

ECONOMIC CONDITIONS in New Hampshire



June 2005

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Healthcare and Education Occupations Lead the Way in Short-term Employment Projections Through Second Quarter 2006

Computer and Mathematical Occupations are also advancing

It's summertime! (At least that's what the calendar says.) Just as the season heats up, many occupations such as construction workers, landscapers, and food service workers experience their highest employment levels of the year. Some people are already wondering about the employment outlook for the near future. This article will attempt to answer the question: using the second quarter of 2004 as a base period, what will employment be in the second quarter of 2006 for these and other occupations?

In just the past 24 months, the Old Man of the Mountain ceased looking over us and the Red Sox became World Champions, so surprises are always possible.

Overall employment is projected to increase 3.0 percent during the projection period, resulting in 19,669 new jobs. Employment gains will be largest in Health services, Retail trade, and Educational services, as

these sectors are relatively large to begin with. On a percentage basis, the strongest gains are expected in Arts, entertainment, and recreation; Administrative and waste services; and Construction. Manufacturing industries show signs of stabilization, with 884 fewer jobs accounting for a 1.1 percent decline.

Reflecting the industry projections, the major occupational groups expected to benefit the most are Education, training, and library occupations; Food preparation and serving related occupations; and Sales and related occupations. Computer and mathematical occupations, a relatively small group, is expected to have the largest percent increase with projected gains of 5.9 percent from 817 additional jobs.

Gains are projected in all major industry groups, except Manufacturing



This is encouraging and could indicate that these occupations that were negatively effected in the recent economic slowdown are ready to grow again. As goes manufacturing, so it goes with Production occupations, the only major group projected to decline. Losses are expected to be minimal though, with a decrease of less than one percent.

Focus on Occupations...

Health care and social assistance and Educational services will create many employment opportunities during the projection period because of increased demand for their product. Demand is created by increases in population – the more people there are, the more health care and education will be needed, as these two services are essential to the health and economic well-being of individuals.

Another factor creating employment opportunities in health care is the increasing complexity of medical care that requires more types of specialized training in technical and support occupations and support staff in health care administration. Financial constraints

have shifted responsibility for providing certain routine health care services from medical practitioners to less expensive alternatives such as Registered nurses and Physician assistants.

Employment of Registered nurses is projected to increase by 6.0 percent, as 714 more jobs are created, second to only Retail salespersons. Physician assistants are one of the fastest-growing occupations, projected to add 20 jobs while growing by nearly nine percent.

Other examples of health-related occupations projected to grow faster than average or add a significant number of jobs are Medical assistants (92 jobs, 9.9 percent), Radiological technicians (43 jobs, 5.1 percent), and Social and human service assistants (218 jobs, 8.3 percent).

When you pick up your prescription, either a Pharmacy technician or a Pharmacy aide is likely to hand it to you. Both of these occupations are employed by clinics, drugstores, and other retail stores to perform some of the routine tasks of a Pharmacist. Pharmacy techni-

Short-term Projections 2004 Q2 - 2006 Q2 Major Occupational Groups

SOC Code	Occupational Title	2004 Q2	2006 Q2	Change	Percent Change	Percent of new jobs
00-0000	Total, All Occupations	663,125	682,794	19,669	3.0%	100%
11-0000	Management Occupations	46,918	48,290	1,372	2.9%	7.0%
13-0000	Business and Financial Operations Occupations	24,526	25,555	1,029	4.2%	5.2%
15-0000	Computer and Mathematical Occupations	13,827	14,644	817	5.9%	4.2%
17-0000	Architecture and Engineering Occupations	13,092	13,183	91	0.7%	0.5%
19-0000	Life, Physical, and Social Science Occupations	4,213	4,364	151	3.6%	0.8%
21-0000	Community and Social Services Occupations	9,071	9,558	487	5.4%	2.5%
23-0000	Legal Occupations	3,148	3,180	32	1.0%	0.2%
25-0000	Education, Training, and Library Occupations	43,984	46,130	2,146	4.9%	10.9%
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	7,641	7,899	258	3.4%	1.3%
29-0000	Healthcare Practitioners and Technical Occupations	31,553	33,251	1,698	5.4%	8.6%
31-0000	Healthcare Support Occupations	13,940	14,690	750	5.4%	3.8%
33-0000	Protective Service Occupations	10,665	10,966	301	2.8%	1.5%
35-0000	Food Preparation and Serving Related Occupations	54,993	57,105	2,112	3.8%	10.7%
37-0000	Building and Grounds Cleaning and Maintenance Occupations	23,051	23,946	895	3.9%	4.6%
39-0000	Personal Care and Service Occupations	20,272	21,113	841	4.1%	4.3%
41-0000	Sales and Related Occupations	86,427	88,963	2,536	2.9%	12.9%
43-0000	Office and Administrative Support Occupations	106,492	107,745	1,253	1.2%	6.4%
45-0000	Farming, Fishing, and Forestry Occupations	1,932	1,979	47	2.4%	0.2%
47-0000	Construction and Extraction Occupations	30,122	31,571	1,449	4.8%	7.4%
49-0000	Installation, Maintenance, and Repair Occupations	27,794	28,476	682	2.5%	3.5%
51-0000	Production Occupations	53,057	52,867	-190	-0.4%	-1.0%
53-0000	Transportation and Material Moving Occupations	36,407	37,319	912	2.5%	4.6%

cians must be licensed by the state, their duties are more specific, and they tend to earn more. Both are projected to have better than average growth of 6.6 percent and 4.9 percent respectively.

Attending to the health of pets is also a growing field. Veterinary technologists and technicians are projected to be the second fastest-growing occupation for the forecast period.

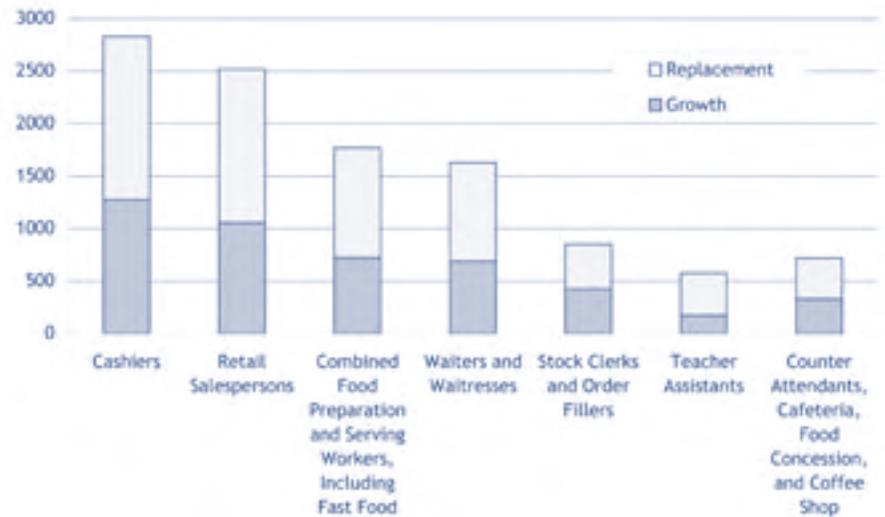
Demand for educational services is driven by a growing trend that recognizes that education is a lifelong process, as individuals return to schools and other training providers to keep up with changes in their field or prepare for a new career. During the projection period, two of the three fastest-growing occupations involve teaching.

