

New Hampshire ECONOMIC CONDITIONS

September
2018

Measuring New Hampshire's Unemployment Rate

The July preliminary unemployment rate was 2.7 percent. The unemployment rate is one of the principal measuring sticks used to gauge the health of the economy. Each month New Hampshire announces the official seasonally adjusted unemployment rate representing the share of the labor force that is unemployed and looking for work. The labor force includes all persons age 16 years and over classified as employed or unemployed (but looking for work). The importance of seasonal adjustment is that it reflects the underlying state of the economy, and allows comparison from one month

to another, regardless of the seasonal patterns. An added benefit is that all states use the same methodology and can be compared.

The low unemployment rate bodes well for the 758,470 residents who are employed, but unemployed residents numbered 20,410. Unemployed persons include those age 16 years and over who have no employment, are available for work, and make efforts to find work. Persons waiting to be recalled to a job from which they had been laid off need not look for work to be classified as unemployed. Employed

persons include those who work for pay, are self-employed, work unpaid for 15 hours or more in a family-owned

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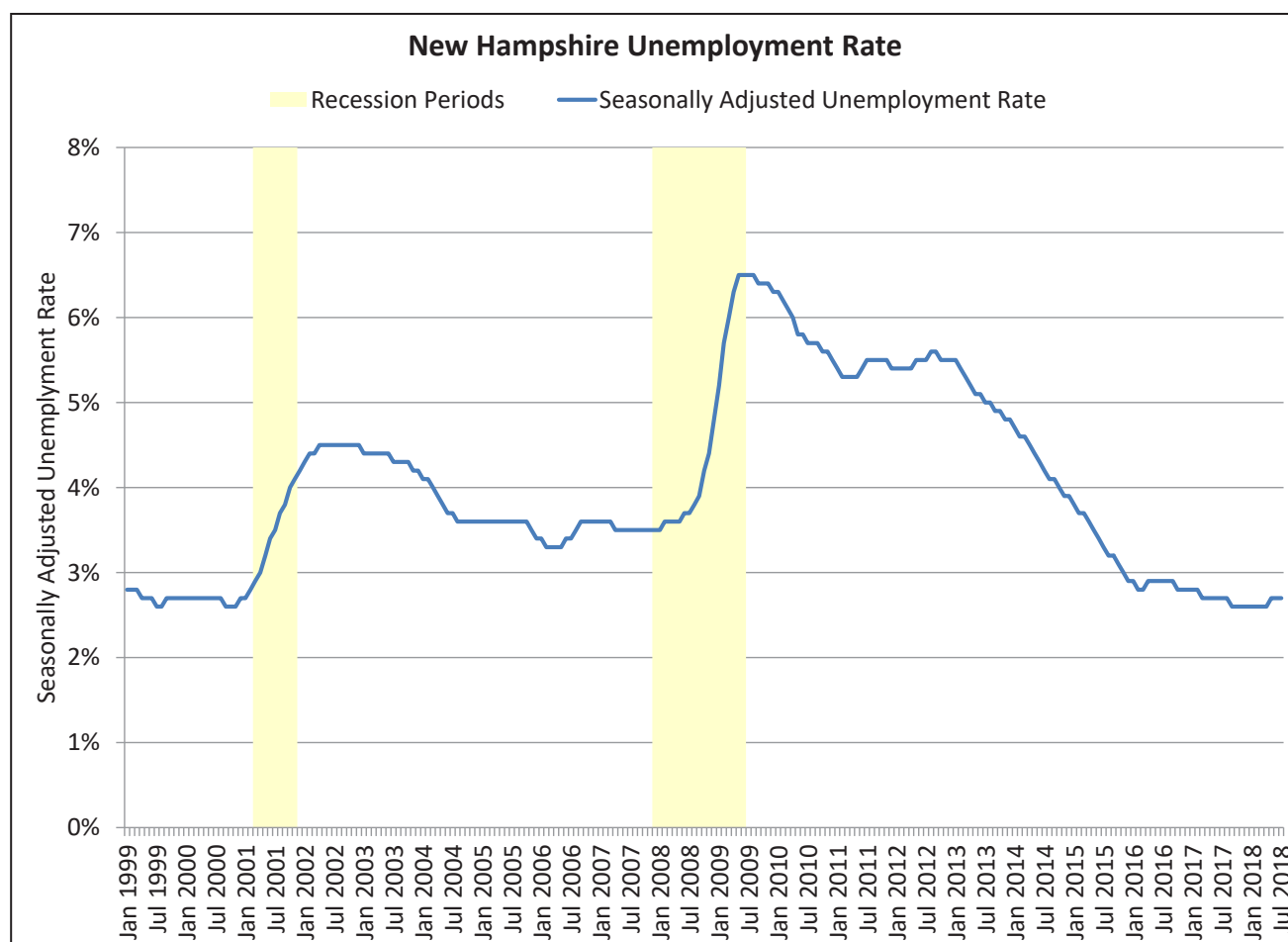
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business, or who are temporarily absent from a job due to vacation or illness.

Broad definitions, however, present some limitations. For example, a person is counted as employed no matter how many hours a week they work. Someone who works as little as one hour per week for pay is included the same way as someone who works sixty hours in a week. On the other hand, someone who has been unsuccessfully looking for a job could become so discouraged by the experience that they stop looking. If this happens, and they are no longer actively looking for a job, they would no longer be included as unemployed in the official unemployment measure.

