

ECONOMIC CONDITIONS in New Hampshire



May 2002

Volume 102, Number 5

Personal and Per Capita Personal Income 2

Tax Freedom in New Hampshire ... 3

Local Area Unemployment Statistics 5

Current Employment Statistics 6

For Additional Information 8

Fourth Quarter Employment & Wages

Manufacturing loses jobs and wages

The effects of the 2001 economic downturn hit New Hampshire hard in the 4th quarter of 2001. Employment dropped 7,511 from 4th quarter of 2000, with a preliminary total employment estimate of 609,064 for 2001. This drop was the first over-the-year quarterly loss since early 1992. Each month during the 4th quarter employment fell when compared to the same month in 2000.

Manufacturing felt the brunt of the downturn with 12,457 fewer jobs and a loss of over \$152 million in quarterly wages over-the-year. Within Manufacturing, Durable goods manufacturing lost 9,284 jobs and had over \$109 million less in wages. This was concentrated in the manufacture of electronic and other electrical equipment which suffered by losing 5,207 jobs and over \$66 million in wages. Nondurables fell by 3,175 jobs and over \$43 million in wages. Within Nondurables, Rubber and miscellaneous plastics products experienced a huge hit, losing 1,330 jobs with \$16 million in associated wages. Paper manufacturing declined by 944 jobs with \$11 million less in wages, and leather and leather products had 205 fewer jobs with a \$16.7 million reduction in wages.

Services fell by 1,993 jobs, but had mixed results within its major groups. Health services added 2,349 jobs, more than half in hospitals. Business services lost 5,420, half in personnel supply and a third in computer services. The latter, however, was responsible for a wage loss of \$38.2 million. Wholesale trade slid another 1,229 jobs and Transportation, communication, and public utilities dropped 352.

Offsetting some of the severe losses, Construction employment showed continued strength, up 1,799 jobs. Retail trade and Finance, insurance, and real estate added 1,295 and 1,154 jobs respectively. Retail trade added over \$47 million in wages, with every major group increasing its average wage. These numbers reflect the consumer driven recovery from the 2001 recession.

The public sector, however, led employment gains. Local government added 2,187, State about half that, and Federal about half the state number. Combined they totaled 3,756 more jobs and \$46.4 million in additional wages. This nearly offset the \$46.7 million loss in private wages.

Martin Capodice



Published by the Economic and Labor Market Information Bureau



Covered Employment & Wages Fourth Quarter 2000 & 2001

	Fourth Quarter 2001		Fourth Quarter 2000		Change	
	employment	wages	employment	wages	employment	wages
Total	609,064	\$5,893,342,447	616,575	\$5,893,635,676	-7,511	-\$293,229
Private	524,727	5,230,608,680	535,994	5,277,347,156	-11,267	-46,738,476
Agriculture	5,879	39,792,988	5,496	38,010,076	383	1,782,912
Mining	437	5,769,090	437	5,046,870	0	722,220
Construction	27,898	371,753,154	26,099	312,510,630	1,799	59,242,524
Manufacturing	94,576	1,183,950,661	107,033	1,336,182,353	-12,457	-152,231,692
TCU	21,165	226,224,667	21,517	247,391,677	-352	-21,167,010
Wholesale	32,675	507,024,220	33,904	531,481,845	-1,229	-24,457,625
Retail	134,915	743,804,371	133,620	696,192,542	1,295	47,611,829
FIRE	33,182	464,917,911	32,028	454,631,062	1,154	10,286,849
Services	172,972	1,671,889,153	174,965	1,638,428,483	-1,993	33,460,670
Government	84,337	662,733,767	80,581	616,288,520	3,756	46,445,247
Federal	8,144	96,586,260	7,643	90,613,846	501	5,972,414
State	19,985	157,138,597	18,917	143,892,699	1,068	13,245,898
Local	56,208	409,008,910	54,021	381,781,975	2,187	27,226,935

Personal and Per Capita Personal Income

Personal Income

The Bureau of Economic Analysis uses covered employment and wage data in figuring personal income each quarter. The fourth quarter 2001 total for New Hampshire, seasonally adjusted at annual rates, was \$42.6 billion. This over-the-year increase of less than one percent was fourth lowest in the region. Only Connecticut and Massachusetts grew at a slower pace than the Granite State. The nation's total personal income grew more than twice New Hampshire's rate.