Self-enrichment education teachers lead the list of growing occupations with a gain of 11.4 percent by second quarter of 2006, as projected employment jumps from 544 to 606 jobs. People in this relatively small occupation instruct students in a variety of subjects that are not part of a degree program. Art teachers, flying instructors, and dance teachers are some examples of this occupation.

Postsecondary vocational education teachers instruct students pursuing subjects at a level less than a bachelor's degree. As interest grows in retraining and continuing education at an affordable level, employment is projected to increase by more than ten percent, resulting in 21 additional jobs.

In a much larger occupation, Teacher assistants are projected to gain more than 450 jobs for a 4.5 percent increase. Most Teacher assistants can be found in Elementary schools and day care centers.

Projected annual openings for occupations requiring on-the-job training



Retail salespersons are projected to grow by 3.1 percent in the period and add more jobs than any other occupation mainly because of projected increases in all retail industries. Cashiers are another growing occupation for similar reasons, a 2.8 percent increase projected over the two years. They can also be found in many non-retail industries including Amusements, gambling, and recreation; Wholesale trade; and Warehousing and storage.

Employment gains for Computer and mathematical occupations are coveted, as this relatively small occupational group includes high paying jobs. Increases in projected employment levels could be a result of improving conditions in the industries that are prime employers of these occupations.

Computer software engineers, applications (251 new jobs, 7.1 percent growth) and Computer software engineers, system software (143 jobs, 7.8 percent) account for 38.7 of total employment in this major occupational group. A large share of employment is in the Publishing (except Internet) industry, which includes software publishers. Other industries that are major employers of this occupation include

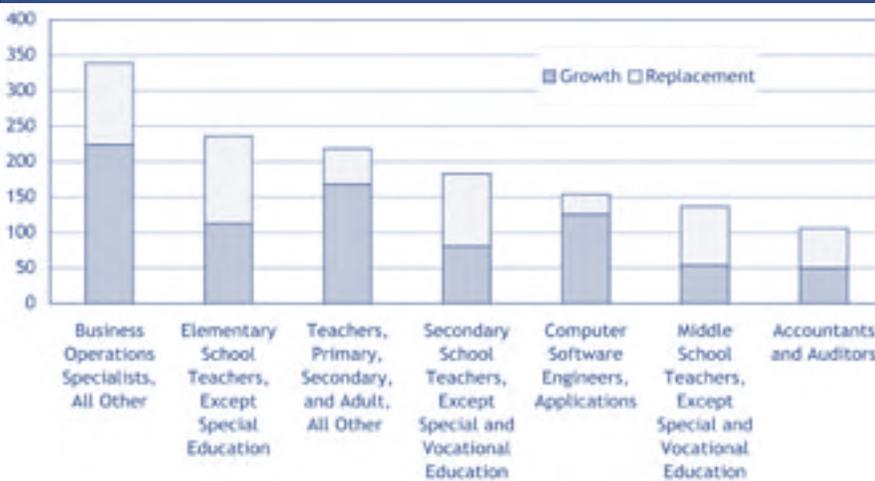
Computer systems design and related, Insurance carriers, and Computer and electronic product manufacturing.

Computer programmers employment is flat or declining in most industries except Computer system designs, having overall. Employment of programmers in most other industries is flat or declining, indicating that firms are finding other ways to get programming

in the Arts, entertainment, and recreation sector, this occupation is expected to grow by 10.0 percent in the projection period.

Construction and extraction occupations benefit from expected demand in home and commercial building and renovation. Carpenters are a fast-growing example of this type of occupation, with better than average growth of 5.3 percent during the short-term projection period.

Projected annual openings for occupations requiring a Bachelors degree



tasks done. In many cases, employees in other jobs are able to use software to complete tasks that previously would have required a programmer to do. Overall employment in this occupation is projected to grow more slowly than average.

Network systems and data communication analysts, an occupation that includes Internet developers and Webmasters, is one of the fastest growing occupations overall. At a projected rate of 8.5 percent, this occupation will add 44 jobs by second quarter 2006.

Interests in healthy lifestyles also have an influence on employment. Fitness trainers and aerobics instructors frequently show up on lists of fast-growing occupations. Concentrated mostly

Training for the future

Higher education is pursued by many people in hopes of getting an interesting and rewarding job, but there are some jobs that do not require the commitment of a four-year (or even a two-year) degree. Here are some occupations that require on-the-job training of less than a year and are growing better than average in the short-term.

Occupation	Entry Wage
Medical Assistants	\$10.93
Dental Assistants	\$11.20
Pharmacy Technicians	\$8.76
Social and Human Service Assistants	\$7.18

Entry level wages are based on the November 2003 survey.

Another interesting way to look at training is to compare the top occupations in terms of new jobs from growth and replacement needs. See the graph on page 3.

On the downside... declining occupations

Declining occupations have one or two things in common: either the occupation is concentrated in (or exclusive to) a declining industry; or it is in a variety of industries but because of technologi-

cal, economic, or social changes, is being used in smaller proportions.

The following occupations are projected to have a significant decline in employment during the projection period:

Electrical engineers, Electrical and electronics drafters, and Electrical and electronic equipment assemblers are employed in large numbers by the declining Computer and electronic manufacturing industry.

Many loans can be applied for online, reducing the need for *Loan Interviewers* found mostly at banks and credit unions.

Team Assemblers are employed in many declining manufacturing industries.

Openings - Growth versus Replacement

A job opening can be created in one of two ways. Looking at an example from an employer's point of view, suppose that a clinic decides that it needs to hire a new Registered nurse because the patient load has increased. This is an example of an opening created from growth. Assume that the same clinic needs to hire another nurse to take the place of a nurse that retired. In this case, the opening is the result of a replacement need. The total number of openings is two, one from growth and one from replacement. For the projection period, there are 357 openings expected from growth and 221 openings due to replacement needs for Registered nurses.

Stock clerks and order pickers are common in many declining manufacturing industries, creating a situation where overall employment is declining during the projection period. Openings from growth are therefore projected at zero, but replacement needs require that 426 openings be filled.

