

New Hampshire Economic Conditions

August 2013

New Hampshire's Unemployed and Underemployed

An in-depth look at unpublished Current Population Survey data for the period July 2012 through June 2013 indicates that approximately 41,200 New Hampshire residents were unemployed and approximately 33,900 were working part-time for economic reasons.¹ Part-time for economic reasons is often referred to as involuntary part-time employment.²

The Current Population Survey provides information regarding the people who are unemployed and those who are working part-time hours but want to work full-time.

This latter group is classified as working part-time for economic reasons. Those who worked part-time for economic reasons worked less than 35 hours during the survey week due to business conditions or because they could not find a full-time job.

Six alternative measures of labor underutilization are released on a quarterly basis in the form of a four-quarter moving average. These measures are designated as U-1 through U-6. The measure that uses similar criteria to the official unemployment rate is designated as U-3. Measures U-1 and U-2 are

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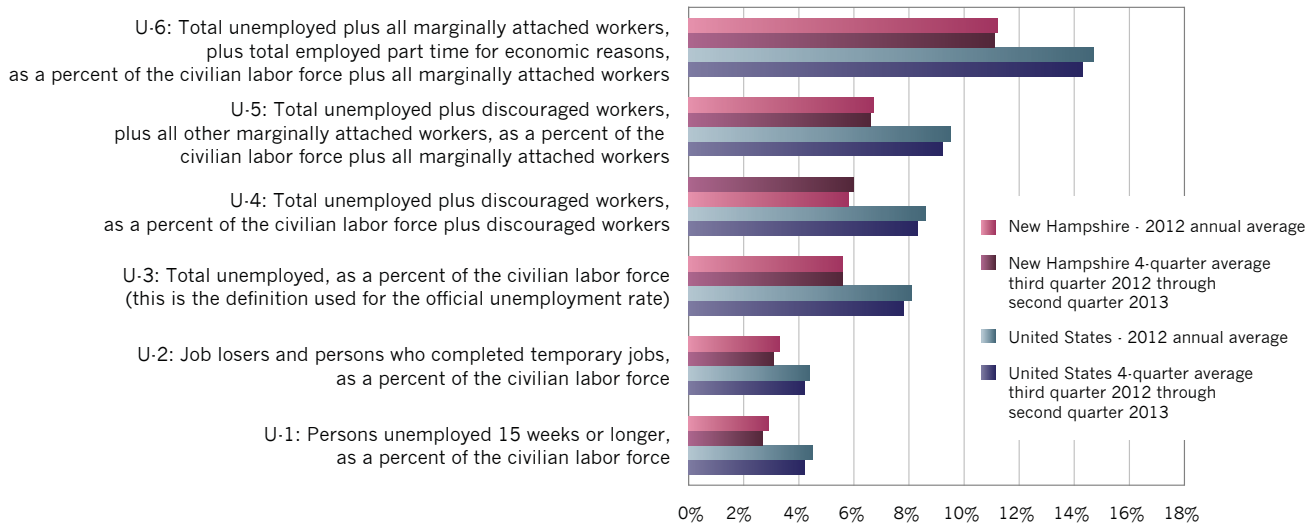
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¹ The Current Population Survey is the source of information on work status of individuals 16 years of age and older. It is a household survey conducted by the U.S. Census Bureau that gathers data on labor force status and the number of hours of work, as well as many other demographic and labor force characteristics. As a household survey, the data represent residents of a specific area. This monthly household survey is conducted for a specific survey reference week, usually the week including the 12th of each month. The Current Population Survey is jointly sponsored by the Census Bureau and the Bureau of Labor Statistics.

² Unpublished data from the Current Population Survey also indicate that about 149,900 persons were working part-time for non-economic reasons, and are categorized as voluntarily working part-time. Over four times as many persons are working part-time voluntarily than are working part-time for economic reasons (involuntary).

Alternative Measures of Labor Underutilization New Hampshire & United States



more restrictive than the U-3, while measures U-4 through U-6 are more inclusive. The U-6 is often used to quantify underemployment as it includes the unemployed, those marginally attached to the labor force, and those who were working part-time for economic reasons. Recently, measures for the period July 2012 through June 2013 indicated an average unemployment rate (U-3 measure) for New Hampshire of 5.6 percent and a U-6 measure of 11.1 percent.³

Using the U-6 measure to highlight the underemployed, however, blurs the distinction between those who are unemployed despite their best efforts to find a job, those who want

a job but did not look for one, and those who are working part-time hours due to business conditions, but would prefer to work full-time. These involuntary part-time employees are representative of the underemployed.

Four-quarter moving averages of the alternative measures of labor underutilization, as well as the numbers behind them, have not declined significantly since the four-quarter period of April 2010 through March 2011. Given the stagnant numbers, what information can be obtained from the Current Population Survey to better describe the unemployed and underemployed in New Hampshire?

Gender

Based on the Current Population Survey, 5.6 percent of New Hampshire's labor force was unemployed in the period July 2012 through June 2013. An additional 4.6 percent of the labor force worked part-time for economic reasons. This compares to 68.2 percent of the labor force that worked full-time and 19.7 percent that worked part-time for non-economic reasons. The remaining 1.9 percent of the labor force is classified as other part-time. This includes part-time employees who worked full-time hours in the survey week, part-time employees who were absent from work, and retirees who only worked part-time hours due to Social Security earnings limitations.

