

ECONOMIC CONDITIONS in New Hampshire



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New Hampshire's Export Sales on the Mend after Large Decline in 2002

Total 2003 sales of \$1.93 billion just above 1999 level

After increasing at double-digit rates in 1999 and 2000, the total value of New Hampshire's export sales to the world peaked in 2001 at \$2.4 billion. However, just like its high tech employment, the Granite State's high tech exports were hit hard by the 2001 recession. Partly driven by this drop in high tech employment, export sales dropped by \$537.7 million from 2001 to 2002. Export sales also fluctuate due to the presence or absence of large sales contracts or deliveries.

The Granite State was able to regain some of that loss as export sales to the world increased by \$68.1 million from 2002 to 2003. This gain brought the State's export sales up to \$1.93 billion, about where it was in 1999.

By Industry

Not surprisingly, the vast majority of New Hampshire's export sales come from Manufacturing firms. In 2000, Manufacturing firms claimed about 94 percent of the total sales. Other types of exports from New Hampshire include fish, forestry products, agricultural products, minerals and ores, and livestock.

Roughly 42 percent of New Hampshire's total export sales to the world in 2000 were from firms in the Computer and electronic product manufacturing (NAICS 334) subsector. This was a tremendous feat for a subsector that employed 4.5 percent of the state's total covered employment in 2000. Then came the recession. From 2000 to 2003, this

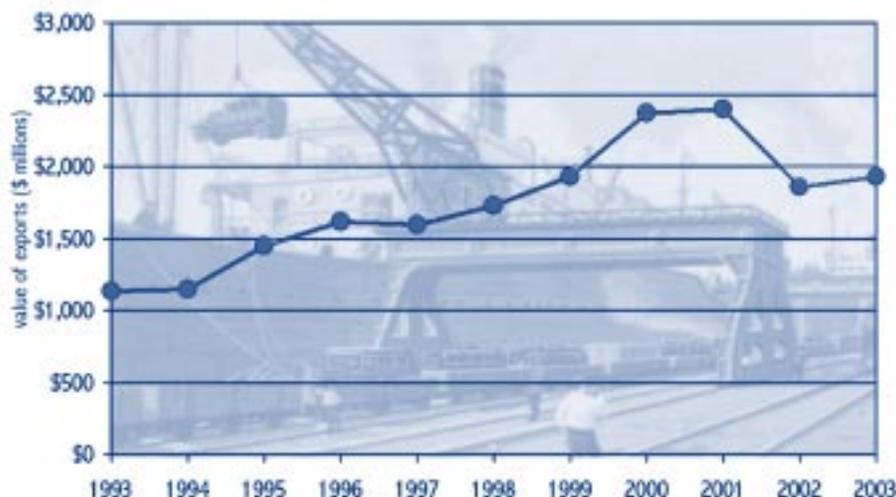
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Export sales inched back up in 2003 after a large recession-related drop in 2002



Source: World Institute for Strategic Economic Research (WISER)

Continued from page 1 subsector lost nearly one-third of its work force, about 8,700 employees. Even so, it still claimed 32 percent of the state’s total export sales in 2003.

Firms in the Machinery manufacturing subsector (NAICS 333) were responsible for roughly 17 percent of the state’s total export sales in 2000. This subsector made up only 1.4 percent of the state’s total covered employment that year. This subsector was hit hard by the recession as well with a loss of about one-fifth of its workforce or nearly 1,600 employees from 2000 to 2003. Although firms in this subsector showed lower export sales numbers in 2003 compared to 2000, their share of the total sales actually increased to just over 20 percent of the state’s total sales.

Manufactured chemicals saw its share of total export sales increase, from 4.3 percent in 2000 to 5.3 percent of the total in 2003. The Transportation equipment manufacturing and Miscellaneous manufacturing subsectors also saw their share of total export sales increase from 2000 to 2003.

Exporting Companies
According to the US Department of Commerce, nearly 2,200 firms exported merchandise from New Hampshire in 2002. This was down more than 13 per-

cent from 2001. Comparing the other New England states, Massachusetts topped the list with almost 10,200 firms exporting merchandise from the state while Vermont came in at the bottom with only 1,100 firms exporting merchandise in 2002. Looking at all the states, California topped the list with 55,400 firms exporting merchandise and Wyoming came in last with only 307 firms exporting merchandise. Nationally, more than 223,000 firms exported merchandise in 2002.¹

Employment related to Exports
Employment related to the export of manufactured goods includes those jobs that are either directly related or indirectly related to exports. Jobs *directly* related to exports are those employees of firms that produce the merchandise to be exported. Jobs *indirectly* related to exports include such employees as those from firms that the manufacturers buy supplies from and those working for transportation companies that deliver the merchandise from the manufacturing plant to the port of export.²

Roughly 37,500 jobs in New Hampshire were related to exports of manufactured goods in 2001, the latest year for which this data is available from the US Census Bureau. Manufacturing firms (based on SIC definition) claimed 53.6 percent of those jobs.

