale Trade.....	11,300	11,500	-200	-1.7	11,100
Retail Trade.....	32,000	30,900	1,100	3.6	31,300
Transportation, Warehousing, & Utilities....	7,200	8,300	-1,100	-13.3	7,200
INFORMATION	8,900	8,700	200	2.3	8,800
Telecommunications.....	5,200	5,300	-100	-1.9	5,200
FINANCIAL ACTIVITIES	13,400	14,400	-1,000	-6.9	13,100
Finance and Insurance.....	9,600	10,600	-1,000	-9.4	9,700
PROFESSIONAL & BUSINESS SERVICES	25,500	26,400	-900	-3.4	25,000
Administrative and Support.....	12,000	12,300	-300	-2.4	11,700
EDUCATIONAL AND HEALTH SERVICES	59,800	60,900	-1,100	-1.8	61,100
Educational Services.....	19,300	20,400	-1,100	-5.4	20,900
Health Care and Social Assistance.....	40,500	40,500	0	0.0	40,200
LEISURE AND HOSPITALITY	23,600	22,000	1,600	7.3	22,700
Accommodation and Food Services.....	19,800	17,900	1,900	10.6	19,100
OTHER SERVICES	10,900	10,700	200	1.9	10,700
GOVERNMENT	32,900	34,000	-1,100	-3.2	34,300
Federal.....	5,400	5,500	-100	-1.8	5,400
State & Local.....	27,500	28,500	-1,000	-3.5	28,900

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

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

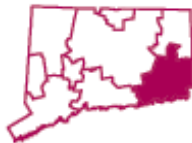
**Total excludes workers idled due to labor-management disputes. **Value less than 50*

BUSINESS AND ECONOMIC NEWS (Cont.)

establishment. (The Editor's Desk, Bureau of Labor Statistics, June 14, 2005)

■ Comparing growth rates of benefits and wages in private industry

Except for two relatively brief periods in the 1980s and 1990s, the 12-month percent change in the cost of benefits (in U.S.)-as measured by the BLS Employment Cost Index (ECI)-has generally exceeded that of wages and salaries in private industry. From early 1985 to late 1987, the 12-month percent changes in the cost of benefits and in wages and salaries were about even, with the costs of benefits increasing by 3.5 percent, on average, and wages and salaries increasing by 3.6 percent. In the middle-to-late 1990s, the 12-month percent change in wages and salaries (3.4 percent, on average) outpaced that of benefits (2.3 percent). This was the only sustained period in which wages and salaries grew more rapidly than the cost of benefits. Part of the reason for slower growth in the cost of benefits during this period was the relatively slow growth in health insurance costs from 1995 to 1998. These data are from the BLS Compensation Cost Trends program. For more information, see "Percent Changes in the Employment Cost Index for Wages and Salaries and for Benefits, Private Industry, First Quarter 1981-First Quarter 2005," in the June 2005 issue of Compensation and Working Conditions Online. (The Editor's Desk, Bureau of Labor Statistics, June 30, 2005)

**NORWICH - NEW
LONDON LMA***Not Seasonally Adjusted*

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	138,300	136,000	2,300	1.7	135,200
GOODS PRODUCING INDUSTRIES	23,000	22,200	800	3.6	22,400
CONSTRUCTION, NAT. RES. & MINING	5,100	4,800	300	6.3	4,800
MANUFACTURING	17,900	17,400	500	2.9	17,600
Durable Goods.....	11,300	10,900	400	3.7	11,200
Non-Durable Goods.....	6,600	6,500	100	1.5	6,400
SERVICE PROVIDING INDUSTRIES	115,300	113,800	1,500	1.3	112,800
TRADE, TRANSPORTATION, UTILITIES	22,700	22,200	500	2.3	22,000
Wholesale Trade.....	1,900	1,900	0	0.0	1,900
Retail Trade.....	16,400	16,200	200	1.2	16,000
Transportation, Warehousing, & Utilities....	4,400	4,100	300	7.3	4,100
INFORMATION	2,000	2,100	-100	-4.8	2,000
FINANCIAL ACTIVITIES	3,400	3,400	0	0.0	3,300
PROFESSIONAL & BUSINESS SERVICES	10,300	10,200	100	1.0	10,200
EDUCATIONAL AND HEALTH SERVICES	18,300	17,800	500	2.8	18,300
Health Care and Social Assistance.....	16,000	15,600	400	2.6	15,800
LEISURE AND HOSPITALITY	14,900	14,600	300	2.1	13,000
Accommodation and Food Services.....	12,300	12,000	300	2.5	10,700
Food Serv., Restaurants, Drinking Places.	10,000	9,700	300	3.1	8,800
OTHER SERVICES	4,000	3,900	100	2.6	4,000
GOVERNMENT	39,700	39,600	100	0.3	40,000
Federal.....	2,200	2,400	-200	-8.3	2,300
**State & Local.....	37,500	37,200	300	0.8	37,700

