

ECONOMIC CONDITIONS in New Hampshire



February 2005

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Labor Market Information Bureau



New Hampshire's average hourly wage increased faster than the rate of inflation

Occupational Employment Statistics estimates from November 2003 released

The Occupational Employment Statistics Program estimated the average hourly wage for all occupations in New Hampshire was \$17.27 in November 2003. This was an increase of 4.2 percent from the November 2002 estimate. Survey results showed Grafton and Coos Counties had the fastest growth over-the-year while Cheshire and Merrimack Counties had the slowest growth.

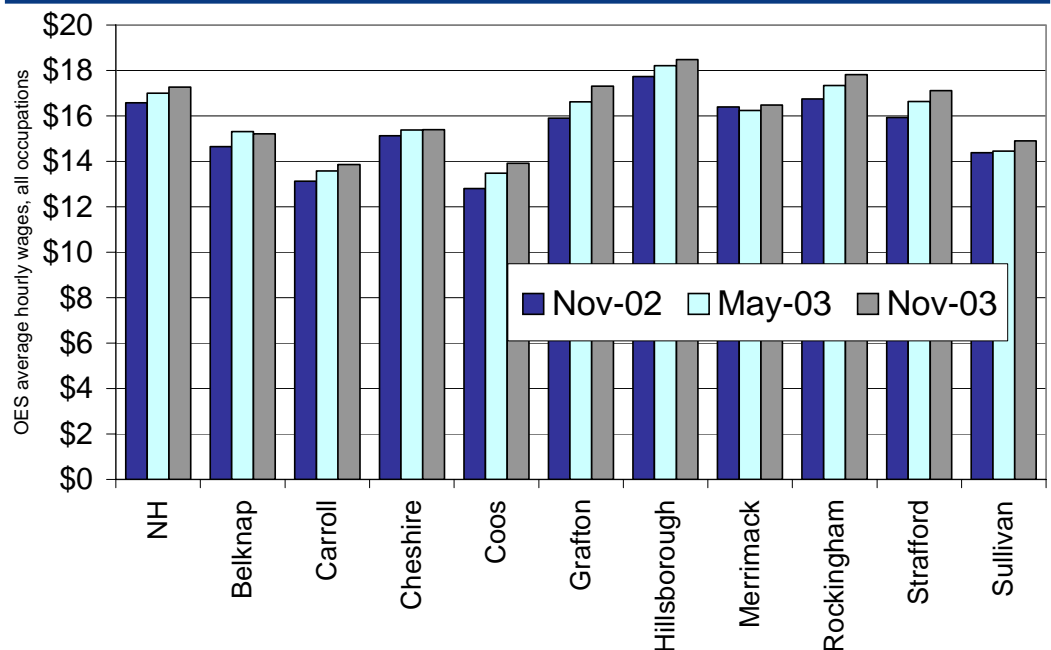
To put the 4.2 percent growth for all occupations in the state in perspective, the consumer price index (typically

considered a gauge of inflation) increased 1.8 percent nationally during this same time.

The November 2003 survey is the third to be conducted using the new semiannual method. The semiannual survey allows employment and wage estimates to be published more often than before.

Average hourly wage by county
In all three of the semiannual surveys (November 2002, May 2003, and November 2003) workers in Hillsborough County made, on average, more per

Wage estimates showed Hillsborough and Rockingham counties had higher average hourly wages for all occupations than the statewide average





For more wage data, visit our Web site at www.nhes.state.nh.us/elmi/oesfiles.htm. Wage data for New Hampshire and its 14 wages areas are also available in hard copy in *New Hampshire Occupational Employment & Wages*. (see page eight for ordering information)

hour than workers in any other county. With an average hourly wage ranging from \$17.74 in November 2002 to \$18.49 in November 2003, these workers surpassed the statewide average each year by about \$1.20 per hour.

Among the counties, Rockingham had the second highest average hourly wage in each of the three semi-annual surveys. Although they trailed workers in Hillsborough County by roughly one dollar an hour in November 2002 and about \$0.67 in November 2003, Rockingham County employees still surpassed the statewide average hourly wage by about \$0.20 to \$0.50.