Assume that a company has a layoff that affects five out of its ten stock clerks in this occupation. The number of workers declined, so the number of new openings from growth is zero. At the same time, the company promoted two clerks to supervisory positions and had to hire two more as replacements. The net effect is two openings, all due to replacement needs. There is no such thing as a "negative" opening. An occupation that is declining will have 100 percent of its openings from replacement.

Typical occupations with a large number of openings each year include Waiters and waitresses, Cashiers, and Retail salespersons. In these occupations, and some others, more than fifty percent of the openings are projected to come from replacement needs. Other occupations, where growth is the more significant component, have a lower percentage of openings from replacement needs.

The full list of short-term projections for more than 650 occupations can be found at <www.nhes.state.nh.us/elmi/>.

Occupation	Annual Openings (Growth)	Projected % from Growth	Annual Openings (Replacement)	Projected % from Replacement	Total Openings
Computer Software Eng., Applications	126	82%	28	18%	154
Medical Records and Health Information Technicians	39	78%	11	22%	50
Social and Human Service Assistants	109	72%	42	28%	151
Registered Nurses	357	62%	221	38%	578
Accountants and Auditors	50	47%	56	53%	106
Retail Salespersons	408	28%	1,055	72%	1,463
Cashiers	273	18%	1,278	82%	1,551
Stock Clerks and Order Pickers	-	0%	426	100%	426

A brief look at industry projections...

The short-term employment outlook in manufacturing industries continues to be soft when viewed in total, but there are some areas of growth, though no manufacturing industry is projected to expand employment levels by more than an annualized two percent. Food manufacturing, after taking a hit from a recent large layoff, is projected to stabilize employment. Wood product manufacturing and Paper manufacturing could see small gains while prospects are considerably better for Fabricated metal and Machinery manufacturing. Computer and electronic product manufacturing continues to be a weak spot, as nearly 850 fewer jobs are projected by the second quarter of 2006. Additionally, weakness is indicated in Plastics and rubber products manufacturing, with 169 fewer jobs.

Retail trade continues to be an engine for job growth in New Hampshire. Over the two-year projection period, Retail trade is expected to grow by 3.0 percent. Employment in all major industry groups in the Retail sector is expected to be higher in second quarter of 2006, with Electronics and appliance stores and Furniture and home

furnishings stores topping the list in percentage growth. Seasonal effects of short-term projections should be noted here; for some industries in this sector, employment peaks in the fourth quarter of the year while others have their highest employment levels in the second or third quarter.

Seasonal effects are also present in the Educational services sector where employment peaks in the first quarter and starts to drop off by the second quarter as schools prepare for summer vacation. Comparing second quarter 2004 with projected 2006 shows a 4.5 percent increase for the sector as a whole. Elementary and secondary schools, the largest single industry group in the sector with more than two thirds of total employment, is projected to grow 4.2 percent and add nearly 1,800 jobs. A rapidly growing industry group, Other schools and instruction; which includes dance and music schools, sports instruction, language schools, and driving instruction; is projected to lead the sector at 11.1 percent growth and add 189 jobs.

Summer in New Hampshire means that parks, beaches, and outdoor activities are in full swing, which also means that

employment in the Arts, entertainment, and recreation sector is at its peak. Throughout the tourist season, weather plays an important part in the level of business activity. While predicting the weather for the second quarter of 2006 is beyond the scope of employment projections, other indicators point to very strong growth in Arts and entertainment. Overall, employment is projected to grow by 6.9 percent, mak-

Short-term Projections 2004 Q2 - 2006 Q2 by Industry

	2004 Q2	2006 Q2	Change	%Change
62 Health Care and Social Assistants	73,499	77,060	3,561	4.8%
44-45 Retail Trade	96,297	99,213	2,916	3.0%
61 Educational Services	61,830	64,635	2,805	4.5%
72 Accommodation and Food Services	51,810	53,900	2,090	4.0%
23 Construction	30,104	31,669	1,565	5.2%
56 Administrative and Waste Services	25,064	26,568	1,504	6.0%
54 Professional and Technical Services	25,482	26,782	1,300	5.1%
42 Wholesale Trade	27,379	28,414	1,035	3.8%
71 Arts, Entertainment, and Recreation	11,756	12,571	815	6.9%
81 Other Services, Except Public Admin.	20,187	20,909	722	3.6%
Government	35,910	36,369	459	1.3%
53 Real Estate and Rental and Leasing	8,052	8,457	405	5.0%
48-49 Transportation and Warehousing	16,694	17,018	324	1.9%
52 Finance and Insurance	27,522	27,762	240	0.9%
55 Management of Companies and Enterprises	6,972	7,204	232	3.3%
51 Information	12,523	12,751	228	1.8%
11 Agriculture, Forestry, Fishing, and Hunting	2,021	2,055	34	1.7%
21 Mining	554	564	10	1.8%
22 Utilities	2,802	2,807	5	0.2%
31-33 Manufacturing	80,166	79,282	-884	-1.1%

Continued on page 11

Projections and Indicators

One of the characteristics of short-term projections is the relationship between economic indicators and their effect on employment. The software used to generate short-term projections enables the use of several indicators to forecast employment, based on the historical relationship of a particular indicator to employment in a specific industry. Not all industries respond to changes in an indicator in the same way. In some cases, there is no statistically significant relationship between an industry and a particular indicator (or combination of indicators). In that case, an alternative method is used to generate a forecast for the industry. Moving average, autoregression (using past employment in the industry as the sole indicator of future employment), or linear trend models are some of the options available to analysts.

In this round of projections a group of indicators was combined to create a "leading index" that had significant statistical success in identifying turning points in the economy where employment reaches a low point and starts increasing again, or a high point and begins to decline. Three variables are based on national economic data and three are based on regionally specific data. National and regional indicators use the historical time series for January 1990 to June 2004.

