

## Age Distribution of Workers in Private Industry – How do New Hampshire and Massachusetts Compare?

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The age distribution of workers in New Hampshire industries has been discussed previously in several publications issued by the Economic and Labor Market Information Bureau.<sup>1,2</sup> Quarterly Workforce Indicators provide aggregate information about worker age, gender, educational attainment, and race, as well as employment flows, separations, hires, and turnover by place of work. These profiles have revealed a great deal about how New Hampshire employment by industry has changed in recent years.

Now, Massachusetts employment demographics are available through the same program, which allows the distribution of employees by age group in New Hampshire and Massachusetts industries to be compared. This comparison can be useful for both the economic and the workforce development communities.

### Overview

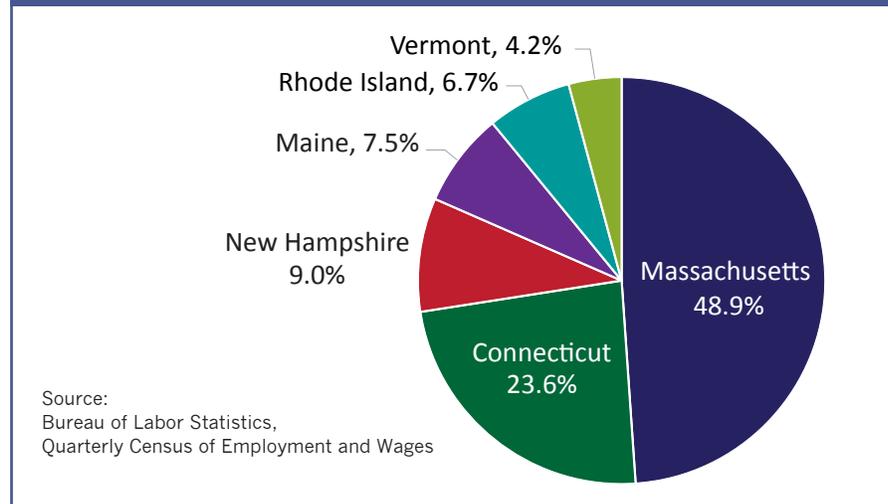
Massachusetts accounts for almost half of total private covered employment in New England, making it a major influence on the region as a whole. Private (non-government) employment

in New Hampshire, with 541,440 workers, is only 18.5 percent of that in Massachusetts, which has private employment of 2,933,250.<sup>3</sup> Roughly 80,000 residents of New Hampshire commute to Massachusetts to work, while around 30,000 Massachusetts residents commute to work in New Hampshire.<sup>4</sup> Since the Quarterly Workforce Indicators reflect workplace experience, New Hampshire residents working at private jobs in Massachusetts would be included in the descriptors of employment by industry in Massachusetts, and vice versa.

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Share of New England Private Employment by State, 2014



<sup>1</sup> Two publications include: *New Hampshire Economic Conditions – May 2014*. “New Hampshire’s Older Working Population”. <[www.nhes.nh.gov/elmi/products/documents/ec-older-pop.pdf](http://www.nhes.nh.gov/elmi/products/documents/ec-older-pop.pdf)> and *Measuring New Hampshire’s Economic Health: A Workforce Perspective, 2013*. Economic Analysis Report. <[www.nhes.nh.gov/elmi/products/documents/ear-2013.pdf](http://www.nhes.nh.gov/elmi/products/documents/ear-2013.pdf)>.

<sup>2</sup> U.S. Census Bureau, Local Employment Dynamics, Quarterly Workforce Indicators (QWI). <[lehd.ces.census.gov/doc/QWI\\_101.pdf](http://lehd.ces.census.gov/doc/QWI_101.pdf)>. Employment measure used in this analysis is the total number of jobs on the first day of the reference quarter. This provides point-in-time employment numbers by place of work. QWI data do not measure workers by place of residence.

