

ECONOMIC CONDITIONS in New Hampshire



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Labor Market Information Bureau

Employment
SECURITY

New Hampshire Ranks 7th Most Competitive

Human Resources and infrastructure are among strengths

“A state is competitive if it has in place the policies and conditions that ensure and sustain a high level of per capita income and its continued growth.” According to a report from the Beacon Hill Institute, which rated various state policies, New Hampshire ranked 7th in the nation in economic competitiveness.

The ranking was a product of many variables consolidated into nine topics. These were weighted to produce a final index. New Hampshire was in the 10 best in the nation in six of the nine.

New Hampshire's highest ranking was in the area of *human resources*. There, the Granite State ranked best in the nation for the lowest infant mortality rate. Other strengths were low unemployment and high labor participation. New Hampshire's highest percent of households with Internet access and

second highest percent of installed phones helped its *infrastructure* rating. *Institutions and security* with the lowest crime index and murder index, also enhanced the state's competitiveness.

The two most prominent weaknesses in the state's ranking were in *environmental policy* and *openness*. Environmentally, a ninth best ranking in toxic release inventory could not offset the high cost of electricity, where we ranked 49th in the nation. Openness was the product of a 40th ranking in incoming foreign direct investment per capita and 30th in exports per capita.

New England had four of the top eight rankings, led by second place Massachusetts. Among all the states, Delaware ranked most competitive; Mississippi least. Only Wyoming had as many top-10 rankings as New Hampshire.

Martin Capodice

Competitive Ranking of States Top 10 Plus Balance of New England

	Overall Index	Overall rank	Gov & fiscal policy	Institutions and Security	Infrastructure	Human Resources	Technology	Finance	Openness	Domestic competition	Environmental policy
Delaware	7.2	1	5	19	11	28	4	2	6	11	30
Massachusetts	6.8	2	47	10	36	1	1	1	13	34	41
Wyoming	6.7	3	2	7	5	20	34	18	10	2	5
Washington	6.5	4	48	24	17	24	13	29	3	1	1
Vermont	6.4	5	25	3	22	2	7	39	2	16	39
Colorado	6.4	6	21	18	3	9	5	10	37	4	15
New Hampshire	6.3	7	9	4	4	3	10	13	34	8	46
Connecticut	6.2	8	41	8	20	7	2	3	18	21	42
Minnesota	6.0	9	29	6	7	4	12	7	25	39	10
California	5.8	10	28	14	33	21	8	5	9	10	38
Maine	5.3	19	31	9	13	18	33	33	29	7	37
Rhode Island	4.9	25	33	33	26	10	6	38	43	17	44

Source: *Competitiveness Report 2001*, the Beacon Hill Institute, Suffolk University, December 2001

New Hampshire Ranks as the Second Most Tax-Friendly State in the Nation

Taxes are one of the certainties of life, but how much you pay in state and local taxes may depend on the state where you live. Granite Staters pay 7.6 percent of their income in taxes. Alaska was ranked as the most tax-friendly state in the nation, with Alaskans paying 6.3 percent of their income towards taxes. The least tax-friendly state in the nation was our neighbor to the east. Residents in Maine have the largest tax burden in the country. Maine residents pay over 13 percent of their income towards taxes.

Three other New England states ranked toward the bottom. Vermont (47th), Connecticut (45th), and Rhode Island (44th) with residents in these states paying 11.7 percent, 11.6 percent, and 11.4 percent of their income towards taxes respectively. Contrary to popular belief, Massachusetts residents pay less than 10 percent of their income in taxes, ranking it eleventh nationally.¹

There are several types of taxes that determine each state's tax-friendliness - income, sales, property, business, and interest and dividends taxes, to name a few. Five states do not impose a state sales tax,² while nine states do not impose a state income tax.³ Only Alaska and New Hampshire have no state income tax or state sales tax. Nonetheless, the Granite State does impose an interest and dividends tax, and cities in Alaska can impose a sales tax.