To address these concerns, the Bureau of Labor Statistics prepares alternative ways to measure how labor resources – people – are being utilized in the United States. Five additional measures using a twelve-month average are made available by state each quarter. Each measure shows a different aspect of unemployment or underemployment. Because these are calculated using twelve-month averages, seasonality is removed and the data are not adjusted.

Alternative Measures of Labor Underutilization

(Adapted from New Hampshire Economics Conditions Extra – May 2009)

The low official unemployment rate suggests that New Hampshire's economy and labor force utilization have regained momentum since the most recent 2007-2009 recession. Using the alternative measures of labor underutilization, a more detailed comparison can be made from the beginning of the recession period to the current period. The intention of these measures is to determine any and all attachment to the work force.

U-1: Persons unemployed 15 weeks or longer, as a percent of the civilian labor force.

The same share of the labor force, 0.9 percent, was unemployed 15 weeks or longer in both 2007 and 2017. This indicates that roughly the same proportion of the labor force was experiencing long-term unemployment in 2017 as in 2007. The lower rate indicates that most unemployed people reenter employment easier and are not experiencing long periods of unemployment. The U-1 measure peaked at 3.2 percent in 2009.

U-2: Job losers and persons who completed temporary jobs, as a percent of the civilian labor force.

In 2007 the share of the labor force who lost their jobs only through layoff or other dismissal, and those who had

been working a temporary job that ended was 1.8 percent compared to 1.5 percent in 2017. This measure does not include persons who left jobs voluntarily but are still looking for a new job, nor does it include new entrants into the workforce. An elevation in this measure of job losers indicates that businesses are not confident with the economic environment, while an increase in the number of voluntary job leavers indicates an increased availability of jobs and confidence in the economy. The U-2 reached 4.5 percent in 2009.

U-3: Total unemployed (willing and able to work, and actively looking for a job), as a percent of the civilian labor force.

New Hampshire's U-3 measure was 3.6 percent in 2007 and had declined to 2.8 percent by 2017. This measure most closely resembles the traditional (official) unemployment rate. It measures total unemployment (those not working but willing and able to work, and actively seeking employment over the prior four-weeks) as a share of the total civilian labor force. The total civilian labor force includes the total of employment and unemployment.

U-4: Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers.

In 2007, 3.7 percent of New Hampshire's labor force was unemployed plus those who were discouraged. This measure declined to 2.9 percent in 2017. Discouraged workers belong to a subset of workers who are marginally attached to the labor force, (but are not in the labor force) and have given a job-market related reason for not currently looking for a job. For example, discouraged workers did not recently look for work because they believed there were no jobs for them or that there were none for which they would qualify. Measure U-4 adds discouraged workers to the civilian labor force to create a larger workforce base. The U-4 measure reached 6.8 percent in 2009.

U-5: Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers.

Marginally attached workers are currently neither working nor looking for work but indicate they want and are available for a job. Marginally attached workers have also looked for work sometime in the recent past. By not looking for work in the recent past, there is no indication of an attachment to the workforce. In 2007 in New Hampshire, 4.2 percent of workers were in this measure, compared to 3.5 percent by 2017. Both marginal workers and discouraged workers are

added to the labor force to create a larger potential workforce base. The U-5 measure reached 7.6 percent at the height of the recession in 2009.

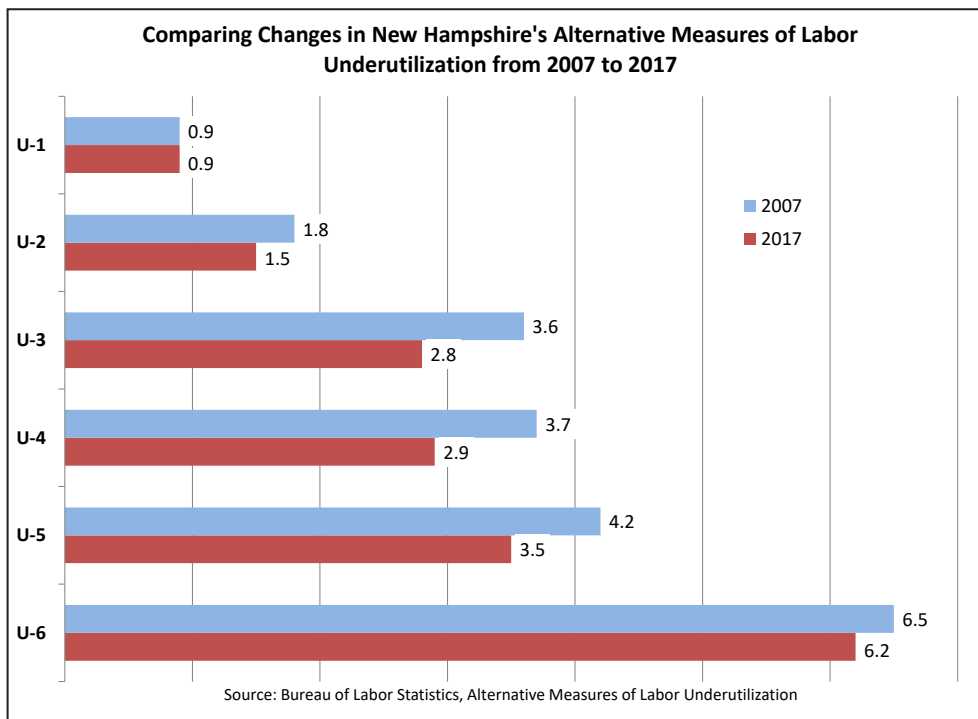
U-6: Total unemployed, plus all marginally attached workers, plus total employed part-time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