<sup>3</sup> 2014 Annual Average Employment, Quarterly Census of Employment and Wages, Bureau of Labor Statistics. <[www.bls.gov](http://www.bls.gov)>.

<sup>4</sup> US Census Bureau. 2014 American Community Survey, 1-year estimates.

When comparing New Hampshire to Massachusetts, there are some differences in the shares of industry employment. Yet the same six industries: *Retail trade*; *Health care and social assistance*; *Manufacturing*; *Accommodation and food services*; *Administrative and waste services*; and *Professional and*

*technical services* had the largest shares of employment in both states, just in a different order. For example, *Retail trade* led employment in New Hampshire, while the largest share of workers in Massachusetts was employed in *Healthcare and social assistance*.

### Total Private Employment

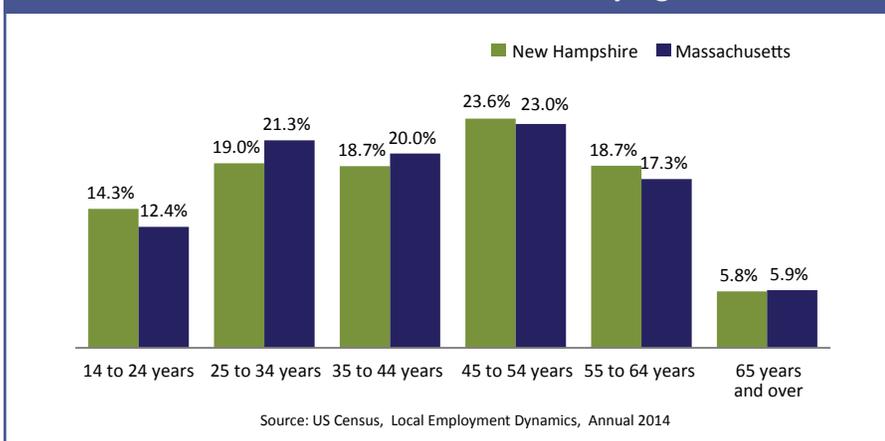
Workers age 45 to 54 held the largest share of New Hampshire employment, 23.6 percent. This was only slightly higher than the 23.0 percent of Massachusetts workers in that age group. Workers age 14 to 24 are considered the workforce pipeline, and New Hampshire actually had a slightly larger share of workers age 14 to 24, with 14.3 percent, compared to Massachusetts with 12.4 percent. New Hampshire also had a larger share of workers age 55 to 64, with 18.7 percent, versus 17.3 percent in Massachusetts. In New Hampshire, 19.0 percent of workers were age 25 to 34 years, compared to 21.3 percent in Massachusetts, and 18.7 percent of workers were age 35 to 44 years, compared to 20.0 percent in Massachusetts.

### Comparison of Private Employment Industry Mix - 2014

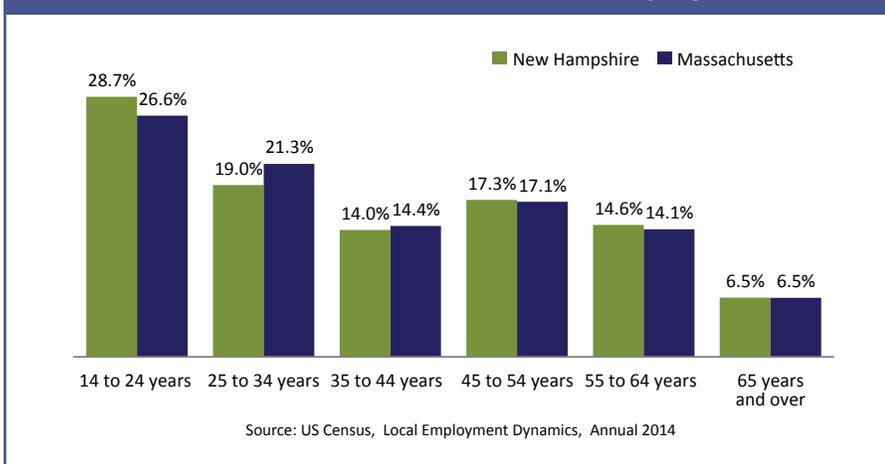
	New Hampshire	Massachusetts
Retail Trade	17.4%	11.9%
Health Care and Social Assistance	16.0%	19.8%
Manufacturing	12.3%	8.5%
Accommodation and Food Services	10.3%	9.8%
Administrative and Waste Services	6.1%	5.9%
Professional and Technical Services	6.0%	9.7%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Annual 2014