According to the November 2002 and May 2003 surveys, workers in Coos County were paid less per hour, on average, than those in any other county. These two surveys showed that workers in Carroll County made slightly more per hour than those in Coos County.

This changed with the November 2003 estimates as Carroll County dropped to the bottom of the list with workers making, on average, about a nickel less than workers in Coos County did. Overall, November 2003 estimates for workers in both these counties were about \$3.40 below the statewide average for all occupations.

Elisabeth Picard



This publication is now available on our Web site at www.nhes.state.nh.us/elmi/econanals.htm

Recent trends in economic and social indicators for New Hampshire now available in *Vital Signs 2005*

How well has New Hampshire done economically and socially since 2000? No single indicator can, by itself, describe the State's economic and social well being. However, a look at many of the key indicators can give a better prognosis. The following are some highlights from the publication:

- * In 2003 New Hampshire's labor force climbed to an annual average of about 719,000, the highest average in the state's history.
- * New Hampshire's median household income of \$55,166 put it at the top of the list with five other states for highest income in 2003
- * The trend over the last four years has been that the Goods producing domain saw large losses while the Service-provid-

ing domain portrayed strength, dampening the effects of the downturn.

- * New Hampshire's commercial banks weathered the 2001 recession fairly well, but 2003 saw a record high number of consumer bankruptcy filings.
- * The State's NHEIAP test scores showed New Hampshire students performed better in math in 2004 than in 2001.

Vital Signs 2005: Economic and Social Indicators for New Hampshire, 2000-2003 reviews hundreds of indicators over the four-year period. From economic indicators like employment, wages, and gross state product to social indicators like population, poverty, and crime, this publication is a one-stop source for current trends.

Fall/Winter Summary released



The good news for New Hampshire is that employment levels have been increasing. As one indication of the strengthening economy, the US Department of Labor, Employment and Training Administration announced that New Hampshire has no labor surplus areas for federal fiscal year 2005. These areas are determined by several factors, including a threshold unemployment rate. Even though labor surplus areas are based on two previous years of data, this can be interpreted as a positive sign.

New England's consumer confidence indicator has essentially followed the same trends as the nation as a whole.

Covered employment has increased over the year (from June 2003 to June 2004), unemployment rates have been declining, and personal income is increasing. Everything indicates the local economy is on the mend...

Access the entire *Summary of the New Hampshire Economy, Fall/Winter 2004* on our Web site at <www.nhes.state.nh.us/elmi/econanals.htm>

New England's consumer confidence has been trending up over the year.

Unemployment Compensation Claims Activity

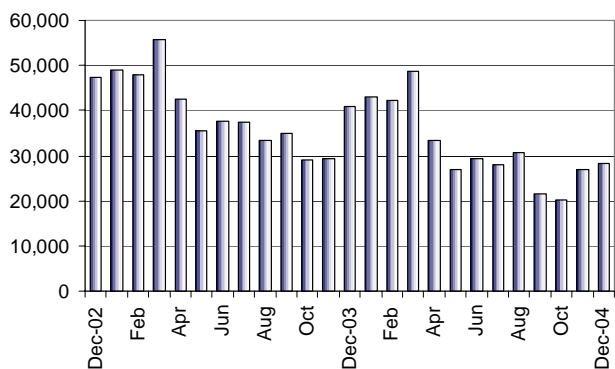
Total Regular Unemployment Compensation Programs:	Change from Previous						
				Month		Year	
	Dec-04	Nov-04	Dec-03	Net	Percent	Net	Percent
Initial Claims	6,821	4,494	6,874	2,327	51.8%	-53	-0.8%
Continued Weeks	28,174	26,840	40,917	1,334	5.0%	-12,743	-31.1%

Claims Activity

Unemployment Compensation Fund

Unemployment compensation fund balance at the end of December	\$243,393,863.55
Average payment for a week of total unemployment:	\$268.98
Net benefits paid:	\$5,282,238.74
Net contributions received during the month:	\$163,477.12
Interest Received:	\$3,320,273.43
Reed Act Distribution:	\$0.00
Reed Act Withdrawal for Administrative Costs:	\$676.17

Trust Fund



Continued Weeks Claimed

Dec. 2002 - Dec. 2004

Although continued weeks claimed in December 2004 followed the typical seasonal trend of increasing over-the-month, they dropped by 12,700 over- the-year.