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

WATERBURY LMA*Not Seasonally Adjusted*

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT	70,400	70,300	100	0.1	69,900
GOODS PRODUCING INDUSTRIES	14,400	14,000	400	2.9	14,300
CONSTRUCTION, NAT. RES. & MINING	3,100	3,100	0	0.0	3,100
MANUFACTURING	11,300	10,900	400	3.7	11,200
SERVICE PROVIDING INDUSTRIES	56,000	56,300	-300	-0.5	55,600
TRADE, TRANSPORTATION, UTILITIES	13,600	13,600	0	0.0	13,700
Wholesale Trade.....	2,100	2,100	0	0.0	2,100
Retail Trade.....	9,100	9,100	0	0.0	9,200
Transportation, Warehousing, & Utilities....	2,400	2,400	0	0.0	2,400
INFORMATION	1,100	1,100	0	0.0	1,100
FINANCIAL ACTIVITIES	2,800	2,800	0	0.0	2,800
PROFESSIONAL & BUSINESS SERVICES	6,100	6,200	-100	-1.6	6,300
EDUCATIONAL AND HEALTH SERVICES	14,200	14,100	100	0.7	14,100
Health Care and Social Assistance.....	13,000	12,900	100	0.8	12,900
LEISURE AND HOSPITALITY	5,200	5,100	100	2.0	4,700
OTHER SERVICES	2,900	2,800	100	3.6	2,900
GOVERNMENT	10,100	10,600	-500	-4.7	10,000
Federal.....	600	600	0	0.0	600
State & Local.....	9,500	10,000	-500	-5.0	9,400

For further information on the Waterbury Labor Market Area contact Joseph Slepiski 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.*

NONFARM EMPLOYMENT ESTIMATES LMA

SMALLER LMAS



Not Seasonally Adjusted

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT					
ENFIELD LMA.....	45,600	46,300	-700	-1.5	45,200
TORRINGTON LMA.....	37,300	37,700	-400	-1.1	36,300
WILLIMANTIC - DANIELSON LMA.....	37,300	36,500	800	2.2	37,300

NOTE: More industry detail data is available for the State and its nine labor market areas at: <http://www.ctdol.state.ct.us/lmi/202/covered.htm>. The data published there differ from the data in the preceding tables in that they are developed from a near-universe count of Connecticut employment covered by the unemployment insurance (UI) program, while the data here is sample-based. The data drawn from the UI program does not contain estimates of employment not covered by unemployment insurance, and is lagged several months behind the current employment estimates presented here.

SPRINGFIELD, MA-CT NECTA*

Not Seasonally Adjusted

	JUN 2005	JUN 2004	CHANGE		MAY 2005
			NO.	%	
TOTAL NONFARM EMPLOYMENT.....	298,900	298,100	800	0.3	297,900
GOODS PRODUCING INDUSTRIES.....	51,100	50,400	700	1.4	50,300
CONSTRUCTION, NAT. RES. & MINING....	11,400	11,100	300	2.7	10,800
MANUFACTURING.....	39,700	39,300	400	1.0	39,500
Durable Goods.....	25,000	24,500	500	2.0	24,800
Non-Durable Goods.....	14,700	14,800	-100	-0.7	14,700
SERVICE PROVIDING INDUSTRIES.....	247,800	247,700	100	0.0	247,600
TRADE, TRANSPORTATION, UTILITIES....	61,600	61,100	500	0.8	61,400
Wholesale Trade.....	11,500	11,100	400	3.6	11,500
Retail Trade.....	37,200	36,700	500	1.4	37,100
Transportation, Warehousing, & Utilities....	12,900	13,300	-400	-3.0	12,800
INFORMATION.....	4,400	4,800	-400	-8.3	4,400
FINANCIAL ACTIVITIES.....	16,400	16,500	-100	-0.6	16,200
Finance and Insurance.....	12,400	12,500	-100	-0.8	12,300
Insurance Carriers & Related Activities....	7,900	7,800	100	1.3	7,800
PROFESSIONAL & BUSINESS SERVICES	24,400	24,400	0	0.0	24,100
EDUCATIONAL AND HEALTH SERVICES	52,600	52,100	500	1.0	54,000
Educational Services.....	10,400	10,300	100	1.0	11,800
Health Care and Social Assistance.....	42,200	41,800	400	1.0	42,200
LEISURE AND HOSPITALITY.....	29,000	28,200	800	2.8	28,200
OTHER SERVICES.....	11,400	11,200	200	1.8	11,400
GOVERNMENT	48,000	49,400	-1,400	-2.8	47,900
Federal.....	7,000	6,800	200	2.9	6,900
State & Local.....	41,000	42,600	-1,600	-3.8	41,000