National

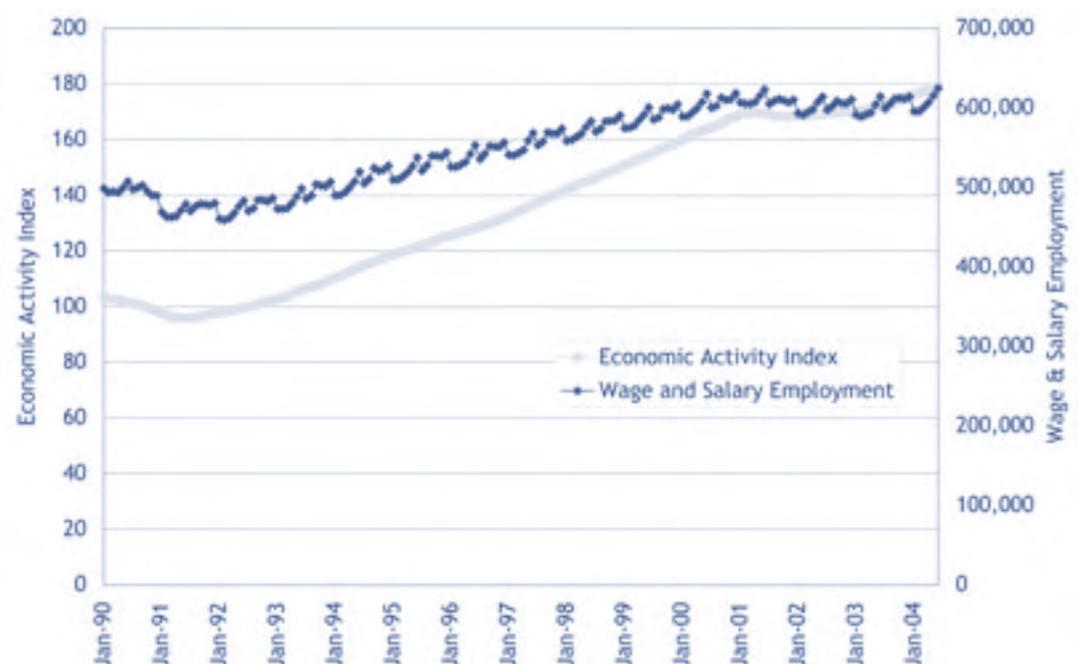
Average Weekly Hours in Manufacturing
(Source: Bureau of Labor Statistics) An increase in average weekly hours is often a precursor to

increases in hiring. This indicator broke into the positive range on a year-over-year basis in the last quarter of 2003 and remained positive through June 2004.

Light Vehicle Sales (Source: Bureau of Economic Analysis) While New Hampshire has no vehicle manufacturing to speak of, many manufacturing firms in the state produce components that go into trucks and cars. This indicator acts as a barometer of the economy as a whole. When people are confident enough to purchase a car or truck, they are usually feeling good about their employment and earning prospects. The first five months of 2004 were positive, but the last month of historical data in June was down sharply from a peak earlier in the year.

Business Inventories (Source: US Census Bureau) Inventories can be a little trickier to interpret—an increase could be a signal of heightened business confidence that demand will be increasing, or it could mean that sales have dropped and goods are sitting on

Economic Activity Index and Wage and Salary Employment are closely correlated



shelves. On a year-over-year basis, inventories have been on a positive trend since the last quarter of 2002.

State and Regional

Economic Activity Index for New Hampshire (Source: Federal Reserve Bank of Philadelphia) Using July 2000 at a level of 100, this index is calibrated to match the trend in real gross state product. Components of the index include: total non-farm employment, monthly New Hampshire unemployment rate, average number of hours worked in manufacturing, and wage and salary disbursements. The index dipped briefly into negative year-over-year territory for the first six months of 2002, coinciding with a drop in employment in the state. It has been solidly positive since.

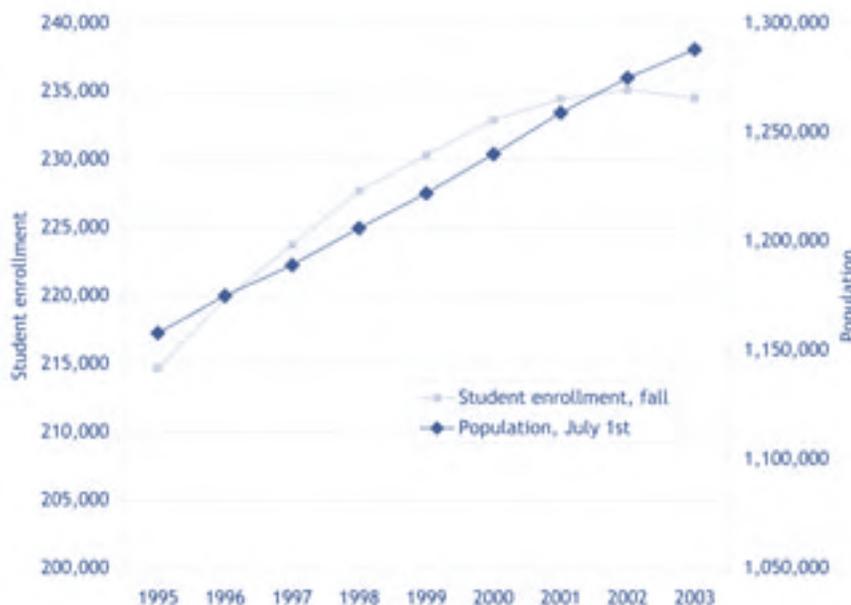
Average Hourly Earnings in Manufacturing (Source: Economic and Labor Market Information Bureau) An increase in hourly earnings can indicate a tightness in labor markets where

employers would have to pay more to retain or recruit workers. Increased earnings can also influence consumer's income, providing more money for spending. Both of these situations are considered as a positive for future employment increases.

New England Consumer Confidence, Future Expectations (Source: The Conference Board, Inc., as compiled by the Federal Reserve Bank of Boston) Lacking a time series for New Hampshire itself, the readily available New England data was used as a proxy. This series is based on a monthly survey of households asked about their expectations of business conditions, employment, and family income between the survey date and six months hence. This component has been above the historical mean since September 2003.

Leading indexes may not always produce a statistically significant projection for some industries. In such cases, different combinations of variables can be tested in a trial-and-error process until an acceptable projection is produced. Plastics and rubber products employment, for example, was projected by using a combination of variables specific to manufacturing industries in general, with an emphasis on the automotive industry in particular (because output from this industry in the state is an input for auto makers).

Generally, student enrollment is driven by population. New Hampshire is however diverging from this trend in 2002 and 2003.



Some industries simply follow trends in population. Elementary and secondary schools are an example of an industry group in which employment levels are a function of the number of students, which depends mostly on the number of school-age children. In this case, an acceptable forecast choice would be a simple linear trend or exponential smoothing model.

How do short-term projections compare with long-term projections?

Industries and occupations in the short-term will not grow at the same rate as the long term. There may be cases where an industry or occupation is projected to grow in the long-term, but the short-term trend is negative. In other cases, the reverse may be true.

A good example is a comparison of the long- and short-term projection for Registered nurses. Although the short-term forecast is below the long-term forecast line, it does not mean that the long-term projection for 2002 to 2012 is overly optimistic. A possible explanation for the difference is that as the population ages, there will be a growing need for nurses. Thus, the short-term growth rate, indicated by the slope of the line in the graph, is slightly less than in the long term.

As indicated in the graph, the line representing projected short-term growth is not as steep as the long-term trend line. Employment should “catch up” in the long-term as the population ages and requires more medical care.

