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In June...

Nonfarm Employment

Connecticut 1,642,000

Change over month -0.26%

Change over year +0.0%

United States 131,301,000

Change over month 0.09%

Change over year 1.1%

Unemployment Rate

Connecticut 4.6%

United States 5.6%

Consumer Price Index

United States 189.7

Change over year 3.3%

A detailed look at Connecticut industry in 2003

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

Detailed industry data recently compiled from Unemployment Insurance (UI) program reports reflect, as expected, the general state of the economy last year. This source shows UI covered employment decreased by 22,676 during 2003, a decline of 1.4 percent, according to preliminary figures (see the complete table on pages 2 and 3). This decrease marked the third consecutive decline in annual average employment after eight consecutive years of expansion. Total private industry employment, constituting 85.5 percent of the State's employment total, decreased 1.3 percent in 2003. Overall government employment (including Indian Tribal councils and related establishments) also declined in 2003, down 1.8 percent. State government employment dropped by 4,727, or 7.4 percent.

Connecticut workers increased by a modest 3.1 percent to \$48,318 in 2003. The annual pay of private industry workers grew 3.2 percent in 2003 to \$48,921, while pay for government sector employees was \$44,751, an increase of 2.4 percent.

The total number of business establishments in Connecticut increased by 1.2 percent during 2003, totaling 109,142 at the end of the year compared to 107,881 at the end of 2002. Total private establishments numbered 105,502 in 2003 versus 104,222 in 2002. The number of government work sites dipped in 2003 to 3,640, compared to 3,659 at the end of 2002.

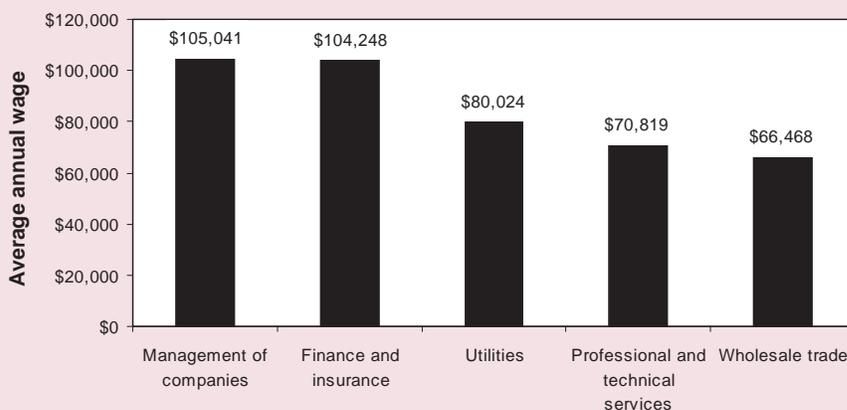
Sector employment and wages

Agriculture, forestry, fishing and hunting recorded the largest percentage increase in annual average private employment over

The annual average wage of all

--Continued on page 5--

Connecticut's five highest paying industry sectors, 2003



Connecticut industry - 2002 and 2003*

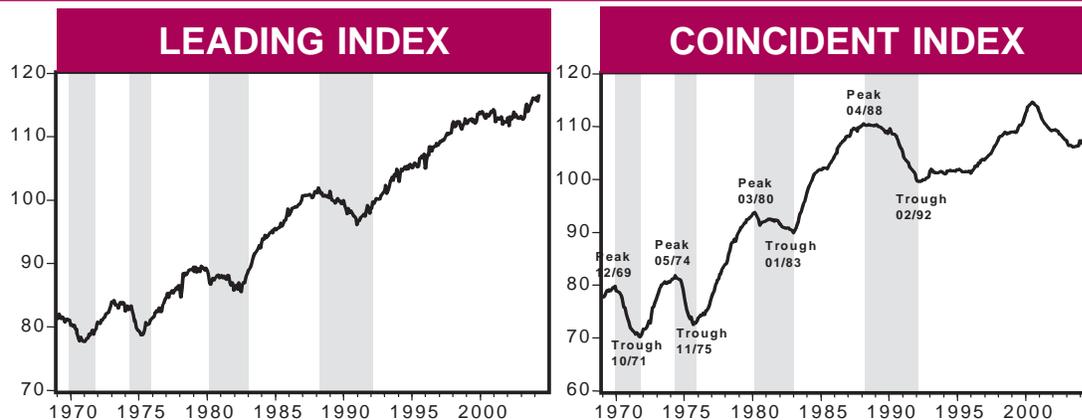
NAICS Description	Establishments			Employment				Wages		
	2002	2003	02-03 % Chg	2002	2003	02-03 Chg		2002	2003	02-03 % Chg
						No.	%			
Statewide	107,881	109,142	1.2	1,648,608	1,625,932	-22,676	-1.4	46,852	48,318	3.1
Total private	104,222	105,502	1.2	1,408,920	1,390,582	-18,338	-1.3	47,391	48,921	3.2
Goods-producing	16,671	16,722	0.3	280,752	267,430	-13,322	-4.7	53,640	55,047	2.6
Service-providing	91,210	92,420	1.3	1,367,856	1,358,502	-9,354	-0.7	45,458	46,993	3.4
11 Agriculture, forestry, fishing and hunting	339	352	3.8	5,179	5,496	317	6.1	24,596	24,761	0.7
111 Crop production.....	165	174	5.5	3,845	4,081	236	6.1	23,907	23,917	0.0
112 Animal production.....	83	84	1.2	834	862	28	3.4	26,955	28,541	5.9
113 Forestry and logging.....	11	10	-9.1	26	28	2	7.7	29,188	32,109	10.0
114 Fishing, hunting and trapping.....	15	18	20.0	56	56	0	0.0	36,055	36,871	2.3
115 Agriculture and forestry support activities.....	65	66	1.5	418	469	51	12.2	24,402	23,276	-4.6
21 Mining	63	66	4.8	706	708	2	0.3	53,136	56,047	5.5
212 Mining, except oil and gas.....	58	61	5.2	680	682	2	0.3	53,220	56,312	5.8
213 Support activities for mining.....	5	5	0.0	27	25	-2	-7.4	49,041	51,073	4.1
22 Utilities	142	140	-1.4	9,039	8,816	-223	-2.5	73,875	80,024	8.3
221 Utilities.....	142	140	-1.4	9,039	8,816	-223	-2.5	73,875	80,024	8.3
23 Construction	10,616	10,705	0.8	63,368	61,782	-1,586	-2.5	48,333	48,034	-0.6
236 Construction of buildings.....	2,920	2,974	1.8	13,355	13,367	12	0.1	52,288	52,078	-0.4
237 Heavy and civil engineering construction.....	580	577	-0.5	6,671	6,508	-163	-2.4	57,126	57,825	1.2
238 Specialty trade construction.....	7,116	7,154	0.5	43,342	41,907	-1,435	-3.3	45,761	45,223	-1.2
31-33 Manufacturing	5,653	5,599	-1.0	211,499	199,444	-12,055	-5.7	55,944	58,050	3.8
311 Food manufacturing.....	265	282	6.4	7,401	7,242	-159	-2.1	34,846	34,642	-0.6
312 Beverage and tobacco product manufacturing.....	30	31	3.3	1,259	1,374	115	9.1	92,378	102,860	11.3
313 Textile mills.....	42	37	-11.9	1,318	1,215	-103	-7.8	36,987	37,089	0.3
314 Textile product mills.....	99	101	2.0	1,222	1,190	-32	-2.6	30,662	32,398	5.7
315 Apparel manufacturing.....	44	47	6.8	890	693	-197	-22.1	42,564	41,650	-2.1
316 Leather and allied product manufacturing.....	n	n	n	n	n	n	n	n	n	n
321 Wood product manufacturing.....	156	155	-0.6	1,978	1,857	-121	-6.1	38,042	38,965	2.4
322 Paper manufacturing.....	94	91	-3.2	6,338	6,090	-248	-3.9	62,759	62,759	0.0
323 Printing and related support activities.....	544	538	-1.1	8,822	8,025	-797	-9.0	45,230	46,512	2.8
324 Petroleum and coal products manufacturing.....	n	n	n	n	n	n	n	n	n	n
325 Chemical manufacturing.....	197	193	-2.0	18,816	17,670	-1,146	-6.1	89,028	90,772	2.0
326 Plastics and rubber products manufacturing.....	244	246	0.8	8,213	8,094	-119	-1.4	42,217	42,519	0.7
327 Nonmetallic mineral product manufacturing.....	142	138	-2.8	2,763	2,639	-124	-4.5	47,058	46,191	-1.8
331 Primary metal manufacturing.....	102	101	-1.0	5,455	4,849	-606	-11.1	49,059	48,896	-0.3
332 Fabricated metal product manufacturing.....	1,431	1,419	-0.8	34,984	33,288	-1,696	-4.8	44,719	46,164	3.2
333 Machinery manufacturing.....	671	635	-5.4	20,290	18,662	-1,628	-8.0	59,127	61,574	4.1
334 Computer and electronic product manufacturing.....	416	392	-5.8	18,008	15,882	-2,126	-11.8	54,564	55,602	1.9
335 Electrical equipment and appliance manufacturing.....	187	190	1.6	11,549	10,634	-915	-7.9	60,658	66,934	10.3
336 Transportation equipment manufacturing.....	248	246	-0.8	45,311	43,291	-2,020	-4.5	63,372	66,384	4.8
337 Furniture and related product manufacturing.....	311	321	3.2	3,546	3,365	-181	-5.1	37,548	38,557	2.7
339 Miscellaneous manufacturing.....	407	412	1.2	12,764	12,801	37	0.3	46,016	46,545	1.1
42 Wholesale trade	9,397	9,560	1.7	66,014	65,483	-531	-0.8	64,576	66,468	2.9
423 Merchant wholesalers, durable goods.....	3,042	2,964	-2.6	32,432	31,950	-482	-1.5	59,483	61,237	2.9
424 Merchant wholesalers, nondurable goods.....	1,424	1,392	-2.2	21,507	21,235	-272	-1.3	62,657	62,934	0.4
425 Electronic markets and agents and brokers.....	4,931	5,204	5.5	12,074	12,298	224	1.9	81,681	86,163	5.5
44-45 Retail trade	13,308	13,357	0.4	194,805	191,755	-3,050	-1.6	27,137	27,851	2.6
441 Motor vehicle and parts dealers.....	1,313	1,334	1.6	22,365	22,555	190	0.8	44,605	45,748	2.6
442 Furniture and home furnishings stores.....	843	863	2.4	7,533	7,850	317	4.2	31,762	31,910	0.5
443 Electronics and appliance stores.....	736	713	-3.1	6,805	6,238	-567	-8.3	41,942	41,838	-0.2
444 Building material and garden supply stores.....	988	973	-1.5	15,972	15,915	-57	-0.4	31,398	32,365	3.1
445 Food and beverage stores.....	2,201	2,231	1.4	45,937	44,285	-1,652	-3.6	21,723	22,216	2.3
446 Health and personal care stores.....	937	928	-1.0	14,878	14,624	-254	-1.7	26,649	27,603	3.6
447 Gasoline stations.....	1,052	1,080	2.7	6,367	6,404	37	0.6	21,511	22,004	2.3
448 Clothing and clothing accessories stores.....	1,653	1,637	-1.0	19,454	19,282	-172	-0.9	19,114	19,420	1.6
451 Sporting goods, hobby, book and music stores.....	950	952	0.2	9,597	9,566	-31	-0.3	17,614	17,771	0.9
452 General merchandise stores.....	359	365	1.7	24,265	23,905	-360	-1.5	18,404	19,149	4.0
453 Miscellaneous store retailers.....	1,631	1,626	-0.3	11,801	11,654	-147	-1.2	20,713	21,483	3.7
454 Nonstore retailers.....	645	655	1.6	9,832	9,477	-355	-3.6	50,812	52,887	4.1
48-49 Transportation and warehousing	1,867	1,860	-0.4	37,959	37,944	-15	0.0	35,948	36,907	2.7
481 Air transportation.....	79	87	10.1	1,992	1,862	-130	-6.5	45,069	46,543	3.3
482 Rail transportation.....	n	n	n	n	n	n	n	n	n	n
483 Water transportation.....	31	31	0.0	962	980	18	1.9	78,948	75,742	-4.1
484 Truck transportation.....	752	745	-0.9	7,039	6,788	-251	-3.6	39,718	40,195	1.2
485 Transit and ground passenger transportation.....	354	358	1.1	11,146	11,423	277	2.5	23,969	24,238	1.1
486 Pipeline transportation.....	4	4	0.0	151	183	32	21.2	87,076	86,748	-0.4