This measure has the most comprehensive workforce base, using the base from measure U-5 and adding the number of persons employed part-time for economic reasons to the number of persons unemployed or otherwise underutilized. Persons employed part-time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule. For example, an employer

may have cut hours of workers due to economic or weather related events, or part-time employment was the only employment available. There were 6.5 percent of individuals in this all-inclusive measure in 2007 compared to 6.2 percent in 2017. The U-6 measure topped out at 12.5 percent in 2009, representing approximately 91,300 residents.

The most recent pre-recession peak in the economy was in December 2007, after which the economic decline began. The various measures of labor underutilization tend to move together. By any of the measures, except U-1, the New Hampshire economy experienced lower rates of unemployment and underemployment in 2017 than in 2007.

Anita Josten
Economist



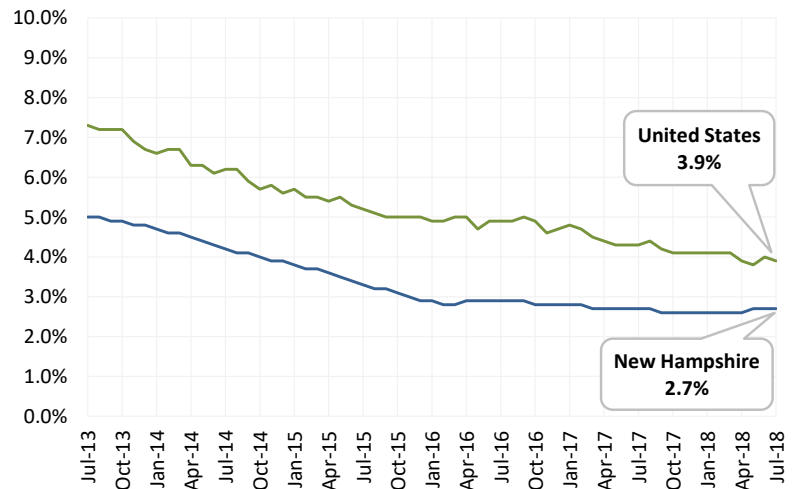
	Number of Residents	
	2007	2017
U-1 Measure	6,600	6,800
U-2 Measure	13,500	10,900
U-3 Measure	26,900	20,400
U-4 Measure	27,800	21,400
U-5 Measure	31,400	26,000
U-6 Measure	48,700	46,000

Source: Current Population Survey

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Jul-18	Jun-18	Jul-17
United States	3.9%	4.0%	4.3%
Northeast	4.1%	4.2%	4.5%
New England	3.6%	3.6%	3.8%
Connecticut	4.4%	4.4%	4.6%
Maine	3.0%	2.9%	3.5%
Massachusetts	3.6%	3.5%	3.7%
New Hampshire	2.7%	2.7%	2.7%
Rhode Island	4.1%	4.3%	4.4%
Vermont	2.8%	2.8%	3.0%
Mid Atlantic	4.3%	4.4%	4.7%
New Jersey	4.2%	4.3%	4.6%
New York	4.3%	4.5%	4.7%
Pennsylvania	4.2%	4.3%	4.8%

Local Area Unemployment Statistics (LAUS)
Unemployment Rate, NH and US

Current Employment Status (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	Jul-18	Jun-18	Jul-17	Month	Year
Total Nonfarm	687,600	685,900	675,300	1,700	12,300
Total Private	597,300	595,900	584,900	1,400	12,400
Mining and Logging	1,000	900	1,000	100	0
Construction	28,100	28,100	26,300	0	1,800
Manufacturing	70,900	70,600	68,900	300	2,000
Durable Goods	52,800	52,500	51,200	300	1,600
Non-Durable Goods	18,100	18,100	17,700	0	400
Trade, Transportation, and Utilities	142,300	142,500	140,100	-200	2,200
Wholesale Trade	28,300	28,600	28,100	-300	200
Retail Trade	97,500	97,200	95,600	300	1,900
Transportation, Warehousing, and Utilities	16,500	16,700	16,400	-200	100
Information	12,200	12,100	12,800	100	-600
Financial Activities	35,300	34,900	34,700	400	600
Financial and Insurance	27,900	27,700	27,700	200	200
Real Estate and Rental and Leasing	7,400	7,200	7,000	200	400
Professional and Business Services	82,200	82,100	82,200	100	0
Professional, Scientific, and Technical Services	37,800	38,300	37,700	-500	100
Administrative and Support and Waste Management and Remediation Services	35,500	35,100	35,600	400	-100
Education and Health Services	125,800	126,700	123,800	-900	2,000
Educational Services	32,200	33,400	32,300	-1,200	-100
Health Care and Social Assistance	93,600	93,300	91,500	300	2,100
Leisure and Hospitality	74,300	73,700	70,700	600	3,600
Arts, Entertainment, and Recreation	13,100	13,000	11,700	100	1,400
Accommodation and Food Services	61,200	60,700	59,000	500	2,200
Other Services	25,200	24,300	24,400	900	800
Government	90,300	90,000	90,400	300	-100
Federal Government	7,700	7,700	7,600	0	100
State Government	25,000	25,000	24,800	0	200
Local Government	57,600	57,300	58,000	300	-400