Why is the short-term projection for Registered nurses below the line for long-term projections?

There are different assumptions between the two time periods. Short-term projections cannot capture a structural change in the economy because those changes generally take a longer period of time to work their way through the economy. Short-term projections are sensitive to business cycles where employment levels rise and fall along with changes in the economy as firms respond by adjusting their workforce to match demand for their product. Many industry groups in the Manufacturing sector are cyclical, some more so than others. Retail employment is cyclical to some extent as well. Other industries are less susceptible to swings in the

economy and consequently will exhibit more stable employment levels.

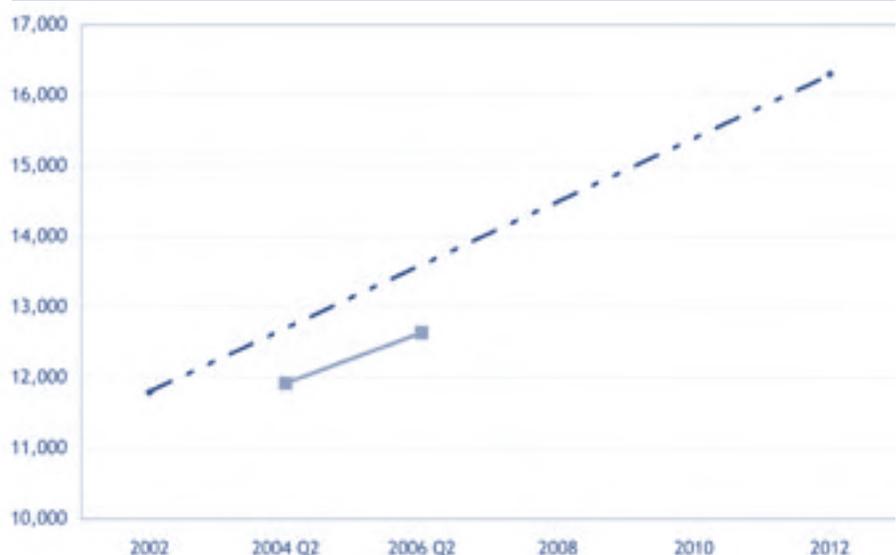
Long-term projections, on the other hand, focus on structural changes in the economy driven by technological change and on demographics (changes in the size and composition of the population).

Is there a seasonal effect in short-term projections?

Users should be careful in comparing long-term projections for 2002-2012 with short-term projections for second quarter 2006. Because long-term projections use an annual average, industries with a seasonal peak or trough will be overstated (or understated) when compared to the quarterly average used in short-term projections. Comparison is also made difficult because employment has either grown or declined, depending on the industry. Staffing patterns, (*see page 10*) one of the factors that drive occupational projections, may also have changed since long-term projections were developed.

Frequently asked questions on Short-term projections

Registered Nurses, short-term and long-term projections deviate as the projections are based on a different base and staffing patterns



Short-term projections in this article use the second quarter of 2004 as a base, while long-term projections use an annual average for 2002. This unavoidably creates a situation where industries and occupations that tend to have peak employment in the spring and early summer will be overstated when compared to an annual average.

How exact are these projections?

Poker players have a term for when they are certain they have an unbeatable hand and are ready to risk their entire stake - they say they are "all in." Unfortunately, we can't be "all in" on projections, but we can make some informed estimates based on historical patterns and statistical assumptions.

Employment numbers by occupation and industry are presented as unrounded, with percentage change calculated to the nearest tenth. This does not imply that a particular projection will be exactly right, so users should not be misled by the apparent level of accuracy. Instead, it is helpful to think of a projected employment level in terms of relative magnitude and direction in relation to other projections.

What other sources of information are used when making industry projections?

Before making projections, analysts try to determine current economic conditions in the state. In addition to looking at economic indicators (*see page 7*), tracking mass layoffs in the state can point out areas of weakness in certain industries. Another source of information is from the Federal Reserve Board in its "Beige Book," published eight times a year, containing information gathered from interviews with businesses and economic experts in each of its twelve districts covering the entire nation.

The Boston District report issued on March 9, 2005 noted a recovery in consumer confidence, but also reported some worries about sales of nondurable goods. Energy prices were a concern, as was the decline in the purchasing power of the dollar. Information technology companies said they were adding staff, but not hiring aggressively.

How do industry projections influence occupational projections?

After a forecast is selected for a given industry, we apply a staffing pattern to get an estimate of employment by occupation in that industry. Staffing patterns are derived from data based on the Occupational Employment Statistics (OES) survey conducted by ELMIB in November 2003. These patterns, which represent the percentage of workers in an industry by occupation are applied to the base year employment for each industry to get an estimate of the number of workers in a specific occupation in a given industry.

Staffing patterns for a known period, in this case second quarter 2004, are adjusted up or down based on industry/occupational change factors developed by the U.S. Bureau of Labor Statistics. These factors account for technological changes, relative wage rates, demographics, and other factors that influence an industry's use of a particular occupation.

Sometimes an industry will increase the count of total workers employed, but not all of the occupations in that industry will grow as fast as other occupations in the industry. Some occupations may even decline.

In the short-run, trends in staffing patterns are less evident, but if there is a change in the occupational mix, it could signal a structural change in that industry. A hypothetical example would be a

Continued on page 11

Continued from page 10

change in the percentage of Registered nurses relative to Physicians in Hospitals that may indicate the tendency to reduce costs by substituting lower-cost nurses for higher-cost physicians.

Do projections include self-employed workers?

Yes. Growth in self-employed workers is based on the ten-year 2002-2012 self-employed factors provided by the Bureau of Labor Statistics and prorated (scaled) for the two-year period covered by the short-term projections. Each occupation thus includes a self-employed component.

ing it the fastest-growing sector in this round of short-term projections.

In the longer term, an aging population is expected to demand more health care, driving demand for more workers in the Health services sector. A shorter time frame, as used in these short-term projections, dampens some of the long-term demographic effects, while revealing trends that are evident in the short-term (labor availability, seasonal effects, budgetary constraints, for examples). Ambulatory health care services are projected to lead the sector in jobs created and percentage growth. The remaining sectors in Health care and social assistance are projected to have better than average growth.