Connecticut industry - 2002 and 2003*

NAICS Description	Establishments			Employment				Wages		
	2002	2003	02-03 % Chg	2002	2003	02-03 Chg		2002	2003	02-03 % Chg
						No.	%			
487 Scenic and sightseeing transportation.....	21	20	-4.8	174	193	19	10.9	23,800	25,147	5.7
488 Support activities for transportation.....	354	337	-4.8	3,753	3,785	32	0.9	51,247	54,028	5.4
491 Postal service.....	n	n	n	n	n	n	n	n	n	n
492 Couriers and messengers.....	162	171	5.6	7,251	7,345	94	1.3	33,372	33,939	1.7
493 Warehousing and storage.....	103	98	-4.9	5,454	5,310	-144	-2.6	36,491	40,047	9.7
51 Information	1,817	1,754	-3.5	41,145	39,649	-1,496	-3.6	56,159	57,477	2.3
511 Publishing industries, except Internet.....	501	504	0.6	13,232	12,763	-469	-3.5	52,743	52,722	0.0
512 Motion picture and sound recording industries.....	313	302	-3.5	2,293	2,249	-44	-1.9	31,803	30,321	-4.7
515 Broadcasting, except Internet.....	100	104	4.0	4,197	4,321	124	3.0	61,696	65,920	6.8
516 Internet publishing and broadcasting.....	68	60	-11.8	738	618	-120	-16.3	69,875	67,979	-2.7
517 Telecommunications.....	391	393	0.5	14,917	14,198	-719	-4.8	61,737	64,760	4.9
518 ISPs, search portals, and data processing.....	345	295	-14.5	4,526	4,325	-201	-4.4	59,912	60,099	0.3
519 Other information services.....	99	96	-3.0	1,242	1,174	-68	-5.5	29,959	26,906	-10.2
52 Finance and insurance	6,385	6,534	2.3	122,398	122,543	145	0.1	98,204	104,248	6.2
521 Monetary authorities - central bank.....	n	n	n	n	n	n	n	n	n	n
522 Credit intermediation and related activities.....	2,234	2,229	-0.2	31,991	32,340	349	1.1	71,109	75,621	6.3
523 Securities, commodity contracts, investments.....	1,770	1,829	3.3	17,322	17,363	41	0.2	242,426	252,452	4.1
524 Insurance carriers and related activities.....	2,262	2,359	4.3	67,848	67,833	-15	0.0	74,116	80,135	8.1
525 Funds, trusts, and other financial vehicles.....	n	n	n	n	n	n	n	n	n	n
53 Real estate and rental and leasing	3,396	3,514	3.5	20,607	20,265	-342	-1.7	42,814	42,943	0.3
531 Real estate.....	2,696	2,811	4.3	13,669	13,474	-195	-1.4	45,152	45,010	-0.3
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	12,860	12,856	0.0	91,287	88,145	-3,142	-3.4	69,743	70,819	1.5
541 Professional and technical services.....	12,860	12,856	0.0	91,287	88,145	-3,142	-3.4	69,743	70,819	1.5
55 Management of companies and enterprises	575	630	9.6	27,329	27,783	454	1.7	96,696	105,041	8.6
551 Management of companies and enterprises.....	575	630	9.6	27,329	27,783	454	1.7	96,696	105,041	8.6
56 Administrative and waste management	6,367	6,460	1.5	82,979	81,342	-1,637	-2.0	29,379	30,192	2.8
561 Administrative and support activities.....	5,901	5,963	1.1	77,295	75,667	-1,628	-2.1	28,432	29,173	2.6
562 Waste management and remediation services.....	466	497	6.7	5,684	5,675	-9	-0.2	42,260	43,779	3.6
61 Educational services	1,194	1,228	2.8	42,609	43,711	1,102	2.6	42,059	43,769	4.1
611 Educational services.....	1,194	1,228	2.8	42,609	43,711	1,102	2.6	42,059	43,769	4.1
62 Health care and social assistance	9,037	9,156	1.3	212,795	214,810	2,015	0.9	37,822	38,936	2.9
621 Ambulatory health care services.....	6,000	6,096	1.6	69,997	70,875	878	1.3	47,869	48,486	1.3
622 Hospitals.....	57	57	0.0	54,072	54,569	497	0.9	44,156	46,799	6.0
623 Nursing and residential care facilities.....	1,094	1,133	3.6	56,093	56,826	733	1.3	29,119	29,533	1.4
624 Social assistance.....	1,886	1,870	-0.8	32,633	32,540	-93	-0.3	20,736	21,369	3.1
71 Arts, entertainment, and recreation	1,673	1,689	1.0	23,527	23,961	434	1.8	23,250	23,561	1.3
711 Performing arts and spectator sports.....	528	525	-0.6	4,714	4,718	4	0.1	34,120	35,972	5.4
712 Museums, historical sites, zoos, and parks.....	96	99	3.1	2,014	1,991	-23	-1.1	23,870	24,944	4.5
713 Amusement, gambling, and recreation.....	1,049	1,065	1.5	16,798	17,252	454	2.7	20,127	20,008	-0.6
72 Accommodation and food services	6,648	6,965	4.8	99,337	101,150	1,813	1.8	15,849	16,046	1.2
721 Accommodation.....	421	435	3.3	11,409	11,344	-65	-0.6	21,749	22,060	1.4
722 Food services and drinking places.....	6,227	6,530	4.9	87,929	89,806	1,877	2.1	15,083	15,286	1.3
81 Other services, except public administration	12,581	12,792	1.7	55,850	55,481	-369	-0.7	26,324	26,812	1.9
811 Repair and maintenance.....	2,836	2,818	-0.6	14,862	14,423	-439	-3.0	34,284	35,162	2.6
812 Personal and laundry services.....	3,075	3,154	2.6	18,680	18,663	-17	-0.1	21,963	22,255	1.3
813 Membership associations and organizations.....	2,026	2,006	-1.0	15,639	15,627	-12	-0.1	26,905	27,611	2.6
814 Private households.....	4,644	4,814	3.7	6,670	6,768	98	1.5	19,440	19,740	1.5
Total government	3,659	3,640	-0.5	239,689	235,350	-4,339	-1.8	43,684	44,751	2.4
Federal.....	589	580	-1.5	21,267	20,586	-681	-3.2	49,260	51,015	3.6
State.....	801	780	-2.6	64,261	59,534	-4,727	-7.4	49,835	50,716	1.8
Local.....	2,269	2,280	0.5	154,161	155,230	1,069	0.7	40,351	41,632	3.2

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 coverage 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.

The employment picture continues to improve in May

As expected, the Federal Reserve raised the Federal funds rate by 25 basis points at the FOMC meeting at the end of June. This is expected to be the first of a series of interest rate increases to temper inflationary expectations. Recent economic indicators suggest that the growth rate of the U.S. economy might have slowed a bit. The slowdown in the growth rate is expected to be temporary, and robust economic growth is expected to continue for the remainder of this year. Nevertheless, this allows the Federal Reserve to continue a policy of gradual increases in the Federal funds rate. However, as Alan Greenspan has made clear recently at the Senate Banking Committee hearings, the Federal Reserve stands ready to move aggressively should the inflation picture changes unexpectedly.

This month, the two employment indices provide us with decidedly welcome news. The revised CCEA-ECRI Connecticut coincident employment index rose on a year-to-year basis from 106.51 in May 2003 to 108.06 in May 2004. All four components of this index are positive contributors, with a lower insured unemployment rate, a lower total unemployment rate, higher total non-

farm employment, and higher total employment. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut coincident employment index also rose from 107.36 in April 2004 to 108.06 in May 2004. The total unemployment rate remained stable at 4.6 percent, while the remaining three components all contributed positively to the index.

The revised CCEA-ECRI Connecticut leading employment index also provided us with welcome news. It rose from 114.54 in May 2003 to 116.72 in May 2004. Four components of this index are positive contributors, with lower initial claims for unemployment insurance, a lower short duration (less than 15 weeks) unemployment rate, a higher Hartford help-wanted advertising index, and higher average weekly hours worked in manufacturing and construction. A higher Moody's Baa corporate bond yield, and lower total housing permits are the two negative contributors. On a sequential month-to-month basis, the revised CCEA-ECRI Connecticut leading employment index also rose from 115.59 in April 2004 to 116.72 in May 2004. Lower initial claims for unemployment insurance, a higher help wanted index, and higher average weekly hours

worked in manufacturing and construction are the three positive contributors. In addition to a higher Moody's Baa corporate bond yield, and lower total housing permits, a very slightly higher short duration (less than 15 weeks) unemployment rate contributed negatively to this index.

The employment picture is looking brighter for Connecticut. The rise in interest rates in recent months, including mortgage interest rates, and the expected drop in total housing permits, has yet to have a negative impact on employment in Connecticut thus far. Total nonfarm employment rose by 4,100 from April 2004 to May 2004, after increasing by about the same amount from March to April this year. Total employment rose strongly from May 2003 to May 2004 by 15,000 jobs. The total unemployment rate remained unchanged at 4.6 percent from April 2004 to May 2004, however, indicating that new workers were attracted into the labor force, perhaps by the improving employment picture. Thus, after suffering a loss of employment in the first quarter of this year, the second quarter has gotten off to a very promising start. ■

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

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

Connecticut Department of Labor

Shaun B. Cashman, Commissioner
Thomas E. Hutton, Deputy Commissioner

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



Connecticut Department of Economic and Community Development

James F. Abromaitis, Commissioner
Rita Zangari, Deputy Commissioner

Compliance Office and Planning/Program
Support
505 Hudson Street
Hartford, CT 06106-2502
Phone: (860) 270-8000
Fax: (860) 270-8188
E-Mail: decd@po.state.ct.us
Website: <http://www.decd.org>



--Continued from page 1--

2002, up 6.1 percent. *Educational services* posted the second highest percentage gain, 2.6 percent; followed by *arts, entertainment, and recreation*; as well as *accommodation and food services*, both expanding 1.8 percent in 2003.

The *manufacturing* sector showed the largest percentage decline in employment, dropping 5.7 percent over the year; followed by *information*, down 3.6 percent;

and *professional and technical services*, down 3.4 percent.

As the chart on page 1 shows, the highest average annual wage in 2003 was earned by employees in the *management of companies and enterprises* sector at \$105,041. Next highest were *finance and insurance*, \$104,248, and *utilities*, \$80,024. On the opposite end of the scale, workers in the *accommodation and food services* sector earned average annual wage of \$16,046. ■

HOUSING UPDATE

June permits highest since July 1998

Commissioner James F. Abromaitis of the Connecticut Department of Economic and Community Development (DECD) announced that Connecticut communities authorized 1,283 new housing units in June 2004, a 12.2 percent increase compared to June of 2003 when 1,143 units were authorized.