³ Bureau of Labor Statistics. Accessed July 26, 2013. <www.bls.gov/lau/stalt.htm>.

New Hampshire Labor Force Status by Gender, Age and Educational Attainment July 2012 to June 2013

	Worked Full-Time	Worked Part-Time for Non-Economic Reasons	Worked Part-Time for Economic Reasons	Other Part-Time *	Unemployed
All Workers	68.2%	19.7%	4.6%	1.9%	5.6%
Gender:					
Male	75.9%	13.1%	4.0%	1.1%	6.0%
Female	59.8%	27.1%	5.2%	2.9%	5.0%
Age Group:					
Age 16 to 19	13.8%	57.3%	7.7%	3.9%	17.3%
Age 20 to 24	49.3%	26.1%	10.0%	2.6%	12.0%
Age 25 to 34	74.5%	14.5%	4.6%	1.7%	4.6%
Age 35 to 44	74.7%	15.5%	3.9%	1.4%	4.5%
Age 45 to 54	77.7%	13.7%	3.6%	1.0%	4.0%
Age 55 to 64	73.1%	17.4%	3.5%	1.9%	4.0%
Age 65 and over	40.6%	44.6%	4.0%	5.7%	5.2%
Educational Attainment:					
Less than High School Diploma	40.5%	36.4%	5.9%	3.2%	14.0%
High School Diploma or Equivalent	66.9%	17.4%	6.6%	1.5%	7.6%
Some College, but No Degree	61.5%	25.8%	4.7%	2.2%	5.8%
Associate Degree	71.2%	19.2%	4.1%	1.9%	3.6%
Bachelor's Degree	75.2%	15.9%	3.4%	2.0%	3.6%
Graduate Degree (Master's, Professional, Doctorate)	77.4%	16.8%	1.9%	1.6%	2.3%

* Other Part-Time includes part-time persons who worked full-time hours, were absent from work, or worked part-time due to Social Security retirement earnings limitations.

Source: US Census Bureau, unpublished Current Population Survey data (12 Months Average).

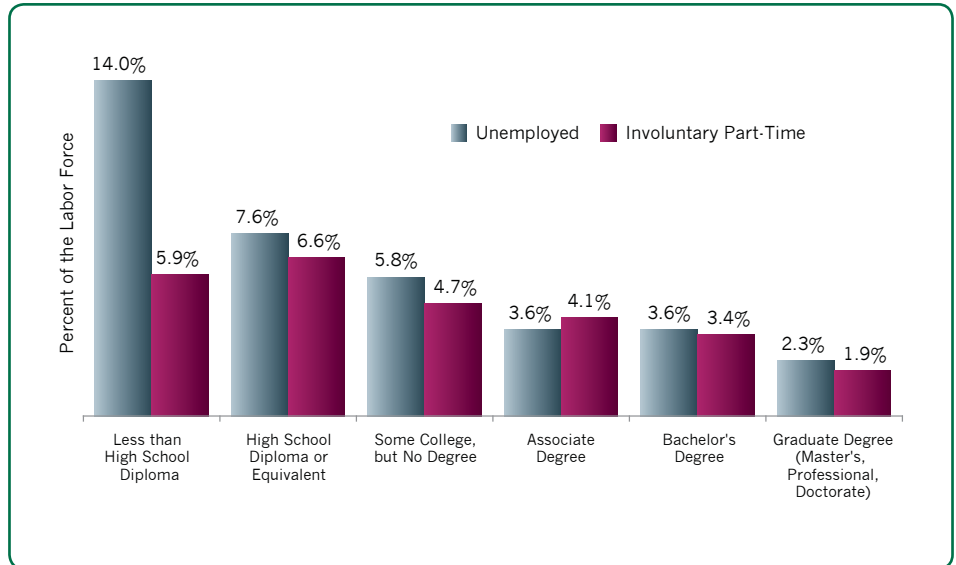
Approximately 74.6 percent of males age 16 and older participated in the labor force, either as employed or unemployed. Males experienced a higher rate of unemployment and a lower rate of involuntary part-time employment than the general population, at 6.0 percent and 4.0 percent respectively. Females experienced the opposite effect, with an unemployment rate of 5.0 percent and an involuntary part-time employment rate of 5.2 percent. Approximately 64.4 percent of females participated in the labor force during this period.

Age

The 16 to 19 years age group experienced the highest unemployment rate, 17.3 percent, and the second highest involuntary part-time employment rate, 7.7 percent, for the period July 2012 through June 2013. Incidentally, 57.3 percent of the 16 to 19 years age group worked part-time for non-economic reasons. The 20 to 24 years age group experienced an unemployment rate of 12.0 percent, while 10.0 percent worked part-time involuntarily, the highest share of any age group. The 25 to 34 years age group had a rate of 4.6 percent for both the unemployment rate and the involuntary part-time employment rate.

