

Connecticut is losing residents

By: Mary Ellen Godin, Record-Journal staff
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After nine years in retirement, James and Anne Marie Thadieo saw they were spending more and enjoying it less.

So they shopped around and found a smaller home in North Carolina, where they say the taxes are lower and they don't need winter coats. They sold their house on Catherine Drive and moved in October.

"We love it here," James Thadieo said. "I live on a fixed income and I gotta go where my dollar can get the best value. I sold my house and bought another one and we're mortgage free."

It's not just the snowbirds who are heading to warmer climes; its families and job seekers, and many are staying for good.

Connecticut has seen a steady outbound migration for several years, especially among 18- to 34-year-olds. But the exodus continued to add all ages, including retirees, at the start of the recession two years ago.

"They are trying to go somewhere where there are job opportunities, the states with the best employment," said Janice Warro, office manager for Little John's Moving & Storage in Meriden.

A recently released study by Atlas Van Lines on 2009 migration trends reports that Connecticut had the highest percentage of moves out of state. Out of 2,031 shipments related to the state last year, 1,230 were outbound, or 60.5 percent, with the 801 inbound shipments comprising 39 percent.

New Jersey and South Dakota followed Connecticut in the percentage of people leaving home. The state continued a nine-year pattern of being classified as an outbound state, which means that more than 55 percent of shipments moved out.

The report shows that people are leaving Connecticut and the Rust Belt states and moving to the Southwest pocket - with Texas, New Mexico and, for the first time in five years, Oklahoma receiving more than 55 percent of shipments related to their states. Other growth areas are in Washington, D.C. - with the highest percentage of inbound traffic - and Maryland, which made the list for the first time since the company created it in 1993. North Carolina has been an inbound state for the past six consecutive years.

But according to Kerri Hart, spokeswoman for Atlas, the survey doesn't always reflect economic patterns. For instance, both North and South Dakota were outbound states and their employment numbers are high.

Bargains in distressed housing markets such as Florida and Las Vegas could be driving retirees into those areas. A \$350,000 home in Florida two years ago can now be bought for about \$180,000, agents said.

But local real estate agents said the Carolinas have surpassed Florida as a retirement destination and for job opportunities, although those have slowed with the recession.

"They're called half-backs," said Sandy Maier Schede, an agent with Maier Real Estate, about people who move to the Carolinas instead of Florida. "It's warm half of the time there."

The Las Vegas area has also become a hot spot for bargain-hunting retirees, but not so much for people in the job market.

Household moves cooled industry-wide in 2009, according to the Atlas study. The company reported a 16 percent drop from 2008, but the summer months were higher than average.

Not surprisingly, Rust Belt states follow closely behind Connecticut. Michigan is number four for most outbound moves, with Ohio and Indiana and Missouri also considered outbound states, and Illinois shifted into the outbound column this year.

Western states such as California, Nevada and Oregon, which have suffered job losses in construction, manufacturing and tourism, have also become less popular destinations.

But the first-time homebuyer's tax credit helped move housing inventory at all levels.

Joseph Criscuolo, a broker for The Home Store Real Estate in Wallingford, said he's had one of his best years ever. Out of 54 transactions, three or four were out of state, including the Thadieos. The rest were moves in different areas within the state, he said.

Peter Gioia, a vice president for the Connecticut Business & Industry Association, said the employment and housing problems in Florida and California have helped slow some of Connecticut's outward migration of young people, although as the stock market rebounds more retirees will feel more comfortable leaving.

The job market in the Texas, Oklahoma and New Mexico market is brighter because of its strong export-based economy with Latin America, the petroleum industry and military-industrial operations.

William Villano, executive director of Workforce Alliance, the private firm that contracts with the state Department of Labor for job development in New Haven and Middlesex counties, said the contrast with the state is significant. Connecticut has lost around 90,000 jobs since the start of the recession. And although the numbers have leveled off, hiring has not picked up in any significant way. Manufacturing has shifted to southern states and offshore. Union construction jobs are also feeling the pinch.

"On some levels, it's not surprising," Villano said about the state's ranking. "If you're laid off...or if you're going to take a pay cut, it makes sense to do it where it costs less to live."

But the state's unemployment rate of 8.9 percent continues to lag the national rate of 10 percent, and the number of initial unemployment claims decreased by more than 200 from November to December - a 10 percent decline over last year, according to statistics from the state DOL. However, only two major sectors have shown growth over the past year - health and education.

Opportunities for young people may not be as strong in California or Florida in the past two years, but other cities in the country are doing more to attract young talent.

Affordable housing and cultural activities are driving young people to cities such as Austin, Texas. AT&T has invested millions to build and equip a technology center at the University of Texas there and maintains a strong partnership with the school.

The company has added hundreds of jobs in Austin, Oklahoma and Nevada. In the past decade AT&T cut about 1,000 well-paying jobs in its landline customer service and repair sectors in Connecticut, but added more openings in the state for its broadband Internet and wireless products.

Pratt & Whitney is in a legal battle to eliminate 1,000 high-paying jobs in its jet engine repair divisions in Cheshire and East Hartford. If it wins, the work will shift to Georgia and Singapore.

"The availability of quality jobs has been diminishing," Villano said. "There are some opportunities for people who have significant skills and talent. The problems with the types of jobs we're growing (is that they) are lower-end jobs."

Paul Ott is a veteran real estate agent with William Raveis Real Estate in Cheshire. He's now working with three clients in foreclosure who have moved to Texas, Florida and North Carolina, respectively, in the hopes of finding jobs or to be with family. In the case of one client who walked away from his home on Paddock Avenue in Meriden, it was for warmth.

The client, who did not want to be interviewed for this story, was laid off by Atlas Container last summer, Ott said. (The company is not related to Atlas Van Lines). He collected unemployment but fell behind in his payments and owed more than the home was worth.

"He said 'It's better to be homeless in a warmer climate,'" Ott recalled. "That's scary stuff. The jobs are not here to keep them here."

Kathleen Quinn, operations director for the CT Works career centers, said the agency and the state labor department are working overtime to keep up with the need for services for the unemployed and underemployed.

"The first thing that comes to my mind is they have exceeded their benefits," Quinn said.

Connecticut has a 21-month time limit for receiving cash assistance, while the federal limit is 60 months. Often, people who have exhausted their 21-months will travel to another state where the limit isn't as severe and can continue to collect.

"It could be people are exhausting their benefits," Quinn said.