The Department further indicated that the 1,283 units permitted in June 2004 represent a 36.2 percent increase from the 942 units permitted in May 2004. The year-to-date permits are up 17.9 percent, from

4,598 through June 2003, to 5,423 through June 2004.

The Bridgeport Labor Market Area showed the largest increase in terms of units (134) and percentage growth (181.1) compared to a year ago. Milford led all municipalities with 138 units, followed by Groton with 111, and Danbury with 47. From a county perspective, June permits for New Haven and New London counties were more than double last year's totals.

See data tables on pages 19 and 22.

GENERAL ECONOMIC INDICATORS

(Seasonally adjusted)	1Q	1Q	CHANGE		4Q
	2004	2003	NO.	%	2003
Employment Indexes (1992=100)*					
Leading	116.0	113.0	3.0	2.7	115.6
Coincident	107.2	106.9	0.3	0.3	106.3
General Drift Indicator (1986=100)*					
Leading	103.5	102.2	1.3	1.3	103.7
Coincident	100.9	102.0	-1.1	-1.1	101.0
Banknorth Bus. Barometer (1992=100)**	116.7	115.8	0.9	0.8	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 by 300 over the year.

EMPLOYMENT BY INDUSTRY SECTOR

	JUN		CHANGE		MAY
	2004	2003	NO.	%	2004
TOTAL NONFARM	1,642.0	1,641.7	0.3	0.0	1,646.2
Construction	62.1	61.1	1.0	1.6	62.0
Manufacturing	194.6	199.7	-5.1	-2.6	194.7
Information	39.5	39.6	-0.1	-0.3	39.5
Financial Activities	143.3	143.9	-0.6	-0.4	143.6
Professional and Business Services	193.7	195.7	-2.0	-1.0	194.7
Government*	244.6	246.6	-2.0	-0.8	245.5

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
	2004	2003	NO.	%	2004
Unemployment Rate, resident (%)	4.6	5.5	-0.9	---	4.6
Labor Force, resident (000s)	1,792.7	1,803.1	-10.4	-0.6	1,797.7
Employed (000s)	1,710.7	1,703.2	7.5	0.4	1,714.2
Unemployed (000s)	82.0	99.8	-17.8	-17.8	83.5
Average Weekly Initial Claims	4,079	4,768	-689	-14.5	3,938
Help Wanted Index -- Htfd. (1987=100)	12	12	0	0.0	11
Avg. Insured Unemp. Rate (%)	2.63	3.36	-0.73	---	3.14

Sources: Connecticut Department of Labor; The Conference Board

The production worker weekly earnings rose over the year.

MANUFACTURING ACTIVITY

	JUN		CHANGE		MAY	APR
	2004	2003	NO.	%	2004	2004
Average Weekly Hours	41.9	41.1	0.8	1.9	42.1	--
Average Hourly Earnings	18.12	17.74	0.38	2.1	18.06	--
Average Weekly Earnings	759.23	729.11	30.12	4.1	760.33	--
CT Mfg. Production Index (1986=100)*	114.6	113.1	1.5	1.3	116.3	114.8
Production Worker Hours (000s)	4,894	4,987	-93	-1.9	4,881	--
Industrial Electricity Sales (mil kWh)**	472	472	0.0	0.0	435	413

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

Personal income for fourth quarter 2004 is forecasted to increase 4.6 percent from a year earlier.

INCOME

	4Q*		CHANGE		3Q*
	2004	2003	NO.	%	2004
Personal Income	\$159,536	\$152,468	\$7,068	4.6	\$157,850
UI Covered Wages	\$82,162	\$78,058	\$4,104	5.3	\$81,551

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

BUSINESS ACTIVITY

Year-to-date new housing permits were up 17.9 percent from a year ago.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
New Housing Permits	JUN 2004	1,283	12.2	5,423	4,598	17.9
Electricity Sales (mil kWh)	APR 2004	2,358	0.0	10,690	10,515	1.7
Retail Sales (Bil. \$)	OCT 2003	3.28	-0.6	34.19	34.55	-1.0
Construction Contracts						
Index (1980=100)	JUN 2004	447.8	-20.6	---	---	---
New Auto Registrations	JUN 2004	23,904	38.1	117,511	115,909	1.4
Air Cargo Tons	JUN 2004	12,716	13.1	75,064	67,373	11.4
Exports (Bil. \$)	1Q 2004	2.16	8.2	2.16	1.99	8.2

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

BUSINESS STARTS AND TERMINATIONS

Net business formation, as measured by starts minus stops registered with the Secretary of the State, was up 26.0 percent to 10,517 from the same period last year.

	MO/QTR	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
STARTS						
Secretary of the State	JUN 2004	2,430	7.5	15,127	13,621	11.1
Department of Labor*	3Q 2003	1,900	-10.0	4,144	4,362	-5.0
TERMINATIONS						
Secretary of the State	JUN 2004	662	-4.3	4,610	5,272	-12.6
Department of Labor*	3Q 2003	1,046	-18.1	2,635	3,873	-32.0

Sources: Connecticut Secretary of the State; Connecticut Department of Labor
* Revised methodology applied back to 1996; 3-months total

STATE REVENUES

State revenues were up 9.5 percent from June last year.

	YEAR TO DATE					
	JUN 2004	JUN 2003	% CHG	CURRENT	PRIOR	% CHG
<i>(Millions of dollars)</i>						
TOTAL ALL REVENUES*	981.0	896.2	9.5	5,733.4	5,119.6	12.0
Corporate Tax	96.9	76.9	26.0	305.8	261.4	17.0
Personal Income Tax	467.2	406.5	14.9	2,953.2	2,428.4	21.6
Real Estate Conv. Tax	17.6	12.6	39.7	78.6	57.0	37.9
Sales & Use Tax	253.9	245.3	3.5	1,557.1	1,503.6	3.6
Indian Gaming Payments**	32.4	33.1	-2.1	199.2	194.0	2.7

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

TOURISM AND TRAVEL

Year-to-date air passenger traffic was up 6.2 percent from a year ago.

	MONTH	LEVEL	Y/Y %	YEAR TO DATE		%
			CHG	CURRENT	PRIOR	CHG
Info Center Visitors	JUN 2004	46,190	-13.3	151,384	158,598	-4.5
Major Attraction Visitors	JUN 2004	191,208	-6.4	789,803	792,602	-0.4
Air Passenger Count	JUN 2004	567,307	6.9	3,254,597	3,064,491	6.2
Indian Gaming Slots (Mil.\$)*	JUN 2004	1,613	-2.0	9,796	9,479	3.3
Travel and Tourism Index**	1Q 2004	---	0.5	---	---	---

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

*See page 23 for explanation

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

Compensation cost for the nation rose 4.0 percent over the year.

EMPLOYMENT COST INDEX

Private Industry Workers (June 1989=100)	Seasonally Adjusted			Not Seasonally Adjusted		
	JUN	MAR	3-Mo	JUN	JUN	12-Mo
	2004	2004	% Chg	2004	2003	% Chg
UNITED STATES TOTAL	173.0	171.3	1.0	173.0	166.4	4.0
Wages and Salaries	164.4	163.5	0.6	164.5	160.4	2.6
Benefit Costs	194.5	191.2	1.7	195.3	182.0	7.3
NORTHEAST TOTAL	---	---	---	172.3	165.2	4.3
Wages and Salaries	---	---	---	163.6	158.4	3.3

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

The June U.S. inflation rate was 3.3 percent. New England consumer confidence increased 38.1 percent from a year ago, while U.S. consumer confidence rose 22.0 percent.

CONSUMER NEWS

(Not seasonally adjusted)	MO/QTR	LEVEL	% CHANGE	
			Y/Y	P/P*
CONSUMER PRICES				
Connecticut**	1Q 2004	---	NA	---
CPI-U (1982-84=100)				
U.S. City Average	JUN 2004	189.7	3.3	0.3
Purchasing Power of \$ (1982-84=\$1.00)	JUN 2004	\$0.527	-3.2	-0.3
Northeast Region	JUN 2004	201.1	4.3	0.6
NY-Northern NJ-Long Island	JUN 2004	206.0	4.6	0.8
Boston-Brockton-Nashua***	MAY 2004	208.7	3.2	0.0
CPI-W (1982-84=100)				
U.S. City Average	JUN 2004	185.3	3.2	0.3
CONSUMER CONFIDENCE (1985=100)				
Connecticut**	1Q 2004	92.9	14.7	-4.9
New England	JUN 2004	100.4	38.1	22.7
U.S.	JUN 2004	101.9	22.0	9.5

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.

June's 30-year conventional mortgage rate rose to 6.29 percent over the year.

INTEREST RATES

(Percent)	JUN	MAY	JUN
	2004	2004	2003
Prime	4.00	4.00	4.25
Federal Funds	1.03	1.00	1.26
3 Month Treasury Bill	1.27	0.96	1.07
6 Month Treasury Bill	1.60	1.11	1.08
1 Year Treasury Bill	2.12	1.43	1.26
3 Year Treasury Note	3.26	2.57	2.05
5 Year Treasury Note	3.93	3.39	2.84
7 Year Treasury Note	4.35	3.89	3.38
10 Year Treasury Note	4.73	4.35	3.91
20 Year Treasury Note	5.45	5.16	4.81
Conventional Mortgage	6.29	5.83	5.48

Sources: Federal Reserve; Federal Home Loan Mortgage Corp.

NONFARM EMPLOYMENT

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

<i>(Seasonally adjusted; 000s)</i>	JUN	JUN	CHANGE		MAY
	2004	2003	NO.	%	2004
Connecticut	1,642.0	1,641.7	0.3	0.0	1,646.2
Maine	610.2	603.9	6.3	1.0	609.9
Massachusetts	3,173.0	3,188.7	-15.7	-0.5	3,172.3
New Hampshire	623.9	615.4	8.5	1.4	626.6
New Jersey	4,040.0	3,967.7	72.3	1.8	4,035.7
New York	8,465.1	8,394.2	70.9	0.8	8,460.4
Pennsylvania	5,644.2	5,610.0	34.2	0.6	5,623.9
Rhode Island	488.1	483.9	4.2	0.9	487.5
Vermont	301.3	298.8	2.5	0.8	300.8
United States	131,301.0	129,859.0	1,442.0	1.1	131,189.0

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

LABOR FORCE

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

<i>(Seasonally adjusted; 000s)</i>	JUN	JUN	CHANGE		MAY
	2004	2003	NO.	%	2004
Connecticut	1,792.7	1,803.1	-10.4	-0.6	1,797.7
Maine	699.8	691.3	8.5	1.2	700.8
Massachusetts	3,409.3	3,415.5	-6.2	-0.2	3,408.5
New Hampshire	727.3	718.6	8.7	1.2	726.9
New Jersey	4,400.6	4,369.9	30.7	0.7	4,403.6
New York	9,309.1	9,308.9	0.2	0.0	9,267.2
Pennsylvania	6,240.3	6,164.8	75.5	1.2	6,253.8
Rhode Island	568.9	575.2	-6.3	-1.1	568.9
Vermont	353.4	350.9	2.5	0.7	352.3
United States	147,279.0	146,917.0	362.0	0.2	146,974.0

