

# ECONOMIC CONDITIONS in New Hampshire



March 2002

Volume 102, Number 3

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2000 - 2001  
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Published by the Economic and  
Labor Market Information Bureau

*Employment*  
**SECURITY**

## 3<sup>rd</sup> Quarter 2001 Employment and Wages

### Manufacturing job losses lead to private downturn

**T**hird quarter 2001 covered Employment and Wages as reported by New Hampshire's employers showed a very small increase in employment over 3<sup>rd</sup> quarter 2000. Government carried this shift as employment in private industries actually decreased over-the-year. Despite the small increase in jobs, wages were up by over \$93 million. This brought year-to-date wages to \$15.8 billion, up \$588 million over the first three quarters of 2000.

Manufacturing concerns experienced a large loss of jobs. The quarterly average at 99,026 was down 5,518 from 2<sup>nd</sup> quarter 2001, down 6,734 over-the-year, and was the lowest number of manufacturing jobs since 4<sup>th</sup> quarter 1993. By far the biggest job losses were in the manufacture of electronics with more than 3,000 fewer jobs reported than a year previous. Wages in Manufacturing also fell dramatically, down over \$91 million over-the-year.

Construction continued its upward trek with nearly 2,000 additional jobs over-

the-year. This division has shown over-the-year job gains in every month since December 1993. Wages are likewise up with nearly \$40 million more paid in this quarter than in 3<sup>rd</sup> quarter 2000.

Retail trade and Finance, insurance, and real estate (FIRE) had considerable over-the-year growth in both jobs and wages. Services job growth was stagnant but led all divisions in wage growth. Health services was the propellant to the division's growth. It added over 2,000 jobs and an impressive \$42.3 million in wages over-the-year. This countered Business services where there were 3,118 fewer jobs and \$26.3 million less in wages than the previous year.

All but 800 of the additional jobs reported over-the-year in Government were in Local education. The 2,181 increase in the state's school systems carried with it an additional \$11.2 million in wages. The balance of Local government, while adding only 287 jobs, jumped a heady \$9.7 million in wages.

*Martin Capodice*

### Covered employment and wages 3<sup>rd</sup> quarter 2001 and 2000

	3rd Quarter 2001		3rd Quarter 2000		Change	
	Employment	Wages	Employment	Wages	Employment	Wages
Total	609,140	\$5,153,945,744	606,984	\$5,060,755,212	2,156	\$93,190,532
Private	539,030	4,608,945,367	539,848	4,540,026,060	-818	68,919,307
Agriculture	6,891	37,894,601	6,412	34,531,151	479	3,363,450
Mining	449	4,846,250	447	4,370,471	2	475,779
Construction	28,856	279,249,643	26,860	239,815,635	1,996	39,434,008
Manufacturing	99,026	1,081,564,158	105,760	1,172,936,867	-6,734	-91,372,709
TCU	21,272	209,562,288	20,541	201,262,363	731	8,299,925
Wholesale	32,971	444,296,601	33,609	439,205,325	-638	5,091,276
Retail	135,406	672,115,254	133,903	649,267,450	1,503	22,847,804
FIRE	33,272	380,636,046	31,878	350,800,701	1,394	29,835,345
Services	179,959	1,486,127,715	179,619	1,434,247,369	340	51,880,346
Government	70,110	545,000,377	67,136	520,729,152	2,974	24,271,225
Federal Gov't	8,150	95,289,775	7,994	97,875,280	156	-2,585,505
State Gov't	19,364	148,846,158	19,014	142,856,444	350	5,989,714
Local Gov't	42,596	300,864,444	40,128	279,997,428	2,468	20,867,016

## New Hampshire's Exports Continue to Grow

Second fastest growing state in New England for Export Shipments

New Hampshire's exports exceeded \$2.5 billion in 2000. This 18.6 percent increase was a considerable jump over the growth rates for the past two years, 11.7 in 1999 and 9.5 in 1998. The rate of growth for 2000 was the second fastest the state has had over the past ten years. The fastest came in 1995 with a 26.3 percent gain over 1994. The Granite State's exports grew faster than the nation's 12.6 percent and the northeast region's 15.0 percent for 2000.