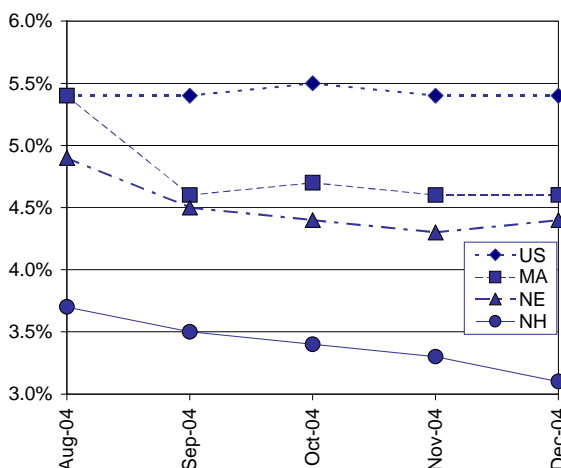
Dec-04	Nov-04	Dec-03	Change from Previous	
			Month	Year
190.3	191.0	184.3	-0.4%	3.3%

United States All Urban Areas (CPI-U) (1982-1984=100)

Consumer Price Index

N.H. and U.S. Seasonally Adjusted Unemployment Rates

New Hampshire's December rate was the lowest in New England and tied for third lowest in the nation.



Unemployment Rates by Region

	preliminary Dec-04	revised Nov-04	Dec-03
United States	5.4%	5.4%	5.7%
Northeast	4.9%	4.8%	5.7%
New England	4.3%	4.4%	5.4%
Connecticut	4.3%	4.7%	5.5%
Maine	4.7%	4.5%	5.2%
Massachusetts	4.6%	4.6%	5.9%
New Hampshire	3.3%	3.1%	4.1%
Rhode Island	4.6%	4.5%	5.1%
Vermont	3.4%	3.1%	4.7%
Mid Atlantic	5.2%	5.0%	5.8%
New Jersey	4.2%	4.4%	5.6%
New York	5.3%	4.9%	6.3%
Pennsylvania	5.6%	5.4%	5.2%

Seasonally Adjusted Labor Force Estimates

By Place of Residence

	Aug-04	Sep-04	Oct-04	revised Nov-04	preliminary Dec-04
New Hampshire					
Unemployment Rate	3.7%	3.5%	3.4%	3.1%	3.3%
Civilian Labor Force	730,470	731,020	730,640	730,210	729,840
Number Employed	703,730	705,110	705,990	707,270	706,040
Number Unemployed	26,740	25,910	24,650	22,940	23,800
United States (in thousands)					
Unemployment Rate	5.4%	5.4%	5.5%	5.4%	5.4%
Civilian Labor Force	147,676	147,531	147,893	148,313	148,203
Number Employed	139,658	139,527	139,827	140,293	140,156
Number Unemployed	8,018	8,005	8,066	8,020	8,047

Note: Beginning in January 2004, data reflect revised population controls used in the household survey. Seasonally adjusted data have been revised to reflect updated seasonal adjustment factors.

Seasonally Adjusted Nonfarm Employment

By Place of Establishment

Supersector	Aug-04	Sep-04	Oct-04	revised Nov-04	preliminary Dec-04
Total Nonfarm	628,000	631,000	630,700	631,800	631,800
Construction	30,400	30,500	30,900	31,100	30,500
Manufacturing	78,300	78,300	77,900	77,700	77,700
Trade, Transportation, and Utilities	141,900	142,700	141,800	141,900	142,100
Leisure and Hospitality	66,400	65,600	65,300	66,200	66,500
Government	90,600	92,700	92,600	92,300	93,000