Being a tax-friendly state does not mean all taxes levied in the state are low. Both

New England's Tax Burden		
	% of Income	Rank
New England	10.9%	
Connecticut	11.6%	45
Maine	13.6%	50
Massachusetts	9.5%	11
New Hampshire	7.6%	2
Rhode Island	11.4%	44
Vermont	11.7%	47

Source: Tax Foundation

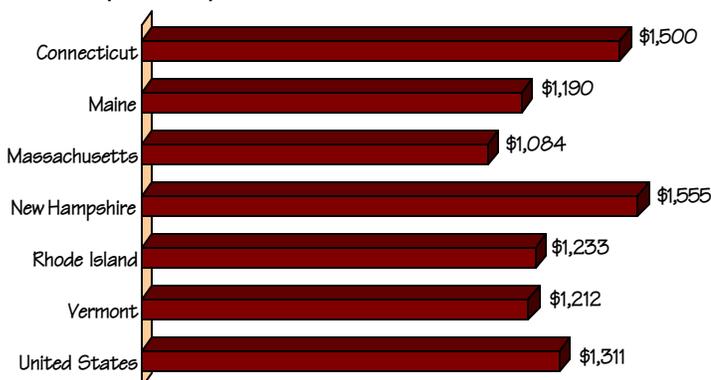
New Hampshire and Alaska are in the bottom ten for property taxes. New Hampshire had the second highest per capita property tax in the nation, \$1,555, based on data from 1997. Only New Jersey was higher, at \$1,591. This was seven times higher than Alabama's per capita property tax, the lowest in the nation.

New England can be an expensive place to own property. Every New England state ranked in the bottom ten for per capita property taxes. Massachusetts had the lowest per capita property tax in New England, \$1,084, and ranked 43rd nationally.⁴

The tax burden was estimated for a family of four with an annual income of \$100,000 living in the largest city in each state. Manchester, New Hampshire, residents pay 8.5 percent of their income for taxes. This was the lowest of the six New England cities and 18th nationally. Residents in Anchorage, Alaska, pay the least in taxes, 3.2 percent, while in Bridgeport, Connecticut, residents pay 22.4 percent, the highest among the 51 cities included.⁵

Gail Houston

Per Capita Property Tax for the New England States



Source: Tax Foundation's Special Report on State and Local Property Taxes

¹Tax Foundation <www.taxfoundation.org>, "Tax Bites" accessed April 2, 2002

²Federation of Tax Administrators, <www.taxadmin.org> "State Sales Tax Rates" accessed April 3, 2002

³Federation of Tax Administrators, <www.taxadmin.org> "State Individual Income Taxes" accessed April 3, 2002

⁴Tax Foundation, <www.taxfoundation.org>, "State and Local Property Taxes" release date August 2001, accessed April 2, 2002

⁵The District of Columbia, Office of the Chief Financial Officer, Office of Research and Analysis, <www.dc.gov> "Tax Rates and Tax Burdens in the District of Columbia - A Nationwide Comparison, 2000" released August 2001, accessed April 3, 2002

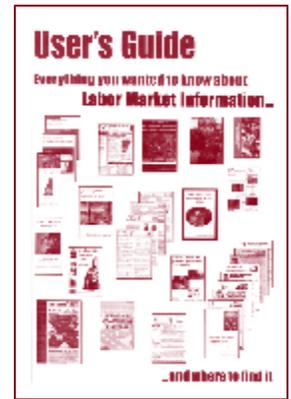
User's Guide

Everything you wanted to know about Labor Market Information... and where to find it: 30 pages; revised January 2002

What is labor market information? How is it used? Who uses it? All this and more is answered in this publication. In addition it explains the different programs used to produce the data. You can also find a glossary of common terms and descriptions of the publications produced by Employment Security's Economic and Labor Market Information Bureau. New to the publication is a labor market locator which breaks out the different data available in each publication. If you want or need to learn more about labor market information this is the publication for you.

All publications are available by accessing our Web site at <www.nhes.state.nh.us/elmi>. For more information contact us at: (603) 228-4124, or at the bureau address listed on page 8.