### Share of Private Workforce by Age



### Share of Retail Trade Workforce by Age



### Retail Trade

The largest share of workers in New Hampshire and the second largest share of workers in Massachusetts were employed in *Retail trade*. In each state, almost 48 percent of workers were under 35 years of age. But in New Hampshire, a slightly larger share workers – 14.3 percent – was age 14 to 24, than in Massachusetts, with 12.3 percent. In Massachusetts, there was a slightly larger share, 21.3 percent, of workers age 25 to 34, compared to 19.0 percent in New Hampshire.

There were similar shares of workers in each of the age groups 35 years and over in each of the two states.

### Health Care and Social Assistance

The second largest share of workers in New Hampshire is employed in *Health care and social assistance*, while this industry sector leads

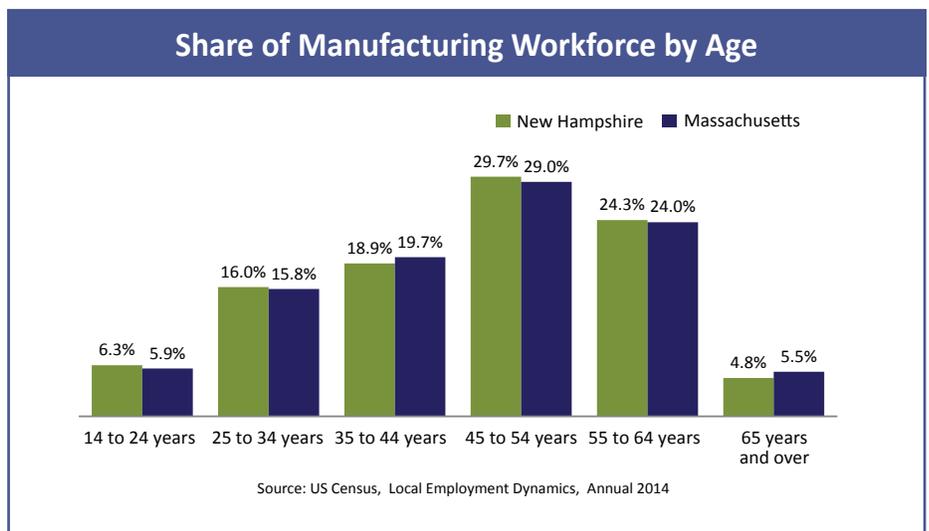
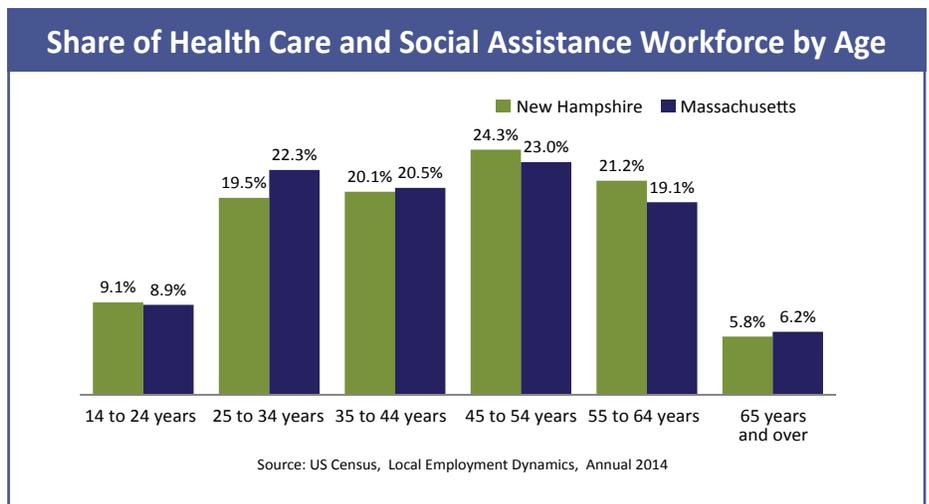
employment in Massachusetts. There were similar shares of *Health care and social assistance* workers in three age groups in both states: 14 to 24 years, 35 to 44 years, and 65 years and over. In New Hampshire, there were larger shares of workers in the 45 to 54 years and the 55 to 64 years age groups, and in Massachusetts there was a larger share of workers age 25 to 34.