Massachusetts was the only New England State to grow at a faster rate than New Hampshire in 2000. During 1998 and 1999 the Granite State ranked first in export growth among the New England states. Within the nation, New Hampshire had the twelfth fastest growing exports.

New Hampshire's exports grew 109.8 percent between 1990 and 2000, ranking the state second in New England and twenty-first in the nation for percent growth. Vermont had the fastest growth in New England over-the-decade, 125.3 percent, and ranked sixteenth nationally. The Granite State surpassed the nation and the northeast region for growth over-the-decade, 98.6 percent and 72.9 percent respectively. New Mexico had the fastest rate in the nation over-the-decade with an increase of 887.5 percent, while Alaska was the only state to record a drop in exports, down 22.0 percent over-the-decade.

Canada has been the state's top trading partner since 1989. In 2000 nearly one-third of New Hampshire's exports were

shipped to our northern neighbor. Shipments totaled over \$790 million, up 21.5 percent over 1999.

During 1988 New Hampshire shipped more Industrial machinery and equipment and Electronic and other electrical equipment to the United Kingdom making it the Granite State's top trading partner. Since then the United Kingdom has been one of the top four countries receiving the state's exports. In 2000 the United Kingdom became the state's second largest trading partner, bumping Ireland from second place down to fourth place. Shipments to the United Kingdom totaled \$226 billion, just over one quarter of Canada's total shipment. Exports to the United Kingdom have been steadily increasing over the past four years and at a faster rate than Canada.

After experiencing a \$23 million drop in shipments in 1999, Germany came back in 2000 and nearly doubled the prior year's exports. In 2000 shipments to Germany totaled nearly \$210 million, moving them from fourth place to third place.

New Hampshire is a high tech state, so it comes as no surprise that six of the top ten exports are from high tech industries. These six industries combined, claimed over 75 percent of New Hampshire's total exports. Electronic and other electrical equipment grew the fastest, up 52.5 percent in 2000. This growth lessened the gap between it and Industrial machinery and equipment, the top exported industry. Combined they held 58.2 percent of the

### New Hampshire fell to second place after two straight years of having the fastest growth rate in New England

State	1998	Percent Change	1999	Percent Change	2000	Percent Change
Massachusetts	17,190,605,300	-4.6%	18,190,114,782	5.8%	22,061,446,586	21.3%
New Hampshire	1,915,510,544	9.5%	2,140,003,905	11.7%	2,538,906,699	18.6%
Connecticut	8,112,274,510	4.2%	7,877,695,695	-2.9%	8,648,264,609	9.8%
Rhode Island	1,208,897,557	0.9%	1,221,990,239	1.1%	1,281,024,545	4.8%
Vermont	3,933,232,395	-4.0%	4,314,158,164	9.7%	4,394,046,916	1.9%
Maine	1,965,802,948	4.5%	2,167,598,459	10.3%	1,904,069,314	-12.2%

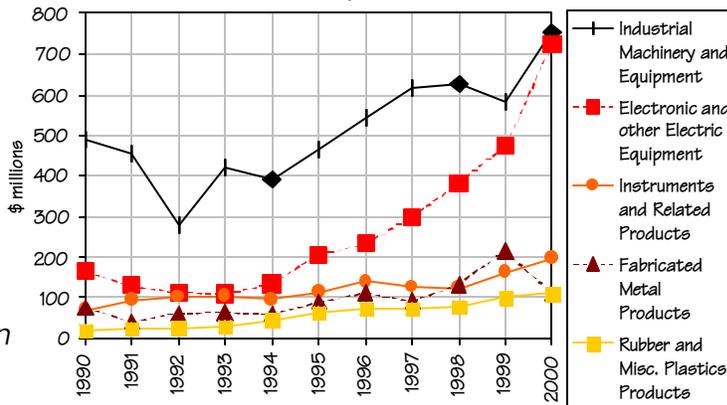
Source: Massachusetts Institute for Social and Economic Research (MISER), using SIC code data from US Census Bureau, Foreign Trade Division

state's exports in 2000, totaling \$1.5 billion. Both of these industries have been the top two export industries for over ten years. Over-the-decade Electronic and other electrical equipment had the fifth fastest growth rate, expanding nearly 340 percent. Although Industrial machinery and equipment is New Hampshire's top exported commodity, over-the-decade it only grew 54.0 percent. Over half of the thirty-one exported industries grew faster over-the-decade than this industry.