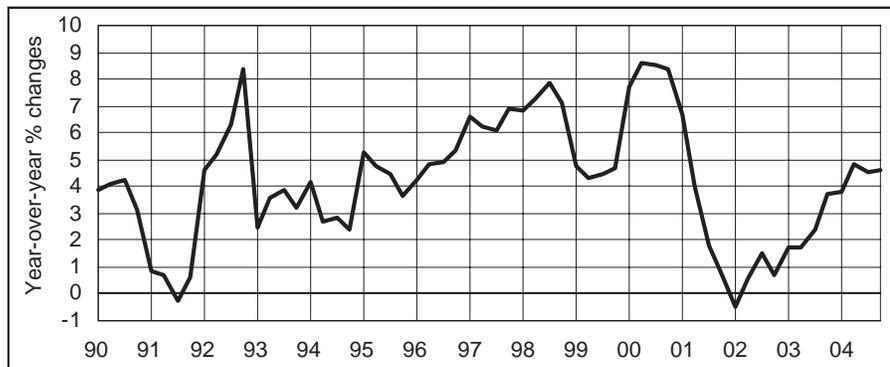
Source: U.S. Department of Labor, Bureau of Labor Statistics

UNEMPLOYMENT RATES

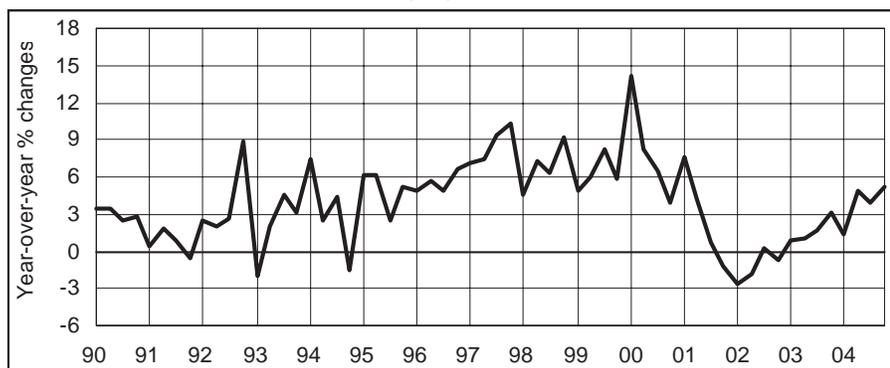
Seven of nine states showed a decrease in its unemployment rate over the year.

<i>(Seasonally adjusted)</i>	JUN	JUN	CHANGE	MAY
	2004	2003		2004
Connecticut	4.6	5.5	-0.9	4.6
Maine	4.1	5.0	-0.9	4.1
Massachusetts	5.2	5.8	-0.6	5.2
New Hampshire	3.9	4.2	-0.3	4.0
New Jersey	4.7	5.9	-1.2	4.9
New York	6.2	6.3	-0.1	5.8
Pennsylvania	5.6	5.6	0.0	5.1
Rhode Island	5.8	5.4	0.4	5.6
Vermont	3.5	4.6	-1.1	3.5
United States	5.6	6.3	-0.7	5.6

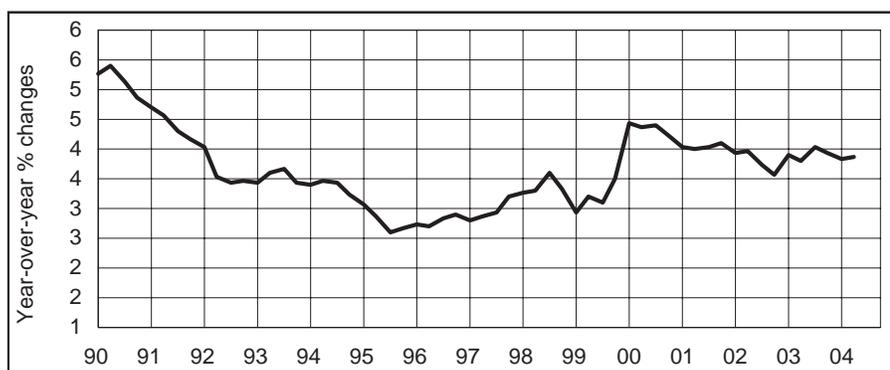
Source: U.S. Department of Labor, Bureau of Labor Statistics

PERSONAL INCOME (Seasonally adjusted)

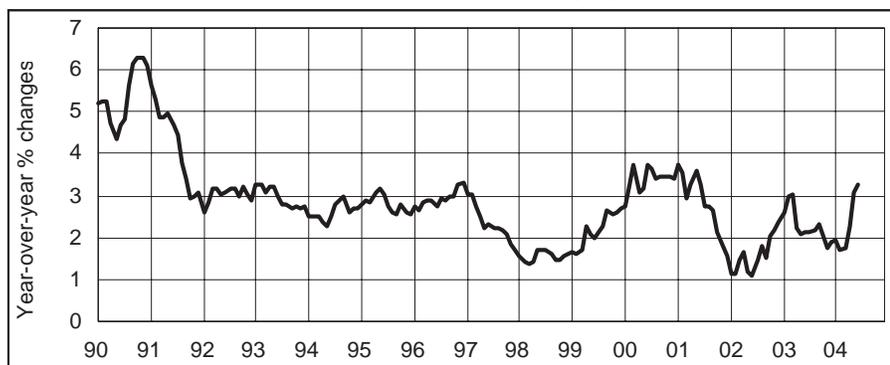
Quarter	2002	2003	2004
First	-0.5	1.7	3.8
Second	0.6	1.8	4.8
Third	1.5	2.4	4.5
Fourth	0.7	3.8	4.6

UI COVERED WAGES (Seasonally adjusted)

Quarter	2002	2003	2004
First	-2.7	1.0	1.4
Second	-1.8	1.0	4.8
Third	0.2	1.7	3.9
Fourth	-0.8	3.1	5.3

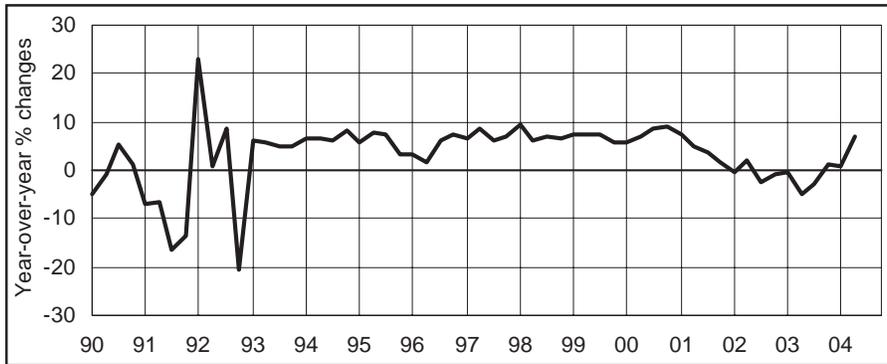
U.S. EMPLOYMENT COST INDEX (Seasonally adjusted)

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

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

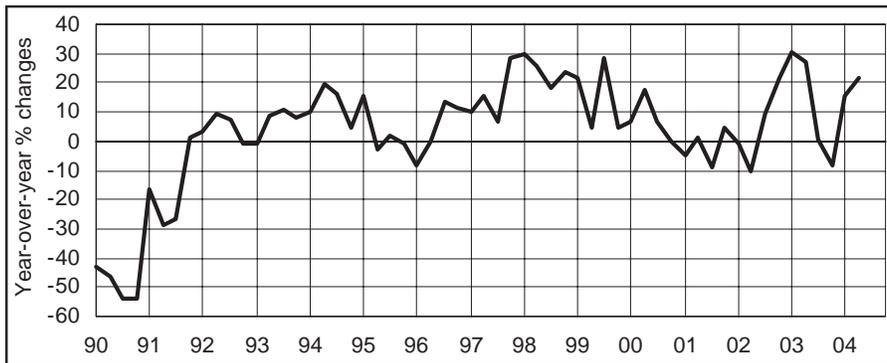
Month	2002	2003	2004
Jan	1.1	2.6	1.9
Feb	1.1	3.0	1.7
Mar	1.5	3.0	1.7
Apr	1.6	2.2	2.3
May	1.2	2.1	3.1
Jun	1.1	2.1	3.3
Jul	1.5	2.1	
Aug	1.8	2.2	
Sep	1.5	2.3	
Oct	2.0	2.0	
Nov	2.2	1.8	
Dec	2.4	1.9	

SALES TAX



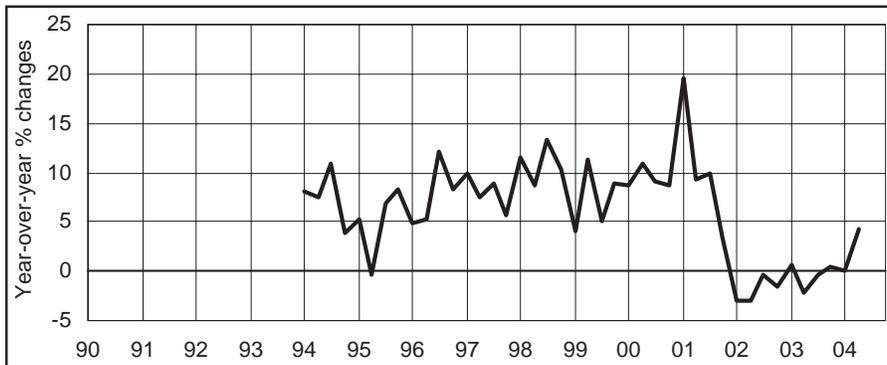
Quarter	FY 2002	FY 2003	FY 2004
First	-0.5	-0.3	0.7
Second	2.1	-5.1	7.0
Third	-2.3	-2.7	
Fourth	-1.0	1.3	

REAL ESTATE TAX



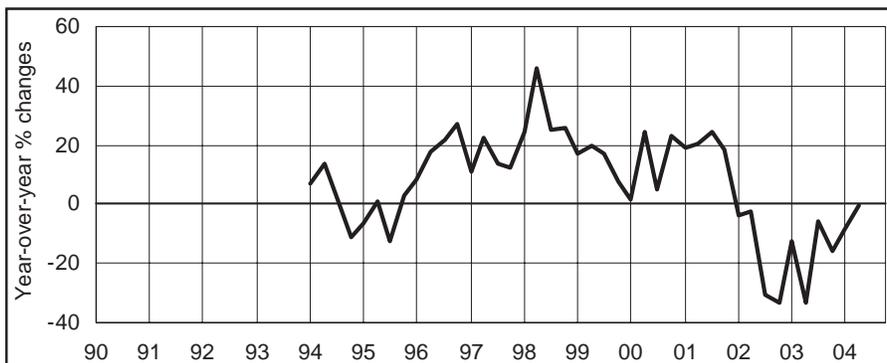
Quarter	FY 2002	FY 2003	FY 2004
First	-0.8	30.8	15.8
Second	-10.2	27.2	21.4
Third	9.6	0.6	
Fourth	21.7	-8.6	

PERSONAL INCOME TAX : SALARIES & WAGES



Quarter	FY 2002	FY 2003	FY 2004
First	-3.0	1.6	0.0
Second	-3.0	-2.1	4.3
Third	-0.4	-0.3	
Fourth	-1.6	0.5	

PERSONAL INCOME TAX : ALL OTHER SOURCES



Quarter	FY 2002	FY 2003	FY 2004
First	-3.5	-12.6	-8.6
Second	-2.3	-33.4	-0.5
Third	-30.6	-5.8	
Fourth	-33.5	-15.8	

