

New Hampshire Economic Conditions

October 2011

2010 Annual Average Private Covered Employment in New Hampshire

Total private covered employment in New Hampshire averaged 513,386 in 2010, a 0.8 percent drop from 2009, which averaged 517,658. While 2010 employment is down when compared to 2009, the percentage decrease is substantially less than the 4.5 percent drop from 2008 to 2009.¹ The 2010 average annual private employment is the lowest since the 1998 level of 502,111.²

To provide a perspective of changes in private employment from before the Great Recession, data for the last five years was used. Average annual private covered employment data for 2006 through 2010 was indexed to the 2005 level. This indexing

shows percent change for each year compared to that fixed point in time, providing a comparative measure of growth or decline over the entire time period.

From 2005 through 2007, total private employment trended slightly upward. Each year gained one to one and one-half percent above the 2005 total private employment of 536,200. The sharp drop in employment in 2009 (about -24,000) illustrates when the effects of the recession were most keenly felt by New Hampshire employers. The continued negative change over-the-year put 2010 employment levels about 4,000 jobs lower than in 2009.

Service providing industries, whose 424,000 workers made up 83 percent of New Hampshire private covered employment in 2010, followed a similar pattern of change. Employment growth for all service providing industries was a little faster than that of all private employment through 2008. In 2009, employment was one tenth of one percent above 2005, and in 2010 it was virtually the same.

Goods producing industries bore the brunt of employment losses throughout this period. Employment in these industries began to lose ground in 2006, three years before most *service providing* industries.

¹ This is a measure of employment at private business establishments whose workers are covered by unemployment insurance. Government workers are excluded from the private employment counts.

² Historical covered employment and wages data is available back to 1990.

Contents

Seasonally Adjusted Estimates

Unemployment Rates. 3

Current Employment Statistics. 3

Not Seasonally Adjusted Estimates

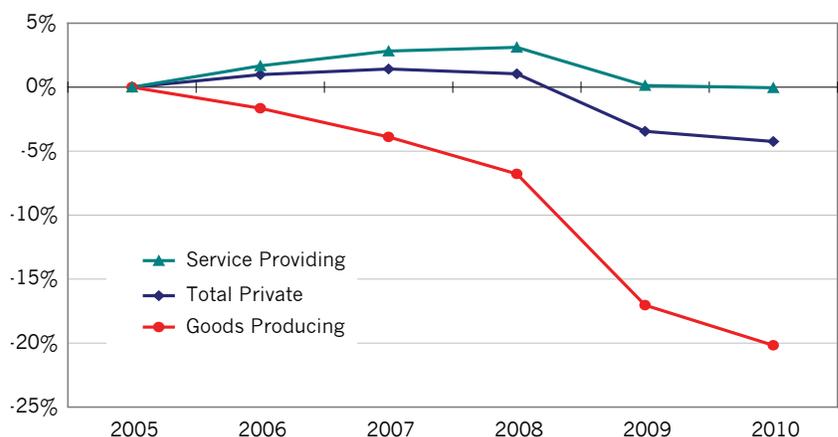
Unemployment Rates. 4

Current Employment Statistics. 6

Claims Activity 7

Visit our Web site:
www.nh.gov/nhes/elmi

Annual Average Private Covered Employment in New Hampshire Indexed to 2005



The recession intensified employment losses in goods producing sectors, and the percentage loss from 2005 to 2009 was about two and a half times larger than from 2005 to 2008. In 2010, employment in Goods producing industries was a little over 89,000 workers, a 20 percent decline from 2005.

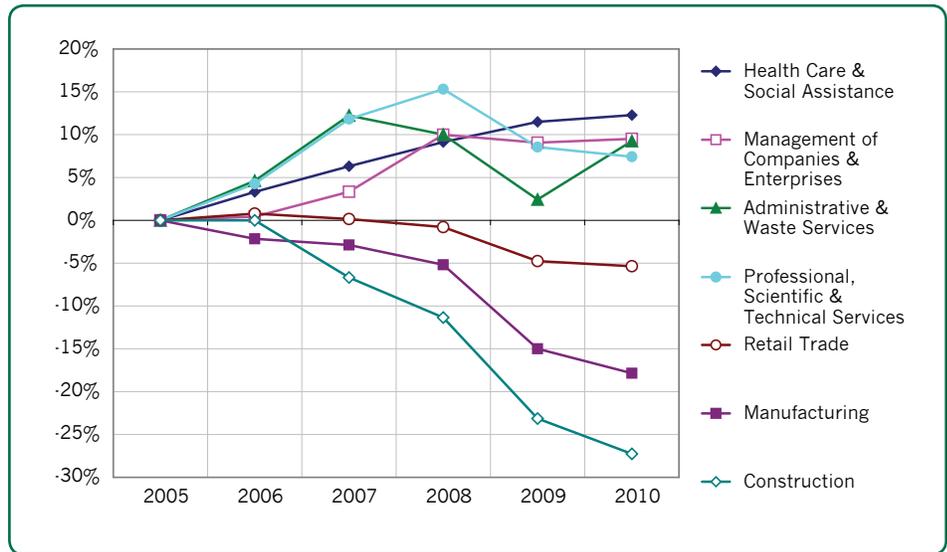
Industry Bright Stars

From 2005 to 2010, seven of the 19 industry sectors maintained positive employment growth over the entire period. *Health care and social assistance* had the largest increase, and was the only industry experiencing steady growth throughout the period. By 2010, employment was 12.3 percent above 2005 levels. Over 83,000 workers were employed in New Hampshire's *Health care and social assistance* industry in 2010, about one of every six private sector workers.

Average employment in 2010 for two other industry sectors was over nine percent above the 2005 level. Employment in *Management of companies and enterprises* was about the same in 2005 and 2006; then the industry began to gain workers. By 2010, employment for this sector was 9.5 percent above 2005 levels, with about 8,000 workers.