Gail Houston

Electronic and other electric equipment exports grew at a faster rate from 1998 to 2000 than the other top five industries

continued from page 2



### Unemployment Compensation Claims Activity

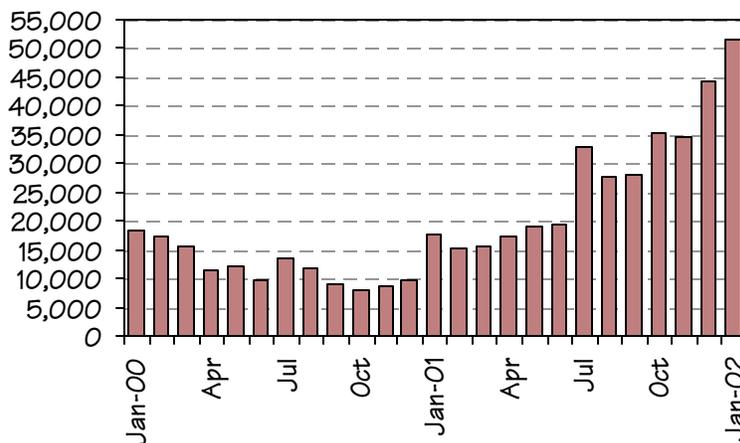
Total Regular Unemployment Compensation Programs:	Jan-02		Dec-01		Jan-01		Change from Previous	
							Month	Year
	Initial Claims	Continued Weeks	Initial Claims	Continued Weeks	Initial Claims	Continued Weeks	Net Percent	Net Percent
Initial Claims	6,417	8,890	3,479	-2,473	-27.8%	2,938	84.4%	
Continued Weeks	51,382	44,335	17,578	7,047	15.9%	33,804	192.3%	

### Claims Activity

### Unemployment Compensation Fund

Unemployment compensation fund balance at the end of January:	\$307,230,952.62
Average payment for a week of total unemployment:	\$251.23
Net benefits paid:	\$10,437,201.72
Net contributions received during the month:	\$1,482,278.14
Interest Received:	\$0.00

### Trust Fund



### Continued Weeks Claimed

Jan. 2000 - Jan. 2002

The typical jump in Continued weeks claimed from December to January was lower than the 7,805 increase last year, but the number of January Continued weeks claimed was at the highest level since 1992.

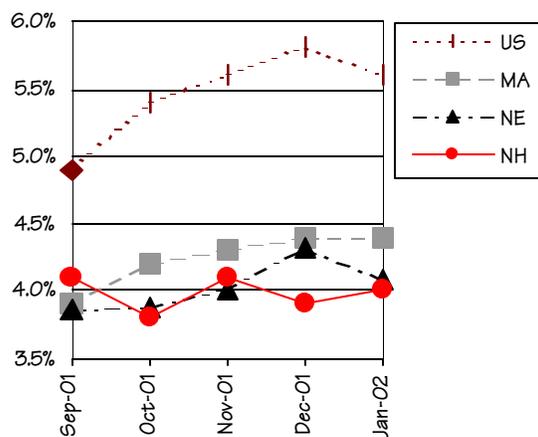
Jan-02	Dec-01	Jan-01	change from previous	
			Month	Year
177.1	176.7	175.1	0.2%	1.1%

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

### Consumer Price Index

## N.H. and U.S. Seasonally Adjusted Unemployment Rate

New Hampshire's over-the-year increase in unemployment rate was greater than any other New England state, but smaller than those in the mid Atlantic or the U.S. as a whole



## Unemployment Rates by Region

	preliminary revised		Jan-01
	Jan-02	Dec-01	Jan-01
United States	5.6%	5.8%	4.2%
Northeast	5.1%	5.1%	3.8%
New England	4.1%	4.3%	2.9%
Connecticut	3.5%	4.0%	2.5%
Maine	3.9%	4.3%	3.3%
Massachusetts	4.4%	4.4%	2.7%
New Hampshire	4.0%	3.9%	2.9%
Rhode Island	5.0%	5.0%	4.2%
Vermont	3.7%	4.3%	3.1%
Mid Atlantic	5.5%	5.3%	4.2%
New Jersey	4.9%	4.8%	3.6%
New York	5.7%	5.7%	4.3%
Pennsylvania	5.6%	5.1%	4.4%

