

## New Hampshire Mass Layoffs in 2012

Mass Layoff events were essentially unchanged from a year earlier, decreasing from 47 in 2011 to 44 in 2012. The number of initial claims associated with these events decreased somewhat over the year from 5,488 in 2011 to 5,423. Mass layoff events had reached the highest level on record in 2009 with 90, but the number of employees filing initial claims for these layoffs (8,548) was less than the 10,903 filers in 79 mass layoff events during 2001.

### The Mass Layoff Statistics Program

Initial claims for unemployment compensation involving New Hampshire employers are incorporated into the Mass Layoff Statistics (MLS) program that is conducted by the New Hampshire Employment Security, Economic and Labor Market Information Bureau in cooperation with the United States Bureau of Labor Statistics (BLS). The MLS program provides information regarding layoffs of 50 or more employees to the BLS. These statistics are used to analyze economic trends and to aid in the development of training programs that may benefit those workers who are permanently displaced from their employment.

### Mass Layoffs slowly returning to Pre-Recession Level

Since reaching a record high of 90 in 2009, the number of Mass Layoff events in New Hampshire has been on the decline, and is slowly returning to a pre-recessionary level. During 2007, before the recession began to affect employers in New Hampshire, 31 mass layoff events were recorded, involving 3,053 employees filing initial claims. By 2009 the number of events and employees involved more than doubled. In 2010,

### Annual Mass Layoffs in New Hampshire (Private Sector)

Year	All Non-Farm Private Industries		Construction Industries		Manufacturing Industries		Retail and Wholesale Trade Industries		Transportation and Warehousing Industries		Accommodation and Food Service Industries	
	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims
2012	44	5,423	7	494	9	893	3	285	17	3,201	n	n
2011	47	5,488	7	531	12	1,196	n	n	18	2,982	8	633
2010	61	6,731	3	288	18	1,774	9	660	17	3,030	9	665
2009	90	8,548	4	371	48	4,888	9	754	16	1,476	5	381
2008	42	3,873	n	n	23	2,224	n	n	11	1,086	3	218
2007	31	3,053	3	233	12	801	n	n	11	1,654	3	221
2006	29	2,996	4	374	12	869	n	n	9	1,449	3	185

n = does not meet disclosure standards.

Layoff events include those events with at least 50 initial claims per employer and are either temporary or permanent in nature

Totals exclude layoffs in Government and Agricultural industries

Data subject to revision

Source: Bureau of Labor Statistics Mass Layoff Statistics Program

the number of mass layoff events had dropped by nearly a third to 61, and the number of employees filing initial claims fell to 6,731. In 2011, the number of mass layoff events continued to decline, dropping to 47 events, with 5,488 associated initial claims filed. The year 2012 did not bring much of a change, with 44 events and 5,423 initial claims. Overall, mass layoff activity was flat compared to 2011.

Manufacturing industries, which were hardest hit by mass layoffs in 2008 and 2009, reached a record low in 2012 with 9 events and 893 initial claims filed by employees. Mass layoff events in manufacturing industries had risen from a previous low of 12 in 2006 and 2007 to 48 in 2009, with the number of employees filing initial claims for these layoff events increasing from 801 in 2007 to 4,888 in 2009. Manufacturing industries recovered to a significant extent in 2010, recording 18 mass layoff events involving 1,774 initial claims by employees, and this recovery continued into 2012.

Transportation and warehousing industries mass layoff events were essentially unchanged in 2012, with a total of 17 events, down by one from 18 events in 2011. However, the number of initial claims associated with these events actually increased to 3,201 from the 2,982 filed in 2011. This is a record high number of initial claims filed by employees working in these industries. Most of the layoff activity in transportation and warehousing industries is driven by temporary vacation and seasonal layoffs. The increase over the last several years in initial claims filing by these employees during vacation layoffs, which usually last for 1 or 2 weeks, reflects a change in the willingness or ability of employees to take unpaid time off. Prior to the year 2009, it was uncommon for employees to file initial claims for vacation layoffs. The lack of change in the level of mass layoffs in this industry is more of an indirect result of economic conditions, rather than persistent layoff activity.

Retail and wholesale trade industries experienced 3 mass layoff events in 2012, with 285 initial claims filed by employees. In 2011, the layoff data for these industries were below the level required to meet disclosure standards and thus were not publishable, reflecting a return to a pre-recessionary level of layoff activity. This industry experienced 9 mass layoff events in both 2009 and 2010. Employees filing initial claims for these layoff events were 754 in 2009 and 660 in 2010. Retail and wholesale trade mass layoffs during these years were primarily due to national chains closing stores and restructuring their workforce.

Accommodation and food service industries layoff activity fell below the level required to meet disclosure standards for the first time since 2002, which is a significant decrease from 2011, in which there were 8 layoff events with 633 initial claims. Mass layoff events in accommodation and food service industries are primarily due to seasonal closures and seasonal staff reductions.

Construction industries typically do not generate large numbers of mass layoff events or initial claim filers. This is due to the makeup of construction industries in the State, where the majority of employers do not have a workforce large enough to produce a minimum of 50 initial claims during layoff events. However, from 2010 to 2011, mass layoff events in the Construction industry more than doubled, going from 3 in 2010 to 7 in 2011 and 2012. The number of initial claims filed by employees rose from 288 in 2010 to 531 in 2011, with a slight decrease to 494 in 2012. This can be explained by the fact that construction projects for highway and bridge work, resulting from funds from the American Recovery and Reinvestment Act (ARRA) of 2009, came to end in 2011. This type of construction work would have been performed primarily by New Hampshire's larger construction employers, and layoffs initiated by each of these employers would result in sufficient initial claims filings to meet the BLS criteria.