*Current month
is preliminary;
past months
are revised*

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

NOT SEASONALLY ADJUSTED ESTIMATES BY PLACE OF RESIDENCE

Labor Force Estimates

New Hampshire	Jul-18	Jun-18	Jul-17
Total Civilian Labor Force	775,490	769,990	759,630
Employed	754,790	749,860	739,890
Unemployed	20,700	20,130	19,740
Unemployment Rate	2.7%	2.6%	2.6%

United States (# in thousands)	Jul-18	Jun-18	Jul-17
Total Civilian Labor Force	163,734	163,277	161,911
Employed	157,004	156,465	154,470
Unemployed	6,730	6,812	7,441
Unemployment Rate	4.1%	4.2%	4.6%

Unemployment Rates by Area

Counties	Jul-18	Jun-18	Jul-17
Belknap	2.3%	2.4%	2.3%
Carroll	2.3%	2.5%	2.2%
Cheshire	2.8%	2.8%	2.6%
Coös	3.2%	2.9%	3.0%
Grafton	2.1%	2.3%	2.1%
Hillsborough	2.8%	2.7%	2.8%
Merrimack	2.3%	2.3%	2.3%
Rockingham	3.0%	2.8%	2.8%
Strafford	2.4%	2.4%	2.4%
Sullivan	2.2%	2.2%	2.2%

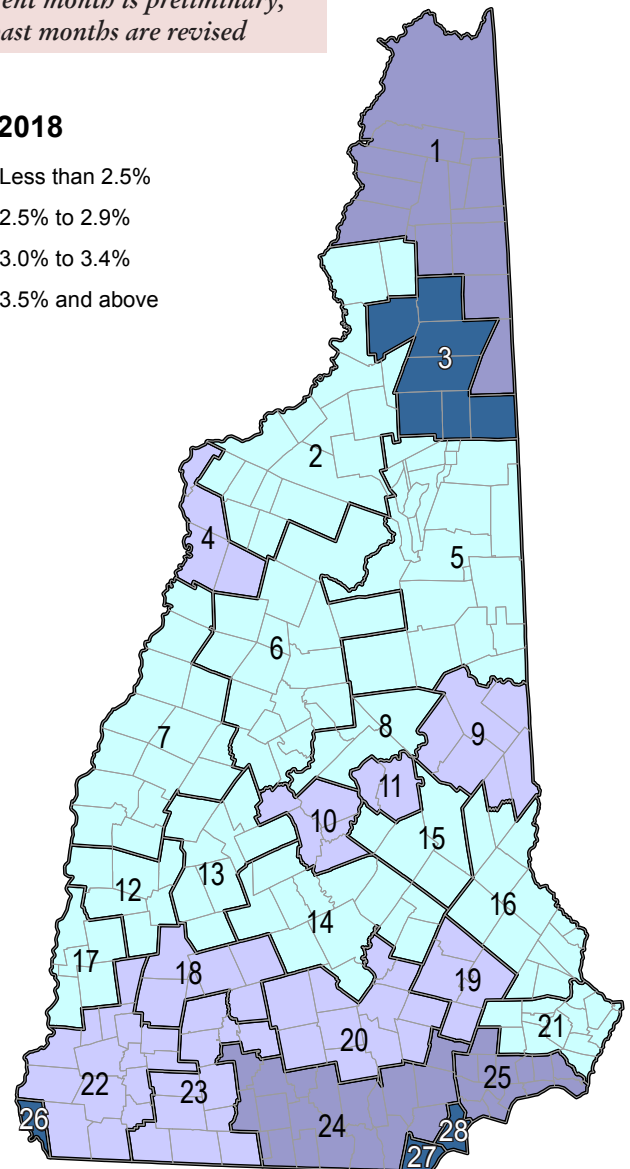
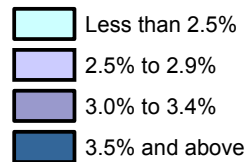
Map Key	Labor Market Areas	Jul-18	Jun-18	Jul-17
1	Colebrook, NH-VT LMA, NH Portion	3.1%	2.7%	2.8%
2	Littleton, NH-VT LMA, NH Portion	2.3%	2.4%	2.3%
3	Berlin NH Micropolitan NECTA	3.7%	3.5%	3.5%
4	Haverhill, NH LMA	2.5%	2.5%	2.5%
5	Conway, NH-ME LMA, NH Portion	2.1%	2.4%	2.0%
6	Plymouth, NH LMA	2.0%	2.2%	2.0%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	2.1%	2.1%	2.1%
8	Meredith, NH LMA	2.0%	2.2%	2.0%
9	Wolfeboro, NH LMA	2.6%	2.9%	2.5%
10	Franklin, NH LMA	2.8%	2.6%	2.5%
11	Laconia, NH Micropolitan NECTA	2.5%	2.6%	2.5%
12	Expanded Claremont, NH estimating area	2.3%	2.4%	2.3%
13	New London, NH LMA	2.3%	2.2%	2.2%
14	Concord, NH Micropolitan NECTA	2.2%	2.2%	2.2%
15	Belmont, NH LMA	2.3%	2.5%	2.2%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	2.4%	2.4%	2.4%
17	Charlestown, NH LMA	2.0%	2.2%	2.0%
18	Hillsborough, NH LMA	2.8%	2.5%	2.4%
19	Raymond, NH LMA	2.7%	2.6%	2.5%
20	Manchester, NH Metropolitan NECTA	2.6%	2.5%	2.6%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	2.4%	2.4%	2.3%
22	Keene, NH Micropolitan NECTA	2.8%	2.8%	2.7%
23	Peterborough, NH LMA	2.5%	2.5%	2.6%
24	Nashua, NH-MA NECTA Division, NH Portion	3.1%	2.9%	3.0%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	3.4%	3.1%	3.0%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	4.0%	3.6%	2.8%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	3.8%	3.6%	3.7%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	3.6%	3.5%	3.5%