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New Hampshire Exports by NAICS, Top 10

NAICS	Description	2000	2001	2002	2003
	Total, all industries	\$2,373,326,695	\$2,401,032,490	\$1,863,287,991	\$1,931,411,721
334	Computer and electronic products	999,344,297	884,570,158	569,545,898	613,787,956
333	Machinery, except electrical	409,288,283	466,493,896	385,298,421	388,636,979
325	Chemicals	103,203,080	143,222,647	96,960,065	101,947,140
335	Electrical equipment, appliances and components	119,633,540	205,115,576	99,713,688	94,675,016
336	Transportation equipment	59,890,019	59,824,521	77,861,316	81,226,600
339	Miscellaneous manufacturing	60,370,331	67,082,577	74,610,676	81,085,597
332	Fabricated metal products	108,848,398	96,969,229	73,240,152	76,518,560
326	Plastics and rubber products	84,438,994	60,793,632	66,662,748	62,107,087
321	Wood products	42,738,560	42,637,642	42,736,291	48,570,360
327	Nonmetallic mineral products	37,972,130	50,830,318	48,814,917	46,711,637

Source: World Institute for Strategic Economic Research (WISER)

Continued from page 2 Only Rhode Island and Connecticut had a higher share of their total *employment related to Manufactured exports* in Manufacturing with 62.4 and 59.6 percent, respectively. Nationally, only 43.9 percent of the total *employment related to Manufactured exports* were in Manufacturing.

2004 from 3.2 percent in 2003, increasing international buying power for US-made products.”

Elisabeth Picard

As the US dollar continues to fall, many wonder what effect this will have on exports. According to the World Institute for Strategic Economic Research (WISER), “A lower dollar makes US companies more competitive in foreign markets. At the same time, global growth is expected to increase to 4.1 percent in

¹ A Profile of US Exporting Companies, 2001-2002, [US Department of Commerce](#), Foreign Trade Division. Accessed November 5, 2004. <[www.census.gov/foreign-trade/aip/edbrel-0102.pdf](#)>

² Exports from Manufacturing Establishments: 2001. July 2004. [US Census Bureau](#). Accessed September 30, 2004 <[www.census.gov/mcd/exports/ar01.pdf](#)>

Unemployment Compensation Claims Activity

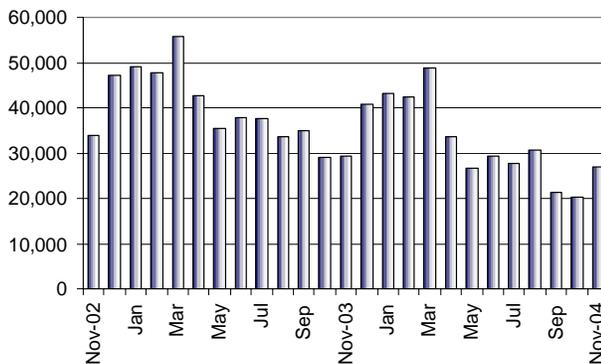
Total Regular Unemployment Compensation Programs:				Change from Previous			
				Month		Year	
	Nov-04	Oct-04	Nov-03	Net	Percent	Net	Percent
Initial Claims	4,494	3,490	4,196	1,004	28.8%	298	7.1%
Continued Weeks	26,840	20,138	29,242	6,702	33.3%	-2,402	-8.2%

Claims Activity

Unemployment Compensation Fund

Unemployment compensation fund balance at the end of November	\$245,193,027.91
Average payment for a week of total unemployment:	\$256.08
Net benefits paid:	\$4,772,683.88
Net contributions received during the month:	\$8,175,710.07
Interest Received:	\$0.00
Reed Act Distribution:	\$0.00
Reed Act Withdrawal for Administrative Costs:	\$0.00

Trust Fund



Continued Weeks Claimed

Nov. 2002 - Nov. 2004

Although the number of continued weeks claimed in November 2004 jumped by more than 6,700 over-the-month, it was still 2,400 lower than the same month in 2003.

Nov-04	Oct-04	Nov-03	Change from Previous	
			Month	Year
191.0	190.9	184.5	0.1%	3.5%

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

Consumer Price Index