The 35 to 44 years age group experienced an unemployment rate of 4.5 percent, while 3.9 percent worked part-time involuntarily. The 45 to 54 years and 55 to 64 years age groups were nearly identical with a 4.0 percent unemployment rate, while 3.6 percent and 3.5 percent, respectively, worked part-time involuntarily. The unemployment rate for the 65 years and over age group

New Hampshire Unemployment and Involuntary Part-Time Employment by Educational Attainment - July 2012 to June 2013



was 5.2 percent while 4.0 percent worked part-time involuntarily. More than ten times as many people in this age group worked part-time for non-economic reasons than worked part-time for economic reasons.

Educational Attainment

Higher levels of educational attainment are usually associated with lower unemployment rates, and the same can be said of the rate of working part-time for economic reasons. During the period July 2012 through June 2013, persons with an associate's degree or higher level of educational attainment experienced lower unemployment rates and rates of involuntary part-time employment than the averages for all workers.

Persons who have less than a high school diploma or equivalent experienced an unemployment rate of 14.0 percent while 5.9 percent worked part-time involuntarily. This group does, however, include a large portion of younger persons who are

currently enrolled in high school, thus have both age and education factors affecting the rates. Those with a high school diploma or equivalent, which is the largest group by educational attainment, experienced an unemployment rate of 7.6 percent and an involuntary part-time employment rate of 6.6 percent. The group of persons with some college education but no degree, influenced by a portion of the group who are currently enrolled in college, experienced an unemployment rate of 5.8 percent. Among this group 4.7 percent worked part-time for economic reasons, while more than one-quarter worked part-time for non-economic reasons.

The unemployment rate drops significantly for those with a college degree. Where the average unemployment rate for New Hampshire during the period from July 2012 to June 2013 was 5.6 percent, those with either an associate's degree or a bachelor's degree had an unemployment rate of 3.6 percent. Those persons with

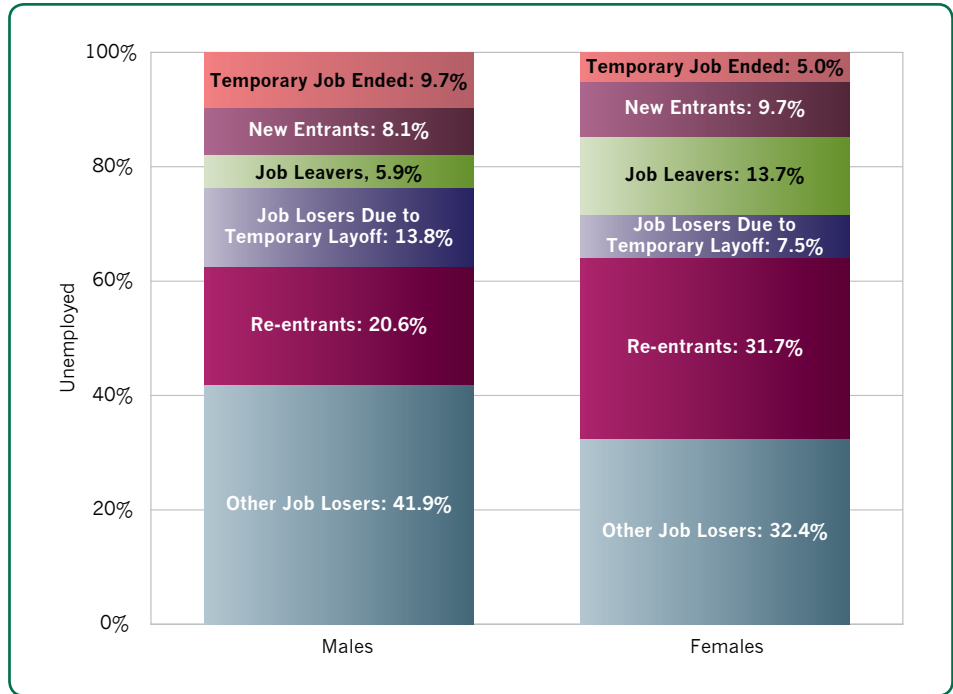
a graduate or professional degree had an unemployment rate of only 2.3 percent. The distinction between college degree levels for the rates of working part-time for economic reasons is even more dramatic. Among those with an associate's degree, 4.1 percent worked part-time involuntarily. Only 3.4 percent of bachelor's degree holders worked part-time involuntarily, while those with either a graduate or professional degree experienced a involuntary part-time employment rate of a mere 1.9 percent.

Reasons for Unemployment and Underemployment

Responses to the Current Population Survey provide insight to the reasons behind unemployment and underemployment, at least from the workers' perspective. The most common reason for unemployment was a job loss that was neither a temporary layoff nor the end of a temporary job. These "other job losers" accounted for 37.8 percent of the unemployed between July 2012 and June 2013. Temporary layoffs were responsible for 11.1 percent of the unemployed while temporary jobs ending were responsible for 7.7 percent of the unemployed.

The second most common reason for unemployment was re-entrance into the labor force. These were persons who had prior employment experience, but had exited the labor force prior to their most recent work search. Re-entrants accounted for 25.3 percent of the unemployed. The two remaining reasons for unemployment categorized in the Current Population Survey are new entrants to the labor force and job

Reasons for Unemployment in New Hampshire by Gender July 2012 to June 2013



leavers. New entrants are primarily young persons who had no prior work experience, and represented 8.8 percent of the unemployed. Increasing percentages of job leavers is sometimes considered a good sign, as it is often associated with an increase in employment opportunities within the labor market. Job leavers accounted for 9.3 percent of the unemployed.