## Regional Comparison

Mass layoff activity in New Hampshire's neighboring states also decreased during 2012. Maine experienced a small decrease in activity similar to New Hampshire, with 60 mass layoff events in 2012, compared with 62 in 2011. Employees filing initial claims for these layoff events actually increased from 5,260 in 2011 to 5,896 in 2012. Mass layoff events in Vermont dropped from 56 in 2011 to 50 in 2012. Employees filing initial claims for these layoff events decreased from 5,488 in 2011 to 5,355 in 2012. The largest decrease in mass layoff events was in Massachusetts, falling by 11 to 151 in 2012, compared to 162 in 2011. Employees filing initial claims for these layoff events decreased from 19,943 in 2011 to 16,944 in 2012.

### Annual Mass Layoff Statistics (Private Sector)

Year	New Hampshire		Maine		Vermont		Massachusetts	
	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims	Total # of layoffs	# of Initial Claims
2012	44	5,423	60	5,896	50	5,355	151	16,944
2011	47	5,488	62	5,260	56	5,488	162	19,943
2010	61	6,731	46	4,058	46	4,438	152	13,920
2009	90	8,548	68	5,922	93	9,140	252	23,153
2008	42	3,873	33	2,536	59	6,860	151	14,073
2007	31	3,053	40	3,035	52	5,480	120	9,931
2006	29	2,996	31	2,455	53	5,530	112	10,138

Layoff events include those events with at least 50 initial claims per employer and are either temporary or permanent in nature

All private non-farm industries. Totals exclude layoffs in Government and Agricultural industries.

Data subject to revision

Source: Bureau of Labor Statistics Mass Layoff Statistics Program

Mass layoff statistics are based on the location of the employers, not the residence state of the employees. New Hampshire's mass layoff events include many residents of neighboring states who commute to New Hampshire for work. New Hampshire residents who work in other states would be reflected in the statistics of the state in which they work. Mass layoff statistics are not directly comparable with labor force statistics, as labor force statistics are based on state of residence, not on location of last employment.

## Extended Mass Layoffs

The MLS program classifies layoffs of 50 or more employees as either mass layoffs or extended mass layoffs. Mass layoffs are those in which individual employees are separated from their employment for a period of 30 days or less. Extended mass layoffs, often referred to as permanent layoffs, are those in which individual workers are separated from their employment for a period of more than 30 days. Extended mass layoffs include seasonal employees, those on long-term layoff, and those who have been terminated from their employment.

New Hampshire employers initiated 21 extended mass layoff events in 2012 involving 2,659 initial claims filed by employees and 3,647 workers separated from their employment for more than 30 days. This was a significant increase from 14 extended mass layoff events in 2011 which involved 2,084 initial claims by employees and 3,186 workers separated from their employment for more than 30 days.

The number of employees separated from their employer for more than 30 days can be either greater than or less than the number of initial claims filed for each layoff event. The number of employees separated from their employer for more than 30 days is based on information provided by the employers. Not all separated employees file initial claims due to ineligibility for unemployment insurance benefits, the receipt of separation pay, finding other employment before filing, and in some cases employee retirement. Additionally, not all filers of initial claims are part of a layoff event lasting more than 30 days. Many layoff events result in layoffs lasting 30 days or less for some employees and more than 30 days for others. Those workers who are expected to be recalled within 30 days would be eligible to file initial claims but would not be included in the number of workers separated for more than 30 days.

An extended mass layoff realization rate represents the percentage of mass layoff events that are extended mass layoffs. New Hampshire's extended mass layoff realization rate was 59 percent in 2006 and 39 percent in 2007. New Hampshire's extended mass layoff realization rate decreased to 29 percent in 2008 and 2009, and was essentially unchanged at 30 percent in 2010 and 2011. In 2012 the extended mass layoff realization rate rose to 48 percent, reflecting a significant increase in the percentage of layoff events classified as extended mass layoffs. The lower extended mass layoff realization rate in recent years is the result of employers utilizing short-term, temporary layoffs during the recession and early recovery periods. The increase in the realization rate in 2012 is a return to a pre-recession level of layoffs extending beyond thirty days.

### Annual Extended Mass Layoffs in New Hampshire

Year	Extended Layoff Events		
	Total # of layoffs	# Workers Separated	# of Initial Claims
2012	21	3,647	2,659
2011	14	3,186	2,084
2010	18	3,627	2,789
2009	26	3,994	3,957
2008	12	1,842	1,434
2007	12	1,564	1,462
2006	17	1,871	1,928

Extended layoff events include those with at least 50 separations and continuing for more than 30 days.

Workers separated includes the total number of workers displaced as reported by employers.

Totals exclude layoffs in Government and Agricultural industries

Data subject to revision

Source: Bureau of Labor Statistics Mass Layoff Statistics Program

### Realization Rates Mass Layoffs in New Hampshire

Total # of layoffs	Total # of layoffs	Total # of extended layoffs	Realization Rate
2012	44	21	48%
2011	47	14	30%
2010	61	18	30%
2009	90	26	29%
2008	42	12	29%
2007	31	12	39%
2006	29	17	59%

Layoff events include those events with at least 50 initial claims per employer and are either temporary or permanent in nature.

Extended layoff events include those with at least 50 separations and continuing for more than 30 days.

Totals exclude layoffs in Government and Agricultural industries

Data subject to revision

Source: Bureau of Labor Statistics Mass Layoff Statistics Program