

New Hampshire

Economic Conditions



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Fourth Quarter 2008 Covered Employment and Wages

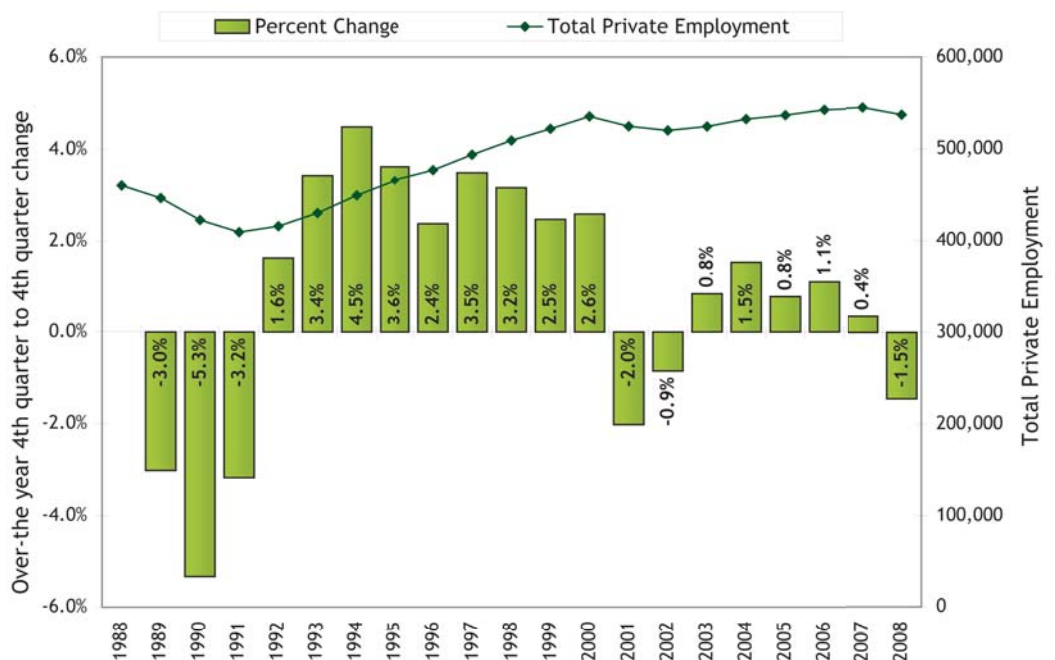
Preliminary fourth quarter covered employment and wages have recently become available for New Hampshire. The average total private employment in fourth quarter 2008 was 542,517. In the current economic environment, it comes as no surprise that private employment declined from fourth quarter 2007 to fourth quarter 2008, a loss of almost 8,000 jobs. This represented a 1.5 percent decline in private employment.

This is still not as dramatic as the decline over-the-year fourth quarter 2000 to 2001 when it dropped by two percent, or the declines of the early 1990s, which were much larger. The 2001 recession

officially started in March 2001 and was later determined to have ended as of November 2001. The current recession, now being referred to as the "great recession," began in December 2007. Where we stand in the current recession cycle has yet to be determined. But the dramatic events of the fall, especially the near failure of financial giants, shows in the resulting employment changes.

New Hampshire had not yet returned to the strong pre-2001 recession over-the-year employment increases before the current recession period hit. Business owners seemed to become more cautious about over-staffing since the 2001 set back, and fourth quarter to fourth quarter over-the-year

New Hampshire's fourth quarter employment change hit its lowest point since the 2001 recession



employment increases were substantially lower than those seen through the 1990s. Most recessions have one industry or event that is the media star as having “caused” the recession. For example, the “dot com” bust was credited with causing the 2001 recession. This current recession is more widespread in scope, its effects being felt by every industry.

Bright spots were few and far between for New Hampshire’s companies. *Health care and social assistance* increased 2,301 over-the-year quarter-to-quarter comparison. This industry also had the second highest over-the-year quarter-to-quarter change of 2.8 percent. The largest change of 5.2 percent was in *Management of companies and enterprises*, with a net increase of 421 employees. *Educational services* grew by 366 more employees since fourth quarter 2007, a 2.2 percent increase.

In this over-the-year, quarter-to-quarter comparison *Manufacturing* had the largest numeric decrease, losing 3,355 workers. That was a drop of 4.4 percent compared to fourth quarter 2007. *Construction* dropped 1,765, or a 6.3 percent decline. *Administrative and waste services* shrank 6.1 percent or 1,737 jobs and *Retail trade* fell 1,564 jobs, 1.6 percent, behind fourth quarter 2007.

The largest percentage declines were found in *Mining*, with 17.3 percent drop, which represented 113 workers. In New Hampshire, *Mining* is largely related to sand and gravel quarrying which has likely been affected by the decline in construction activities. *Utilities* was next highest with 12.5 percent drop, which affected 310 employees.

Anita Josten

In the wake of the current recession period, six industry sectors and Government had positive employment changes over-the-year from fourth quarter 2007 to fourth quarter 2008.