Unemployment Rates by Region

Not Seasonally Adjusted	Jul-18	Jun-18	Jul-17
United States	4.1%	4.2%	4.6%
Northeast	4.3%	4.1%	4.8%
New England	3.8%	3.8%	4.0%
Connecticut	4.5%	4.5%	4.9%
Maine	3.3%	3.2%	3.3%
Massachusetts	3.9%	3.9%	4.0%
New Hampshire	2.7%	2.6%	2.6%
Rhode Island	4.1%	3.6%	4.7%
Vermont	2.9%	3.0%	3.1%
Mid Atlantic	4.4%	4.3%	5.1%
New Jersey	4.8%	4.3%	5.1%
New York	4.2%	4.2%	4.9%
Pennsylvania	4.5%	4.4%	5.3%

*Current month is preliminary;
past months are revised*

July 2018



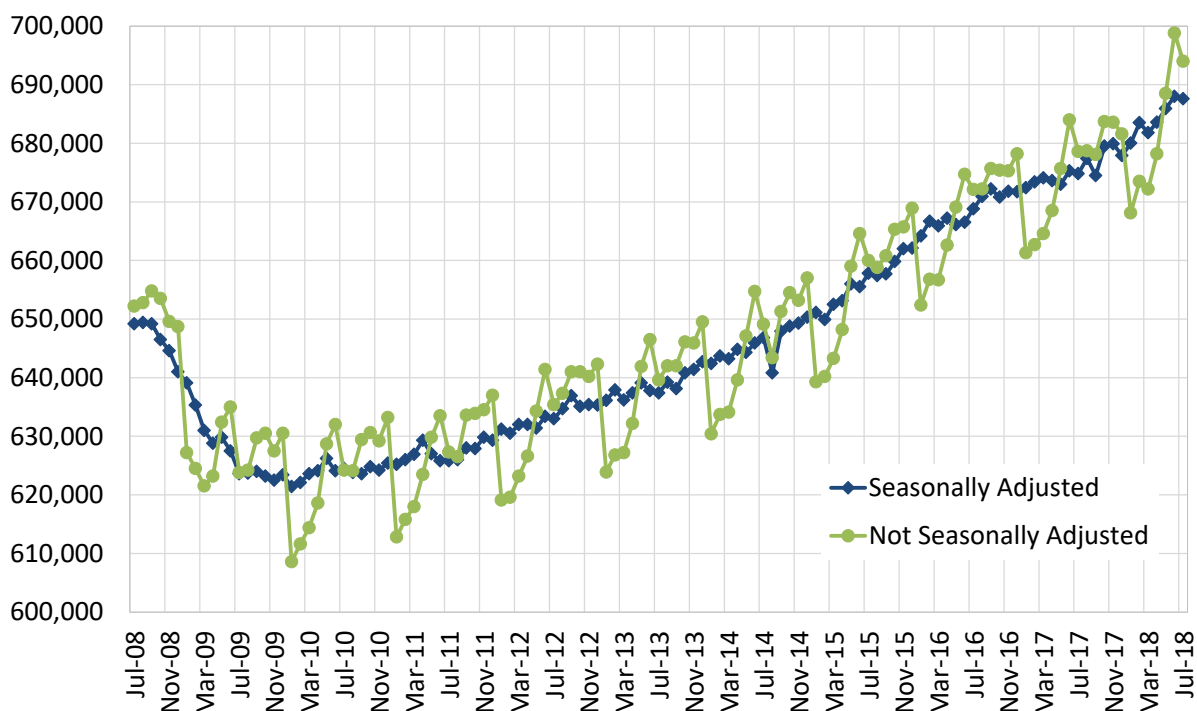
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