User's Guide is released



Unemployment Compensation Claims Activity

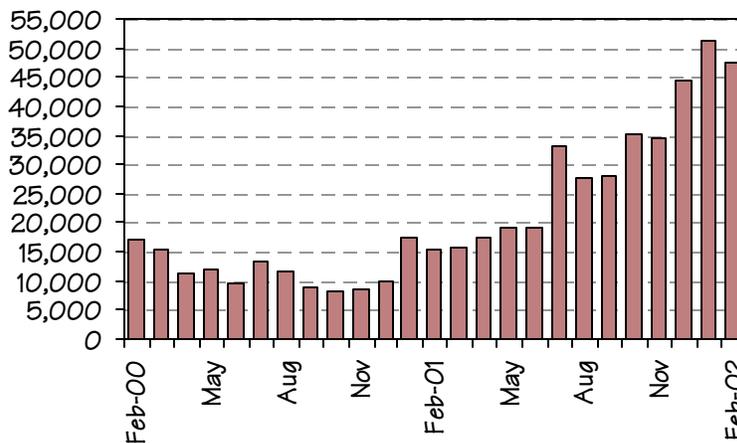
Total Regular Unemployment Compensation Programs:				Change from Previous			
				Month		Year	
	Feb-02	Jan-02	Feb-01	Net	Percent	Net	Percent
Initial Claims	4,550	6,417	2,923	-1,867	-29.1%	1,627	55.7%
Continued Weeks	47,486	51,382	15,307	-3,896	-7.6%	32,179	210.2%

Claims Activity

Unemployment Compensation Fund

Unemployment compensation fund balance at the end of February:	\$298,453,940.62
Average payment for a week of total unemployment:	\$252.58
Net benefits paid:	\$10,705,923.87
Net contributions received during the month:	\$1,928,911.87
Interest Received:	\$0.00

Trust Fund



Continued Weeks Claimed

Feb. 2000 - Feb. 2002

The decline in the actual number of continued weeks claimed from January to February 2002 was the biggest for that month since 1996. The percentage of claims that represented, however, was over five points shy of the drop same time last year.

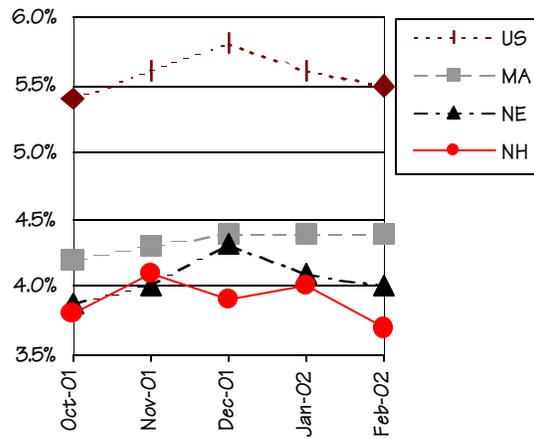
Feb-02	Jan-02	Feb-01	change from previous	
			Month	Year
177.8	177.1	175.8	0.4%	1.1%

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

Consumer Price Index

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

New Hampshire joined Vermont and Rhode Island as the only three states in the Northeast region to experience a decline in their unemployment rates over-the-month.



	Unemployment Rates by Region		
	preliminary Feb-02	revised Jan-02	preliminary Feb-01
United States	5.5%	5.6%	4.2%
Northeast	5.2%	5.1%	3.8%
New England	4.0%	4.1%	3.0%
Connecticut	3.5%	3.5%	2.5%
Maine	4.0%	3.8%	3.5%
Massachusetts	4.4%	4.4%	2.9%
New Hampshire	3.7%	4.0%	3.0%
Rhode Island	4.2%	5.0%	4.4%
Vermont	3.5%	3.6%	3.2%
Mid Atlantic	5.6%	5.5%	4.2%
New Jersey	5.2%	4.9%	3.5%
New York	5.9%	5.8%	4.3%
Pennsylvania	5.6%	5.6%	4.5%