Labor Force Estimates

New Hampshire	Dec-04	Nov-04	Dec-03
Number of workers	preliminary	revised	
Total Civilian Labor Force	727,880	731,250	723,170
Employed	705,470	708,150	694,600
Unemployed	22,410	23,100	28,570
Unemployment Rate (percent of labor force)	3.1%	3.2%	4.5%

Unemployment Rates by Area

	preliminary Dec-04	revised Nov-04	Dec-03
U.S and Regional States			
United States	5.1%	5.2%	5.4%
Northeast	4.6%	4.6%	5.4%
New England	4.0%	4.0%	5.1%
Connecticut	3.9%	4.2%	5.0%
Maine	4.7%	4.5%	5.0%
Massachusetts	4.1%	4.2%	5.4%
New Hampshire	3.1%	3.2%	4.0%
Rhode Island	4.4%	3.9%	4.9%
Vermont	3.2%	3.1%	4.4%
Mid Atlantic	4.9%	4.8%	5.5%
New Jersey	3.9%	4.2%	5.2%
New York	5.2%	4.8%	6.2%
Pennsylvania	5.1%	5.1%	4.7%
Labor Market Areas			
Berlin LMA	2.8%	3.5%	5.7%
Seabrook-South Hampton NH			
Portion Boston MA-NH PMSA	5.6%	5.8%	7.4%
Claremont LMA	1.8%	1.8%	2.5%
Colebrook LMA	5.6%	6.7%	6.4%
Concord LMA	2.4%	2.3%	3.0%
Conway LMA	2.3%	2.4%	2.9%
NH Portion Hartford-Lebanon, VT-NH LMA	1.0%	1.0%	1.2%
NH Portion Keene-Brattleboro, NH-VT LMA	2.1%	2.1%	2.8%
Laconia LMA	2.6%	2.5%	3.5%
Lancaster LMA	3.0%	2.9%	3.7%
Salem-Derry, NH Portion Lawrence, MA-NH PMSA	5.1%	5.3%	6.6%
Littleton LMA	2.5%	2.7%	3.1%
Pelham, NH Portion Lowell, MA-NH PMSA	3.9%	3.8%	5.5%
Manchester PMSA	3.1%	3.2%	3.8%
Nashua PMSA	3.6%	3.9%	4.8%
Peterborough LMA	2.9%	2.9%	3.6%
Plymouth LMA	2.2%	2.2%	2.6%
NH Portion Portsmouth-Rochester, NH-ME PMSA	3.0%	3.0%	3.6%
Counties			
Belknap	2.6%	2.5%	3.7%
Carroll	2.1%	2.3%	2.8%
Cheshire	2.5%	2.3%	3.0%
Coos	3.3%	3.9%	5.2%
Grafton	1.7%	1.7%	1.9%
Hillsborough	3.3%	3.5%	4.3%
Merrimack	2.3%	2.2%	2.9%
Rockingham	4.1%	4.3%	5.3%
Strafford	3.0%	2.9%	3.4%
Sullivan	1.8%	1.7%	2.5%

Note: 2003 preliminary benchmark figures are pending final review by the Bureau of Labor Statistics, Washington, D.C. and are subject to change.