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 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	1,658,600	1,660,100	-1,500	-0.1	1,653,600
GOODS PRODUCING INDUSTRIES	261,000	265,700	-4,700	-1.8	258,700
CONSTRUCTION, NAT. RES. & MINING	65,800	64,600	1,200	1.9	64,000
MANUFACTURING	195,200	201,100	-5,900	-2.9	194,700
Durable Goods	144,200	148,400	-4,200	-2.8	143,900
Fabricated Metal.....	32,600	33,700	-1,100	-3.3	32,600
Machinery.....	17,700	18,800	-1,100	-5.9	17,700
Computer and Electronic Product.....	15,000	16,100	-1,100	-6.8	15,000
Electrical Equipment.....	10,700	10,700	0	0.0	10,700
Transportation Equipment.....	42,400	43,500	-1,100	-2.5	42,200
Aerospace Product and Parts.....	29,600	30,400	-800	-2.6	29,400
Non-Durable Goods	51,000	52,700	-1,700	-3.2	50,800
Printing and Related.....	7,500	8,000	-500	-6.3	7,600
Chemical.....	17,700	17,800	-100	-0.6	17,500
Plastics and Rubber Products.....	8,300	8,300	0	0.0	8,200
SERVICE PROVIDING INDUSTRIES	1,397,600	1,394,400	3,200	0.2	1,394,900
TRADE, TRANSPORTATION, UTILITIES	308,400	307,200	1,200	0.4	305,700
Wholesale Trade.....	65,900	66,000	-100	-0.2	65,500
Retail Trade.....	192,800	191,900	900	0.5	190,800
Motor Vehicle and Parts Dealers.....	22,700	22,700	0	0.0	22,500
Building Material.....	17,100	17,100	0	0.0	17,000
Food and Beverage Stores.....	44,700	45,100	-400	-0.9	44,300
General Merchandise Stores.....	23,100	23,100	0	0.0	22,700
Transportation, Warehousing, & Utilities....	49,700	49,300	400	0.8	49,400
Utilities.....	8,600	8,900	-300	-3.4	8,600
Transportation and Warehousing.....	41,100	40,400	700	1.7	40,800
INFORMATION	39,700	39,800	-100	-0.3	39,400
Telecommunications.....	14,100	14,200	-100	-0.7	14,000
FINANCIAL ACTIVITIES	144,200	144,900	-700	-0.5	143,000
Finance and Insurance.....	123,600	124,100	-500	-0.4	122,500
Credit Intermediation.....	33,200	33,300	-100	-0.3	32,800
Securities and Commodity Contracts.....	17,900	17,300	600	3.5	17,700
Insurance Carriers & Related Activities....	67,600	68,500	-900	-1.3	67,100
Real Estate and Rental and Leasing.....	20,600	20,800	-200	-1.0	20,500
PROFESSIONAL & BUSINESS SERVICES	196,400	198,700	-2,300	-1.2	194,900
Professional, Scientific.....	86,700	87,900	-1,200	-1.4	86,100
Legal Services.....	15,400	15,100	300	2.0	15,100
Computer Systems Design.....	17,600	18,300	-700	-3.8	17,400
Management of Companies.....	27,600	27,900	-300	-1.1	27,600
Administrative and Support.....	82,100	82,900	-800	-1.0	81,200
Employment Services.....	26,600	26,700	-100	-0.4	26,300
EDUCATIONAL AND HEALTH SERVICES	263,000	260,800	2,200	0.8	266,700
Educational Services.....	45,700	45,100	600	1.3	49,800
Health Care and Social Assistance.....	217,300	215,700	1,600	0.7	216,900
Hospitals.....	54,300	54,300	0	0.0	54,000
Nursing & Residential Care Facilities.....	57,700	57,000	700	1.2	57,400
Social Assistance.....	33,400	33,300	100	0.3	33,900
LEISURE AND HOSPITALITY	138,300	133,200	5,100	3.8	133,200
Arts, Entertainment, and Recreation.....	29,300	27,800	1,500	5.4	26,900
Accommodation and Food Services.....	109,000	105,400	3,600	3.4	106,300
Food Serv., Restaurants, Drinking Places.	96,900	93,600	3,300	3.5	95,000
OTHER SERVICES	63,800	63,400	400	0.6	62,900
GOVERNMENT	243,800	246,400	-2,600	-1.1	249,100
Federal Government.....	20,200	20,900	-700	-3.3	20,200
State Government.....	61,100	62,300	-1,200	-1.9	65,600
**Local Government.....	162,500	163,200	-700	-0.4	163,300

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

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

BRIDGEPORT LMA

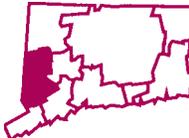


Not Seasonally Adjusted

	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	185,700	186,500	-800	-0.4	185,300
GOODS PRODUCING INDUSTRIES	35,800	36,700	-900	-2.5	35,500
CONSTRUCTION, NAT. RES. & MINING.....	7,100	7,100	0	0.0	6,900
MANUFACTURING	28,700	29,600	-900	-3.0	28,600
Durable Goods.....	23,900	24,600	-700	-2.8	23,800
SERVICE PROVIDING INDUSTRIES	149,900	149,800	100	0.1	149,800
TRADE, TRANSPORTATION, UTILITIES	36,100	36,400	-300	-0.8	35,800
Wholesale Trade.....	7,000	7,100	-100	-1.4	6,900
Retail Trade.....	24,000	23,700	300	1.3	23,800
Transportation, Warehousing, & Utilities....	5,100	5,600	-500	-8.9	5,100
INFORMATION	4,200	4,400	-200	-4.5	4,200
FINANCIAL ACTIVITIES	13,700	13,300	400	3.0	13,700
PROFESSIONAL & BUSINESS SERVICES	19,200	20,200	-1,000	-5.0	19,100
EDUCATIONAL AND HEALTH SERVICES	32,000	31,300	700	2.2	32,900
LEISURE AND HOSPITALITY	15,200	14,300	900	6.3	14,900
Accommodation and Food Services.....	11,400	11,100	300	2.7	11,200
OTHER SERVICES	6,600	6,800	-200	-2.9	6,500
GOVERNMENT	22,900	23,100	-200	-0.9	22,700
Federal.....	1,800	1,900	-100	-5.3	1,800
State & Local.....	21,100	21,200	-100	-0.5	20,900

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

DANBURY LMA



Not Seasonally Adjusted

	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	90,400	89,600	800	0.9	89,500
GOODS PRODUCING INDUSTRIES	16,300	17,200	-900	-5.2	16,200
CONSTRUCTION, NAT. RES. & MINING.....	4,400	4,300	100	2.3	4,300
MANUFACTURING	11,900	12,900	-1,000	-7.8	11,900
SERVICE PROVIDING INDUSTRIES	74,100	72,400	1,700	2.3	73,300
TRADE, TRANSPORTATION, UTILITIES	19,500	18,900	600	3.2	19,200
Wholesale Trade.....	2,900	2,800	100	3.6	2,900
Retail Trade.....	14,800	14,300	500	3.5	14,500
INFORMATION	2,700	2,800	-100	-3.6	2,600
FINANCIAL ACTIVITIES	4,300	4,200	100	2.4	4,200
PROFESSIONAL & BUSINESS SERVICES	9,900	10,400	-500	-4.8	9,800
EDUCATIONAL AND HEALTH SERVICES	13,800	13,100	700	5.3	13,800
LEISURE AND HOSPITALITY	7,400	7,300	100	1.4	7,200
OTHER SERVICES	4,100	3,900	200	5.1	4,100
GOVERNMENT	12,400	11,800	600	5.1	12,400
Federal.....	700	800	-100	-12.5	700
State & Local.....	11,700	11,000	700	6.4	11,700

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

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

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

HARTFORD LMA



Not Seasonally Adjusted

	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	593,200	599,500	-6,300	-1.1	593,200
GOODS PRODUCING INDUSTRIES	91,800	96,200	-4,400	-4.6	90,600
CONSTRUCTION, NAT. RES. & MINING	20,900	22,100	-1,200	-5.4	20,400
MANUFACTURING	70,900	74,100	-3,200	-4.3	70,200
Durable Goods	58,700	61,100	-2,400	-3.9	58,000
Fabricated Metal.....	14,600	15,200	-600	-3.9	14,500
Non-Durable Goods	12,200	13,000	-800	-6.2	12,200
SERVICE PROVIDING INDUSTRIES	501,400	503,300	-1,900	-0.4	502,600
TRADE, TRANSPORTATION, UTILITIES	101,400	103,800	-2,400	-2.3	100,600
Wholesale Trade.....	22,900	22,600	300	1.3	22,700
Retail Trade.....	59,400	61,500	-2,100	-3.4	58,800
Transportation, Warehousing, & Utilities...	19,100	19,700	-600	-3.0	19,100
Transportation and Warehousing.....	15,400	16,000	-600	-3.8	15,400
INFORMATION	11,500	12,000	-500	-4.2	11,400
FINANCIAL ACTIVITIES	71,100	73,300	-2,200	-3.0	70,400
Finance and Insurance.....	65,600	67,100	-1,500	-2.2	65,100
Insurance Carriers & Related Activities...	48,200	49,300	-1,100	-2.2	47,900
PROFESSIONAL & BUSINESS SERVICES	62,800	61,400	1,400	2.3	62,100
Professional, Scientific.....	27,400	27,700	-300	-1.1	27,800
Administrative and Support.....	26,400	26,800	-400	-1.5	26,200
EDUCATIONAL AND HEALTH SERVICES	88,000	87,800	200	0.2	88,800
Health Care and Social Assistance.....	78,500	77,900	600	0.8	78,400
LEISURE AND HOSPITALITY	44,800	43,700	1,100	2.5	44,300
Accommodation and Food Services.....	36,600	35,300	1,300	3.7	36,700
Food Serv., Restaurants, Drinking Places.	32,400	31,800	600	1.9	32,400
OTHER SERVICES	24,600	24,000	600	2.5	24,400
GOVERNMENT	97,200	97,300	-100	-0.1	100,600
Federal.....	7,100	7,200	-100	-1.4	7,100
State & Local.....	90,100	90,100	0	0.0	93,500

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

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

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

BUSINESS AND ECONOMIC NEWS

■ Fewer information technology layoffs in first quarter

Information technology-producing industries (in U.S.) accounted for 6 percent of extended mass layoff events and 10,556 worker separations in the first quarter, down from 11 percent of layoff events and 28,582 separations a year earlier. This was the lowest number of separations in the industry grouping since the first quarter of 2000. Layoffs in the information technology-producing industries were most numerous in communications services and computer hardware.