Labor Force Estimates By Place of Residence

	Oct-01	Nov-01	Dec-01	revised Jan-02	preliminary Feb-02
New Hampshire					
Unemployment Rate	3.8%	4.1%	3.9%	4.0%	3.7%
Civilian Labor Force	701,780	704,900	688,640	709,340	706,960
Number Employed	675,320	676,200	661,730	681,010	680,510
Number Unemployed	26,460	28,700	26,910	28,330	26,450
United States (in thousands)					
Unemployment Rate	5.4%	5.6%	5.8%	5.6%	5.5%
Civilian Labor Force	142,280	142,279	142,314	141,390	142,211
Number Employed	134,615	134,253	134,055	133,468	134,319
Number Unemployed	7,665	8,026	8,259	7,922	7,891

Seasonally Adjusted Nonfarm Employment By Place of Establishment

Industry	Oct-01	Nov-01	Dec-01	revised Jan-02	preliminary Feb-02
TOTAL ALL INDUSTRIES	624,200	619,500	620,500	628,400	627,900
Mining*	400	500	500	400	500
Construction	25,900	25,900	25,500	27,200	27,100
Manufacturing	101,300	99,700	99,700	101,000	100,100
Durable Goods	72,400	71,200	71,300	73,500	72,900
Nondurable Goods	28,900	28,500	28,400	27,500	27,200
Transportation and Public Utilities	21,600	22,000	21,900	21,200	21,200
Trade	165,400	165,200	165,900	166,100	166,300
Wholesale Trade	33,100	32,500	32,800	33,100	32,800
Retail Trade	132,300	132,700	133,100	133,000	133,500
Finance, Insurance, and Real Estate	32,900	32,900	33,000	33,900	34,000
Services	195,600	191,700	192,700	194,100	193,900
Government	81,000	81,600	81,300	84,500	84,800

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

Labor Force Estimates

New Hampshire	Feb-02 preliminary	Jan-02 revised	Feb-01
Number of Workers			
Total Civilian Labor Force	706,960	709,340	689,530
Employed	680,510	681,010	668,790
Unemployed	26,450	28,330	20,740
Unemployment Rate (% of labor force)	3.7%	4.0%	3.0%

Unemployment Rates by Area

	Feb-02 preliminary	Jan-02 revised	Feb-01
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U.S. and Regional States

United States	6.1%	6.3%	4.6%
Northeast	5.7%	5.7%	4.4%
New England	4.6%	4.7%	3.6%
Connecticut	4.1%	4.0%	3.2%
Maine	5.0%	4.8%	4.5%
Massachusetts	4.7%	5.0%	3.2%
New Hampshire	4.1%	4.5%	3.4%
Rhode Island	5.4%	5.9%	5.7%
Vermont	4.6%	4.7%	4.3%
Mid Atlantic	6.1%	6.0%	4.7%
New Jersey	5.5%	5.3%	3.8%
New York	6.4%	6.4%	4.9%
Pennsylvania	6.2%	6.1%	5.1%

Labor Market Areas

Berlin LMA	11.9%	13.9%	4.2%
Seabrook-South Hampton, NH			
Portion Boston, MA-NH PMSA	9.2%	8.7%	8.1%
Claremont LMA	2.2%	2.4%	2.5%
Colebrook LMA	1.7%	2.5%	5.0%
Concord LMA	2.9%	3.3%	3.2%
Conway LMA	3.2%	3.6%	3.8%
NH Portion Hartford-Lebanon, VT-NH LMA	1.3%	1.3%	1.7%
NH Portion Keene-Brattleboro, NH-VT LMA	2.9%	2.9%	3.3%
Laconia LMA	3.3%	4.0%	3.3%
Lancaster LMA	2.9%	3.9%	5.1%
Salem-Derry, NH Portion Lawrence, MA-NH PMSA	6.2%	6.4%	4.4%
Littleton LMA	2.9%	2.5%	3.6%
Pelham, NH Portion Lowell, MA-NH PMSA	7.7%	7.1%	5.2%
Manchester PMSA	3.9%	4.4%	2.9%
Nashua PMSA	5.3%	5.7%	3.4%
Peterborough LMA	3.4%	3.6%	3.8%
Plymouth LMA	2.5%	3.4%	2.7%
NH Portion Portsmouth-Rochester, NH-ME PMSA	3.6%	3.9%	3.2%