New Hampshire Nonfarm Employment Statewide
Not Seasonally Adjusted

*Current month
is preliminary;
past months
are revised*

	Number of Jobs			Change From Previous	
	Jul-18	Jun-18	Jul-17	Month	Year
Total Nonfarm	694,000	698,800	678,600	-4,800	15,400
Total Private	615,700	611,600	600,500	4,100	15,200
Mining and Logging	1,000	1,000	1,000	0	0
Construction	30,900	29,600	27,800	1,300	3,100
Manufacturing	71,900	71,700	69,700	200	2,200
Durable Goods	53,700	53,500	51,700	200	2,000
Non-Durable Goods	18,200	18,200	18,000	0	200
Trade, Transportation, and Utilities	144,200	144,600	141,100	-400	3,100
Wholesale Trade	28,900	28,500	28,300	400	600
Retail Trade	99,200	99,400	96,600	-200	2,600
Transportation, Warehousing, and Utilities	16,100	16,700	16,200	-600	-100
Information	12,200	12,200	12,900	0	-700
Financial Activities	35,900	35,600	35,300	300	600
Professional and Business Services	84,600	84,600	83,500	0	1,100
Education and Health Services	123,200	124,800	122,500	-1,600	700
Leisure and Hospitality	85,700	81,900	81,800	3,800	3,900
Other Services	26,100	25,600	24,900	500	1,200
Government	78,300	87,200	78,100	-8,900	200
Federal Government	7,800	7,800	7,600	0	200
State Government	22,200	22,200	21,700	0	500
Local Government	48,300	57,200	48,800	-8,900	-500

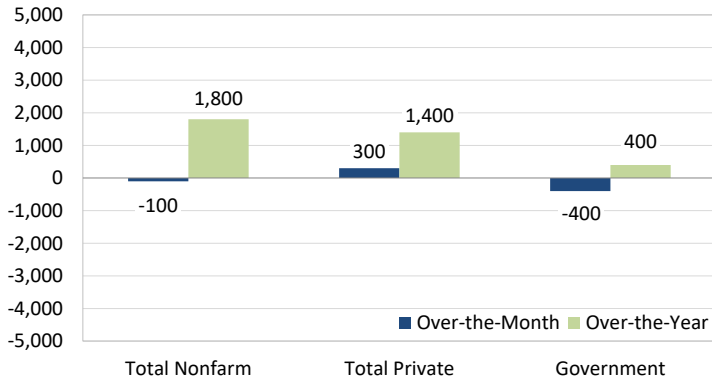
Total Nonfarm Employment Trend Through July 2018



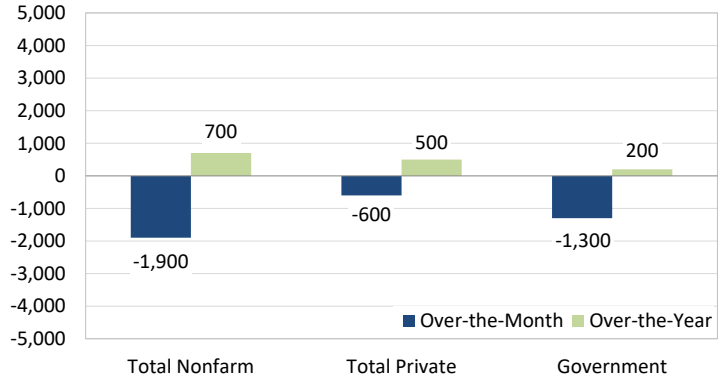
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - July 2018