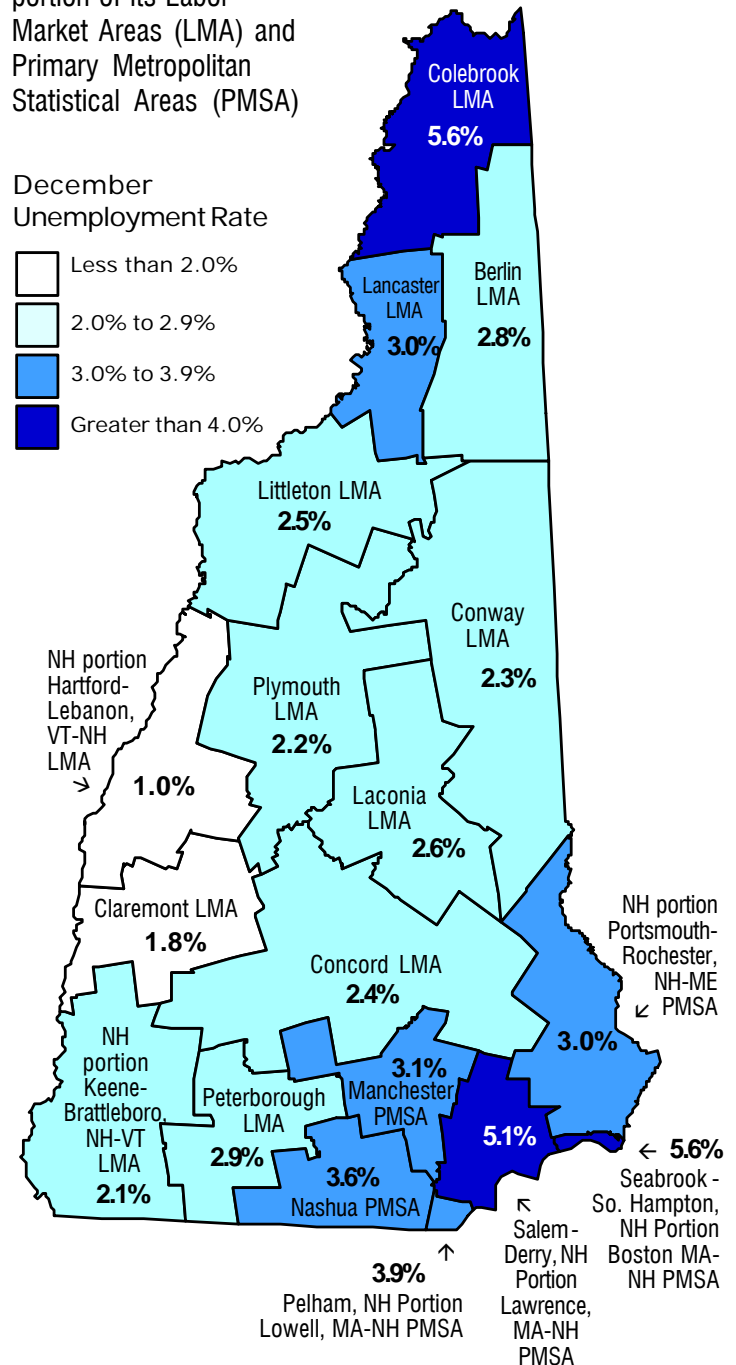
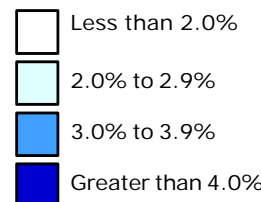
Local Area
Unemployment
Statistics
(LAUS)

Not Seasonally
Adjusted

By Place of Residence

Unemployment rates in the New Hampshire portion of its Labor Market Areas (LMA) and Primary Metropolitan Statistical Areas (PMSA)

December
Unemployment Rate



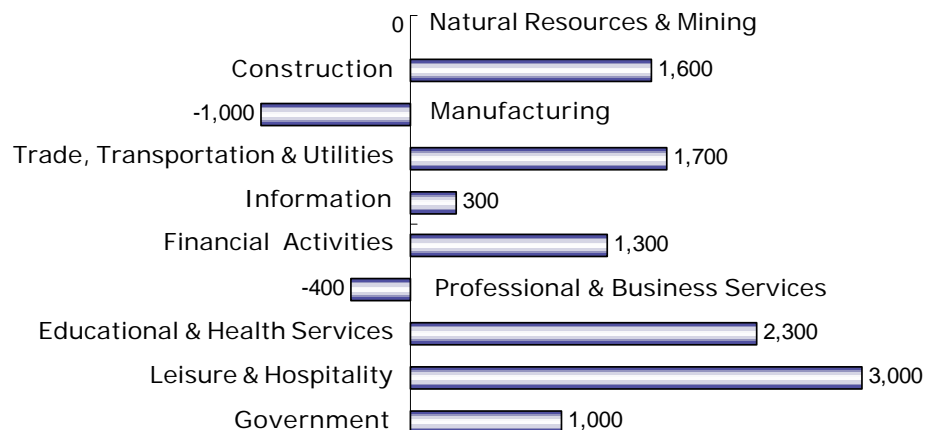
Monthly Not Seasonally Adjusted New Hampshire Nonfarm Wage and Salary Employment

As a bright spot in Manufacturing, Durable goods showed increases of 500 jobs over-the-month and 700 jobs over-the-year.