## Labor Force Estimates

By Place of Residence

	Sep-01	Oct-01	Nov-01	revised Dec-01	preliminary Jan-02
New Hampshire					
Unemployment Rate	4.1%	3.8%	4.1%	3.9%	4.0%
Civilian Labor Force	704,070	701,780	704,900	688,640	709,260
Number Employed	675,450	675,320	676,200	661,730	680,830
Number Unemployed	28,620	26,460	28,700	26,910	28,430
United States (in thousands)					
Unemployment Rate	5.0%	5.4%	5.6%	5.8%	5.6%
Civilian Labor Force	142,068	142,280	142,279	142,314	141,390
Number Employed	135,004	134,615	134,253	134,055	133,468
Number Unemployed	7,064	7,665	8,026	8,259	7,922

## Seasonally Adjusted Nonfarm Employment

By Place of Establishment

Industry	Sep-01	Oct-01	Nov-01	revised Dec-01	preliminary Jan-02
TOTAL ALL INDUSTRIES	624,200	619,500	620,500	624,600	628,300
Mining*	400	500	500	500	400
Construction	25,900	25,900	25,500	27,800	27,400
Manufacturing	101,300	99,700	99,700	100,900	101,200
Durable Goods	72,400	71,200	71,300	73,400	73,700
Nondurable Goods	28,900	28,500	28,400	27,500	27,500
Transportation and Public Utilities	21,600	22,000	21,900	21,100	21,600
Trade	165,400	165,200	165,900	164,800	165,500
Wholesale Trade	33,100	32,500	32,800	32,800	32,400
Retail Trade	132,300	132,700	133,100	132,000	133,100
Finance, Insurance, and Real Estate	32,900	32,900	33,000	33,700	33,800
Services	195,600	191,700	192,700	191,600	192,500
Government	81,000	81,600	81,300	84,200	85,900

\* Since N.H. mining employment exhibits no clear seasonal pattern, these estimates are not adjusted.

**Labor Force Estimates**

New Hampshire	Jan-02 preliminary	Dec-01 revised	Jan-01
Number of Workers			
Total Civilian Labor Force	709,260	688,640	690,080
Employed	680,830	661,730	670,100
Unemployed	28,430	26,910	19,980
Unemployment Rate (% of labor force)	4.0%	3.9%	2.9%

**Unemployment Rates by Area**

	Jan-02 preliminary	Dec-01 revised	Jan-01
<b>U.S. and Regional States</b>			
United States	6.3%	5.4%	4.7%
Northeast	5.7%	4.7%	4.4%
New England	4.7%	3.9%	3.5%
Connecticut	4.0%	3.5%	3.0%
Maine	4.8%	4.0%	4.2%
Massachusetts	5.0%	4.0%	3.3%
New Hampshire	4.5%	3.8%	3.4%
Rhode Island	5.8%	4.6%	5.1%
Vermont	4.7%	3.9%	4.0%
Mid Atlantic	6.0%	5.0%	4.7%
New Jersey	5.3%	4.6%	4.0%
New York	6.3%	5.5%	4.9%
Pennsylvania	6.1%	4.5%	4.9%

<b>Labor Market Areas</b>			
Berlin LMA	11.2%	6.7%	4.3%
Seabrook-South Hampton, NH Portion Boston, MA-NH PMSA	8.7%	6.8%	8.0%
Claremont LMA	2.5%	2.1%	2.9%
Colebrook LMA	2.6%	4.1%	4.7%
Concord LMA	3.3%	2.8%	3.0%
Conway LMA	3.7%	3.3%	3.6%
NH Portion Hartford-Lebanon, VT-NH LMA	1.3%	1.5%	1.7%
NH Portion Keene-Brattleboro, NH-VT LMA	3.1%	3.0%	3.4%
Laconia LMA	4.0%	3.0%	3.2%
Lancaster LMA	4.1%	4.2%	5.1%
Salem-Derry, NH Portion Lawrence, MA-NH PMSA	6.3%	5.2%	4.4%
Littleton LMA	2.7%	3.5%	3.7%
Pelham, NH Portion Lowell, MA-NH PMSA	7.1%	5.3%	5.0%
Manchester PMSA	4.4%	3.4%	2.9%
Nashua PMSA	5.8%	4.2%	3.4%
Peterborough LMA	3.7%	3.3%	3.7%
Plymouth LMA	3.5%	2.4%	2.6%
NH Portion Portsmouth- Rochester, NH-ME PMSA	4.0%	3.0%	3.2%