Administrative and waste services employment was 9.3 percent higher in 2010 than 2005. The sector followed an uneven path to the employment increase over the five-year period. This was largely due to a decrease in *Employment services*, a subsector of this industry that makes up about a third of the sector's employment, from 2008 to 2009. Employment in this subsector, which includes *Temporary help agencies*, is strongly affected by a recession, as employers commonly employ fewer

Annual Average Private Covered Employment in New Hampshire Indexed to 2005



temporary workers as the economy worsens, then take on temporary workers prior to hiring full-timers when things start to improve. About 27,000 workers in New Hampshire were employed in *Administrative and waste services* in 2010.

The *Professional and technical services* sector had one of the highest rates of change each year to 2008, when employment was 15.5 percent higher than 2005. Since then employment has trended downward, and by 2010 employment in the sector was 7.4 percent above 2005. There are nearly 29,000 workers in this sector, which includes business services such as legal, accounting, architectural and engineering, and computer systems design.

Three other industry sectors saw positive change throughout the time period, although the increases were not as substantial.

- In 2010 average employment in the *Other services* sector, which includes businesses such as salons, drycleaners, and repair services,

was about 1.6 percent above the 2005 level, reaching about 19,300 workers.

- Employment in the *Arts, entertainment, and recreation* sector changed very little over the five-year period, and average 2010 employment was 1.2 percent over 2005. In 2010, New Hampshire had just shy of 11,000 workers in this sector.
- *Educational services* employment, which does not include public schools or public postsecondary institutions, also had positive change in employment levels. Average 2010 employment was just over 17,000 workers, a 0.4 percent increase over 2005.

Industry Falling Stars

Two of New Hampshire's largest industry sectors cancelled out employment increases produced by the bright stars. These two industries accounted for over 87 percent of the 2005 to 2010 decrease in total private employment, a loss of 19,500 workers.

Manufacturing trended downward throughout the 2005 to 2010 period. Average employment in 2010 was about 65,800, which was 17.9 percent lower than employment in 2005.

The *Retail trade* sector employs the largest number of workers in New Hampshire. At the beginning of the 2005 to 2010 time period, employment levels did not change much. A decrease in employment began in 2008, then, as in *Manufacturing*, the rate of decrease intensified in 2009. By 2010, the *Retail trade* sector employed just

over 92,300 workers, which was 5.4 percent below 2005 employment levels.

Construction was another industry that saw employment losses before the latest recession. There was no change in *Construction* employment from 2005 to 2006. Starting in 2007, employment took a sharply downward trend and for the next four years, the percentage drop from 2005 was the largest among all industry sectors. By 2010, *Construction* employment was down to 21,400 workers, 27.3 percent below the 2005 employment level of 29,400.

Future Outlook

In twelve of the nineteen industry sectors, employment had fallen below 2005 levels as of 2009, and remained there in 2010. But for many sectors, the rate of decrease has distinctly slowed. The difference between 2009 and 2010 employment levels is less than that of the 2008 to 2009 change for all but four sectors. And in six sectors, 2010 employment was above 2009 levels. Expectations are that employment growth will continue, but at a trickle and not a flood.

Anita Josten

Annual Average Covered Employment in New Hampshire

		2005	2006	2007	2008	2009	2010
	Total, Private plus Government	620,909	627,301	630,171	628,819	604,915	600,540
	Total Private	536,173	541,435	543,800	541,768	517,658	513,386
101	<i>Goods-Producing Industries</i>	112,033	110,189	107,673	104,441	92,952	89,428
11	Agriculture, Forestry, and Fishing	1,964	1,835	1,751	1,822	1,758	1,752
21	Mining	563	584	682	604	510	491
23	Construction	29,443	29,440	27,478	26,104	22,630	21,418
31	Manufacturing	80,064	78,329	77,762	75,912	68,054	65,767
102	<i>Service-Providing Industries</i>	424,140	431,246	436,127	437,326	424,706	423,957
22	Utilities	2,760	2,768	2,779	2,455	2,532	2,514
42	Wholesale Trade	27,458	28,021	28,324	28,116	26,476	25,923
44	Retail Trade	97,553	98,320	97,697	96,785	92,908	92,329
48	Transportation and Warehousing	12,787	12,797	12,711	12,528	11,921	11,855
51	Information	12,700	12,531	12,243	12,508	12,440	11,475
52	Finance and Insurance	29,097	29,458	28,222	28,191	26,990	26,429
53	Real Estate and Rental and Leasing	8,265	8,083	7,861	7,635	7,073	6,713
54	Professional and Technical Services	26,857	28,006	30,033	30,970	29,156	28,849
55	Management of Companies and Enterprises	7,374	7,405	7,620	8,111	8,042	8,075
56	Administrative and Waste Services	24,926	26,077	27,973	27,420	25,529	27,231
61	Educational Services	17,074	17,158	17,502	17,573	17,382	17,149
62	Health Care and Social Assistance	74,453	76,926	79,152	81,251	83,009	83,592
71	Arts, Entertainment, and Recreation	10,851	11,038	10,774	10,939	10,897	10,980
72	Accommodation and Food Services	52,443	52,939	53,124	52,774	50,965	51,363
81	Other Services, Except Public Administration	19,051	19,279	19,631	19,808	19,347	19,365
99	Unclassified Establishments	494	441	481	262	41	114
	Total Government	84,735	85,866	86,372	87,052	87,257	87,154
	Federal Government	7,864	7,893	7,772	7,779	7,761	8,005
	State Government	20,800	20,926	21,172	21,278	21,035	20,683
	Local Government	56,072	57,047	57,428	57,994	58,461	58,466