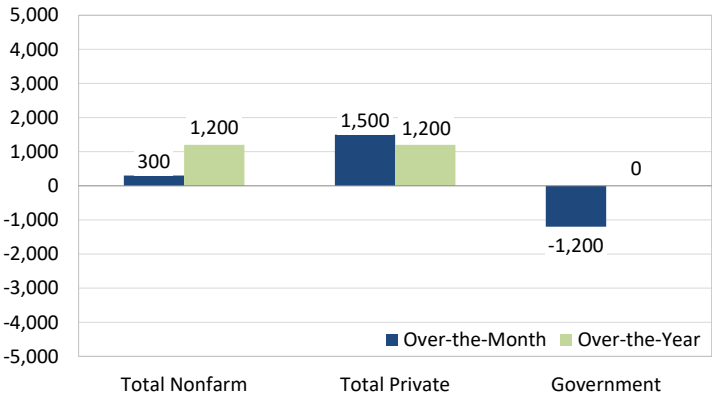
Dover-Durham NH-ME Metro NECTA



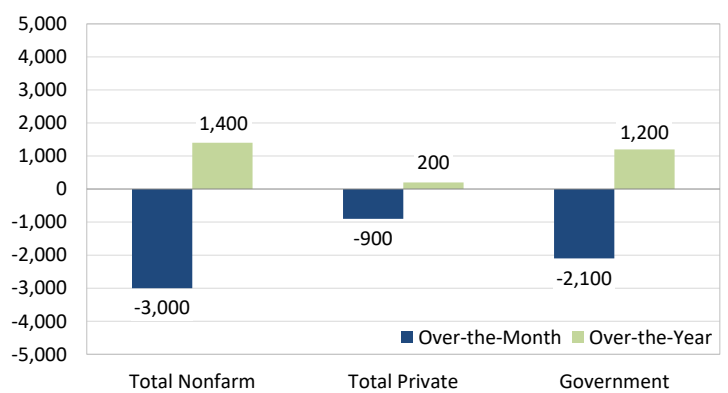
Manchester Metro NECTA



Portsmouth NH-ME Metro NECTA

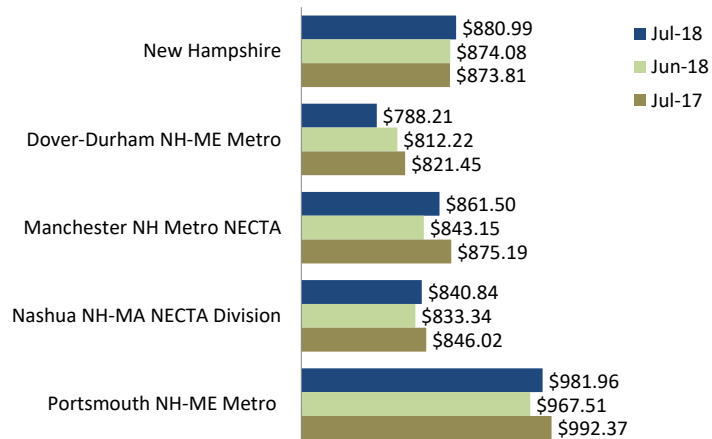


Nashua NH-MA NECTA Division

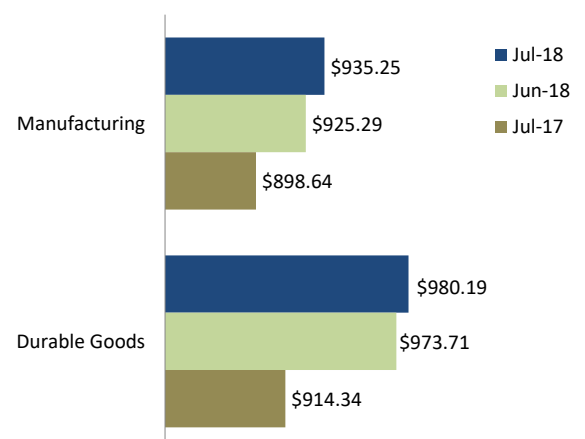


Total Private Average Weekly Earnings Data

All Employee Average Weekly Earnings



Production Workers Average Weekly Earnings



MONTHLY ANALYSIS OF CURRENT EMPLOYMENT STATISTICS (CES)

Seasonally Adjusted

Total Nonfarm employment decreased by 400 jobs in July, according to preliminary seasonally adjusted estimates. *Private Education and Health Services* had the largest over-the-month loss in employment, dropping 1,200 jobs, followed by *Leisure and Hospitality* with a decrease of 600 positions. *Mining and Logging*, *Information*, and *Financial Activities* decreased payrolls by 100 jobs each from June.

Five supersectors posted over-the-month employment gains. *Construction* added 600 jobs, and *Manufacturing* and *Professional and Business Services* each added 400 jobs. *Trade, Transportation, and Utilities* increased payrolls by 200 positions, while *Other Services* added a modest 100 jobs from June.

Seasonally adjusted *Total Nonfarm* employment increased 12,800 jobs from July 2017 to July 2018. *Leisure and Hospitality* and *Construction* added 3,100 and 2,600 jobs, respectively. *Manufacturing* grew by 2,300 positions and *Trade, Transportation, and Utilities* increased employment by 2,000 jobs. *Other Services* expanded by 1,100 jobs over-the-year, and *Professional and Business Services* and *Private Education and Health Services* payrolls grew by 900 positions each. *Financial Activities* added 400 jobs and *Government* employment increased by 100 jobs from June 2017.

One supersector experienced an over-the-year employment loss. *Information* dropped 600 jobs from June 2017.

Not Seasonally Adjusted

Preliminary unadjusted estimates for July show that *Total Nonfarm* employment decreased 4,800 jobs over-the-month. *Government* had the largest decrease, shedding 8,900 jobs. *Private Education and Health Services* decreased payrolls by 1,600 jobs over-the-month, while *Trade, Transportation, and Utilities* dropped 400 positions from June.

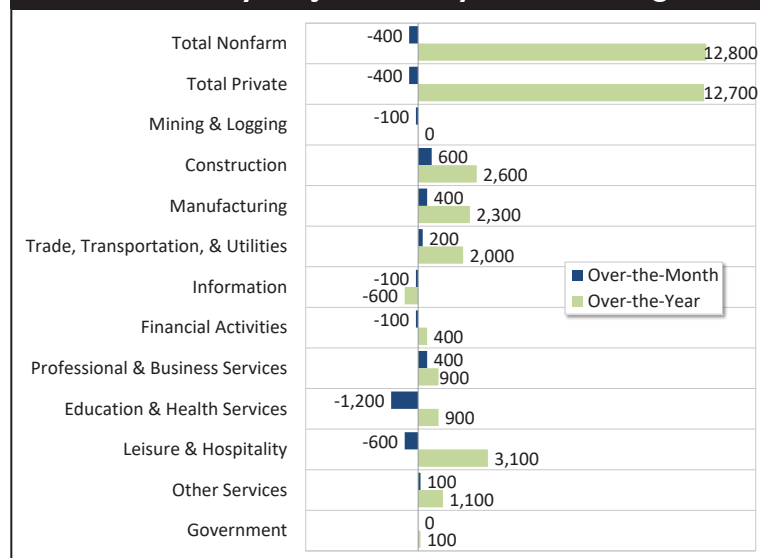
Five supersectors added jobs from June. *Leisure and Hospitality* gained 3,800 jobs, and *Construction* added 1,300 jobs. *Other Services* experienced an employment increase of 500 jobs and *Financial Activities* and *Manufacturing* expanded payrolls by 300 and 200 jobs, respectively, over-the-month.