As covered employment and wages saw quarterly declines in Manufacturing over-the-year, so did earnings. The large decline in Manufacturing earnings in fourth quarter 2001 was a primary contributor to the slow overall growth in total personal income. This industry's decline of 12.5 percent was second only to Connecticut for the region. Only Rhode Island and Maine saw slower declines than the national rate of -7.8 percent in this industry.

It took an increase in earnings in three other industries to offset the decline in Manufacturing. Earnings in Construction saw the fastest growth in New Hampshire from 4th quarter 2000 to 4th quarter 2001, 16.4 percent. This was more than five times the national rate and more than twice as fast as Massachusetts' rate, which saw the next fastest earnings growth in this industry in New England. Retail trade and Finance, insurance, and real estate saw earnings increase by 4.1 and 4.9 percent, respectively. These increases in earnings surpassed the national rate for both industries.

Total Personal Income New England States and U.S. (\$ millions)

State	4th Qtr 2000	4th qtr 2001	Percent Change
New Hampshire	\$42,308	\$42,642	0.8%
Connecticut	141,829	142,779	0.7%
Maine	32,989	34,070	3.3%
Massachusetts	245,664	246,847	0.5%
Rhode Island	31,093	31,928	2.7%
Vermont	16,767	17,203	2.6%
United States	8,490,472	8,633,090	1.7%

Source: Bureau of Economic Analysis, <www.bea.doc.gov>

Per Capita Personal Income

Personal income is income received from all sources, minus personal contributions for social insurance. Per capita personal income is the annual total personal income of residents divided by resident population. New Hampshire's preliminary 2001 per capita personal

income was \$33,928, up \$759 from the revised 2000 numbers. The Granite State maintained its 2000 ranking of 6th place in 2001. Connecticut and Massachusetts also maintained their 2000 ranking of 1st and 2nd place, respectively. Seven of the ten states with the highest per capita personal income in 2000 maintained their ranking in 2001.

Per Capita Personal Income New England States and U.S.

State	2000	2001	Rank	
			2000	2001
New Hampshire	\$33,169	\$33,928	6	6
Connecticut	40,702	41,930	1	1
Maine	25,380	26,385	36	35
Massachusetts	37,704	38,845	2	2
Rhode Island	29,113	29,984	18	16
Vermont	26,848	27,992	32	30
US Average	29,469	30,271	-	-

Source: BEA News Release, April 23, 2002, Bureau of Economic Analysis, <www.bea.doc.gov>

Nationally, per capita personal income rose by 2.7% to \$30,271, up from \$29,469 in 2000. Per capita personal income in all of the New England states except New Hampshire grew at a faster rate than the national number. The Granite State's per capita income increased 2.3 percent over-the-year.

Elisabeth E. Picard

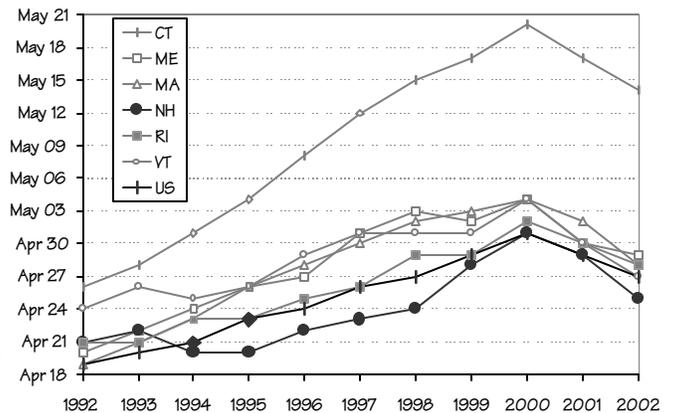
The Tax Foundation describes Tax Freedom as the day when Americans will finally have earned enough money to pay off their total tax bill for the year. Tax Freedom Days vary from state to state depending on local and state taxes. Tax Freedom Day in New Hampshire was April 25, 2002, four days earlier than 2001 and two days earlier than the nation. Granite Staters will have worked 115 days before Tax Freedom, ranking it 21st nationally.