<b>Counties</b>			
Belknap	4.1%	3.0%	3.4%
Carroll	3.5%	3.1%	3.5%
Cheshire	3.4%	3.2%	3.8%
Coos	7.6%	5.5%	4.5%
Grafton	2.1%	2.1%	2.4%
Hillsborough	5.1%	3.8%	3.1%
Merrimack	3.3%	2.7%	2.9%
Rockingham	5.4%	4.3%	3.9%
Strafford	4.2%	3.1%	3.5%
Sullivan	2.5%	2.2%	3.1%

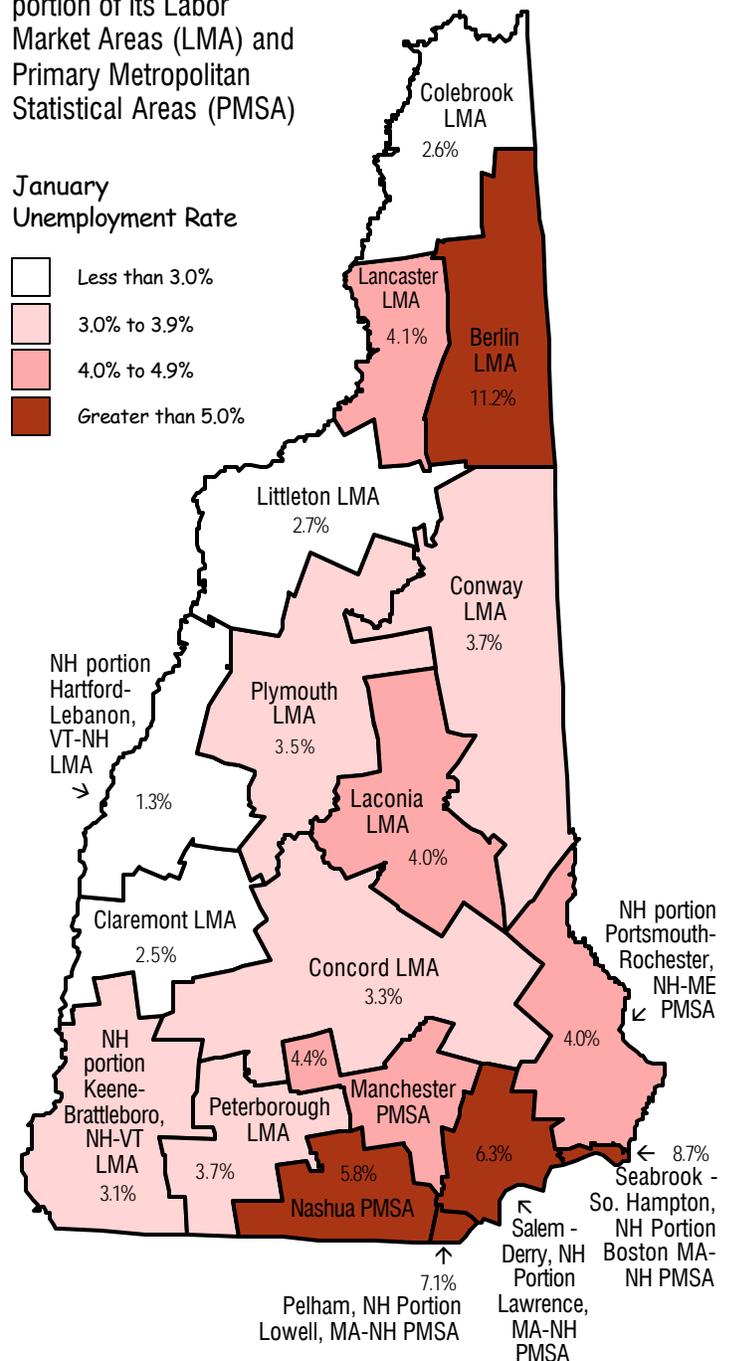
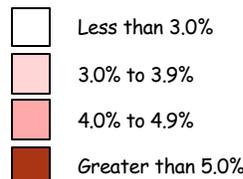
**Local Area  
Unemployment  
Statistics  
(LAUS)**

