

New Hampshire

Economic Conditions



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 Employment Security's Economic
 and Labor Market Information
 Bureau

Which of New Hampshire's jobs have better chances of survival in this tight economic environment?

(This is the third of a three-part series discussing the economic situation in New Hampshire.)

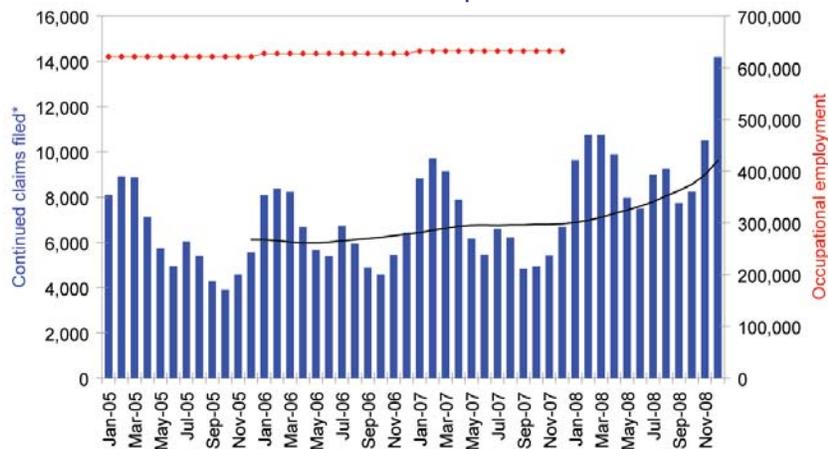
Which occupational groups are weathering the current economic crisis and which ones have proven to be vulnerable? The effect of the current economic situation on occupational groups may be gauged using counts from a representative week of monthly continued claims for unemployment compensation benefits.¹ Employment estimates for occupational groups are based on May survey data from the New Hampshire Occupational Employment Statistics Program.

Occupational Employment
 New Hampshire Employment Security's Economic and Labor Market Information Bureau conducts surveys of businesses

to obtain detailed information about the labor market, including the employment level for specific occupations. There are over 600 specific detailed occupations grouped into 22 major occupational groups based on job similarities. Occupational employment levels for New Hampshire are estimated each year.

The comparison of the occupational employment level to the continued claims filed (based on counts from a representative week each month) provides a look at the trends of claims in the occupational group to the estimated employment of that occupational group in the state. For example, since 2005, the total occupational employment in New Hampshire hovered between 620,000 and 630,000. Monthly continued claims filed (for unemployment compensation)

Total All Occupations



* Based on counts from the same representative week each month

¹ United States Department of Labor, Employment and Training Administration, ETA 203 – Distribution of Characteristics of the Insured Unemployed, New Hampshire (Data compiled by New Hampshire Employment Security and reported on the ETA 203)

illustrate the seasonal nature of unemployment claims in the state. Adding a 12-month moving average to the monthly continued claims filed gives a clearer picture of the annual trend. With the trend line it becomes more evident that continued claims filed was fairly steady through 2006 and 2007, then started to climb throughout 2008.

Management Occupations

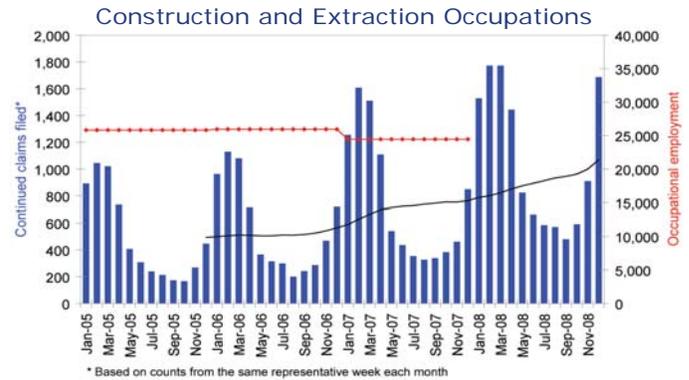
Management occupations account for over 32,000 jobs in the state. Typically occupations in this group require a college degree or experience, or both, therefore wages are higher. The average hourly wage for occupations in this group in 2007 was \$47.32. The monthly continued claims filed indicate some regular turnover among the positions in 2005 and 2006. Beginning in January 2007, continued claims filed began to increase on a monthly basis. The continued claims filed trended more steeply upward during 2008. Though statistics support the idea that those in occupations requiring more education have a lower chance of becoming unemployed, these data demonstrate that even well-educated workers are not totally immune to the effects of this economic downturn.²