New Hampshire had the earliest Tax Freedom Day in New England. Ver-

mont followed with a Tax Freedom date of April 27th, same as the nation. Connecticut has the largest total tax burden in the nation, translating into a Tax Freedom date of May 14th. Residents in Connecticut will have to work 134 days to earn enough money to pay their total tax bill.

Gail Houston

Tax Freedom in New Hampshire



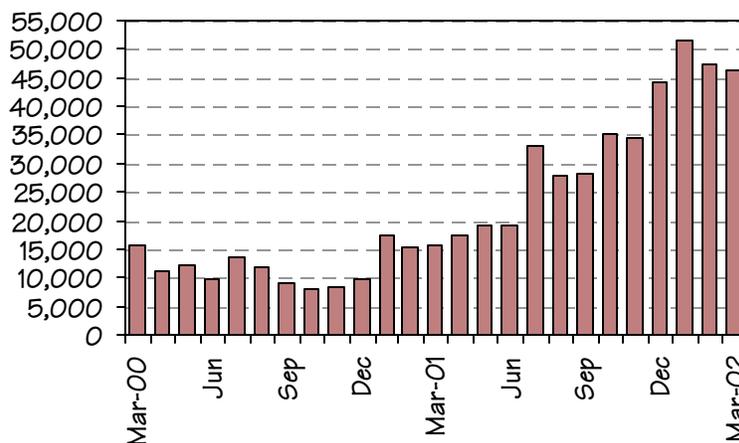
Source: Tax Foundation <www.taxfoundation.org>

Unemployment Compensation Claims Activity

Total Regular Unemployment Compensation Programs:				Change from Previous	
	Mar-02	Feb-02	Mar-01	Month	Year
				Net Percent	Net Percent
Initial Claims	3,988	4,550	2,869	-562 -12.4%	1,119 39.0%
Continued Weeks	46,459	47,486	15,663	-1,027 -2.2%	30,796 196.6%

Unemployment Compensation Fund

Unemployment compensation fund balance at the end of March:	\$331,638,271.63
Average payment for a week of total unemployment:	\$251.80
Net benefits paid:	\$10,339,271.09
Net contributions received during the month:	\$144,739.97
Interest Received:	\$4,963,242.13



Claims Activity

Trust Fund

Continued Weeks Claimed

Mar. 2000 - Mar. 2002

Continued weeks claimed have been at the highest over-the-year percentage increase in decades. This recession was preceded by historically low unemployment rates, thus providing a low number of continued weeks claimed used as a base for the latest over-the-year comparison.

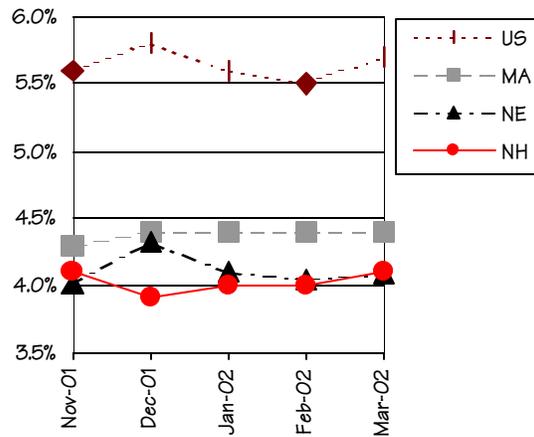
Mar-02	Feb-02	Feb-01	Mar-01	
			Month	Year
178.8	177.8	176.2	0.6%	1.5%

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

Consumer Price Index

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

New Hampshire's unemployment rate increase over-the-year was 1.0 percent. In New England, only Massachusetts' rate increased more.