Counties

Belknap	3.5%	4.1%	3.5%
Carroll	3.1%	3.4%	3.5%
Cheshire	3.2%	3.2%	3.7%
Coos	7.3%	9.0%	4.6%
Grafton	2.0%	2.1%	2.3%
Hillsborough	4.6%	5.0%	3.2%
Merrimack	2.7%	3.2%	3.1%
Rockingham	5.2%	5.3%	3.9%
Strafford	3.7%	4.0%	3.4%
Sullivan	2.2%	2.4%	2.7%

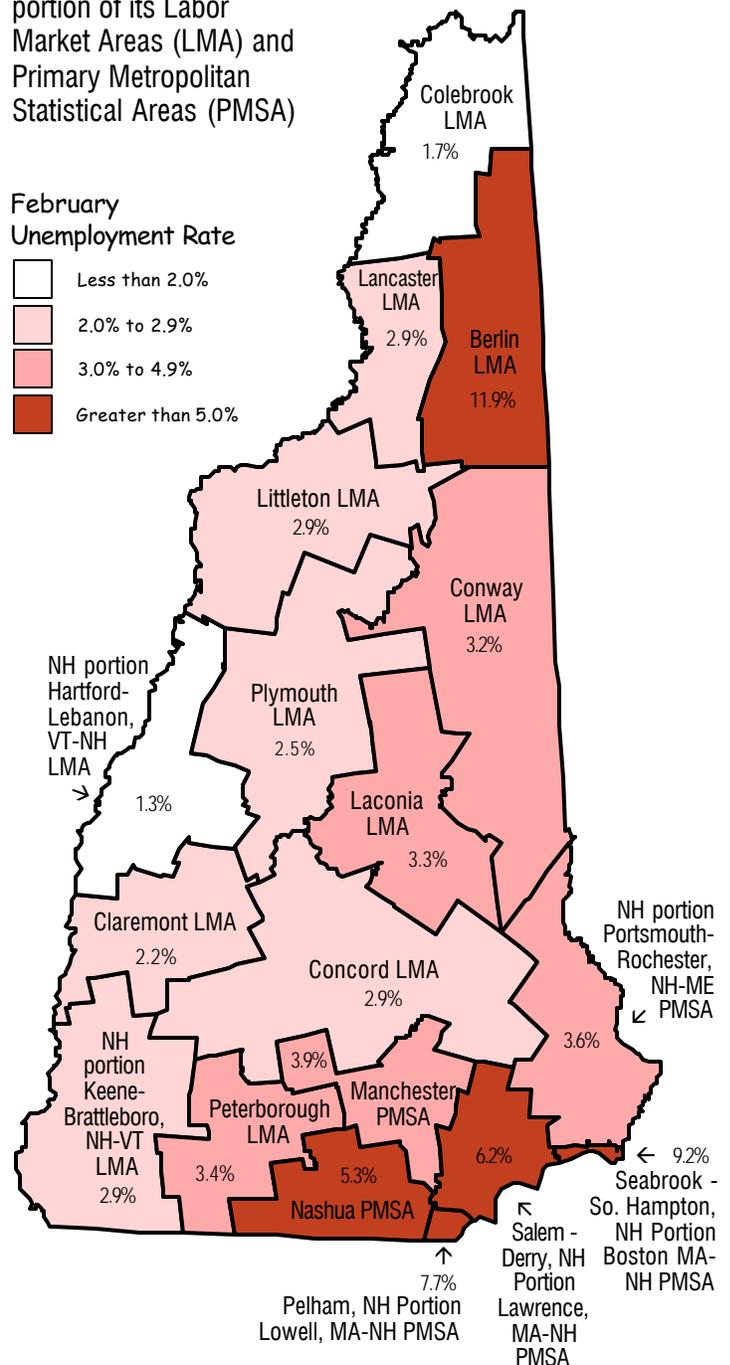
Local Area Unemployment Statistics (LAUS)

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)

February Unemployment Rate



Only minimal employment gains were seen in Mining, FIRE, and Services over-the-month. Statewide employment dipped over a thousand jobs over-the-year.