Michael Argiropolis

Continued from page 6

Unemployment Compensation Claims Activity

Total Regular Unemployment Compensation Programs:	Change from Previous						
				Month		Year	
	April-05	March-05	April-04	Net	Percent	Net	Percent
Initial Claims	4,004	3,889	4,013	115	3.0%	-9	-0.2%
Continued Weeks	29,302	37,107	33,471	-7,805	-21.0%	-4,169	-12.5%

Claims Activity

Unemployment Compensation Fund

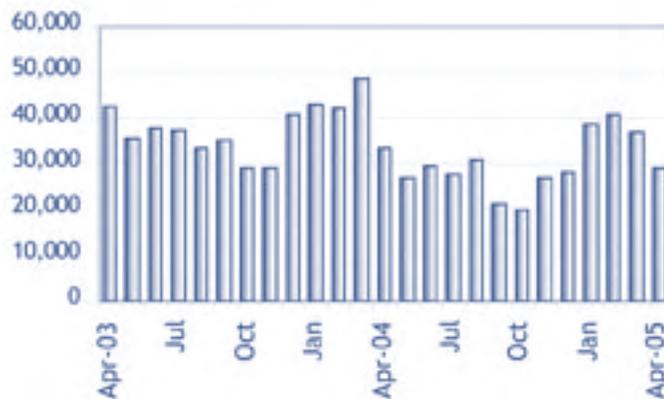
Unemployment compensation fund balance at the end of April	\$237,431,016.33
Average payment for a week of total unemployment:	\$249.55
Net benefits paid:	\$6,012,203.76
Net contributions received during the month:	\$13,362,197.79
Interest Received:	\$0.00
Reed Act Distribution:	\$0.00
Reed Act Withdrawal for Administrative Costs:	\$381.51

Trust Fund

Continued Weeks Claimed

Apr. 2003 - Apr. 2005

Although the number of Continued Weeks Claimed is down 12.5 percent in comparison to last year, the number of Initial Claims is about the same as it was in April 2004.



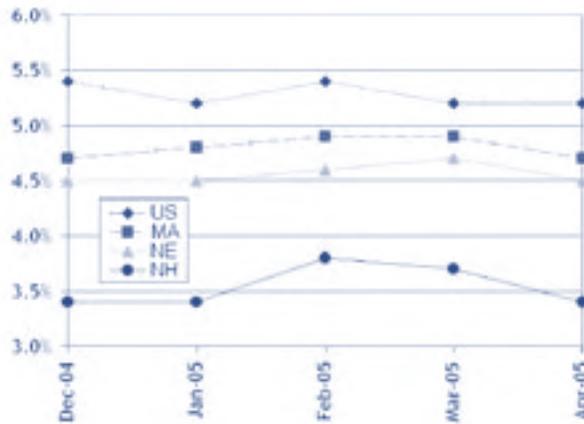
			Change from Previous	
Apr-05	Mar-05	Apr-04	Month	Year
194.6	193.3	188.0	0.7%	3.5%

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

Consumer Price Index

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

In April 2005, Maine was the only state in New England experiencing an over-the-year increase in the unemployment rate.



Unemployment Rates by Region

	preliminary	revised	
	Apr-05	Mar-05	Apr-04
United States	5.2%	5.2%	5.5%
Northeast	4.7%	4.8%	5.4%
New England	4.5%	4.7%	4.9%
Connecticut	4.9%	4.9%	5.0%
Maine	4.7%	4.7%	4.4%
Massachusetts	4.7%	4.9%	5.3%
New Hampshire	3.4%	3.7%	4.0%
Rhode Island	4.7%	4.5%	5.3%
Vermont	3.3%	3.4%	3.8%
Mid Atlantic	4.7%	4.8%	5.6%
New Jersey	4.2%	4.3%	5.1%
New York	4.9%	4.6%	6.0%
Pennsylvania	4.9%	5.4%	5.4%

Seasonally Adjusted Labor Force Estimates

By Place of Residence

	Dec-04	Jan-05	Feb-05	revised Mar-05	preliminary Apr-05
New Hampshire					
Unemployment Rate	3.4%	3.4%	3.8%	3.7%	3.4%
Civilian Labor Force	725,481	726,564	727,240	729,623	733,268
Number Employed	700,941	701,550	699,575	702,516	708,090
Number Unemployed	24,540	25,014	27,666	27,107	25,178
United States (in thousands)					
Unemployment Rate	5.4%	5.2%	5.4%	5.2%	5.2%
Civilian Labor Force	148,203	147,979	148,132	148,157	148,762
Number Employed	140,156	140,241	140,144	140,501	141,099
Number Unemployed	8,047	7,737	7,988	7,656	7,663

Note: Beginning in January 2005, data reflect revised population controls used in the household survey.

Seasonally Adjusted Nonfarm Employment Estimates

By Place of Establishment

Supersector	Dec-04	Jan-05	Feb-05	revised Mar-05	preliminary Apr-05
Total Nonfarm	632,700	632,900	631,000	634,500	634,700
Construction	30,100	29,900	30,000	30,400	30,800
Manufacturing	81,000	81,000	80,900	80,900	80,500
Trade, Transportation, and Utilities	140,900	140,800	140,500	141,400	141,700
Financial Activities	38,200	38,400	38,600	38,700	38,500
Professional and Business Services	56,200	55,200	55,200	55,900	56,200
Leisure and Hospitality	64,900	65,000	65,500	66,200	66,000
Other Services	20,300	20,200	20,400	20,100	20,100
Government	90,800	93,100	90,100	90,800	90,700

Please note that not all supersectors meet the statistical criteria for publication in this category. We seasonally adjust the total nonfarm data series and all the published supersectors independently. Therefore, the sum of the published parts will not equal the total.

Labor Force Estimates

New Hampshire	Apr-05	Mar-05	Apr-04
Number of workers	preliminary	revised	
Total Civilian Labor Force	727,770	726,200	717,640
Employed	702,570	696,840	688,620
Unemployed	25,200	29,360	29,020
Unemployment Rate (percent of labor force)	3.5%	4.0%	4.0%

Unemployment Rates by Area

	preliminary Apr-05	revised Mar-05	Apr-04
U.S and Regional States			
United States	4.9%	5.4%	5.4%
Northeast	4.5%	5.1%	5.3%
New England	4.5%	5.1%	4.9%
Connecticut	4.8%	5.0%	4.9%
Maine	5.2%	5.5%	4.8%
Massachusetts	4.5%	5.3%	5.1%
New Hampshire	3.5%	4.0%	4.0%
Rhode Island	4.6%	5.3%	5.0%
Vermont	3.8%	4.0%	4.2%
Mid Atlantic	4.5%	5.1%	5.4%
New Jersey	3.9%	4.6%	5.0%
New York	4.7%	4.9%	5.8%
Pennsylvania	4.6%	5.8%	5.2%