* New England City and Town Area

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

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

LMA LABOR FORCE ESTIMATES

		EMPLOYMENT	JUN	JUN	CHANGE		MAY
<i>(Not seasonally adjusted)</i>		STATUS	2005	2004	NO.	%	2005
CONNECTICUT	Civilian Labor Force		1,827,600	1,821,400	6,200	0.3	1,810,000
	Employed		1,728,900	1,724,200	4,700	0.3	1,714,700
	Unemployed		98,600	97,200	1,400	1.4	95,300
	Unemployment Rate		5.4	5.3	0.1	---	5.3
BRIDGEPORT - STAMFORD LMA	Civilian Labor Force		464,800	463,900	900	0.2	460,100
	Employed		441,300	440,900	400	0.1	437,200
	Unemployed		23,500	23,000	500	2.2	22,900
	Unemployment Rate		5.1	5.0	0.1	---	5.0
DANBURY LMA	Civilian Labor Force		90,400	90,400	0	0.0	89,300
	Employed		86,600	86,700	-100	-0.1	85,600
	Unemployed		3,800	3,700	100	2.7	3,700
	Unemployment Rate		4.2	4.1	0.1	---	4.1
ENFIELD LMA	Civilian Labor Force		48,400	48,400	0	0.0	48,000
	Employed		45,700	45,600	100	0.2	45,600
	Unemployed		2,600	2,800	-200	-7.1	2,400
	Unemployment Rate		5.4	5.8	-0.4	---	5.0
HARTFORD LMA	Civilian Labor Force		570,900	567,300	3,600	0.6	568,300
	Employed		538,700	535,300	3,400	0.6	537,000
	Unemployed		32,300	32,000	300	0.9	31,300
	Unemployment Rate		5.7	5.6	0.1	---	5.5
NEW HAVEN LMA	Civilian Labor Force		303,000	303,600	-600	-0.2	301,100
	Employed		286,300	287,400	-1,100	-0.4	284,800
	Unemployed		16,700	16,200	500	3.1	16,200
	Unemployment Rate		5.5	5.3	0.2	---	5.4
NORWICH - NEW LONDON LMA	Civilian Labor Force		152,000	149,300	2,700	1.8	147,800
	Employed		144,500	142,100	2,400	1.7	140,900
	Unemployed		7,400	7,200	200	2.8	6,900
	Unemployment Rate		4.9	4.8	0.1	---	4.7
TORRINGTON LMA	Civilian Labor Force		54,300	54,800	-500	-0.9	53,100
	Employed		51,600	52,100	-500	-1.0	50,500
	Unemployed		2,700	2,600	100	3.8	2,600
	Unemployment Rate		4.9	4.8	0.1	---	4.9
WATERBURY LMA	Civilian Labor Force		101,200	101,300	-100	-0.1	100,200
	Employed		94,500	94,600	-100	-0.1	93,600
	Unemployed		6,700	6,700	0	0.0	6,600
	Unemployment Rate		6.6	6.6	0.0	---	6.6
WILLIMANTIC-DANIELSON LMA	Civilian Labor Force		56,000	55,400	600	1.1	55,300
	Employed		52,700	52,100	600	1.2	52,200
	Unemployed		3,400	3,400	0	0.0	3,100
	Unemployment Rate		6.0	6.1	-0.1	---	5.7
UNITED STATES	Civilian Labor Force		150,327,000	148,478,000	1,849,000	1.2	148,878,000
	Employed		142,456,000	139,861,000	2,595,000	1.9	141,591,000
	Unemployed		7,870,000	8,616,000	-746,000	-8.7	7,287,000
	Unemployment Rate		5.2	5.8	-0.6	---	4.9