(The Editor's Desk, Bureau of Labor Statistics, <http://www.bls.gov/opub/ted/2004/may/wk4/art02.htm>)

■ 9/11 and the New York City economy

In New York City, the events of September 11, 2001, resulted in the deaths of 2,699 workers. In addition to the human, political, security, and social implications of the terrorist attacks on the World Trade Center, there were profound impacts on New York City's economy, its labor market dynamics, and individual businesses. In New York City as a whole, the attack caused an additional loss of about 143,000 jobs per month over a three-month period beyond the trend in job losses already occurring as a result of the economic recession of 2001. The effect of September 11th was concentrated

--Continued on the following page--

NEW HAVEN LMA



Not Seasonally Adjusted

	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	254,500	257,000	-2,500	-1.0	255,200
GOODS PRODUCING INDUSTRIES	40,600	41,500	-900	-2.2	39,600
CONSTRUCTION, NAT. RES. & MINING	9,900	10,500	-600	-5.7	9,400
MANUFACTURING	30,700	31,000	-300	-1.0	30,200
Durable Goods.....	20,500	20,500	0	0.0	20,100
Non-Durable Goods.....	10,200	10,500	-300	-2.9	10,100
SERVICE PROVIDING INDUSTRIES	213,900	215,500	-1,600	-0.7	215,600
TRADE, TRANSPORTATION, UTILITIES	45,600	46,600	-1,000	-2.1	45,000
Wholesale Trade.....	10,200	10,400	-200	-1.9	10,300
Retail Trade.....	27,500	28,500	-1,000	-3.5	27,000
Transportation, Warehousing, & Utilities....	7,900	7,700	200	2.6	7,700
INFORMATION	9,400	9,000	400	4.4	9,400
Telecommunications.....	6,000	5,800	200	3.4	6,000
FINANCIAL ACTIVITIES	13,700	13,900	-200	-1.4	13,700
Finance and Insurance.....	9,900	10,400	-500	-4.8	10,000
PROFESSIONAL & BUSINESS SERVICES	25,500	25,900	-400	-1.5	25,200
Administrative and Support.....	10,500	11,600	-1,100	-9.5	10,400
EDUCATIONAL AND HEALTH SERVICES	58,500	58,400	100	0.2	60,100
Educational Services.....	19,900	20,100	-200	-1.0	21,900
Health Care and Social Assistance.....	38,600	38,300	300	0.8	38,200
LEISURE AND HOSPITALITY	18,000	18,700	-700	-3.7	17,600
Accommodation and Food Services.....	15,000	15,100	-100	-0.7	14,500
OTHER SERVICES	10,500	10,200	300	2.9	10,400
GOVERNMENT	32,700	32,800	-100	-0.3	34,200
Federal.....	5,300	5,600	-300	-5.4	5,300
State & Local.....	27,400	27,200	200	0.7	28,900

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

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

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

BUSINESS AND ECONOMIC NEWS (Cont.)

on the finance, professional services, information, arts, entertainment, management, and manufacturing industries that make up the "export" sector of the New York economy. About two-thirds of the attack-related job losses were in the export sector. Reflecting both the locus of the terrorist acts and the industrial distribution of the ensuing job losses, the borough of Manhattan lost jobs as a result of the attack over a slightly longer period. Job losses in Manhattan were about 60,000 per month and continued for four months.

(The Editor's Desk, Bureau of Labor Statistics, <http://www.bls.gov/opub/ted/2004/jun/wk5/art04.htm>)

■ **Foreign-born workers and on-the-job fatalities by industry**

Private construction, retail trade, and transportation and public utilities (in U.S.) were the industries in which fatally injured foreign-born workers were most frequently employed in the 1996-2001 period. Nearly one in four fatally-injured foreign-born workers was employed in the construction industry. Almost one in five was employed in retail trade and about one in seven was in transportation and public utilities. Together, these industries accounted for over half of occupational fatalities to foreign-born workers between 1996 and 2001.

(The Editor's Desk, Bureau of Labor Statistics, <http://www.bls.gov/opub/ted/2004/jun/wk5/art03.htm>)

NEW LONDON LMA



Not Seasonally Adjusted

	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	149,000	148,700	300	0.2	147,100
GOODS PRODUCING INDUSTRIES	24,500	24,300	200	0.8	24,300
CONSTRUCTION, NAT. RES. & MINING	5,000	4,900	100	2.0	4,800
MANUFACTURING	19,500	19,400	100	0.5	19,500
Durable Goods.....	12,000	11,800	200	1.7	12,100
Non-Durable Goods.....	7,500	7,600	-100	-1.3	7,400
SERVICE PROVIDING INDUSTRIES	124,500	124,400	100	0.1	122,800
TRADE, TRANSPORTATION, UTILITIES	25,000	24,600	400	1.6	24,400
Wholesale Trade.....	2,400	2,300	100	4.3	2,300
Retail Trade.....	18,300	18,000	300	1.7	17,900
Transportation, Warehousing, & Utilities....	4,300	4,300	0	0.0	4,200
INFORMATION	2,400	2,400	0	0.0	2,400
FINANCIAL ACTIVITIES	3,700	3,600	100	2.8	3,700
PROFESSIONAL & BUSINESS SERVICES	11,200	11,200	0	0.0	11,000
EDUCATIONAL AND HEALTH SERVICES	19,400	19,000	400	2.1	19,400
Health Care and Social Assistance.....	17,100	16,700	400	2.4	17,000
LEISURE AND HOSPITALITY	17,100	16,800	300	1.8	16,000
Accommodation and Food Services.....	14,200	13,900	300	2.2	13,400
Food Serv., Restaurants, Drinking Places.	11,100	10,700	400	3.7	10,400
OTHER SERVICES	4,400	4,300	100	2.3	4,400
GOVERNMENT	41,300	42,500	-1,200	-2.8	41,500
Federal.....	2,500	2,900	-400	-13.8	2,500
**State & Local.....	38,800	39,600	-800	-2.0	39,000

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

STAMFORD LMA



Not Seasonally Adjusted

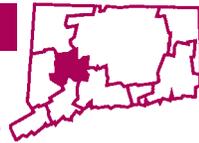
	JUN 2004	JUN 2003	CHANGE		MAY 2004
			NO.	%	
TOTAL NONFARM EMPLOYMENT	198,600	199,100	-500	-0.3	196,500
GOODS PRODUCING INDUSTRIES	16,400	17,300	-900	-5.2	16,000
CONSTRUCTION, NAT. RES. & MINING	6,300	6,300	0	0.0	6,200
MANUFACTURING	10,100	11,000	-900	-8.2	9,800
SERVICE PROVIDING INDUSTRIES	182,200	181,800	400	0.2	180,500
TRADE, TRANSPORTATION, UTILITIES	34,800	34,700	100	0.3	34,900
Wholesale Trade.....	7,300	7,400	-100	-1.4	7,300
Retail Trade.....	23,000	22,900	100	0.4	23,100
Transportation, Warehousing, & Utilities....	4,500	4,400	100	2.3	4,500
INFORMATION	6,500	6,600	-100	-1.5	6,500
FINANCIAL ACTIVITIES	27,500	27,200	300	1.1	27,200
Finance and Insurance.....	23,500	23,300	200	0.9	23,200
PROFESSIONAL & BUSINESS SERVICES	45,000	45,300	-300	-0.7	44,900
Professional, Scientific.....	18,400	20,900	-2,500	-12.0	18,700
Management of Companies.....	9,800	9,800	0	0.0	9,700
Administrative and Support.....	16,800	14,600	2,200	15.1	16,500
EDUCATIONAL AND HEALTH SERVICES	22,600	22,300	300	1.3	22,700
Health Care and Social Assistance.....	19,500	19,100	400	2.1	19,500
LEISURE AND HOSPITALITY	18,000	17,500	500	2.9	16,600
Accommodation and Food Services.....	11,200	11,300	-100	-0.9	10,900
OTHER SERVICES	9,100	9,000	100	1.1	9,000
GOVERNMENT	18,700	19,200	-500	-2.6	18,700
Federal.....	1,700	1,700	0	0.0	1,600
State & Local.....	17,000	17,500	-500	-2.9	17,100

For further information on the Stamford 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 2003.

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

WATERBURY LMA



	<i>Not Seasonally Adjusted</i>				MAY 2004
	JUN 2004	JUN 2003	CHANGE		
			NO.	%	
TOTAL NONFARM EMPLOYMENT	84,800	84,500	300	0.4	83,800
GOODS PRODUCING INDUSTRIES	16,500	16,600	-100	-0.6	16,600
CONSTRUCTION, NAT. RES. & MINING	3,700	3,800	-100	-2.6	3,600
MANUFACTURING	12,800	12,800	0	0.0	13,000
Durable Goods.....	10,500	10,700	-200	-1.9	10,600
SERVICE PROVIDING INDUSTRIES	68,300	67,900	400	0.6	67,200
TRADE, TRANSPORTATION, UTILITIES	16,200	15,800	400	2.5	16,000
Wholesale Trade.....	2,100	2,300	-200	-8.7	2,100
Retail Trade.....	11,500	10,900	600	5.5	11,300
Transportation, Warehousing, & Utilities....	2,600	2,600	0	0.0	2,600
INFORMATION	1,400	1,300	100	7.7	1,400
FINANCIAL ACTIVITIES	3,600	3,500	100	2.9	3,500
PROFESSIONAL & BUSINESS SERVICES	9,400	8,900	500	5.6	9,000
EDUCATIONAL AND HEALTH SERVICES	15,200	15,400	-200	-1.3	15,200
Health Care and Social Assistance.....	13,900	14,200	-300	-2.1	13,900
LEISURE AND HOSPITALITY	6,300	6,200	100	1.6	5,900
OTHER SERVICES	3,200	3,300	-100	-3.0	3,200
GOVERNMENT	13,000	13,500	-500	-3.7	13,000
Federal.....	700	700	0	0.0	700
State & Local.....	12,300	12,800	-500	-3.9	12,300

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

SMALLER LMAs



	<i>Not Seasonally Adjusted</i>				MAY 2004
	JUN 2004	JUN 2003	CHANGE		
			NO.	%	
TOTAL NONFARM EMPLOYMENT					
DANIELSON LMA	21,800	22,000	-200	-0.9	21,800
LOWER RIVER LMA	10,500	10,500	0	0.0	10,300
TORRINGTON LMA	28,800	29,100	-300	-1.0	28,600

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

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

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

LMA LABOR FORCE ESTIMATES

				CHANGE		
<i>(Not seasonally adjusted)</i>		JUN	JUN	NO.	%	MAY
	EMPLOYMENT STATUS	2004	2003			2004
CONNECTICUT	Civilian Labor Force	1,815,900	1,827,000	-11,100	-0.6	1,797,000
	Employed	1,729,500	1,722,500	7,000	0.4	1,710,700
	Unemployed	86,400	104,500	-18,100	-17.3	86,300
	Unemployment Rate	4.8	5.7	-0.9	---	4.8
BRIDGEPORT LMA	Civilian Labor Force	231,500	233,900	-2,400	-1.0	229,700
	Employed	218,200	217,200	1,000	0.5	216,500
	Unemployed	13,300	16,800	-3,500	-20.8	13,200
	Unemployment Rate	5.8	7.2	-1.4	---	5.8
DANBURY LMA	Civilian Labor Force	118,600	117,500	1,100	0.9	116,900
	Employed	114,900	113,000	1,900	1.7	113,100
	Unemployed	3,700	4,600	-900	-19.6	3,800
	Unemployment Rate	3.2	3.9	-0.7	---	3.2
DANIELSON LMA	Civilian Labor Force	36,900	37,200	-300	-0.8	36,600
	Employed	35,100	34,900	200	0.6	34,700
	Unemployed	1,800	2,300	-500	-21.7	1,900
	Unemployment Rate	5.0	6.2	-1.2	---	5.1
HARTFORD LMA	Civilian Labor Force	609,000	616,500	-7,500	-1.2	605,000
	Employed	577,400	578,700	-1,300	-0.2	573,700
	Unemployed	31,600	37,800	-6,200	-16.4	31,300
	Unemployment Rate	5.2	6.1	-0.9	---	5.2
LOWER RIVER LMA	Civilian Labor Force	14,100	13,900	200	1.4	13,600
	Employed	13,700	13,400	300	2.2	13,200
	Unemployed	400	500	-100	-20.0	400
	Unemployment Rate	2.9	3.9	-1.0	---	3.0
NEW HAVEN LMA	Civilian Labor Force	290,300	292,500	-2,200	-0.8	289,100
	Employed	276,200	276,000	200	0.1	274,900
	Unemployed	14,000	16,500	-2,500	-15.2	14,200
	Unemployment Rate	4.8	5.6	-0.8	---	4.9
NEW LONDON LMA	Civilian Labor Force	174,400	173,900	500	0.3	170,700
	Employed	167,000	165,400	1,600	1.0	163,400
	Unemployed	7,400	8,500	-1,100	-12.9	7,300
	Unemployment Rate	4.2	4.9	-0.7	---	4.3
STAMFORD LMA	Civilian Labor Force	197,700	197,600	100	0.1	194,100
	Employed	192,000	190,300	1,700	0.9	188,300
	Unemployed	5,700	7,300	-1,600	-21.9	5,800
	Unemployment Rate	2.9	3.7	-0.8	---	3.0
TORRINGTON LMA	Civilian Labor Force	40,800	40,800	0	0.0	40,000
	Employed	39,200	39,000	200	0.5	38,500
	Unemployed	1,600	1,800	-200	-11.1	1,500
	Unemployment Rate	3.9	4.4	-0.5	---	3.9
WATERBURY LMA	Civilian Labor Force	121,500	122,200	-700	-0.6	119,700
	Employed	114,000	113,000	1,000	0.9	112,100
	Unemployed	7,500	9,200	-1,700	-18.5	7,600
	Unemployment Rate	6.2	7.5	-1.3	---	6.4
UNITED STATES	Civilian Labor Force	148,478,000	148,117,000	361,000	0.2	146,659,000
	Employed	139,861,000	138,468,000	1,393,000	1.0	138,867,000
	Unemployed	8,616,000	9,649,000	-1,033,000	-10.7	7,792,000
	Unemployment Rate	5.8	6.5	-0.7	---	5.3