Unemployment Rates by Region

	preliminary revised		
	Mar-02	Feb-02	Mar-01
United States	5.7%	5.5%	4.3%
Northeast	5.3%	5.2%	4.0%
New England	4.1%	4.0%	3.2%
Connecticut	3.5%	3.5%	2.8%
Maine	4.2%	3.9%	3.5%
Massachusetts	4.4%	4.4%	3.1%
New Hampshire	4.1%	4.0%	3.1%
Rhode Island	4.2%	4.2%	4.7%
Vermont	3.9%	3.5%	3.3%
Mid Atlantic	5.7%	5.6%	4.2%
New Jersey	5.5%	5.2%	3.8%
New York	5.9%	5.9%	4.3%
Pennsylvania	5.6%	5.5%	4.5%

Labor Force Estimates By Place of Residence

	Nov-01	Dec-01	Jan-02	revised Feb-02	preliminary Mar-02
New Hampshire					
Unemployment Rate	3.8%	4.1%	3.9%	4.0%	4.1%
Civilian Labor Force	701,780	704,900	688,640	708,070	707,760
Number Employed	675,320	676,200	661,730	679,970	678,510
Number Unemployed	26,460	28,700	26,910	28,100	29,250
United States (in thousands)					
Unemployment Rate	5.6%	5.8%	5.6%	5.5%	5.7%
Civilian Labor Force	142,279	142,314	141,390	142,211	142,005
Number Employed	134,253	134,055	133,468	134,319	133,894
Number Unemployed	8,026	8,259	7,922	7,891	8,111

Seasonally Adjusted Nonfarm Employment By Place of Establishment

Industry	Nov-01	Dec-01	Jan-02	revised Feb-02	preliminary Mar-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	Mar-02 preliminary	Feb-02 revised	Mar-01
Number of Workers			
Total Civilian Labor Force	704,890	703,170	685,530
Employed	673,430	672,710	661,630
Unemployed	31,460	30,460	23,900
Unemployment Rate (% of labor force)	4.5%	4.3%	3.5%

Unemployment Rates by Area

	Mar-02 preliminary	Feb-02 revised	Mar-01
--	-----------------------	-------------------	--------

U.S. and Regional States

United States	6.1%	6.1%	4.6%
Northeast	5.6%	5.7%	4.2%
New England	4.5%	4.6%	3.6%
Connecticut	3.7%	4.1%	2.9%
Maine	4.9%	4.9%	4.3%
Massachusetts	4.8%	4.7%	3.5%
New Hampshire	4.5%	4.3%	3.5%
Rhode Island	4.6%	5.4%	5.1%
Vermont	4.4%	4.6%	3.8%
Mid Atlantic	6.0%	6.2%	4.5%
New Jersey	5.5%	5.5%	3.8%
New York	6.2%	6.5%	4.6%
Pennsylvania	5.9%	6.2%	4.8%

Labor Market Areas

Berlin LMA	12.2%	12.8%	3.9%
Seabrook-South Hampton, NH			
Portion Boston, MA-NH PMSA	8.0%	8.7%	9.2%
Claremont LMA	2.5%	2.3%	2.4%
Colebrook LMA	2.9%	2.6%	3.8%
Concord LMA	3.4%	3.3%	3.0%
Conway LMA	4.1%	3.6%	3.9%
NH Portion Hartford-Lebanon, VT-NH LMA	1.3%	1.4%	1.6%
NH Portion Keene-Brattleboro, NH-VT LMA	2.9%	3.0%	3.3%
Laconia LMA	4.0%	3.8%	3.3%
Lancaster LMA	4.4%	3.6%	5.4%
Salem-Derry, NH Portion			
Lawrence, MA-NH PMSA	6.0%	6.0%	4.8%
Littleton LMA	3.2%	3.0%	4.2%
Pelham, NH Portion Lowell, MA-NH PMSA	7.2%	7.0%	5.4%
Manchester PMSA	4.4%	4.2%	3.0%
Nashua PMSA	5.6%	5.4%	3.5%
Peterborough LMA	3.9%	3.8%	3.7%
Plymouth LMA	3.2%	3.3%	2.7%
NH Portion Portsmouth-Rochester, NH-ME PMSA	4.2%	3.9%	3.4%