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

CONNECTICUT

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS				
	JUN		CHG	MAY	JUN		CHG	MAY	JUN		CHG	MAY	
	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	
<i>(Not seasonally adjusted)</i>													
MANUFACTURING	\$790.76	\$759.78	\$30.98	\$788.72	42.4	42.0	0.4	42.2	\$18.65	\$18.09	\$0.56	\$18.69	
DURABLE GOODS	821.55	788.05	33.50	819.17	42.7	42.3	0.4	42.4	19.24	18.63	0.61	19.32	
Fabricated Metal	741.74	699.25	42.49	740.89	43.2	42.2	1.0	43.0	17.17	16.57	0.60	17.23	
Machinery	783.50	774.24	9.26	790.63	40.2	40.9	-0.7	40.4	19.49	18.93	0.56	19.57	
Computer & Electronic	639.17	620.40	18.77	644.69	39.7	40.0	-0.3	39.6	16.10	15.51	0.59	16.28	
Transport. Equipment	1,022.92	976.23	46.69	1,028.31	42.8	42.5	0.3	42.9	23.90	22.97	0.93	23.97	
NON-DUR. GOODS	713.90	689.71	24.19	713.11	41.7	41.3	0.4	41.8	17.12	16.70	0.42	17.06	
CONSTRUCTION	948.40	901.59	46.81	943.67	40.0	39.7	0.3	39.6	23.71	22.71	1.00	23.83	

LMAs

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS				
	JUN		CHG	MAY	JUN		CHG	MAY	JUN		CHG	MAY	
	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	2005	2004	Y/Y	2005	
MANUFACTURING													
Bridgeport - Stamford	\$824.83	\$892.47	-\$67.64	\$817.44	41.7	42.6	-0.9	41.6	\$19.78	\$20.95	-\$1.17	\$19.65	
Hartford	905.22	859.51	45.71	900.89	43.9	43.3	0.6	43.5	20.62	19.85	0.77	20.71	
New Haven	706.33	616.03	90.30	686.82	41.5	41.4	0.1	41.6	17.02	14.88	2.14	16.51	
Norwich - New London	798.32	773.50	24.82	784.37	42.6	42.5	0.1	41.9	18.74	18.20	0.54	18.72	
Waterbury	766.26	725.87	40.39	746.11	39.6	39.3	0.3	38.4	19.35	18.47	0.88	19.43	

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

- June 2005 had the announcement that Michaels Stores, Inc., the nations largest retailer of arts and crafts, will open a store in the Brass Mill Commons in Waterbury this fall with 35 people needed. Retail giant Target is planning to build a new store at the old Latex Foam site in Ansonia which will create 200 jobs. The nation's largest private university, the University of Phoenix, has received approval to open a campus in Norwalk this fall with 11 employees being needed.
- June 2005 had the announcement that GE Security, a part of General Electric, will close its Cheshire operation this summer cutting 52 jobs in the process.

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>.