Construction and Extraction Occupations

Occupations in this group are the tradesmen and women mainly associated with the *Construction* industry. Employment in this occupational group shrank to 24,450 between 2006 and 2007, the first indication of the effects of the impending financial crisis. The average hourly wage for workers in this group was \$19.24, about a dollar shy of the statewide average. Continued claims filed by workers in this occupational group have a seasonal flow, typically peaking in the winter months and receding with the return of warm weather. That trend held steady until mid 2006 when continued claims filed were higher each month compared to the corresponding month

of the previous year. This group was among those occupational groups with the largest number of continued claims filed.



Sales and Related Occupations

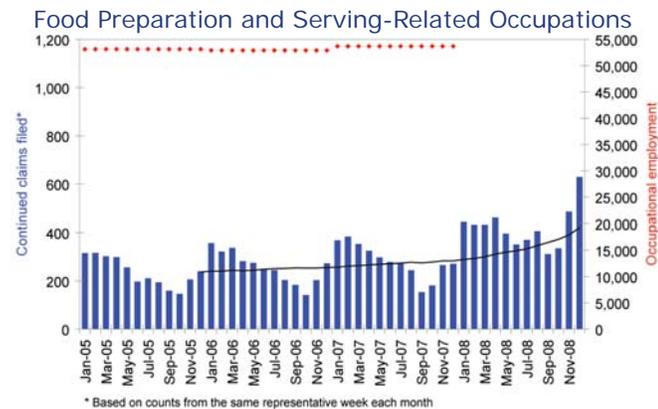
A significant number of workers, 80,100 as of May 2007, fall into this occupational group, understandable since the *Retail trade* industry sector has the largest employment in the state. The average wage of \$17.15 per hour falls below the state average of \$20.22. Even so, continued claims filed (based on counts from a representative week each month) by workers in related occupations averaged around 500 until the end of 2007. Starting with January 2008, continued claims filed jumped past 700 and stayed much higher through the end of the year, with the exception of June when 661 claims were filed. This gives credence to anecdotal information that people are tightening their purse strings and not purchasing as much. An unfortunate side effect of reduced spending is that as sales and profits decrease, so do the number of jobs an employer can sustain.



² US Department of Labor, Bureau of Labor Statistics. Current Population Survey. www.bls.gov/emp/emptab7.htm. Accessed February 23, 2009.

Food Preparation and Serving-Related Occupations

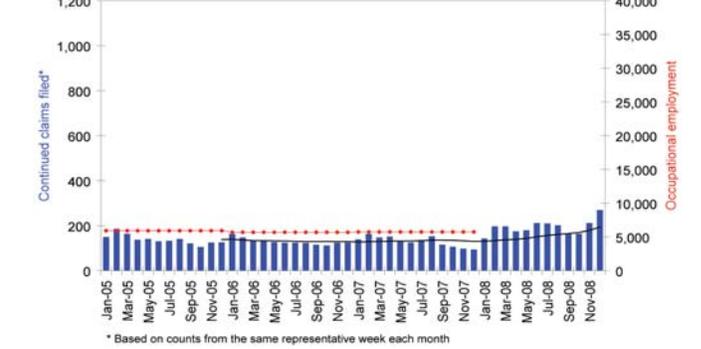
Unlike the 2001 recession period, in the current economic downturn public willingness to spend is slowing. The reduction in consumer spending is especially felt by those in restaurant and hospitality related services. More than 50,000 workers in New Hampshire hold jobs in the Food Preparation and Serving-Related occupational group. Because the wages of many of the workers included in this occupational group are supplemented with tips, the average hourly wage for workers in this group is significantly lower, \$10.30. That is slightly more than half the statewide average for all occupations. Continued claims filed by workers in these occupations also followed typical seasonal trends from 2005 through the end of 2007, increasing during non-tourist dominated seasons and receding again. The change came during months in 2008 when continued claims filed increased more in January than in the corresponding month of previous years. The continued claims filed during the rest of 2008 remained elevated and sustained increased levels.