Total Nonfarm employment increased 15,400 jobs from July 2017 to July 2018. *Leisure and Hospitality* and *Trade, Transportation, and Utilities* added 3,900 and 3,100 jobs, respectively. *Construction* expanded by 3,100 positions, while *Manufacturing* increased employment by 2,200 jobs over-the-year. *Other Services* added 1,200 jobs from July 2017, while *Professional and Business Services* and *Private Education and Health Services* payrolls grew by 1,100 and 700 positions, respectively. *Financial Activities* added 600 jobs, and *Government* added 200 jobs over-the-year.

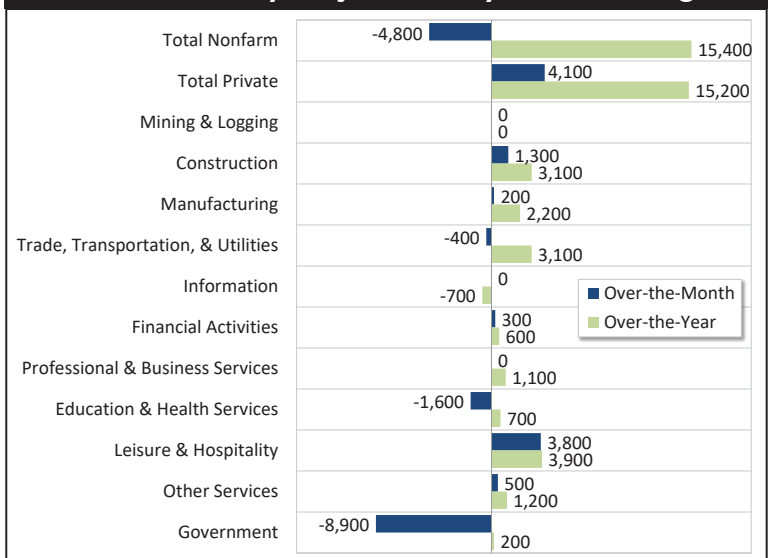
One supersector experienced an over-the-year employment loss. *Information* dropped 700 jobs from July 2017.

Ellie Goodbread
Research Analyst

Seasonally Adjusted July 2018 Change



Not Seasonally Adjusted July 2018 Change



The Economic and Labor Market Information Bureau has recently released its **Current Employment Statistics (CES) Benchmark Supplement**, which provides a review of Nonfarm employment in 2017. The article can be accessed at: www.nhes.nh.gov/elmi/products/ec-index.htm

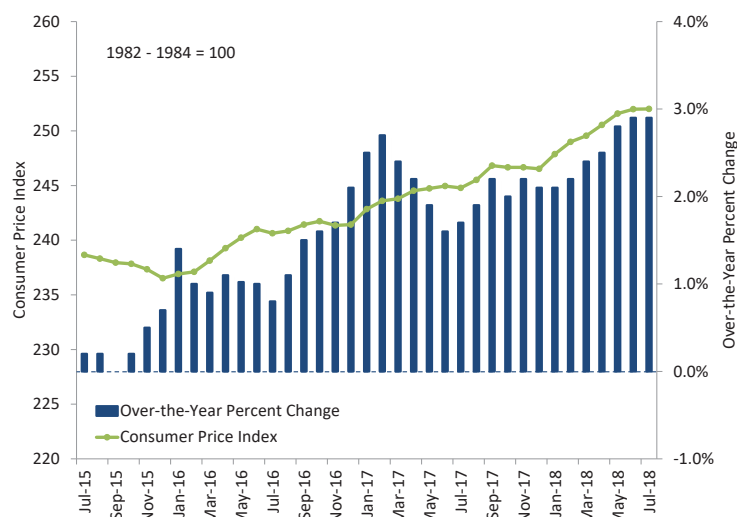
Consumer Price Index

United States, All Urban Consumers
Not Seasonally Adjusted (CPI-U) (1982-1984=100)

			Change From Previous	
Jul-18	Jun-18	Jul-17	Month	Year
252.006	251.989	244.786	0.0%	2.9%

Northeast, All Urban Consumers
Not Seasonally Adjusted (CPI-U) (1982-1984=100)

			Change From Previous	
Jul-18	Jun-18	Jul-17	Month	Year
265.830	265.840	258.833	0.0%	2.7%

Consumer Price Index
United States, All Urban Consumers
**Unemployment Compensation Claims Activity**

	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Initial Claims	2,449	2,251	2,446	2,012	2,276	2,064
Continued Weeks Claimed	19,567	19,828	18,648	13,882	12,673	17,312
Average payment for a week of unemployment	\$327.17	\$327.19	\$331.89	\$336.55	\$344.94	\$325.52

New Hampshire Economic Conditions is published monthly in coordination with the Bureau of Labor Statistics and the Employment Training Administration of the U.S. Department of Labor.

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Claims calls: 1-800-266-2252


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Economic and Labor Market Information Bureau

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Occupational Employment Statistics	229-4315