*(By Place of Residence - Not Seasonally Adjusted)***JUNE 2005**

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT-STAMFORD					HARTFORD cont....				
	464,787	441,263	23,524	5.1	Canton	5,306	5,102	204	3.8
Ansonia	10,015	9,287	728	7.3	Colchester	8,487	8,114	373	4.4
Bridgeport	62,639	57,474	5,165	8.2	Columbia	2,952	2,825	127	4.3
Darien	8,872	8,551	321	3.6	Coventry	6,884	6,555	329	4.8
Derby	6,869	6,435	434	6.3	Cromwell	7,654	7,307	347	4.5
Easton	3,704	3,582	122	3.3	East Granby	2,836	2,718	118	4.2
Fairfield	28,411	27,100	1,311	4.6	East Haddam	5,012	4,801	211	4.2
Greenwich	29,884	28,733	1,151	3.9	East Hampton	6,578	6,116	462	7.0
Milford	30,817	29,256	1,561	5.1	East Hartford	25,346	23,621	1,725	6.8
Monroe	10,527	10,077	450	4.3	Ellington	8,354	7,998	356	4.3
New Canaan	8,781	8,458	323	3.7	Farmington	12,556	11,972	584	4.7
Newtown	13,823	13,249	574	4.2	Glastonbury	17,869	17,115	754	4.2
Norwalk	47,916	45,789	2,127	4.4	Granby	6,071	5,813	258	4.2
Oxford	6,263	5,989	274	4.4	Haddam	4,625	4,427	198	4.3
Redding	4,470	4,312	158	3.5	Hartford	48,381	43,400	4,981	10.3
Ridgefield	11,619	11,188	431	3.7	Hartland	1,176	1,131	45	3.8
Seymour	9,011	8,542	469	5.2	Harwinton	3,063	2,935	128	4.2
Shelton	22,146	21,102	1,044	4.7	Hebron	5,321	5,099	222	4.2
Southbury	8,808	8,404	404	4.6	Lebanon	4,183	3,959	224	5.4
Stamford	66,152	63,073	3,079	4.7	Manchester	31,463	29,771	1,692	5.4
Stratford	26,003	24,536	1,467	5.6	Mansfield	12,215	11,603	612	5.0
Trumbull	17,641	16,877	764	4.3	Marlborough	3,450	3,307	143	4.1
Weston	4,873	4,688	185	3.8	Middlefield	2,382	2,257	125	5.2
Westport	12,441	11,956	485	3.9	Middletown	25,903	24,529	1,374	5.3
Wilton	8,245	7,943	302	3.7	New Britain	34,451	31,777	2,674	7.8
Woodbridge	4,856	4,662	194	4.0	New Hartford	3,613	3,474	139	3.8
					Newington	16,460	15,662	798	4.8
DANBURY	90,404	86,587	3,817	4.2	Plainville	10,061	9,492	569	5.7
Bethel	10,858	10,402	456	4.2	Plymouth	6,714	6,317	397	5.9
Bridgewater	1,039	1,000	39	3.8	Portland	5,115	4,889	226	4.4
Brookfield	8,908	8,547	361	4.1	Rocky Hill	10,435	9,971	464	4.4
Danbury	43,653	41,737	1,916	4.4	Simsbury	11,897	11,392	505	4.2
New Fairfield	7,612	7,311	301	4.0	Southington	23,420	22,324	1,096	4.7
New Milford	16,202	15,538	664	4.1	South Windsor	14,182	13,597	585	4.1
Sherman	2,131	2,051	80	3.8	Stafford	6,731	6,342	389	5.8
					Thomaston	4,530	4,295	235	5.2
ENFIELD	48,363	45,740	2,623	5.4	Tolland	8,036	7,721	315	3.9
East Windsor	5,910	5,594	316	5.3	Union	453	439	14	3.1
Enfield	23,885	22,547	1,338	5.6	Vernon	16,825	16,006	819	4.9
Somers	4,666	4,413	253	5.4	West Hartford	29,380	27,784	1,596	5.4
Suffield	7,009	6,661	348	5.0	Wethersfield	13,355	12,670	685	5.1
Windsor Locks	6,894	6,526	368	5.3	Willington	3,874	3,703	171	4.4
					Windsor	15,855	15,012	843	5.3
HARTFORD	570,935	538,674	32,261	5.7					
Andover	1,940	1,852	88	4.5					
Ashford	2,521	2,393	128	5.1					
Avon	8,764	8,447	317	3.6					
Barkhamsted	2,166	2,069	97	4.5					
Berlin	10,743	10,238	505	4.7					
Bloomfield	9,666	8,958	708	7.3					
Bolton	3,045	2,915	130	4.3					
Bristol	33,547	31,575	1,972	5.9					
Burlington	5,089	4,885	204	4.0					

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 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)

JUNE 2005

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
NEW HAVEN	303,019	286,329	16,690	5.5
Bethany	2,960	2,825	135	4.6
Branford	17,013	16,267	746	4.4
Cheshire	14,492	13,824	668	4.6
Chester	2,230	2,148	82	3.7
Clinton	7,819	7,474	345	4.4
Deep River	2,561	2,448	113	4.4
Durham	4,066	3,903	163	4.0
East Haven	15,752	14,907	845	5.4
Essex	3,735	3,579	156	4.2
Guilford	12,556	12,092	464	3.7
Hamden	30,613	29,003	1,610	5.3
Killingworth	3,478	3,361	117	3.4
Madison	9,805	9,465	340	3.5
Meriden	30,760	28,797	1,963	6.4
New Haven	54,627	50,320	4,307	7.9
North Branford	8,112	7,730	382	4.7
North Haven	12,735	12,111	624	4.9
Old Saybrook	5,383	5,150	233	4.3
Orange	7,015	6,705	310	4.4
Wallingford	24,537	23,399	1,138	4.6
Westbrook	3,603	3,435	168	4.7
West Haven	29,166	27,385	1,781	6.1