Arts, Design, Entertainment, Sports, and Media Occupations

New Hampshire, unlike Hollywood, doesn't have an overwhelming share of celebrity occupations. There are fewer than 6,000 jobs in this occupational group in the state. The average hourly wage of designers, sports competitors and media specialists included in this group is \$20.75. An interesting aspect of the data for this group is that even though the number of jobs is a small part of overall employment, since January 2008 over-the-year change in continued claims filed increased every month. This indicates that these jobs are becoming even more competitive than in previous years.

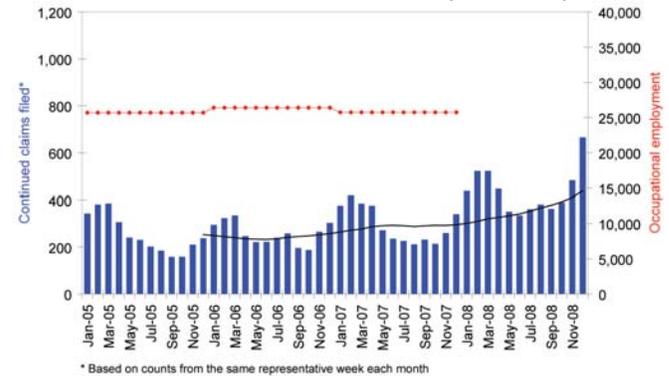
Arts, Design, Entertainment, Sports, & Media Occupations



Installation, Maintenance, and Repair Occupations

Recent news stories have stated that even auto repair shops are experiencing a decline in demand in the current economy.³ Car mechanics are just one of the occupations included in this group. In 2007, New Hampshire had over 27,700 Installation, Maintenance, and Repair workers with an average hourly wage just over \$20. From 2005 through 2006, continued claims filed from workers in this group followed a seasonal pattern, increasing during the colder months each year. In the early months of 2007, the number of continued claims filed in this group increased more each month, and the number of continued claims filed further elevated throughout 2008.

Installation, Maintenance, and Repair Occupations



Production Occupations

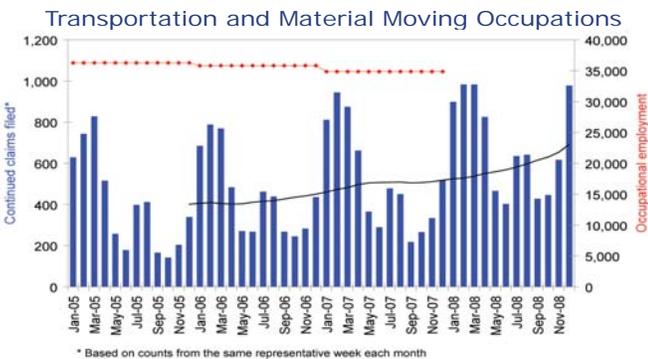
Because Production workers are largely associated with the *Manufacturing* industry, their numbers have been declining in recent years. The average hourly pay was \$15.81 for the 49,400 individuals included in this occupational group. But during 2005, 2006, and most of 2007, continued claims filed by workers in these occupations had been fairly stable, following a typical seasonal pattern. Starting with the latter

³ Ouellette, Mark. New Hampshire Union Leader. Even car repairs see a slowdown. February 23, 2009. www.unionleader.com/article.aspx?articleId=6083bf55-907a-47ce-ab6f-72209427a006&headline=Even+car+repairs+see+a+slowdown. Accessed February 24, 2009.

months of 2007, the seasonal ebb in the number of continued claims filed did not drop as low as in previous years. That number continued to increase through 2008, spiking in December 2008.