Current Employment Statistics Employment by Super Sector by place of establishment	Number of Jobs			Change	
	Dec-04	Nov-04	Dec-03	from previous:	
	preliminary)	(revised)		Month	Year
Total All Super Sectors	637,300	634,600	627,600	2,700	9,700
Private Employment Total	541,900	539,500	533,200	2,400	8,700
Natural Resources & Mining	1,000	1,000	1,000	0	0
Construction	30,700	31,600	29,100	-900	1,600
Manufacturing	78,000	77,700	79,000	300	-1,000
Durable Goods	59,600	59,100	58,900	500	700
Non-Durable Goods	18,400	18,600	20,100	-200	-1,700
Trade, Transportation and Utilities	148,100	145,500	146,400	2,600	1,700
Wholesale Trade	28,300	27,900	27,500	400	800
Retail Trade	103,600	101,400	103,000	2,200	600
Transportation and Utilities	16,200	16,200	15,900	0	300
Information	12,000	11,800	11,700	200	300
Financial Activities	38,700	38,900	37,400	-200	1,300
Professional and Business	54,000	54,400	54,400	-400	-400
Educational and Health	97,100	96,700	94,800	400	2,300
Leisure and Hospitality	62,800	62,500	59,800	300	3,000
Other Services	19,500	19,400	19,600	100	-100
Government Total	95,400	95,100	94,400	300	1,000

Change in Nonfarm Employment

Dec. 2003 to Dec. 2004



Monthly Analysis of Current Employment Statistics (CES) Data

For further analysis please read the *Detailed Monthly Analysis of Industry Employment Data* on our Web site at <www.nhes.state.nh.us/elmi/nonfarm.htm>

Seasonally Adjusted: Preliminary seasonally adjusted estimates for December showed that total nonfarm employment held at the November level.

At the supersector level, government (supersector 90) added 700 jobs to the economy, as leisure and hospitality (supersector 70) increased their ranks by 300 jobs. Employment in trade, transportation, and utilities (supersector 40) notched up by 200 jobs.

Manufacturing (supersector 30) employment level remained unchanged in over-the-month activity. Construction (supersector 20) posted a 600-job loss in the December estimates.

Unadjusted: A 2,600-job increase for trade, transportation, and utilities (supersector 40) dominated the employment activity in December's unadjusted estimates, as total nonfarm employment expanded by 2,700 jobs. Other supersectors also contributed to the

Monthly Unadjusted Nonfarm Wage and Salary Employment by Primary Metropolitan Statistical Areas

Employment by Sector number of jobs by place of establishment	Manchester PMSA			Nashua PMSA			Portsmouth-Rochester NH-ME PMSA		
	Preliminary Dec-04	Change from previous:		Preliminary Dec-04	Change from previous:		Preliminary Dec-04	Change from previous:	
		Month	Year		Month	Year		Month	Year
Total All Sectors	111,400	300	-500	96,600	400	0	128,100	-200	1,700
Private Employment Total	98,300	200	-800	86,100	400	-200	102,800	0	1,900
Natural Resources and Construction	6,500	-100	300	4,300	-100	100	4,700	-100	200
Manufacturing	10,900	0	-600	20,700	0	-600	11,900	-200	-200
Trade, Transportation, and Utilities	25,500	300	-200	22,300	500	-400	27,400	600	700
Wholesale Trade	6,300	0	100	3,700	0	0	4,400	0	0
Retail Trade	15,500	300	-300	16,600	500	-400	20,700	600	800
Transportation and Utilities	3,700	0	0	2,000	0	0	2,300	0	-100
Information	3,100	0	0	1,900	0	0	3,000	0	100
Financial Activities	8,700	0	0	6,600	0	100	7,200	-100	-400
Professional and Business	14,100	0	-200	8,400	0	200	12,800	-100	200
Educational and Health	16,400	-100	-200	11,400	0	100	19,000	0	500
Leisure and Hospitality	8,800	100	100	7,400	0	300	12,700	-100	600
Services	4,300	0	0	3,100	0	0	9,100	-100	400
Government Total	13,100	100	300	10,500	0	200	25,300	-200	-200