### Manufacturing

The third largest share of private workers in New Hampshire, 12.3 percent, was employed in *Manufacturing*, while in Massachusetts the *Manufacturing* industry share of employment ranked fifth largest, with 8.5 percent.

This is one industry sector where the share of workers in each age group is most similar. There was less than one percent difference in the share of workers in each age group between the two states. In New Hampshire, there were slightly larger shares of workers in the 14 to 24 years, 25 to 34 years, 45 to 54 years and 55 to 64 years age groups. There were larger shares of worker in Massachusetts in only the 25 to 44 years and 65 years and over age groups.

The significance of worker age – in both states – is that almost 60 percent of *Manufacturing* workers are 45 years or older. Seasoned industry workers have attained skills and adapted to the evolution of manufacturing processes. With fewer younger workers entering employment and gaining skills in the industry, it may be difficult to replace experienced workers as they retire and leave the workforce.



### Accommodation and Food Services

In New Hampshire, 37.4 percent of workers in Accommodation and food services were age 14 to 24, compared to 30.5 percent of Massachusetts workers in this industry. New Hampshire and Massachusetts had an equal share of workers age 24 to 35 years, 24.1 percent, while there were larger shares of workers in all age groups 35 years and older in Massachusetts. Large shares of workers in the youngest age group are not unusual, as jobs in this industry sector are frequently the first work experience for those entering the workforce.

### Professional and Technical Services

In Massachusetts, the fourth largest share of workers, 9.7 percent, was employed in this industry. In New Hampshire, the 6.0 percent share of employment ranked sixth highest.

In Professional and technical services, the most significant difference between Massachusetts and New Hampshire was in the 25 to 34 years age group. In Massachusetts, workers 25 to 34 years held 25.2 percent of employment, while in New Hampshire it was 19.5 percent. Upon further research, it was

discovered that in Massachusetts, the Scientific research and development services subsector accounted for over 18 percent of industry employment, while in New Hampshire the share of employment was 5.7 percent. It can be assumed that the business community in Massachusetts uses the local (and regional) college community as a pipeline to supply young professionals.

### Administrative and Waste Services

In New Hampshire, employment in Administrative and waste services ranked fifth highest, with 6.1 percent of employment, while in Massachusetts it ranked sixth highest with 5.9 percent. Just shy of 58 percent of workers were under age 45 in both New Hampshire and Massachusetts, with slight variations between the age groups. There was a larger share of workers age 14 to 24 in New Hampshire, 14.5 percent, compared to 12.6 percent of that age group in Massachusetts. In Massachusetts there were slightly higher shares of the 25 to 34 years and 35 to 44 years age group than in New Hampshire. There was essentially the same share of workers age 45 to 54 in both states.

### Are the age differences significant between the two states?

The long-term ramifications are more significant than which state’s population is older or younger, as both states are facing similar issues. New Hampshire is competing with other states in the region to move younger workers into the education-to-work pipeline. With an impending “silver tsunami” of baby boomers leaving the workforce, training younger workers to fill jobs will become more critical.

Data on worker age by industry is an important tool in understanding future workforce needs.