Persons who worked part-time for economic reasons fall into one of three categories. Those who worked part-time hours because they could only find a part-time job represented 43.1 percent of the underemployed. Persons who usually worked part-time and had worked less than 35 hours during the survey week due to business conditions represented 41.4 percent of the underemployed.

The distinction between this group and those that could only find part-time jobs is that these jobs were not expected to be permanent part-time jobs. The normal work hours for these jobs were set to less than 35 hours per week due to business conditions and were expected to return to full time once business conditions improved. The final category that made up the remaining 15.5 percent of the underemployed were those who usually worked full-time, but worked less than 35 hours in the survey week due to business conditions. These persons experienced a temporary cut in their work hours, but normally worked 35 or more hours per week.

Robert Cote

Seasonally Adjusted Estimates

Unemployment Estimates by Region

Seasonally Adjusted	Jun-13	May-13	Jun-12
United States	7.6%	7.6%	8.2%
Northeast	7.6%	7.5%	8.3%
New England	7.1%	6.9%	7.3%
Connecticut	8.1%	8.0%	8.5%
Maine	6.8%	6.8%	7.3%
Massachusetts	7.0%	6.6%	6.7%
New Hampshire	5.2%	5.3%	5.6%
Rhode Island	8.9%	8.9%	10.6%
Vermont	4.4%	4.1%	5.1%
Mid Atlantic	7.8%	7.8%	8.7%
New Jersey	8.7%	8.6%	9.6%
New York	7.5%	7.6%	8.7%
Pennsylvania	7.5%	7.5%	8.0%

Local Area Unemployment Statistics (LAUS) by Place of Residence

New Hampshire	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Unemployment Rate	5.8%	5.8%	5.7%	5.5%	5.3%	5.2%
Civilian Labor Force	745,610	744,970	744,620	744,190	744,660	743,510
Number Employed	702,320	701,930	701,920	703,160	704,970	705,220
Number Unemployed	43,290	43,040	42,700	41,030	39,690	38,290
United States (in thousands)						
Unemployment Rate	7.9%	7.7%	7.6%	7.5%	7.6%	7.6%
Civilian Labor Force	155,654	155,524	155,028	155,238	155,658	155,835
Number Employed	143,322	143,492	143,286	143,579	143,898	144,058
Number Unemployed	12,332	12,032	11,742	11,659	11,760	11,777

Current Employment Statistics (CES) by Place of Establishment

Sector	Number of Jobs			Change from Previous	
	Jun-13	May-13	Jun-12	Month	Year
Total Nonfarm	644,000	642,100	633,500	1,900	10,500
Total Private	552,200	550,000	541,500	2,200	10,700
Mining and Logging	900	900	900	0	0
Construction	23,400	23,400	22,100	0	1,300
Manufacturing	66,200	65,900	66,000	300	200
Durable Goods	50,700	50,100	50,200	600	500
Non-Durable Goods	15,500	15,800	15,800	-300	-300
Trade, Transportation, and Utilities	135,500	136,000	135,900	-500	-400
Wholesale Trade	26,100	26,100	26,700	0	-600
Retail Trade	95,300	95,900	94,500	-600	800
Transportation, Warehousing, and Utilities	14,100	14,000	14,700	100	-600
Information	11,800	11,800	12,000	0	-200
Financial Activities	36,300	35,600	35,000	700	1,300
Professional and Business Services	70,400	70,800	68,000	-400	2,400
Professional, Scientific, and Technical	29,800	30,400	30,300	-600	-500
Administrative and Support	32,500	32,600	29,600	-100	2,900
Education and Health Services	116,600	115,700	114,200	900	2,400
Educational Services	29,800	29,200	28,600	600	1,200
Health Care and Social Assistance	86,800	86,500	85,600	300	1,200
Leisure and Hospitality	69,000	67,400	64,500	1,600	4,500
Arts, Entertainment, and Recreation	12,000	12,100	11,300	-100	700
Accommodation and Food Services	57,000	55,300	53,200	1,700	3,800
Other Services	22,100	22,500	22,900	-400	-800
Government	91,800	92,100	92,000	-300	-200
Federal Government	7,300	7,100	7,400	200	-100
State Government	24,900	25,800	24,600	-900	300
Local Government	59,600	59,200	60,000	400	-400

Current month
is preliminary;
past months
are revised

Prior data and area data are available on our Web site at www.nhes.nh.gov/elmi/statistics/ces-data.htm

Not Seasonally Adjusted Estimates by Place of Residence

Labor Force Estimates

New Hampshire	Jun-13	May-13	Jun-12
Total Civilian Labor Force	749,550	741,370	749,920
Employed	711,290	703,830	707,290
Unemployed	38,260	37,540	42,630
Unemployment Rate	5.1%	5.1%	5.7%

United States (# in thousands)	Jun-13	May-13	Jun-12
Total Civilian Labor Force	157,089	155,734	156,385
Employed	144,841	144,432	143,202
Unemployed	12,248	11,302	13,184
Unemployment Rate	7.8%	7.3%	8.4%