***NORWICH-NEW LONDON**

	138,515	131,567	6,948	5.0
Bozrah	1,480	1,414	66	4.5
Canterbury	3,121	2,982	139	4.5
East Lyme	9,823	9,392	431	4.4
Franklin	1,210	1,153	57	4.7
Griswold	7,127	6,744	383	5.4
Groton	19,587	18,595	992	5.1
Ledyard	8,619	8,254	365	4.2
Lisbon	2,633	2,485	148	5.6
Lyme	1,164	1,126	38	3.3
Montville	11,134	10,580	554	5.0
New London	13,952	13,023	929	6.7
No. Stonington	3,265	3,157	108	3.3
Norwich	20,873	19,615	1,258	6.0
Old Lyme	4,289	4,144	145	3.4
Preston	2,844	2,725	119	4.2
Salem	2,593	2,488	105	4.0
Sprague	1,836	1,719	117	6.4
Stonington	10,600	10,209	391	3.7
Voluntown	1,647	1,542	105	6.4
Waterford	10,720	10,221	499	4.7

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

NORWICH-NEW LONDON

	151,963	144,522	7,441	4.9
Westerly, RI	13,448	12,955	493	3.7

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	54,299	51,624	2,675	4.9
Bethlehem	2,054	1,968	86	4.2
Canaan	616	590	26	4.2
Colebrook	842	811	31	3.7
Cornwall	827	802	25	3.0
Goshen	1,532	1,466	66	4.3
Kent	1,590	1,538	52	3.3
Litchfield	4,389	4,193	196	4.5
Morris	1,331	1,268	63	4.7
Norfolk	970	926	44	4.5
North Canaan	1,761	1,679	82	4.7
Roxbury	1,365	1,319	46	3.4
Salisbury	2,012	1,934	78	3.9
Sharon	1,570	1,520	50	3.2
Torrington	19,140	18,024	1,116	5.8
Warren	719	692	27	3.8
Washington	1,976	1,901	75	3.8
Winchester	6,088	5,719	369	6.1
Woodbury	5,514	5,273	241	4.4

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
WATERBURY	101,199	94,492	6,707	6.6
Beacon Falls	3,217	3,050	167	5.2
Middlebury	3,692	3,526	166	4.5
Naugatuck	17,080	16,169	911	5.3
Prospect	5,237	5,013	224	4.3
Waterbury	50,679	46,479	4,200	8.3
Watertown	12,382	11,769	613	5.0
Wolcott	8,912	8,486	426	4.8

WILLIMANTIC-DANIELSON

	56,036	52,665	3,371	6.0
Brooklyn	3,694	3,521	173	4.7
Chaplin	1,360	1,292	68	5.0
Eastford	943	890	53	5.6
Hampton	1,102	1,041	61	5.5
Killingly	9,176	8,584	592	6.5
Plainfield	8,342	7,784	558	6.7
Pomfret	2,200	2,102	98	4.5
Putnam	5,074	4,770	304	6.0
Scotland	952	915	37	3.9
Sterling	1,868	1,756	112	6.0
Thompson	5,222	4,961	261	5.0
Windham	11,734	10,872	862	7.3
Woodstock	4,369	4,176	193	4.4

Not Seasonally Adjusted:

CONNECTICUT	1,827,600	1,728,900	98,600	5.4
UNITED STATES	150,327,000	142,456,000	7,870,000	5.2

Seasonally Adjusted:

CONNECTICUT	1,800,600	1,708,500	92,000	5.1
UNITED STATES	149,123,000	141,638,000	7,486,000	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	JUN 2005	YR TO DATE 2005	2004	TOWN	JUN 2005	YR TO DATE 2005	2004	TOWN	JUN 2005	YR TO DATE 2005	2004
Andover	3	7	4	Griswold	na	na	9	Preston	4	0	11
Ansonia	2	6	4	Groton	11	95	111	Prospect	na	na	8
Ashford	3	8	3	Guilford	4	35	9	Putnam	4	1	6
Avon	4	43	2	Haddam	7	30	7	Redding	na	na	16
Barkhamsted	na	na	2	Hamden	3	6	3	Ridgefield	6	20	16
Beacon Falls	na	na	2	Hampton	3	0	4	Rocky Hill	5	22	36
Berlin	8	26	8	Hartford	7	232	0	Roxbury	na	na	8
Bethany	na	na	4	Hartland	na	na	1	Salem	3	9	5
Bethel	0	6	3	Harwinton	1	10	5	Salisbury	na	na	8
Bethlehem	na	na	0	Hebron	na	na	4	Scotland	1	4	4
Bloomfield	na	na	12	Kent	1	0	2	Seymour	7	29	21
Bolton	0	4	0	Killingly	9	49	7	Sharon	1	6	5
Bozrah	2	8	2	Killingworth	na	na	4	Shelton	5	72	41
Branford	na	na	9	Lebanon	6	20	10	Sherman	na	na	12
Bridgeport	121	130	10	Ledyard	7	20	8	Simsbury	3	19	14
Bridgewater	na	na	1	Lisbon	1	4	1	Somers	2	11	19
Bristol	16	59	13	Litchfield	na	na	6	South Windsor	17	17	29
Brookfield	na	na	5	Lyme	0	5	2	Southbury	1	39	49
Brooklyn	12	35	7	Madison	5	11	6	Southington	17	81	107
Burlington	4	12	2	Manchester	36	83	16	Sprague	0	12	4
Canaan	0	3	0	Mansfield	6	27	1	Stafford	na	na	22
Canterbury	2	11	2	Marlborough	4	8	4	Stamford	17	98	45
Canton	15	62	14	Meriden	13	77	7	Sterling	na	na	22
Chaplin	2	0	3	Middlebury	na	na	11	Stonington	3	31	31
Cheshire	8	23	9	Middlefield	0	1	2	Stratford	3	12	31
Chester	na	na	1	Middletown	34	0	24	Suffield	2	34	26
Clinton	5	18	4	Milford	42	3	138	Thomaston	na	na	7
Colchester	15	38	6	Monroe	5	25	1	Thompson	na	na	9
Colebrook	2	4	0	Montville	21	38	9	Tolland	8	39	46
Columbia	7	17	2	Morris	1	1	0	Torrington	12	53	62
Cornwall	1	0	3	Naugatuck	4	38	16	Trumbull	0	17	66
Coventry	2	18	6	New Britain	na	na	12	Union	0	1	1
Cromwell	0	5	6	New Canaan	8	34	30	Vernon	27	0	76
Danbury	15	261	47	New Fairfield	na	na	16	Voluntown	0	3	7
Darien	na	na	27	New Hartford	2	19	18	Wallingford	14	74	58
Deep River	1	2	2	New Haven	16	33	13	Warren	1	0	8
Derby	na	na	2	New London	9	0	11	Washington	na	na	2
Durham	4	0	4	New Milford	7	37	40	Waterbury	37	85	105
East Granby	5	11	5	Newington	5	18	13	Waterford	1	23	27
East Haddam	3	21	4	Newtown	7	65	56	Watertown	6	15	20
East Hampton	17	79	10	Norfolk	0	2	1	West Hartford	3	12	7
East Hartford	na	na	1	North Branford	na	na	26	West Haven	na	na	6
East Haven	7	34	3	North Canaan	1	6	3	Westbrook	4	15	20
East Lyme	17	75	8	North Haven	1	115	29	Weston	na	na	6
East Windsor	15	50	3	North Stonington	2	14	11	Westport	12	10	76
Eastford	2	4	3	Norwalk	12	83	145	Wethersfield	na	na	9
Easton	1	5	1	Norwich	32	142	72	Willington	1	6	11
Ellington	21	41	8	Old Lyme	na	na	14	Wilton	na	na	12
Enfield	na	na	4	Old Saybrook	5	27	13	Winchester	4	22	10
Essex	1	3	1	Orange	na	na	16	Windham	6	39	8
Fairfield	13	61	5	Oxford	8	107	89	Windsor	na	na	27
Farmington	15	41	4	Plainfield	4	19	26	Windsor Locks	na	na	18
Franklin	1	1	0	Plainville	3	10	13	Wolcott	6	29	43
Glastonbury	6	35	15	Plymouth	4	5	23	Woodbridge	na	na	9
Goshen	4	0	6	Pomfret	1	8	9	Woodbury	5	12	29
Granby	9	34	6	Portland	3	13	99	Woodstock	6	35	23
Greenwich	24	0	34								

For further information on the housing permit data, contact Kolie Sun of DECD at (860) 270-8167.

BUSINESS STARTS AND TERMINATIONS

Registrations and terminations of business entities as recorded with the Secretary of the State and the Connecticut Department of Labor (DOL) are an indication of new business formation and activity. DOL business starts include new employers which have become liable for unemployment insurance taxes during the quarter, as well as new establishments opened by existing employers. DOL business terminations are those accounts discontinued due to inactivity (no employees) or business closure, and accounts for individual business establishments that are closed by still active employers. The Secretary of the State registrations include limited liability companies, limited liability partnerships, and foreign-owned (out-of-state) and domestic-owned (in-state) corporations.

CONSUMER PRICE INDEX

The Consumer Price Index (CPI), computed and published by the U.S. Bureau of Labor Statistics, is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dentists' services, drugs and other goods and services that people buy for their day-to-day living. The Northeast region is comprised of the New England states, New York, New Jersey and Pennsylvania.