Map	preliminary Apr-05	revised Mar-05	Apr-04
Key Labor Market Areas			
1 Colebrook NH-VT LMA, NH Portion	7.8%	4.2%	15.5%
2 Berlin NH MicroNECTA	4.4%	4.5%	4.6%
3 Littleton NH-VT LMA, NH Portion	3.9%	3.9%	3.3%
4 Haverhill NH LMA	3.3%	4.1%	3.9%
5 Conway NH-ME LMA, NH Portion	4.1%	4.1%	4.5%
6 Plymouth NH LMA	3.0%	3.3%	3.2%
7 Moultonborough NH LMA	2.5%	3.1%	3.3%
8 Lebanon NH-VT MicroNECTA, NH Portion	2.1%	2.3%	2.5%
9 Laconia NH MicroNECTA	3.1%	3.8%	3.5%
10 Wolfeboro NH LMA	2.9%	3.6%	3.4%
11 Franklin NH MicroNECTA	3.4%	4.3%	3.6%
12 Claremont NH MicroNECTA	2.8%	3.2%	3.7%
13 Newport NH LMA	2.7%	3.0%	3.5%
14 New London NH LMA	2.4%	2.5%	2.8%
15 Concord NH MicroNECTA	2.8%	3.5%	3.2%
16 Rochester-Dover NH-ME MetroNECTA, NH Portion	3.3%	3.9%	3.5%
17 Charlestown NH LMA	3.0%	3.4%	3.5%
18 Hillsborough NH LMA	3.1%	3.3%	3.6%
19 Manchester NH MetroNECTA	3.4%	3.9%	3.8%
20 Keene NH MicroNECTA	2.8%	3.2%	3.2%
21 Peterborough NH LMA	3.2%	3.8%	3.7%
22 Nashua NH-MA NECTA Division, NH Portion	3.8%	4.5%	4.5%
23 Exeter Area, NH Portion, Haverhill-N. Andover-Amesbury MA-NH NECTA Division	4.3%	5.5%	5.4%
24 Portsmouth NH-ME MetroNECTA, NH Portion	3.4%	3.9%	3.7%
25 Hinsdale Town, NH Portion, Brattleboro VT-NH LMA	2.2%	2.7%	5.3%
26 Pelham Town, NH Portion, Lowell-Billerica-Chelmsford MA-NH NECTA Division	5.4%	6.4%	5.6%
27 Salem Town, NH Portion, Lawrence-Methuen-Salem MA-NH NECTA Division	5.1%	6.3%	6.7%

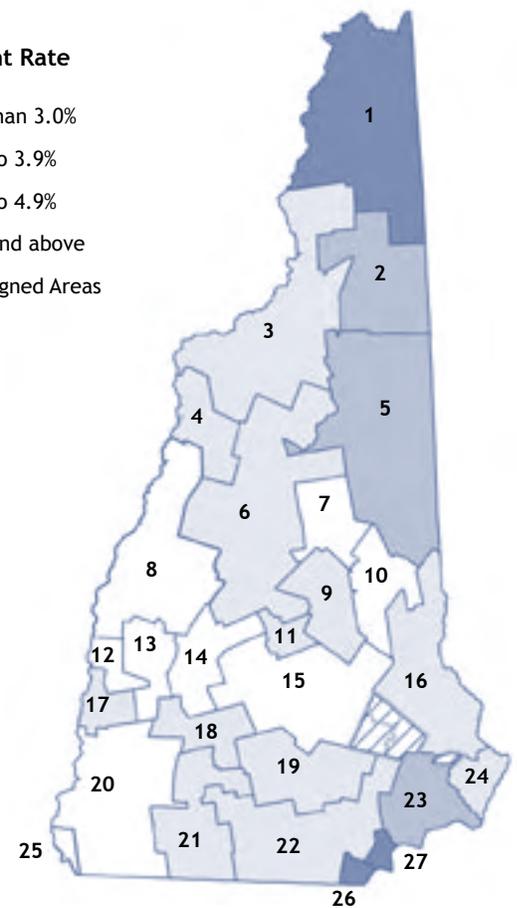
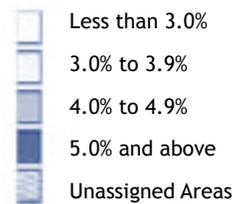
Local Area Unemployment Statistics (LAUS)

Not Seasonally Adjusted

By Place of Residence

Counties	preliminary Apr-05	revised Mar-05	Apr-04
Belknap	3.1%	3.8%	3.6%
Carroll	3.7%	4.0%	4.0%
Cheshire	2.9%	3.3%	3.4%
Coos	4.9%	4.3%	7.0%
Grafton	2.7%	2.9%	3.2%
Hillsborough	3.7%	4.2%	4.1%
Merrimack	2.8%	3.4%	3.1%
Rockingham	3.9%	4.9%	4.8%
Strafford	3.3%	3.9%	3.5%
Sullivan	2.7%	3.0%	3.4%

April Unemployment Rate



New Hampshire unemployment and labor force estimates are calculated using a regression model which depends on Current Population Survey (CPS) Estimates. Labor Market Area estimates are calculated using the Bureau of Labor Statistics "Handbook Method" and then adjusted to the State levels.

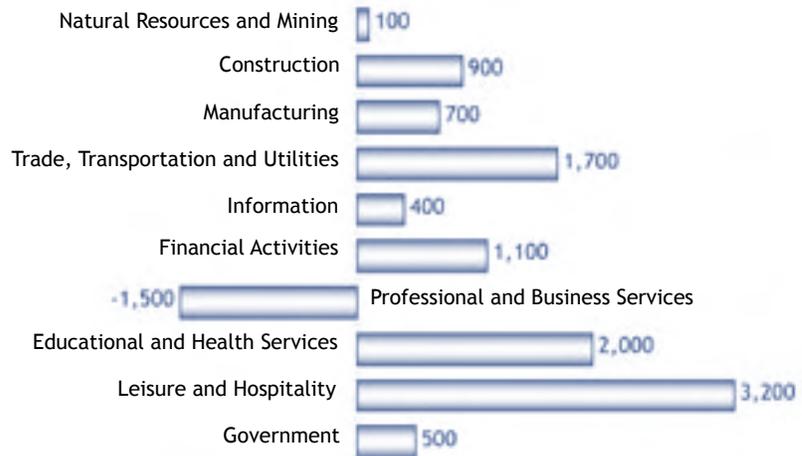
Monthly Not Seasonally Adjusted New Hampshire Nonfarm Wage and Salary Employment

Leisure and hospitality shows the strongest over-the-year increase for April 2005.