Unemployment Rates by Region

Not Seasonally Adjusted	Jun-13	May-13	Jun-12
United States	7.8%	7.3%	8.4%
Northeast	7.8%	7.5%	8.4%
New England	7.3%	7.0%	7.4%
Connecticut	8.2%	8.1%	8.7%
Maine	6.8%	6.8%	7.1%
Massachusetts	7.4%	6.7%	6.9%
New Hampshire	5.1%	5.1%	5.7%
Rhode Island	8.5%	9.2%	10.3%
Vermont	4.8%	4.2%	5.2%
Mid Atlantic	8.0%	7.7%	8.8%
New Jersey	9.0%	8.7%	9.8%
New York	7.6%	7.4%	8.7%
Pennsylvania	7.9%	7.4%	8.3%

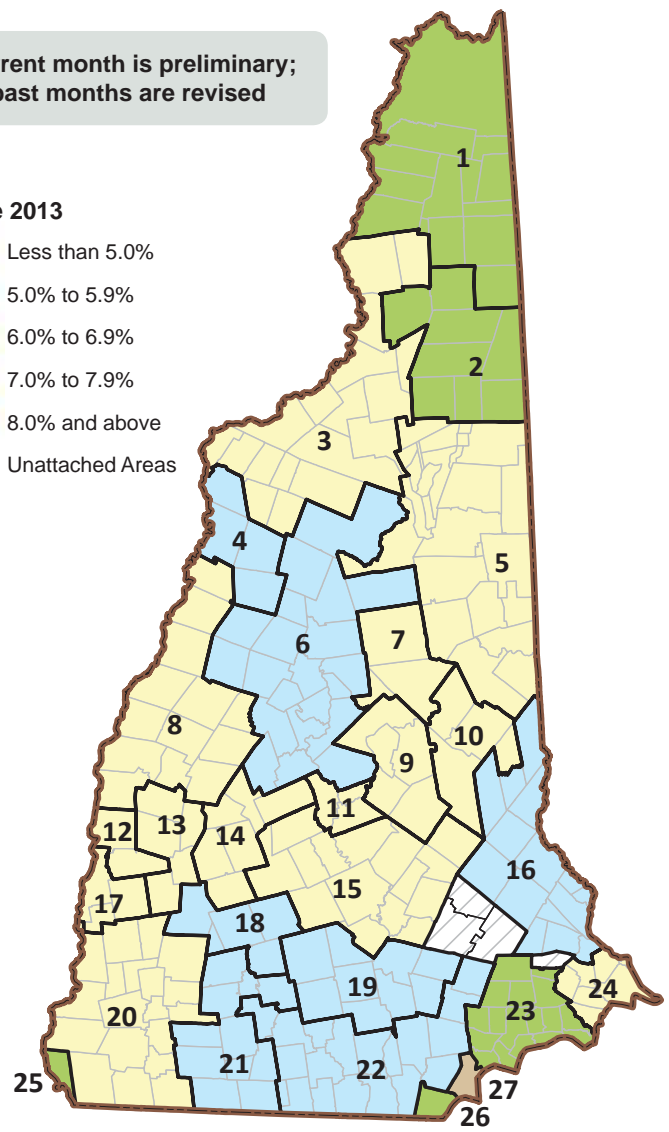
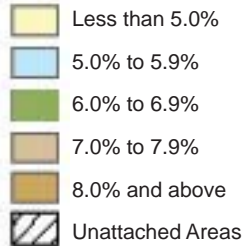
Unemployment Rates by Area

Counties	Jun-13	May-13	Jun-12
Belknap	4.7%	4.8%	5.2%
Carroll	4.5%	4.8%	4.9%
Cheshire	5.0%	5.0%	5.6%
Coos	5.8%	6.4%	7.8%
Grafton	4.4%	4.3%	4.9%
Hillsborough	5.3%	5.2%	5.9%
Merrimack	4.6%	4.6%	5.2%
Rockingham	5.5%	5.4%	6.0%
Strafford	5.0%	5.0%	5.8%
Sullivan	4.3%	4.3%	5.0%