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

MANUFACTURING HOURS AND EARNINGS

LMA

CONNECTICUT

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS				
	JUN		CHG	MAY	JUN		CHG	MAY	JUN		CHG	MAY	
	2004	2003	Y/Y	2004	2004	2003	Y/Y	2004	2004	2003	Y/Y	2004	
<i>(Not seasonally adjusted)</i>													
MANUFACTURING	\$759.23	\$729.11	\$30.11	\$760.33	41.9	41.1	0.8	42.1	\$18.12	\$17.74	\$0.38	\$18.06	
DURABLE GOODS	787.87	757.38	30.50	788.05	42.2	41.5	0.7	42.3	18.67	18.25	0.42	18.63	
Fabricated Metal	700.12	666.12	34.00	701.81	42.1	42.0	0.1	42.1	16.63	15.86	0.77	16.67	
Machinery	773.83	756.43	17.40	763.16	40.9	40.3	0.6	40.4	18.92	18.77	0.15	18.89	
Computer & Electronic	620.40	585.16	35.24	620.29	40.0	40.3	-0.3	40.2	15.51	14.52	0.99	15.43	
Transport. Equipment	972.40	917.19	55.21	974.13	42.5	41.9	0.6	42.8	22.88	21.89	0.99	22.76	
NON-DUR. GOODS	690.54	657.60	32.94	690.15	41.3	40.0	1.3	41.5	16.72	16.44	0.28	16.63	
CONSTRUCTION	901.74	905.95	-4.21	894.04	39.9	39.7	0.2	39.7	22.60	22.82	-0.22	22.52	

LMAs

	AVG WEEKLY EARNINGS				AVG WEEKLY HOURS				AVG HOURLY EARNINGS				
	JUN		CHG	MAY	JUN		CHG	MAY	JUN		CHG	MAY	
	2004	2003	Y/Y	2004	2004	2003	Y/Y	2004	2004	2003	Y/Y	2004	
MANUFACTURING													
Bridgeport	\$833.06	\$746.53	\$86.53	\$816.48	41.2	39.9	1.3	40.4	\$20.22	\$18.71	\$1.51	\$20.21	
Danbury	676.60	700.28	-23.68	672.42	39.8	41.0	-1.2	39.3	17.00	17.08	-0.08	17.11	
Danielson*													
Hartford	861.92	789.91	72.01	858.82	43.4	42.4	1.0	43.2	19.86	18.63	1.23	19.88	
Lower River*													
New Haven	645.22	747.79	-102.57	634.58	41.6	43.3	-1.7	41.1	15.51	17.27	-1.76	15.44	
New London	766.77	740.90	25.87	756.30	42.2	41.6	0.6	41.9	18.17	17.81	0.36	18.05	
Stamford*													
Torrington*													
Waterbury	775.87	644.68	131.19	778.51	40.6	37.9	2.7	41.3	19.11	17.01	2.10	18.85	

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

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

NEW HOUSING PERMITS

LMA

	JUN	JUN	CHANGE Y/Y		YTD		CHANGE YTD		MAY
	2004	2003	UNITS	%	2004	2003	UNITS	%	2004
	Connecticut	1,283	1,143	140	12.2	5,423	4,598	825	17.9
LMAs:									
Bridgeport	208	74	134	181.1	680	391	289	73.9	94
Danbury	97	89	8	9.0	456	327	129	39.4	91
Danielson	73	37	36	97.3	226	164	62	37.8	36
Hartford	375	604	-229	-37.9	1,996	2,020	-24	-1.2	401
Lower River	11	12	-1	-8.3	45	52	-7	-13.5	5
New Haven	121	89	32	36.0	459	408	51	12.5	74
New London	212	99	113	114.1	679	420	259	61.7	103
Stamford	91	64	27	42.2	476	379	97	25.6	52
Torrington	40	28	12	42.9	153	141	12	8.5	32
Waterbury	55	47	8	17.0	253	296	-43	-14.5	54

Additional data by town are on page 22.

(By Place of Residence - Not Seasonally Adjusted)

JUNE 2004

LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE	EMPLOYED	UNEMPLOYED	%
BRIDGEPORT	231,509	218,189	13,320	5.8	HARTFORD cont....				
Ansonia	9,245	8,589	656	7.1	Burlington	4,664	4,480	184	3.9
Beacon Falls	3,039	2,887	152	5.0	Canton	4,995	4,803	192	3.8
BRIDGEPORT	63,561	58,197	5,364	8.4	Chaplin	1,199	1,145	54	4.5
Derby	6,822	6,304	518	7.6	Colchester	7,582	7,237	345	4.6
Easton	3,644	3,524	120	3.3	Columbia	2,765	2,644	121	4.4
Fairfield	28,679	27,714	965	3.4	Coventry	6,427	6,167	260	4.0
Milford	28,409	26,984	1,425	5.0	Cromwell	7,000	6,721	279	4.0
Monroe	10,328	10,014	314	3.0	Durham	3,616	3,472	144	4.0
Oxford	5,562	5,325	237	4.3	East Granby	2,621	2,543	78	3.0
Seymour	8,401	7,991	410	4.9	East Haddam	4,543	4,361	182	4.0
Shelton	20,744	19,726	1,018	4.9	East Hampton	7,443	7,163	280	3.8
Stratford	25,595	24,139	1,456	5.7	East Hartford	26,321	24,564	1,757	6.7
Trumbull	17,479	16,795	684	3.9	East Windsor	5,496	5,207	289	5.3
DANBURY	118,617	114,879	3,738	3.2	Ellington	7,685	7,388	297	3.9
Bethel	9,859	9,520	339	3.4	Enfield	23,467	22,284	1,183	5.0
Bridgewater	990	969	21	2.1	Farmington	12,361	11,935	426	3.4
Brookfield	8,702	8,425	277	3.2	Glastonbury	16,979	16,510	469	2.8
DANBURY	41,045	39,542	1,503	3.7	Granby	5,658	5,510	148	2.6
New Fairfield	7,207	7,023	184	2.6	Haddam	4,149	3,996	153	3.7
New Milford	14,918	14,504	414	2.8	HARTFORD	51,209	45,986	5,223	10.2
Newtown	13,157	12,741	416	3.2	Harwinton	2,885	2,756	129	4.5
Redding	4,571	4,435	136	3.0	Hebron	4,643	4,479	164	3.5
Ridgefield	13,021	12,707	314	2.4	Lebanon	3,682	3,511	171	4.6
Roxbury	1,145	1,119	26	2.3	Manchester	28,994	27,583	1,411	4.9
Sherman	2,156	2,109	47	2.2	Mansfield	9,951	9,629	322	3.2
Washingtton	1,846	1,785	61	3.3	Marlborough	3,084	2,968	116	3.8
DANIELSON	36,894	35,051	1,843	5.0	Middlefield	2,274	2,183	91	4.0
Brooklyn	4,115	3,950	165	4.0	Middletown	23,649	22,410	1,239	5.2
Eastford	989	946	43	4.3	New Britain	34,242	31,556	2,686	7.8
Hampton	1,258	1,204	54	4.3	New Hartford	3,525	3,367	158	4.5
KILLINGLY	9,521	8,892	629	6.6	Newington	15,651	15,050	601	3.8
Pomfret	2,403	2,315	88	3.7	Plainville	9,397	8,900	497	5.3
Putnam	4,734	4,443	291	6.1	Plymouth	6,214	5,859	355	5.7
Scotland	947	934	13	1.4	Portland	4,663	4,451	212	4.5
Sterling	1,798	1,712	86	4.8	Rocky Hill	10,260	9,857	403	3.9
Thompson	4,807	4,569	238	5.0	Simsbury	12,069	11,703	366	3.0
Union	448	431	17	3.8	Somers	4,403	4,253	150	3.4
Voluntown	1,530	1,458	72	4.7	Southington	21,638	20,675	963	4.5
Woodstock	4,345	4,198	147	3.4	South Windsor	14,037	13,603	434	3.1
HARTFORD	609,033	577,395	31,638	5.2	Stafford	5,630	5,375	255	4.5
Andover	1,700	1,638	62	3.6	Suffield	6,908	6,673	235	3.4
Ashford	2,240	2,145	95	4.2	Tolland	7,659	7,434	225	2.9
Avon	8,260	8,021	239	2.9	Vernon	15,818	15,058	760	4.8
Barkhamsted	2,066	1,958	108	5.2	West Hartford	28,840	27,708	1,132	3.9
Berlin	9,678	9,298	380	3.9	Wethersfield	12,474	11,916	558	4.5
Bloomfield	10,265	9,622	643	6.3	Willington	3,456	3,320	136	3.9
Bolton	2,861	2,770	91	3.2	Winchester	5,586	5,253	333	6.0
Bristol	31,814	29,989	1,825	5.7	Windham	10,862	9,960	902	8.3
					Windsor	14,784	13,989	795	5.4
					Windsor Locks	6,693	6,359	334	5.0