**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)

January  
Unemployment Rate



What had been happening primarily in Manufacturing became systemic, as all divisions lost employment over the month.

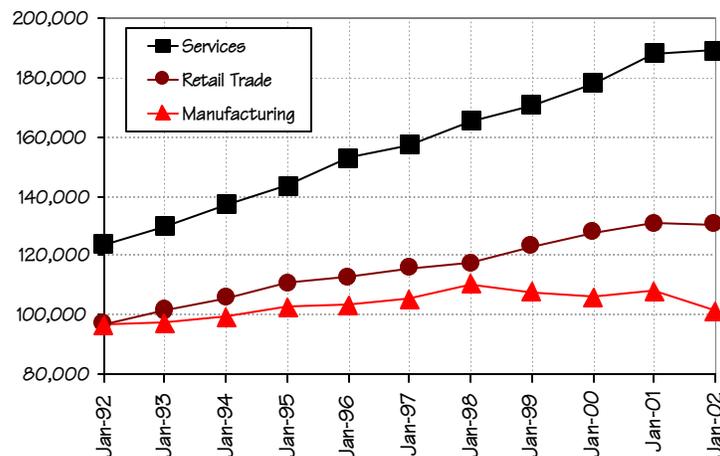
More detailed industry information is available at our Web site

Nonfarm employment in selected industries  
Jan.1992 - Jan. 2002

**Monthly Not Seasonally Adjusted New Hampshire Nonfarm Wage and Salary Employment**

Current Employment Statistics Employment by Industry by place of establishment	Number of Jobs			Change From Previous:	
	Jan-02 (preliminary)	Dec-01 (revised)	Jan-01	Month	Year
	Total All Industries	619,400	630,900	622,400	-11,500
Private Employment Total	534,100	543,800	537,800	-9,700	-3,700
Mining	400	500	400	-100	0
Construction	25,700	27,800	23,700	-2,100	2,000
Manufacturing	101,200	101,500	107,900	-300	-6,700
Durable Goods Total	73,800	73,800	78,800	0	-5,000
Nondurable Goods Total	27,400	27,700	29,100	-300	-1,700
Transportation & Public Utilities	21,400	21,600	21,400	-200	0
Trade Total	162,600	168,500	163,200	-5,900	-600
Wholesale Trade	32,000	32,700	32,500	-700	-500
Retail Trade	130,600	135,800	130,700	-5,200	-100
Finance, Insurance, & Real Estate	33,600	33,800	33,100	-200	500
Services	189,200	190,100	188,100	-900	1,100
Government Total	85,300	87,100	84,600	-1,800	700

Note: Totals are rounded to hundreds



Manufacturing and Retail trade were the primary catalysts in private employment losses in the Manchester PMSA over the month.

**Current Employment Statistics (CES) Manchester PMSA**

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Jan-02 (prelim.)	Dec-01 (revised)	Jan-01	Month	Year
	Total All Industries	107,100	108,300	108,500	-1,200
Private Employment Total	95,500	96,300	96,900	-800	-1,400
Construction & Mining	5,100	5,200	4,800	-100	300
Manufacturing	12,700	13,200	15,000	-500	-2,300
Durable Goods	8,500	9,000	10,700	-500	-2,200
Transportation & Public Utilities	6,900	6,800	6,500	100	400
Trade Total	27,300	27,600	26,900	-300	400
Wholesale Trade	7,200	7,200	7,200	0	0
Retail Trade	20,100	20,400	19,700	-300	400
Finance, Insurance, & Real Estate	8,300	8,200	8,000	100	300
Services	35,200	35,300	35,700	-100	-500
Government Total	11,600	12,000	11,600	-400	0