EMPLOYMENT COST INDEX

The Employment Cost Index (ECI) covers both wages and salaries and employer costs for employee benefits for all occupations and establishments in both the private nonfarm sector and state and local government. The ECI measures employers' labor costs free from the influences of employment shifts among industries and occupations. The base period for all data is June 1989 when the ECI is 100.

HOURS AND EARNINGS ESTIMATES

Production worker earnings and hours estimates include full- and part-time employees working within manufacturing industries. Hours worked and earnings data are computed based on payroll figures for the week including the 12th of the month. Average hourly earnings are affected by such factors as premium pay for overtime and shift differential as well as changes in basic hourly and incentive rates of pay. Average weekly earnings are the product of weekly hours worked and hourly earnings. These data are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

INDIAN GAMING DATA

Indian Gaming Payments are amounts received by the State as a result of the slot compact with the two Federally recognized tribes in Connecticut, which calls for 25 percent of net slot receipts to be remitted to the State. Indian Gaming Slots are the total net revenues from slot machines only received by the two Federally recognized Indian tribes.

INITIAL CLAIMS

Average weekly initial claims are calculated by dividing the total number of new claims for unemployment insurance received in the month by the number of weeks in the month. A minor change in methodology took effect with data published in the March 1997 issue of the DIGEST. Data have been revised back to January 1980.

INSURED UNEMPLOYMENT RATE

Primarily a measure of unemployment insurance program activity, the insured unemployment rate is the 13-week average of the number of people claiming unemployment benefits divided by the number of workers covered by the unemployment insurance system.

LABOR FORCE ESTIMATES

Labor force estimates are a measure of the work status of people who live in Connecticut. Prepared under the direction of the U.S. Bureau of Labor Statistics, the statewide estimates are the product of a signal-plus noise model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Beginning with the publication of January 2005 data, an improved methodology is being used to develop labor force estimates, by which monthly state model-based employment and unemployment estimates are controlled to add to the national CPS levels. This will ensure that national economic events are reflected in the state estimates, and it will significantly reduce end-of-year revisions. (For more information, please see the Connecticut Economic Digest, December 2004 issue.) Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

LABOR MARKET AREAS

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

LEADING AND COINCIDENT EMPLOYMENT INDICES

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

NONFARM EMPLOYMENT ESTIMATES

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

UI COVERED WAGES

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

ECONOMIC INDICATORS AT A GLANCE

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

Leading Employment Index +2.0	Business Activity	Tourism and Travel
Coincident Employment Index +1.2	New Housing Permits NA	Info Center Visitors -22.3
Leading General Drift Indicator +0.3	Electricity Sales -0.3	Attraction Visitors -1.2
Coincident General Drift Indicator +1.7	Retail Sales -0.6	Air Passenger Count +11.0
Banknorth Business Barometer ... +3.0	Construction Contracts Index +22.2	Indian Gaming Slots -2.4
Total Nonfarm Employment +1.3	New Auto Registrations -20.5	Travel and Tourism Index -3.6
Unemployment Rate +0.3	Air Cargo Tons +12.0	Employment Cost Index (U.S.)
Labor Force +0.2	Exports +6.9	Total +3.2
Employed -0.1	Business Starts	Wages & Salaries +2.4
Unemployed +5.7	Secretary of the State +6.4	Benefit Costs +4.9
Average Weekly Initial Claims -5.0	Dept. of Labor +5.7	Consumer Prices
Help Wanted Index -- Hartford 0.0	Business Terminations	Connecticut NA
Average Ins. Unempl. Rate -0.23*	Secretary of the State -4.1	U.S. City Average +2.5
Average Weekly Hours, Mfg +1.0	Dept. of Labor -23.3	Northeast Region +2.5
Average Hourly Earnings, Mfg +3.1	State Revenues NA	NY-NJ-Long Island +2.3
Average Weekly Earnings, Mfg +4.1	Corporate Tax NA	Boston-Brockton-Nashua +2.8
CT Mfg. Production Index +6.2	Personal Income Tax NA	Consumer Confidence
Production Worker Hours +2.0	Real Estate Conveyance Tax NA	Connecticut -11.5
Industrial Electricity Sales +5.1	Sales & Use Tax NA	New England -8.4
Personal Income +2.8	Indian Gaming Payments +4.2	U.S. +2.9
UI Covered Wages +0.4	<small>* Percentage point change; ** Less than 0.05 percent; NA = Not Available</small>	Interest Rates
		Prime +2.01*
		Conventional Mortgage -0.71*

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