Map Key	Labor Market Areas	Jun-13	May-13	Jun-12
1	Colebrook NH-VT LMA, NH Portion	6.3%	7.6%	8.3%
2	Berlin NH MicroNECTA	6.5%	7.0%	8.9%
3	Littleton NH-VT LMA, NH Portion	4.2%	4.5%	5.4%
4	Haverhill NH LMA	5.2%	5.2%	5.5%
5	Conway NH-ME LMA, NH Portion	4.8%	5.2%	5.3%
6	Plymouth NH LMA	5.1%	5.4%	5.6%
7	Moultonborough NH LMA	3.3%	3.4%	3.5%
8	Lebanon NH-VT MicroNECTA, NH Portion	3.7%	3.5%	4.2%
9	Laconia NH MicroNECTA	4.8%	5.0%	5.3%
10	Wolfeboro NH LMA	4.2%	4.4%	4.6%
11	Franklin NH MicroNECTA	4.8%	4.8%	5.3%
12	Claremont NH MicroNECTA	4.4%	4.1%	4.9%
13	Newport NH LMA	4.9%	5.0%	5.6%
14	New London NH LMA	4.5%	4.7%	5.2%
15	Concord NH MicroNECTA	4.6%	4.5%	5.0%
16	Rochester-Dover NH-ME MetroNECTA, NH Portion	5.0%	5.0%	5.8%
17	Charlestown NH LMA	4.4%	4.4%	5.1%
18	Hillsborough NH LMA	5.5%	5.5%	6.3%
19	Manchester NH MetroNECTA	5.0%	4.9%	5.7%
20	Keene NH MicroNECTA	4.8%	4.8%	5.4%
21	Peterborough NH LMA	5.5%	5.4%	6.1%
22	Nashua NH-MA NECTA Division, NH Portion	5.4%	5.3%	5.9%
23	Exeter Area, NH Portion, Haverhill-N. Andover-Amesbury MA-NH NECTA Division	6.2%	5.8%	6.4%
24	Portsmouth NH-ME MetroNECTA, NH Portion	4.5%	4.5%	4.8%
25	Hinsdale Town, NH Portion, Brattleboro VT-NH LMA	6.8%	5.9%	6.3%
26	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford MA-NH NECTA Division	6.8%	6.6%	7.2%
27	Salem Town, NH Portion, Lawrence-Methuen-Salem MA-NH NECTA Division	7.4%	7.3%	8.2%

Current month is preliminary; past months are revised

June 2013



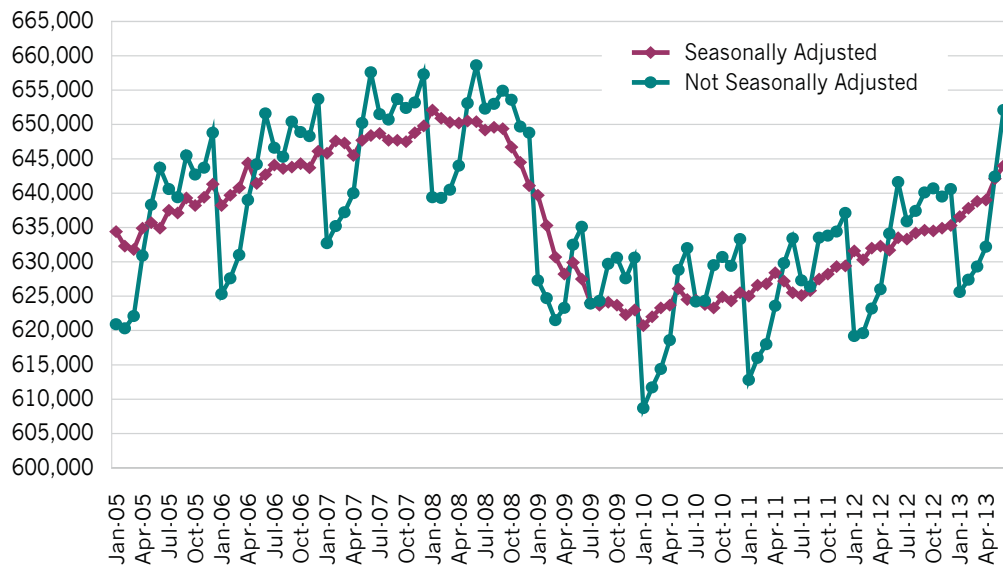
New Hampshire unemployment and labor force estimates are calculated using a regression model which depends on Current Population Survey (CPS) estimates. Labor Market Area estimates are calculated using the Bureau of Labor Statistics "Handbook Method" and then adjusted to the State levels.

Monthly Analysis of Current Employment Statistics (CES)

New Hampshire Nonfarm Employment Statewide Not Seasonally Adjusted

	Number of Jobs			Change from previous:	
	Jun-13 preliminary	May-13 revised	Jun-12	Month	Year
Total All Supersectors	652,100	642,400	641,600	9,700	10,500
Private Employment Total	562,700	548,300	552,500	14,400	10,200
Mining and Logging	1,000	900	1,000	100	0
Construction	24,800	24,100	23,200	700	1,600
Manufacturing	66,500	65,700	66,400	800	100
Durable Goods	50,800	50,100	50,500	700	300
Non-Durable Goods	15,700	15,600	15,900	100	-200
Trade, Transportation and Utilities	137,400	134,200	137,600	3,200	-200
Wholesale Trade	26,500	25,900	27,000	600	-500
Retail Trade	96,500	94,300	95,500	2,200	1,000
Transportation and Utilities	14,400	14,000	15,100	400	-700
Information	11,900	11,800	12,100	100	-200
Financial Activities	36,600	35,500	35,300	1,100	1,300
Professional and Business	71,300	70,800	69,100	500	2,200
Education and Health	116,100	116,800	113,700	-700	2,400
Leisure and Hospitality	74,500	66,300	70,700	8,200	3,800
Other Services	22,600	22,200	23,400	400	-800
Government Total	89,400	94,100	89,100	-4,700	300
Federal Government	7,300	7,200	7,400	100	-100
State Government	22,800	25,800	22,100	-3,000	700
Local Government	59,300	61,100	59,600	-1,800	-300