### Current Employment Statistics Nashua PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Jan-02 (prelim.)	Dec-01 (revised)	Jan-01	Month	Year
Total All Industries	98,000	100,700	99,600	-2,700	-1,600
Private Employment Total	88,200	90,600	90,000	-2,400	-1,800
Construction & Mining	3,200	3,300	3,300	-100	-100
Manufacturing	27,600	28,100	28,500	-500	-900
Durable Goods	22,300	22,700	23,000	-400	-700
Nondurable Goods	5,300	5,400	5,500	-100	-200
Transportation & Public Utilities	2,200	2,400	2,300	-200	-100
Trade Total	25,600	26,200	25,600	-600	0
Wholesale Trade	4,400	4,300	4,700	100	-300
Retail Trade	21,200	21,900	20,900	-700	300
Finance, Insurance, & Real Estate	5,800	6,200	6,200	-400	-400
Services	23,800	24,400	24,100	-600	-300
Government Total	9,800	10,100	9,600	-300	200

Reductions in Retail trade joined cutbacks in Manufacturing and Services to account for three-quarters of the private employment decline in Nashua PMSA.

### Current Employment Statistics Portsmouth-Rochester, NH-ME PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Jan-02 (prelim.)	Dec-01 (revised)	Jan-01	Month	Year
Total All Industries	125,700	127,800	123,400	-2,100	2,300
Private Employment Total	101,800	103,500	100,500	-1,700	1,300
Construction & Mining	4,100	4,200	3,800	-100	300
Manufacturing	17,300	17,400	18,600	-100	-1,300
Durable Goods	11,100	11,100	12,100	0	-1,000
Nondurable Goods	6,200	6,300	6,500	-100	-300
Transportation & Public Utilities	4,500	4,300	4,200	200	300
Trade Total	33,400	34,800	32,200	-1,400	1,200
Wholesale Trade	6,200	6,200	6,100	0	100
Retail Trade	27,200	28,600	26,100	-1,400	1,100
Finance, Insurance, & Real Estate	6,400	6,400	6,500	0	-100
Services	36,100	36,400	35,200	-300	900
Government Total	23,900	24,300	22,900	-400	1,000

The typical over-the-month reduction in Retail trade accounted for over two-thirds of total employment losses in the Portsmouth-Rochester area.

### Average Earnings and Hours of Production Workers in Manufacturing

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan-02 prelim.	Dec-01 revised	Jan-01	Jan-02 prelim.	Dec-01 revised	Jan-01	Jan-02 prelim.	Dec-01 revised	Jan-01
<b>New Hampshire</b>									
All Manufacturing	\$579.44	\$593.05	\$566.09	42.7	43.8	41.2	\$13.57	\$13.54	\$13.74
Durable Goods	596.75	616.77	578.93	44.6	46.2	42.6	13.38	13.35	13.59
Nondurable Goods	532.32	534.77	534.21	37.7	37.9	37.7	14.12	14.11	14.17
<b>Manchester PMSA</b>									
All Manufacturing	\$635.84	\$649.93	\$624.24	38.7	39.8	40.8	\$16.43	\$16.33	\$15.30
Durable Goods	691.15	708.95	667.36	40.8	42.3	43.0	16.94	16.76	15.52
<b>Nashua PMSA</b>									
All Manufacturing	\$530.19	\$544.05	\$543.72	38.7	39.0	39.4	\$13.70	\$13.95	\$13.80
Durable Goods	486.54	485.27	516.65	37.6	37.3	38.7	12.94	13.01	13.35
Nondurable Goods	710.64	786.01	648.34	43.2	46.1	42.1	16.45	17.05	15.40
<b>Portsmouth-Rochester, NH-MA PMSA</b>									
All Manufacturing	\$553.88	\$561.96	\$503.68	40.4	40.4	38.1	\$13.71	\$13.91	\$13.22
Durable Goods	596.31	612.37	551.23	41.7	41.8	39.6	14.30	14.65	13.92
Nondurable Goods	473.86	474.24	414.42	38.0	38.0	35.3	12.47	12.48	11.74

Average weekly earnings declined throughout all New Hampshire over-the-month, while Nashua was the only PMSA to have average weekly earnings decline over the year.

For Additional Information



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