More detailed industry information is available at our Web site

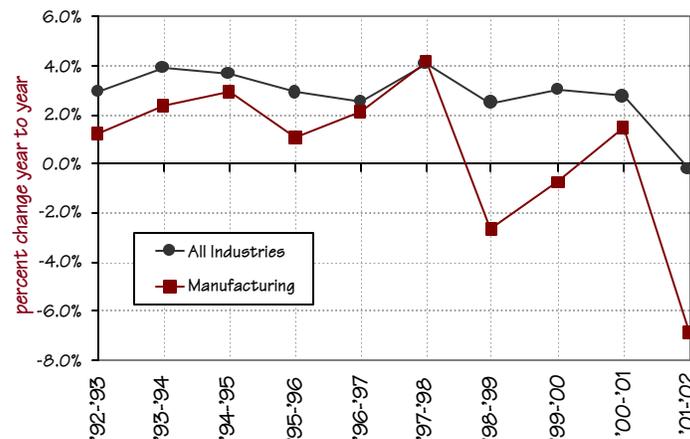
Nonfarm employment in selected industries

Percent change February to February, 1992 - 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:	
	Feb-02 (preliminary)	Jan-02 (revised)	Feb-01	Month	Year
	Total All Industries	621,000	619,700	622,200	1,300
Private Employment Total	533,500	535,700	535,000	-2,200	-1,500
Mining	500	400	400	100	100
Construction	24,900	25,600	23,300	-700	1,600
Manufacturing	100,500	101,000	107,900	-500	-7,400
Durable Goods Total	73,300	73,600	78,900	-300	-5,600
Nondurable Goods Total	27,200	27,400	29,000	-200	-1,800
Transportation & Public Utilities	21,000	21,000	21,500	0	-500
Trade Total	161,600	163,200	160,000	-1,600	1,600
Wholesale Trade	32,400	32,700	32,500	-300	-100
Retail Trade	129,200	130,500	127,500	-1,300	1,700
Finance, Insurance, & Real Estate	33,800	33,700	33,200	100	600
Services	191,200	190,800	188,700	400	2,500
Government Total	87,500	84,000	87,200	3,500	300

Note: Totals are rounded to hundreds



Manchester PMSA was the hardest hit among the New Hampshire areas with job losses over-the-year. Primary responsibility for these reductions was attributable to Manufacturing.

Current Employment Statistics (CES) Manchester PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Feb-02 (prelim.)	Jan-02 (revised)	Feb-01	Month	Year
	Total All Industries	105,300	106,400	107,700	-1,100
Private Employment Total	93,300	94,700	95,900	-1,400	-2,600
Construction & Mining	5,000	5,100	4,800	-100	200
Manufacturing	12,000	12,600	14,800	-600	-2,800
Durable Goods	8,100	8,500	10,500	-400	-2,400
Transportation & Public Utilities	6,700	6,700	6,500	0	200
Trade Total	26,600	27,100	26,300	-500	300
Wholesale Trade	7,300	7,200	7,200	100	100
Retail Trade	19,300	19,900	19,100	-600	200
Finance, Insurance, & Real Estate	8,400	8,300	8,000	100	400
Services	34,600	34,900	35,500	-300	-900
Government Total	12,000	11,700	11,800	300	200

Current Employment Statistics Nashua PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Feb-02 (prelim.)	Jan-02 (revised)	Feb-01	Month	Year
Total All Industries	98,600	98,600	99,600	0	-1,000
Private Employment Total	88,600	88,800	89,900	-200	-1,300
Construction & Mining	3,300	3,400	3,300	-100	0
Manufacturing	27,900	27,700	28,800	200	-900
Durable Goods	22,500	22,400	23,300	100	-800
Nondurable Goods	5,400	5,300	5,500	100	-100
Transportation & Public Utilities	2,200	2,200	2,300	0	-100
Trade Total	24,900	25,600	24,900	-700	0
Wholesale Trade	4,100	4,300	4,700	-200	-600
Retail Trade	20,800	21,300	20,200	-500	600
Finance, Insurance, & Real Estate	6,200	6,100	6,300	100	-100
Services	24,100	23,800	24,300	300	-200
Government Total	10,000	9,800	9,700	200	300