Counties

Belknap	4.3%	3.9%	3.5%
Carroll	3.9%	3.4%	3.7%
Cheshire	3.2%	3.3%	3.6%
Coos	8.2%	8.1%	4.4%
Grafton	2.3%	2.3%	2.5%
Hillsborough	5.0%	4.8%	3.3%
Merrimack	3.2%	3.1%	2.9%
Rockingham	5.2%	5.1%	4.2%
Strafford	4.4%	4.2%	3.6%
Sullivan	2.5%	2.3%	2.5%

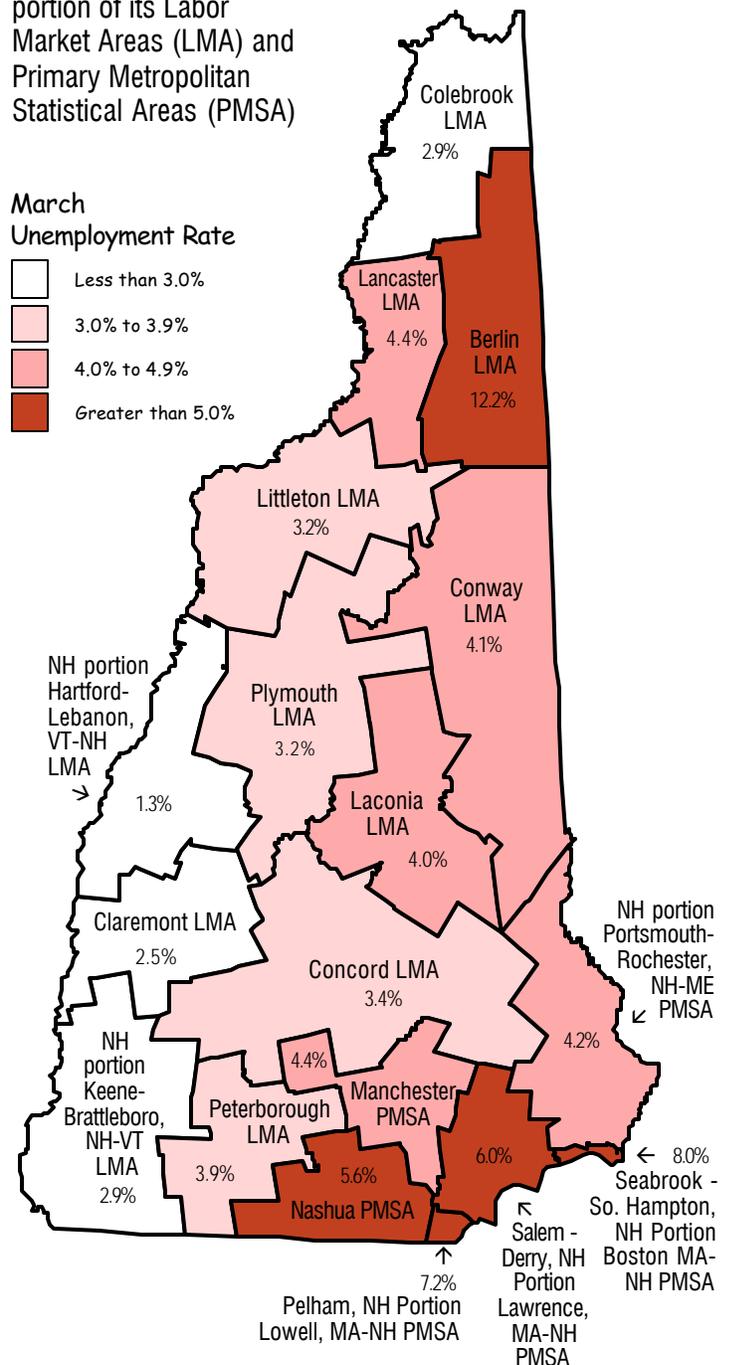
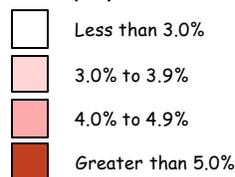
**Local Area
Unemployment
Statistics
(LAUS)**

**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)

March
Unemployment Rate



Statewide employment dropped a thousand over-the-month, attributed directly to reductions in Services.