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 2004

LMA/TOWNS	LABOR FORCE EMPLOYED	UNEMPLOYED	%	LMA/TOWNS	LABOR FORCE EMPLOYED	UNEMPLOYED	%		
LOWER RIVER	14,081	13,666	415	2.9	STAMFORD	197,654	191,987	5,667	2.9
Chester	2,261	2,196	65	2.9	Darien	9,922	9,748	174	1.8
Deep River	2,861	2,772	89	3.1	Greenwich	31,632	30,963	669	2.1
Essex	3,828	3,730	98	2.6	New Canaan	9,745	9,579	166	1.7
Lyme	1,231	1,202	29	2.4	NORWALK	49,693	47,894	1,799	3.6
Westbrook	3,900	3,767	133	3.4	STAMFORD	67,650	65,438	2,212	3.3
NEW HAVEN	290,286	276,241	14,045	4.8	Weston	5,268	5,150	118	2.2
Bethany	2,992	2,917	75	2.5	Westport	14,553	14,245	308	2.1
Branford	16,966	16,289	677	4.0	Wilton	9,192	8,971	221	2.4
Cheshire	14,824	14,346	478	3.2	TORRINGTON	40,794	39,184	1,610	3.9
Clinton	7,537	7,256	281	3.7	Canaan**	742	730	12	1.6
East Haven	15,815	14,907	908	5.7	Colebrook	859	846	13	1.5
Guilford	12,289	11,964	325	2.6	Cornwall	831	816	15	1.8
Hamden	31,624	30,324	1,300	4.1	Goshen	1,612	1,539	73	4.5
Killingworth	3,314	3,230	84	2.5	Hartland	1,076	1,044	32	3.0
Madison	9,365	9,122	243	2.6	Kent**	2,027	1,994	33	1.6
MERIDEN	31,297	29,388	1,909	6.1	Litchfield	4,345	4,198	147	3.4
NEW HAVEN	58,422	54,354	4,068	7.0	Morris	1,298	1,250	48	3.7
North Branford	8,133	7,859	274	3.4	Norfolk	912	883	29	3.2
North Haven	12,926	12,503	423	3.3	North Canaan**	2,233	2,196	37	1.7
Orange	7,007	6,801	206	2.9	Salisbury**	2,447	2,408	39	1.6
Wallingford	24,189	23,257	932	3.9	Sharon**	2,119	2,100	19	0.9
West Haven	29,050	27,336	1,714	5.9	TORRINGTON	19,624	18,522	1,102	5.6
Woodbridge	4,534	4,387	147	3.2	Warren	669	658	11	1.6
*NEW LONDON	155,575	148,885	6,690	4.3	WATERBURY	121,490	114,009	7,481	6.2
Bozrah	1,643	1,580	63	3.8	Bethlehem	2,066	1,996	70	3.4
Canterbury	3,029	2,904	125	4.1	Middlebury	3,636	3,508	128	3.5
East Lyme	11,228	10,953	275	2.4	Naugatuck	17,370	16,337	1,033	5.9
Franklin	1,256	1,216	40	3.2	Prospect	5,042	4,844	198	3.9
Griswold	6,488	6,156	332	5.1	Southbury	7,759	7,455	304	3.9
Groton	18,582	17,694	888	4.8	Thomaston	4,316	4,109	207	4.8
Ledyard	8,922	8,602	320	3.6	WATERBURY	54,618	50,187	4,431	8.1
Lisbon	2,622	2,499	123	4.7	Watertown	12,383	11,806	577	4.7
Montville	12,313	11,870	443	3.6	Wolcott	8,861	8,476	385	4.3
NEW LONDON	14,388	13,356	1,032	7.2	Woodbury	5,441	5,293	148	2.7
No. Stonington	3,219	3,119	100	3.1	Not Seasonally Adjusted:				
NORWICH	20,952	19,745	1,207	5.8	CONNECTICUT	1,815,900	1,729,500	86,400	4.8
Old Lyme	4,669	4,561	108	2.3	UNITED STATES	148,478,000	139,861,000	8,616,000	5.8
Old Saybrook	6,659	6,463	196	2.9	Seasonally Adjusted:				
Plainfield	8,930	8,398	532	6.0	CONNECTICUT	1,792,700	1,710,700	82,000	4.6
Preston	2,853	2,755	98	3.4	UNITED STATES	147,279,000	139,031,000	8,248,000	5.6
Salem	2,503	2,441	62	2.5					
Sprague	1,862	1,747	115	6.2					
Stonington	11,444	11,200	244	2.1					
Waterford	12,011	11,624	387	3.2					

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

NEW LONDON	174,387	166,995	7,392	4.2
Hopkinton, RI	4,887	4,666	221	4.5
Westerly, RI	13,925	13,444	481	3.5

**The Bureau of Labor Statistics has identified these five towns as a separate area to report labor force data. For the convenience of our data users, data for these towns are included in the Torrington LMA. For the same purpose, data for the town of Thompson, which is officially part of the Worcester, MA MSA, is included in the Danielson LMA.

LABOR FORCE CONCEPTS (Continued)

The **unemployment rate** represents the number unemployed as a percent of the civilian labor force.

With the exception of those persons temporarily absent from a job or waiting to be recalled to one, persons with no job and who are not actively looking for one are counted as "not in the labor force".

Over the course of a year, the size of the labor force and the levels of employment undergo fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays and the opening and closing of schools. Because these seasonal events follow a regular pattern each year, their influence on statistical trends can be eliminated by adjusting the monthly statistics. **Seasonal Adjustment** makes it easier to observe cyclical and other nonseasonal developments.

TOWN	JUN 2004	YR TO DATE 2004	2003	TOWN	JUN 2004	YR TO DATE 2004	2003	TOWN	JUN 2004	YR TO DATE 2004	2003
Andover	4	14	4	Griswold	9	35	24	Preston	2	11	11
Ansonia	4	8	10	Groton	111	224	50	Prospect	3	20	8
Ashford	3	16	14	Guilford	9	50	43	Putnam	8	24	6
Avon	2	45	90	Haddam	7	21	21	Redding	3	8	16
Barkhamsted	2	9	9	Hamden	3	26	29	Ridgefield	1	27	16
Beacon Falls	2	16	4	Hampton	4	15	9	Rocky Hill	18	55	36
Berlin	8	40	51	Hartford	0	52	136	Roxbury	4	7	8
Bethany	4	19	16	Hartland	1	6	3	Salem	3	17	5
Bethel	3	19	27	Harwinton	5	18	12	Salisbury	2	7	8
Bethlehem	0	2	6	Hebron	4	18	18	Scotland	0	7	4
Bloomfield	12	64	268	Kent	2	9	5	Seymour	6	25	21
Bolton	0	6	0	Killingly	7	36	47	Sharon	5	9	5
Bozrah	2	7	3	Killingworth	4	14	16	Shelton	8	55	41
Branford	9	25	20	Lebanon	10	43	17	Sherman	8	16	12
Bridgeport	10	45	52	Ledyard	8	36	46	Simsbury	3	10	14
Bridgewater	1	7	1	Lisbon	1	9	7	Somers	4	22	19
Bristol	13	50	61	Litchfield	6	13	12	South Windsor	11	48	29
Brookfield	5	50	32	Lyme	2	3	6	Southbury	2	51	49
Brooklyn	7	25	12	Madison	6	20	21	Southington	13	66	107
Burlington	2	18	32	Manchester	16	86	55	Sprague	1	6	4
Canaan	0	0	2	Mansfield	1	21	22	Stafford	13	38	22
Canterbury	2	10	13	Marlborough	4	21	25	Stamford	9	61	45
Canton	14	71	36	Meriden	7	39	48	Sterling	6	18	22
Chaplin	3	12	8	Middlebury	11	24	7	Stonington	7	38	31
Cheshire	9	24	17	Middlefield	2	5	8	Stratford	13	32	31
Chester	1	5	5	Middletown	24	114	86	Suffield	2	25	26
Clinton	4	21	17	Milford	138	229	45	Thomaston	4	14	7
Colchester	6	38	47	Monroe	1	14	15	Thompson	7	15	9
Colebrook	0	5	1	Montville	9	33	40	Tolland	4	49	46
Columbia	2	16	15	Morris	0	6	2	Torrington	12	49	62
Cornwall	3	8	7	Naugatuck	17	33	22	Trumbull	5	31	66
Coventry	6	24	29	New Britain	5	17	16	Union	0	1	1
Cromwell	6	25	39	New Canaan	1	31	26	Vernon	19	101	76
Danbury	47	182	66	New Fairfield	11	27	4	Voluntown	2	6	7
Darien	27	63	103	New Hartford	8	26	25	Wallingford	31	78	58
Deep River	2	7	3	New Haven	5	18	21	Warren	2	8	8
Derby	2	8	7	New London	5	16	2	Washington	1	4	2
Durham	4	24	20	New Milford	9	49	59	Waterbury	2	35	105
East Granby	5	9	17	Newington	3	16	11	Waterford	3	18	27
East Haddam	4	28	27	Newtown	4	60	84	Watertown	8	30	20
East Hampton	10	76	69	Norfolk	0	1	1	West Hartford	10	24	7
East Hartford	1	7	1	North Branford	4	30	13	West Haven	2	10	6
East Haven	3	16	23	North Canaan	1	4	4	Westbrook	5	19	20
East Lyme	8	40	31	North Haven	16	45	32	Weston	2	6	6
East Windsor	3	36	15	North Stonington	1	12	10	Westport	12	56	76
Eastford	3	12	5	Norwalk	5	150	47	Wethersfield	0	4	9
Easton	1	7	4	Norwich	27	99	50	Willington	2	16	11
Ellington	8	28	71	Old Lyme	3	17	15	Wilton	1	18	12
Enfield	4	25	17	Old Saybrook	7	20	18	Winchester	1	13	10
Essex	1	11	18	Orange	2	18	19	Windham	1	10	8
Fairfield	5	108	31	Oxford	13	102	64	Windsor	13	44	27
Farmington	4	62	49	Plainfield	3	29	29	Windsor Locks	9	31	18
Franklin	0	2	4	Plainville	2	15	28	Wolcott	6	25	43
Glastonbury	15	52	28	Plymouth	4	27	14	Woodbridge	3	6	9
Goshen	6	28	21	Pomfret	5	14	19	Woodbury	2	19	29
Granby	6	36	26	Portland	10	109	18	Woodstock	24	53	23
Greenwich	34	91	64								

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

BUSINESS STARTS AND TERMINATIONS

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

CONSUMER PRICE INDEX

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

EMPLOYMENT COST INDEX

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

HOURS AND EARNINGS ESTIMATES

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

INDIAN GAMING DATA

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

INITIAL CLAIMS

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

INSURED UNEMPLOYMENT RATE

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

LABOR FORCE ESTIMATES

Labor force estimates are a measure of the work status of people who live in Connecticut. Prepared under the direction of the U.S. Bureau of Labor Statistics, the statewide estimates are the product of a multiple variable coefficient regression model, which uses results from the Current Population Survey (CPS), a monthly survey of Connecticut households, counts of claimants for unemployment benefits, and establishment employment estimates. Due to the small size of the sample taken in Connecticut, the CPS results are subject to significant sampling error and produce considerable month-to-month fluctuations in estimates derived from the sample. In general, the CPS estimates, at the 90 percent confidence level, have an error range of about 1.5 percentage points on a rate of 6.0 percent. An accepted method for calculating the error range for model estimates is currently not available. Labor force data, reflecting persons employed by place of residence, are not directly comparable to the place-of-work industry employment series. In the labor force estimates, workers involved in labor disputes are counted as employed. The labor force data also includes agricultural workers, unpaid family workers, domestics and the self-employed. Because of these conceptual differences, total labor force employment is almost always different from nonfarm wage and salary employment.

LABOR MARKET AREAS

All Labor Market Areas in Connecticut except three are federally designated areas for developing labor statistics. Industry employment data for the Danielson, Lower River and Torrington Labor Market Areas are prepared exclusively by the Connecticut Department of Labor, following the same statistical procedures used to prepare estimates for the other Labor Market Areas, which are developed in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The Bureau of Labor Statistics has identified the five towns of Canaan, Kent, North Canaan, Salisbury and Sharon as a separate area for reporting labor force data. For the convenience of our data users, data for these towns are included in the Torrington Labor Market Area. For the same purpose, data for the town of Thompson, which is officially part of the Worcester Metropolitan Statistical Area, are included in the Danielson Labor Market Area. Also, data for Hopkinton and Westerly, Rhode Island are included in the New London Labor Market Area.

LEADING AND COINCIDENT EMPLOYMENT INDICES

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

NONFARM EMPLOYMENT ESTIMATES

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

UI COVERED WAGES

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