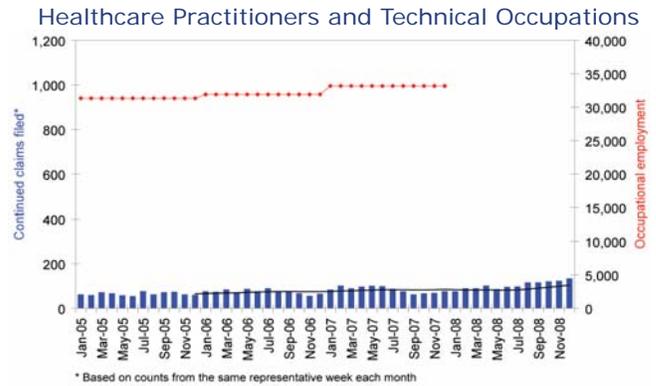


Transportation and Material Moving Occupations
 Many Transportation and Material Moving jobs are associated with *Transportation and warehousing*. Others are associated with *Manufacturing*. Almost 35,000 workers in New Hampshire have jobs in this occupational group. Occupations in this group had an average hourly wage of \$15.29. The monthly changes in continued claims filed in this group show a seasonal pattern affected by a combination of the academic calendar and *Manufacturing* schedules. The continued claims filed by workers in these occupations started to grow during the summer of 2006, when they were higher than continued claims filed during the corresponding month of the previous year. During first quarter 2007 continued claims filed reached new highs for each month, receded again in the summer months, only to hit new highs during every month of 2008.

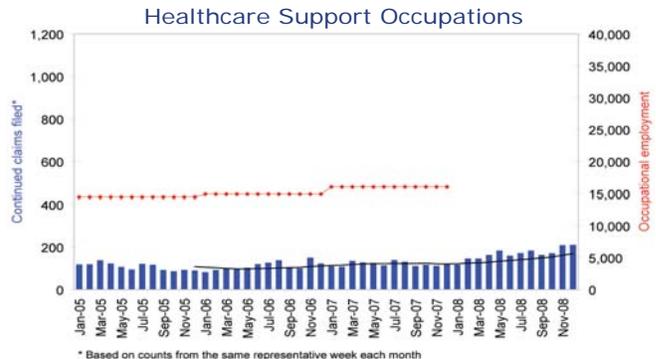


Healthcare Practitioners and Technical Occupations and Healthcare Support Occupations

The *Health care and social assistance* industry has the second largest employment among all industries in the state. Healthcare Practitioners and Technical occupations is one of the two groups that are most likely to be employed in that industry. Occupations in this group usually require extensive educational preparation and state licensure applies to nearly all. These workers number more than 33,000 in New Hampshire and have an average hourly wage of \$33.07.



Jobs in the Healthcare Support Occupations
 group include the assistants and aides of health practitioners. Many of these jobs also require state licensure. In New Hampshire, these occupations number about 16,000 with an average hourly wage of \$14.18. There are far smaller numbers of continued claims filed by workers of these two occupational groups than other groups, and the trend of claims filed had been generally flat. During the last part of 2008 the numbers tick upwards, indicating that even this traditionally strong group is feeling the pinch of the current economic downturn.



Other Occupational Groups

There are other occupational groups that are not detailed here. What the remaining occupational groups have in common is that they have steady trends of continued claims filed in each group. The continued claims filed in these occupational groups have generally maintained lower levels, even though some show signs of trending upwards. That may indicate that these occupational groups are faring better in the current economic situation. These groups include:

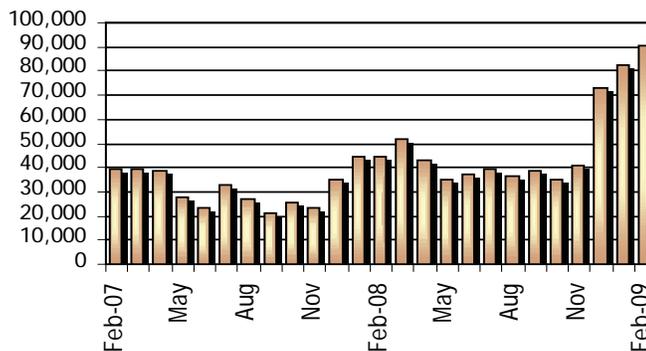
- » *Office and Administrative Support Occupations*, 110,700 workers, continued claims filed slightly up, average weekly wage, \$15.38
- » *Legal Occupations*, 3,190 workers, flat continued claims filed, average weekly wage, \$35.83
- » *Building and Grounds Cleaning and Maintenance Occupations*, 19,910 workers, continued claims filed increasing during 2008, average weekly wage, \$12.51

- » *Business and Finance Occupations*, 28,090 workers, continued claims filed slightly up, average weekly wage, \$28.86
- » *Computer and Mathematical Occupations*, 17,070 workers, continued claims filed slightly up, average weekly wage, \$35.49
- » *Architecture and Engineering Occupations*, 12,000 workers, continued claims filed mostly flat, average weekly wage, \$33.40
- » *Life, Physical, and Science Occupations*, 4,000 workers, flat continued claims filed, average weekly wage, \$27.54
- » *Community and Social Services Occupations*, 7,300 workers, slight increase in continued claims filed, average weekly wage, \$18.64

Continued on page 10

Unemployment Compensation Claims Activity

Total Regular Unemployment Compensation Programs:				Change from Previous			
	Feb-09	Jan-09	Feb-08	Month		Year	
				Net	Percent	Net	Percent
Initial Claims	10,190	11,534	5,260	-1,344	-11.7%	4,930	93.7%
Continued Weeks	90,728	82,696	44,391	8,032	9.7%	46,337	104.4%



Claims Activity

Continued Weeks Claimed

February 07 to February 09

Unemployment Compensation Fund

Unemployment compensation fund balance at the end of February	\$140,653,769.55
Average payment for a week of total unemployment:	\$273.30
Net benefits paid:	\$20,471,726.52
Net contributions received during the month:	\$2,725,985.64
Interest Received:	\$0.00
Reed Act Distribution:	\$0.00
Reed Act Withdrawn for Administrative Costs:	\$0.00

Trust Fund

			Change from Previous	
Feb-09	Jan-09	Feb-08	Month	Year
212.193	211.143	211.693	0.5%	0.2%

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

Consumer Price Index

Continued from page 5

- » *Education, Training, and Library Occupations*, 46,330 workers, continued claims filed up slightly, average weekly wage, \$21.28
- » *Protective Service Occupations*, 10,710 workers, flat continued claims filed, average weekly wage, \$18.60
- » *Personal Care and Service Occupations*, 14,500 workers, continued claims filed mostly flat, average weekly wage, \$11.23

Recap

The first installment in this series on the effect of the economic downturn examined the trend of unemployment claims filed in each industry compared to the total employment of that industry in the state. It provided an indication of the industries that may be reducing staff as a result of the current economy as well as how important, in terms of employment numbers, each industry is to the state's overall economic health. In New Hampshire, we found that claims filed had increased in the fourth quarter of 2008 in almost all industries.

Secondly, we explored the gross job gains and gross job losses in each industry. This helped provide a more detailed understanding of how net employment levels may be showing little to no change, while there are dynamics of job gains and losses constantly occurring within the industry. In the latest quarters with New Hampshire data available (3Q2008) it was discovered that many industries were starting to experience more job losses than gains, dragging down the net employment change.

This final installment of the series focused on occupational employment, providing a detailed investigation of those occupational groups that are weathering the current economic crisis and those proving to be vulnerable. One unusual outcome of the recession in New Hampshire, compared to previous recessions, is the effect on occupational groups typically resistant to downturns, such as Management Occupations. And although continued claims filed by workers in Business and Finance Occupations had been relatively stable, they are starting to trend upwards as well.

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