More detailed industry information is available at our Web site

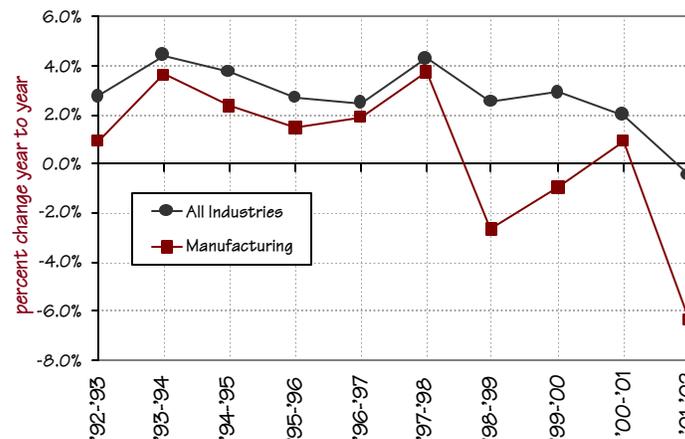
Nonfarm employment in selected industries

Percent change March to March, 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:	
	Mar-02 (preliminary)	Feb-02 (revised)	Mar-01	Month	Year
	Total All Industries	619,000	620,000	621,900	-1,000
Private Employment Total	531,900	532,800	534,500	-900	-2,600
Mining	500	500	400	0	100
Construction	25,400	25,100	23,500	300	1,900
Manufacturing	100,400	100,500	107,200	-100	-6,800
Durable Goods Total	73,100	73,300	78,300	-200	-5,200
Nondurable Goods Total	27,300	27,200	28,900	100	-1,600
Transportation & Public Utilities	20,900	21,000	21,500	-100	-600
Trade Total	160,900	160,900	159,400	0	1,500
Wholesale Trade	32,400	32,400	32,400	0	0
Retail Trade	128,500	128,500	127,000	0	1,500
Finance, Insurance, & Real Estate	33,800	33,800	33,500	0	300
Services	190,000	191,000	189,000	-1,000	1,000
Government Total	87,100	87,200	87,400	-100	-300

Note: Totals are rounded to hundreds



Manchester PMSA was relatively unchanged over-the-month. Manufacturing was primarily responsible for over-the-year reduction in jobs.

Current Employment Statistics (CES) Manchester PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Mar-02 (prelim.)	Feb-02 (revised)	Mar-01	Month	Year
	Total All Industries	105,700	105,600	107,900	100
Private Employment Total	93,800	93,700	96,100	100	-2,300
Construction & Mining	5,100	5,000	4,800	100	300
Manufacturing	12,300	12,300	14,800	0	-2,500
Durable Goods	8,300	8,400	10,400	-100	-2,100
Transportation & Public Utilities	6,700	6,700	6,400	0	300
Trade Total	26,400	26,400	26,400	0	0
Wholesale Trade	7,200	7,300	7,200	-100	0
Retail Trade	19,200	19,100	19,200	100	0
Finance, Insurance, & Real Estate	8,400	8,400	8,100	0	300
Services	34,900	34,900	35,600	0	-700
Government Total	11,900	11,900	11,800	0	100

Current Employment Statistics Nashua PMSA

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

Manufacturing was the big job loser over-the-month and over-the-year in the Nashua PMSA.