Current Employment Statistics Portsmouth-Rochester, NH-ME PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Feb-02 (prelim.)	Jan-02 (revised)	Feb-01	Month	Year
Total All Industries	126,200	125,600	124,000	600	2,200
Private Employment Total	101,000	101,500	100,300	-500	700
Construction & Mining	4,100	4,100	3,800	0	300
Manufacturing	17,400	17,300	18,700	100	-1,300
Durable Goods	11,300	11,200	12,200	100	-900
Nondurable Goods	6,100	6,100	6,500	0	-400
Transportation & Public Utilities	4,300	4,300	4,200	0	100
Trade Total	33,200	33,200	31,800	0	1,400
Wholesale Trade	6,200	6,200	6,000	0	200
Retail Trade	27,000	27,000	25,800	0	1,200
Finance, Insurance, & Real Estate	6,400	6,400	6,400	0	0
Services	35,600	36,200	35,400	-600	200
Government Total	25,200	24,100	23,700	1,100	1,500

Average Earnings and Hours of Production Workers in Manufacturing

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Feb-02 prelim.	Jan-02 revised	Feb-01	Feb-02 prelim.	Jan-02 revised	Feb-01	Feb-02 prelim.	Jan-02 revised	Feb-01
New Hampshire									
All Manufacturing	\$578.43	\$575.37	\$550.39	42.5	42.4	40.8	\$13.61	\$13.57	\$13.49
Durable Goods	602.56	597.19	557.88	44.9	44.7	42.2	13.42	13.36	13.22
Nondurable Goods	514.04	518.70	534.67	36.2	36.4	37.6	14.20	14.25	14.22
Manchester PMSA									
All Manufacturing	\$625.51	\$633.16	\$612.40	38.9	39.4	40.0	\$16.08	\$16.07	\$15.31
Durable Goods	671.17	685.94	669.24	40.9	41.8	42.9	16.41	16.41	15.60
Nashua PMSA									
All Manufacturing	\$515.87	\$534.26	\$534.76	38.1	39.4	39.7	\$13.54	\$13.56	\$13.47
Durable Goods	479.68	492.80	492.15	37.3	38.5	38.6	12.86	12.80	12.75
Nondurable Goods	686.36	710.64	703.84	41.8	43.2	44.1	16.42	16.45	15.96
Portsmouth-Rochester, NH-MA PMSA									
All Manufacturing	\$581.60	\$560.99	\$501.22	40.9	39.9	38.0	\$14.22	\$14.06	\$13.19
Durable Goods	643.37	615.08	543.49	43.5	41.7	39.1	14.79	14.75	13.90
Nondurable Goods	468.94	464.26	417.88	36.1	36.7	35.9	12.99	12.65	11.64

Nashua PMSA had the largest increase in Manufacturing employment of the New Hampshire PMSAs, and was second to only Services for over-the-month employment gains in the area.

Portsmouth-Rochester area was stagnant in most private industries over-the-month. The only exceptions were a slight increase in Manufacturing and a larger loss in Services resulting in an overall decrease in the area's private employment.

Average weekly earnings among the New Hampshire PMSAs over-the-month reflected the reductions in the average weekly hours worked. Portsmouth-Rochester was the only PMSA to have average weekly hours increase from last month.

For Additional
Information



<p>NewHampshire Employment Security Economic and Labor Market Information Bureau:</p> <p>General Information 228-4124 Research Unit 228-4173 Economist 228-4122 Covered Employment and Wages (ES-202) 228-4177 Current Employment Statistics (790) 228-4127 Local Area Unemployment Statistics 228-4175 Mass Layoff Statistics (MLS) 228-4175 Occupational Employment Statistics 229-4315</p> <p>Internet address: ... www.nhes.state.nh.us/elmi/ E-mail: elmi@nhes.state.nh.us</p>		<p>NewHampshire Employment Security Local Offices:</p> <p>Berlin 752-5500 Claremont 543-3111 Concord 228-4100 Conway 447-5924 Keene 352-1904 Laconia 524-3960 Lebanon 448-6340 Littleton 444-2971 Manchester ... 627-7841 Nashua 882-5177 Portsmouth ... 436-3702 Salem 893-9185 Somersworth .. 742-3600</p>
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