Total Nonfarm Employment Trend for June 2013

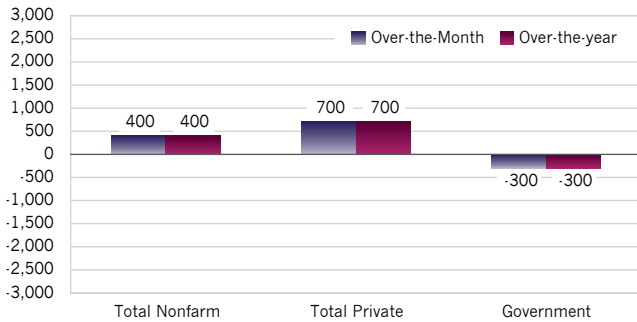


Not Seasonally Adjusted Estimates by Place of Establishment

Nonfarm Employment by Metropolitan Statistical Areas

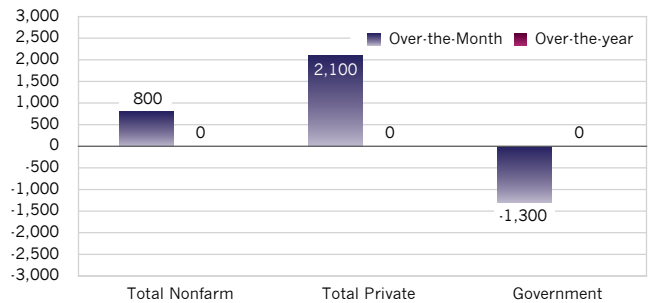
Manchester Metro NECTA

June 2013



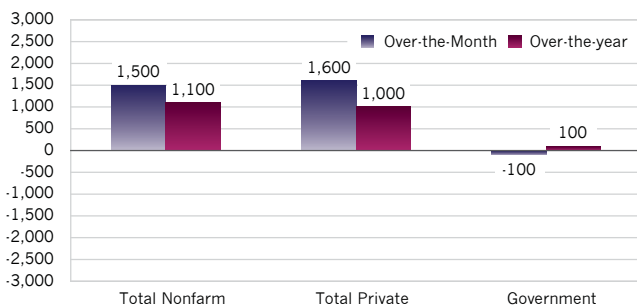
Nashua NH-MA NECTA Division

June 2013



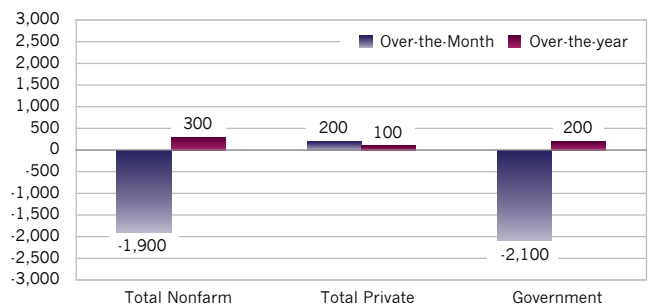
Portsmouth NH-ME NECTA

June 2013



Rochester-Dover NH-ME NECTA

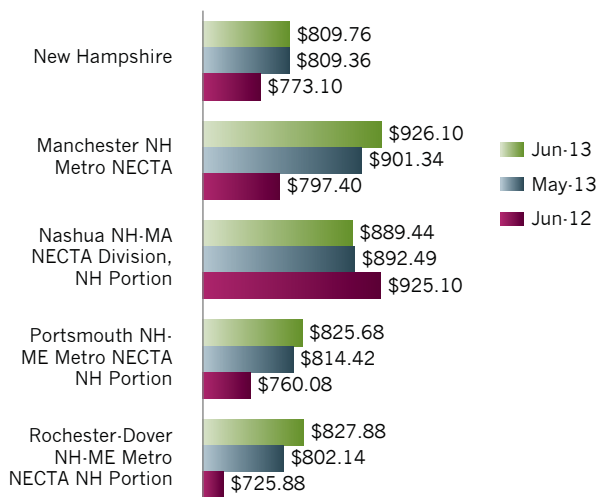
June 2013



Average Weekly Earnings Data

All Employees Average Weekly Earnings

June 2013



Production Workers Average Weekly Earnings

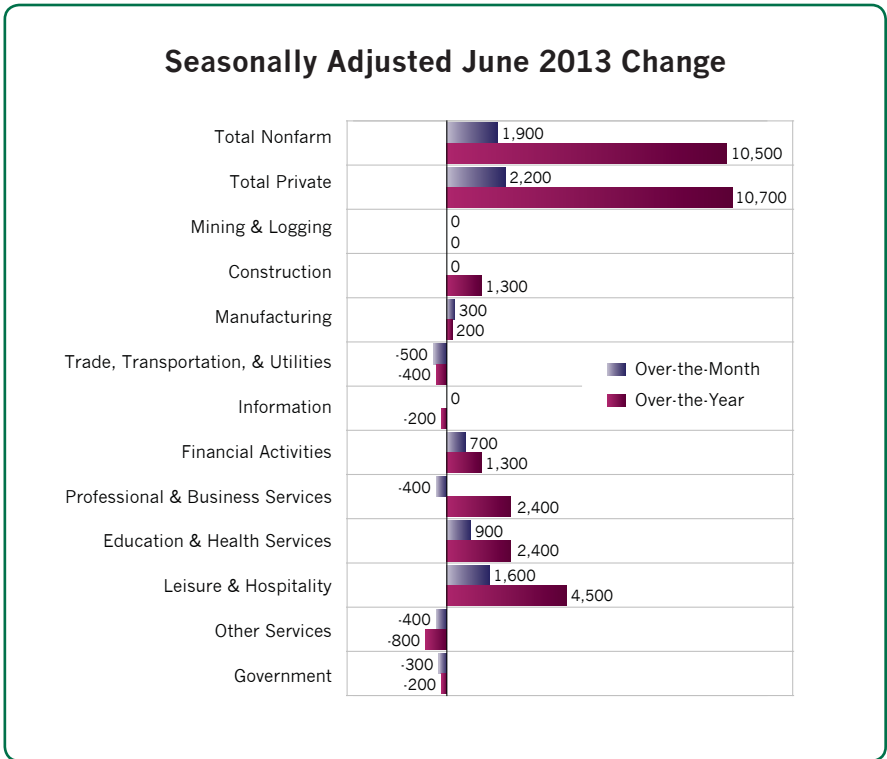
June 2013



Sector data for the four areas and hours and earnings data are available on our web site: www.nhes.nh.gov/elmi/statistics/ces-data.htm

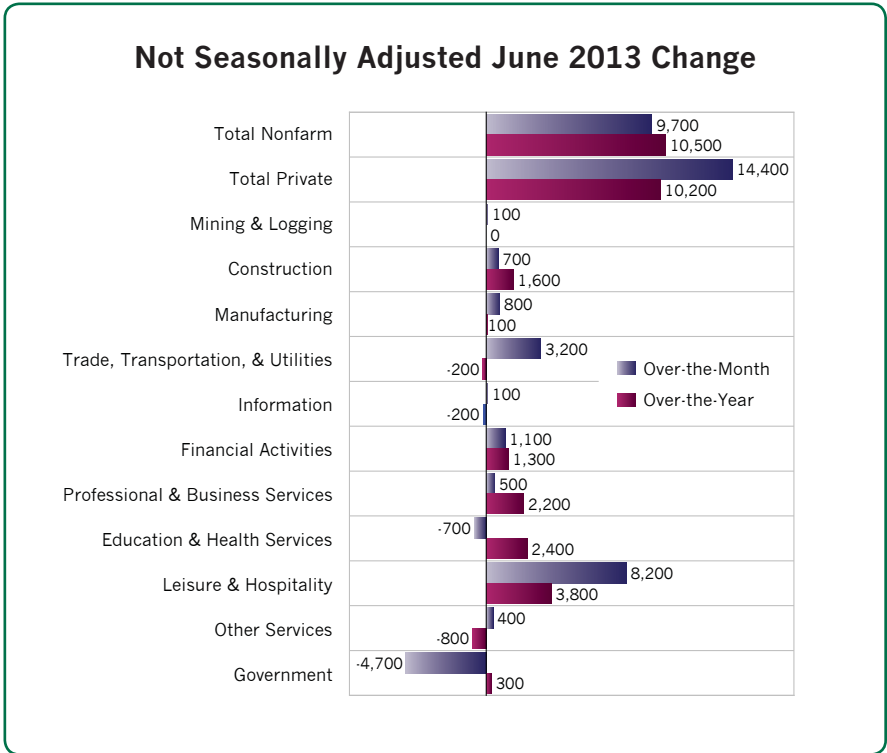
Seasonally Adjusted Statistical Analysis of Nonfarm Employment

- Seasonally adjusted nonfarm employment rose by 1,900 jobs from May to June. All of this growth was in the private sector.
- Nearly seventy-three percent of the growth in the private sector was leisure and hospitality, up 1,600 jobs, over-the-month.
- Between June 2012 and June 2013 seasonally adjusted employment increased by 10,500 jobs. The private sector added 10,700 jobs, while government lost 200 jobs.
- Just over 42 percent of the over-the-year growth in the private sector was in leisure and hospitality.



Not Seasonally Adjusted Statistical Analysis of Nonfarm Employment

- Over-the-month, New Hampshire's not seasonally adjusted employment increased by 9,700 jobs. Almost 85 percent of this growth was in leisure and hospitality, up 8,200 jobs.
- The private sector added 14,400 jobs, while the government sector lost 4,700 jobs from May to June. Much of the loss in government was in state and local education.
- Not seasonally adjusted employment expanded by 10,500 jobs, over-the-year. Nearly all of this growth was in the private sector.
- Employment in leisure and hospitality, education and health services, and professional and business services each added over 2,000 jobs between June 2012 and June 2013.



For further analysis, see the *Detailed Monthly Analysis of Industry Employment Data* on our web site: www.nhes.nh.gov/elmi/statistics/ces-data.htm

Unemployment Compensation Claims Activity

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Initial Claims	7,135	5,159	4,419	5,111	3,638	4,464
Continued Weeks Claimed	48,356	45,419	49,210	40,311	31,254	31,697

Consumer Price Index

United States, All Urban Consumers, Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
Jun-13	May-13	Jun-12	Change from Previous	
			Month	Year
233.504	232.945	229.478	0.2%	1.8%

NH Employment Security Economic and Labor Market Information Bureau

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