Current Employment Statistics Portsmouth-Rochester, NH-ME PMSA

Employment by Industry Number of jobs by place of establishment	Number of Jobs			Change from previous:	
	Mar-02 (prelim.)	Feb-02 (revised)	Mar-01	Month	Year
	Total All Industries	124,900	125,600	123,500	-700
Private Employment Total	100,400	100,800	100,000	-400	400
Construction & Mining	4,200	4,000	3,800	200	400
Manufacturing	17,000	17,300	18,700	-300	-1,700
Durable Goods	10,900	11,200	12,200	-300	-1,300
Nondurable Goods	6,100	6,100	6,500	0	-400
Transportation & Public Utilities	4,300	4,300	4,200	0	100
Trade Total	32,900	33,000	31,400	-100	1,500
Wholesale Trade	6,200	6,200	6,100	0	100
Retail Trade	26,700	26,800	25,300	-100	1,400
Finance, Insurance, & Real Estate	6,400	6,400	6,500	0	-100
Services	35,600	35,800	35,400	-200	200
Government Total	24,500	24,800	23,500	-300	1,000

Despite a minimal drop from last month, Retail trade supported the Portsmouth-Rochester area to an over-the-year gain in employment.

Average Earnings and Hours of Production Workers in Manufacturing

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Mar-02 prelim.	Feb-02 revised	Mar-01	Mar-02 prelim.	Feb-02 revised	Mar-01	Mar-02 prelim.	Feb-02 revised	Mar-01
	New Hampshire								
All Manufacturing	\$586.86	\$575.79	\$561.84	43.6	42.4	41.1	\$13.46	\$13.58	\$13.67
Durable Goods	611.16	600.76	570.35	46.3	44.9	42.5	13.20	13.38	13.42
Nondurable Goods	527.62	514.40	542.13	37.0	36.2	37.7	14.26	14.21	14.38
Manchester PMSA									
All Manufacturing	\$642.70	\$635.58	\$631.05	40.6	39.6	40.4	\$15.83	\$16.05	\$15.62
Durable Goods	695.16	683.43	676.49	42.7	41.8	42.6	16.28	16.35	15.88
Nashua PMSA									
All Manufacturing	\$518.78	\$517.63	\$549.85	38.6	38.4	39.7	\$13.44	\$13.48	\$13.85
Durable Goods	481.19	473.18	514.95	37.8	37.2	39.1	12.73	12.72	13.17
Nondurable Goods	679.49	717.75	688.64	42.1	43.5	42.3	16.14	16.50	16.28
Portsmouth-Rochester, NH-MA PMSA									
All Manufacturing	\$564.30	\$579.16	\$528.54	41.1	40.7	39.8	\$13.73	\$14.23	\$13.28
Durable Goods	621.28	640.84	585.20	44.0	43.3	41.8	14.12	14.80	14.00
Nondurable Goods	465.12	468.58	422.73	36.0	36.1	36.1	12.92	12.98	11.71

An increase in average weekly hours resulted in an increase in average weekly earnings in the Manchester PMSA. This was the only area to experience an increase in weekly earnings both over-the-month and over-the-year.

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>
<p>U.S. Department of Labor Boston Regional Office: Bureau of Labor Statistics Information(617) 565-2327</p>		
<p>About This Publication: <i>Economic Conditions in New Hampshire</i> is published monthly in coordination with the Bureau of Labor Statistics and the Employment and Training Administration of the U.S. Department of Labor. NHES is an Equal Opportunity Employer and complies with the Americans with Disabilities Act. Auxiliary aids and services are available upon request to individuals with disabilities. TDD ACCESS: RELAY NH 1-800-735-2964.</p>		
<p>To Order Publications: Visit our Web site at <www.nhes.state.nh.us/elmi/>; call (603) 228-4124; or send a written request to the following address:</p> <p style="text-align: center;">ELMI Publications New Hampshire Employment Security 32 South Main Street Concord, New Hampshire 03301-4857</p>		

NH EMPLOYMENT SECURITY
 32 SOUTH MAIN STREET
 CONCORD NH 03301-4857

OFFICIAL BUSINESS

ADDRESS SERVICE REQUESTED