

ECONOMIC CONDITIONS in New Hampshire



June 2005

Volume 105, Number 06

User's Guide
to short-term
Projections.....7

Frequently asked
questions on short-
term projections.....9

Local Area
Unemployment
Statistics.....11

Current
Employment
Statistics12

What projections
can't do and what
they can do.....16

For Additional
Information16



Published by the Economic and
Labor Market Information Bureau

New Hampshire
ELMB
Economic & Labor Market Information Bureau

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.

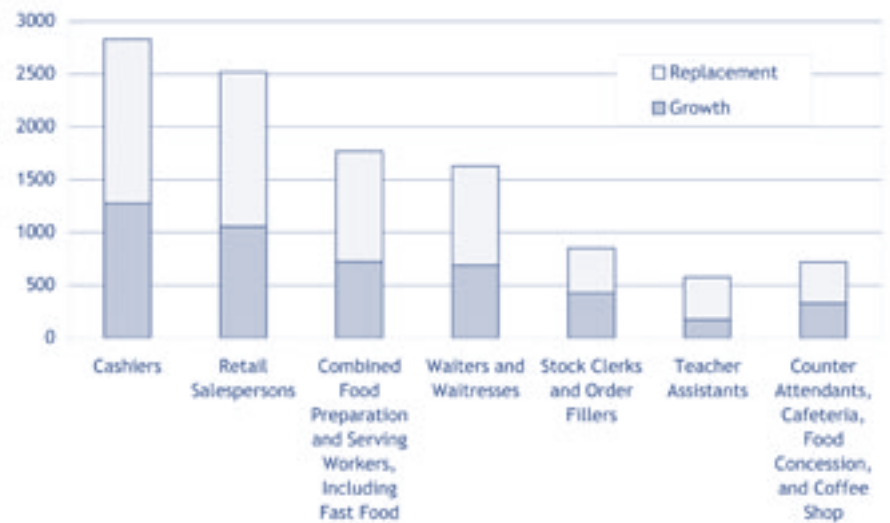
Demand for educational services is driven by a growing trend that recognizes that education is a lifelong process, as individuals return to schools and other training providers to keep up with changes in their field or prepare for a new career. During the projection period, two of the three fastest-growing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

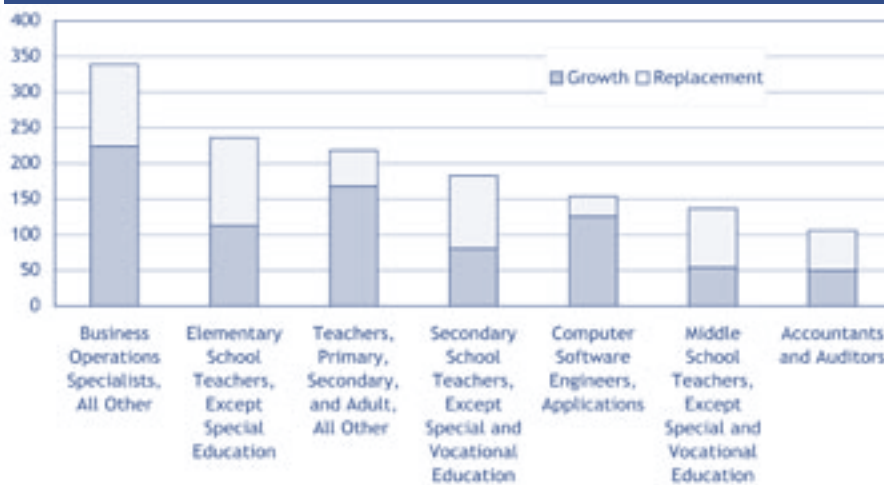
Computer systems design and related, Insurance carriers, and Computer and electronic product manufacturing.

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

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

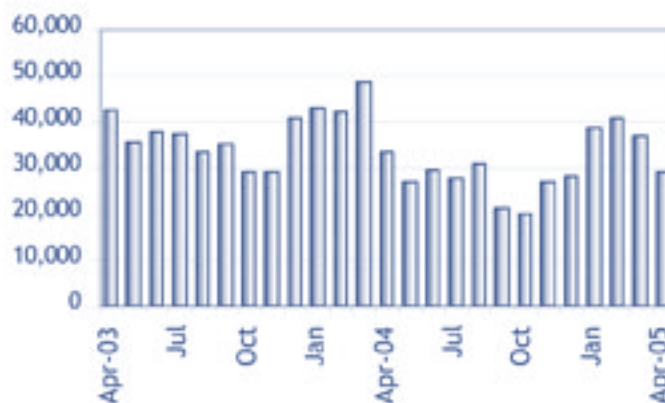
Continued from page 6

Unemployment Compensation Claims Activity

Total Regular Unemployment Compensation Programs:				Change from Previous			
				Month		Year	
				April-05	March-05	April-04	Net
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%

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



Claims Activity

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