Average Earnings and Hours of Production Workers in Manufacturing

Sector	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec-04 prelim.	Nov-04 revised	Dec-03	Dec-04 prelim.	Nov-04 revised	Dec-03	Dec-04 prelim.	Nov-04 revised	Dec-03
New Hampshire									
All Manufacturing	\$655.68	\$637.99	\$613.47	40.7	40.1	40.6	\$16.11	\$15.91	\$15.11
Durable Goods	\$664.00	\$647.17	\$631.89	41.5	41.3	41.3	\$16.00	\$15.67	\$15.30
Nondurable Goods	\$632.45	\$610.12	\$562.40	38.4	36.6	38.6	\$16.47	\$16.67	\$14.57
Manchester PMSA									
All Manufacturing	\$716.49	\$695.36	\$603.10	41.9	41.0	37.6	\$17.10	\$16.96	\$16.04
Nashua PMSA									
All Manufacturing	\$716.12	\$669.98	\$674.36	42.1	41.9	42.2	\$17.01	\$15.99	\$15.98
Portsmouth-Rochester, NH-MA PMSA									
All Manufacturing	\$579.50	\$590.95	\$590.20	38.0	38.7	38.3	\$15.25	\$15.27	\$15.41

overall increase. Education and health services (supersector 65) added 400 jobs to the economy, and manufacturing (supersector 30), leisure and hospitality (supersector 70), and government (supersector 90) each brought 300 additional workers on board. Information (supersector 50) chipped in 200 jobs to the mix, while other services (supersector 80) employment grew by 100 jobs.

Natural resources and mining (supersector 10) did not register a

change in the employment level in the December estimates.

For some sectors of the economy, December represented a peak season, while others wound down from a high spot. Construction (supersector 20) experienced a 900-job decline in the month's preliminary unadjusted estimates. In other areas, professional and business services (supersector 60) employed 400 fewer persons, and financial activities (supersector 55) trimmed its force by 200 jobs.

B. G. McKay

Planned Changes in Local Area Unemployment Statistics Program

Employment SECURITY

NH Employment Security
Economic and Labor Market
Information Bureau:

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(603)228-4124
elmi@nhes.state.nh.us
<www.nhes.state.nh.us/elmi/>

Research Unit

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229-4315

Beginning with the release of January 2005 data in March, New Hampshire, along with the Bureau of Labor Statistics and other cooperating states, will implement a redesigned method for producing labor force estimates for census regions, divisions, states, and selected substate areas. The redesigned method includes the following changes:

- (1) the use of improved time-series statistical models for all states; and
- (2) the introduction of real-time benchmarking to national Current Population Survey (CPS) estimates of employment and unemployment.

In addition, the estimates will reflect routine annual updates to population estimates from the U.S. Census Bureau.

The redesign will result in improved seasonal adjustment. Also, the real-time benchmarking to national data

Economic Conditions in New Hampshire is published monthly in coordination with the Bureau of Labor Statistics and the Employment and Training Administration of the U.S. Department of Labor.

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means that major economic events, such as the onset of recessions, will be reflected in state estimates on a more timely basis. This, along with other improvements, will reduce end-of-year revisions.

What these changes mean to you, our data users

The implementation means that data for January 2005 will not be strictly comparable to previously released data. In order to ensure comparability of data series, all monthly historical data for 1976-2004 will be replaced with re-estimated series. This may result in small changes in data we have published over the years. If you use historical labor force statistics in your projects, you may wish to update your files.

Economic Conditions will announce when the historical data for New Hampshire is available on our web site.

NH EMPLOYMENT SECURITY
32 SOUTH MAIN STREET
CONCORD NH 03301-4857

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