Current Employment Statistics Employment by Super Sector by place of establishment	Number of Jobs			Change from previous:	
	Apr-05 preliminary	Mar-05 revised	Apr-04	Month	Year
Total All Super Sectors	629,000	625,500	620,700	3,500	8,300
Private Employment Total	535,400	531,400	527,600	4,000	7,800
Natural Resources and Mining	1,000	1,000	900	0	100
Construction	29,800	27,800	28,900	2,000	900
Manufacturing	80,500	80,800	79,800	-300	700
Durable Goods	61,400	61,600	60,100	-200	1,300
Non-Durable Goods	19,100	19,200	19,700	-100	-600
Trade, Transportation and Utilities	139,000	138,300	137,300	700	1,700
Wholesale Trade	27,600	27,600	27,100	0	500
Retail Trade	95,900	95,600	94,900	300	1,000
Transportation and Utilities	15,500	15,100	15,300	400	200
Information	12,900	12,700	12,500	200	400
Financial Activities	38,200	38,300	37,100	-100	1,100
Professional and Business	55,800	54,900	57,300	900	-1,500
Educational and Health	96,600	96,600	94,600	0	2,000
Leisure and Hospitality	61,700	61,200	58,500	500	3,200
Other Services	19,900	19,800	20,700	100	-800
Government Total	93,600	94,100	93,100	-500	500

Change in Nonfarm Employment

Apr. 2004 to Apr. 2005



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:

New Hampshire's seasonally adjusted trend line shifted upward by 200 jobs in the April estimates. Construction (supersector 20) played the most significant roll with its 400-job addition. To complete the expansion during the month, trade, transportation, and utilities (supersector 40) and professional and business services (supersector 60) each added 300 workers to their respective payrolls.

Other services (supersector 80) held its employment totals at the March level. On the downside, manufacturing (su-

persector 30) employment fell by 400 jobs, as financial activities (supersector 55) and leisure and hospitality (supersector 70) each pared their respective totals by 200 jobs. April's seasonally adjusted estimates concluded with government (supersector 90) reducing its roster by 100 jobs.

Unadjusted:

Unadjusted preliminary estimates for April showed that New Hampshire's industries added 3,500 jobs to the economy. Construction (supersector 20) garnered the lion's share of employment activity by expanding its

Monthly Unadjusted Nonfarm Wage and Salary Employment by Metropolitan Statistical Areas

Employment by Sector number of jobs by place of establishment	Manchester NH MetroNECTA			Nashua NH-MA NECTA Division, NH Portion			Portsmouth NH-ME MetroNECTA, NH Portion			Rochester-Dover NH-ME MetroNECTA, NH Portion		
	preliminary Apr-05	Change from previous:		preliminary Apr-05	Change from previous:		preliminary Apr-05	Change from previous:		preliminary Apr-05	Change from previous:	
		Month	Year		Month	Year		Month	Year		Month	Year
Total All Sectors	99,800	700	900	130,700	2,200	1,600	54,100	400	500	55,600	300	400
Private Employment Total	88,600	1,000	1,200	115,800	2,200	1,500	44,400	500	300	41,600	300	0
Natural Resources and Construction	5,300	300	100	5,900	300	200	1,800	100	100	2,100	100	0
Manufacturing	9,700	0	200	25,900	200	100	4,000	0	100	6,400	0	-100
Trade, Transportation and Utilities	20,900	200	500	30,600	100	800	11,100	300	0	11,000	0	-400
Wholesale Trade	5,200	0	100	5,600	0	100	1,900	0	-100	1,400	0	-100
Retail Trade	12,900	100	500	20,600	0	300	7,700	0	-100	8,600	0	-300
Transportation, Warehousing and Utilities	Information will be made available in January 2006			4,400	100	400	1,500	300	200	1,000	0	0
Information	3,300	0	-100	2,000	0	0	1,800	0	200	1,300	0	0
Financial Activities	8,800	0	0	8,100	0	200	4,600	-200	-100	2,600	0	0
Professional and Business	11,500	200	-400	13,400	600	600	8,000	100	-200	3,700	0	100
Educational and Health	16,600	100	700	15,300	200	-200	5,600	0	100	7,500	0	300
Leisure and Hospitality	8,300	200	100	10,200	800	-100	5,900	200	100	5,100	200	100
Services	4,200	0	100	4,400	0	-100	1,600	0	0	1,900	0	0
Government Total	11,200	-300	-300	14,900	0	100	9,700	-100	200	14,000	0	400

Note: Employment estimates for the Lawrence-Methuen-Salem MA-NH NECTA Division, NH Portion, will be available with January 2006 data.

Average Earnings and Hours of Production Workers in Manufacturing

Sector	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Apr-05 preliminary	Mar-05 revised	Apr-04	Apr-05 preliminary	Mar-05 revised	Apr-04	Apr-05 preliminary	Mar-05 revised	Apr-04
New Hampshire									
All Manufacturing	\$637.92	\$633.58	\$619.20	40.4	40.1	40.0	\$15.79	\$15.80	\$15.48
Durable Goods	\$653.90	\$652.26	\$627.19	41.1	41.1	40.7	\$15.91	\$15.87	\$15.41
Non-durable Goods	\$590.20	\$583.44	\$597.79	38.3	37.4	38.1	\$15.41	\$15.60	\$15.69
Manchester NH MetroNECTA									
All Manufacturing	\$651.57	\$687.48	\$694.02	38.6	40.8	39.5	\$16.88	\$16.85	\$17.57
Nashua NH-MA NECTA Division, NH Portion									
All Manufacturing	\$708.10	\$676.50	\$642.40	42.3	41.0	40.1	\$16.74	\$16.50	\$16.02

Note: Production workers and information for Portsmouth and Rochester will be available with January 2006 data.

workforce by 2,000 jobs. Professional and business services (supersector 60) chipped in 900 jobs.

Seasonal events caused trade, transportation, and utilities (supersector 40) to expand its ranks by 700, while leisure and hospitality (supersector 70) brought 500 additional staffers on board in April.

To wrap up the plus side of the ledger, information (supersector 50) augmented its cadre with 200 positions and other services (supersector 80) employed 100 extra persons.

Natural resources and mining (supersector 10) and educational and health services (supersector 65) held employment totals at those established in March.

A 500-position cut in government (supersector 90) offset some of those previously mentioned gains. Manufacturing (supersector 30) trimmed its labor force by 300 jobs, and financial activities (supersector 55) slimmed down its personnel strength by 100.

B. G. McKay

What projections can't do and what they can do

- Short-term projections cannot capture a structural change in the economy that may be more apparent in long-term projections.
- Projections cannot identify the closing of a large establishment or disruptions to employment levels caused by natural disaster or war. In this regard, there is no assumption made about the possible closing of Portsmouth Naval Shipyard and the effect it would have on employment.
- Projections should be used in conjunction with other information on labor supply, wages, and training requirements.
- Because New Hampshire is a relatively small state, a small numeric change in employment can result in a large change on a percentage basis. Another concern for small states is the issue of confidentiality where employment levels for industries or occupations cannot be disclosed because of minimum standards. Users should look at larger occupational groups instead of a specific occupation.

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