

New Hampshire Economic Conditions

March 2011

New Hampshire Median Household Income

New Hampshire has been at or near the top of all states in median household income for a number of years. The income component of the Current Population Survey (CPS) is the basis of median household income estimates. Questions about the income of everyone in a household are an integral part of the March Annual Social and Economic Supplement to the CPS.¹

The Census Bureau and the Bureau of Labor Statistics (BLS) combine to take an in-depth look at labor force related issues (see box on page 2). The Census Bureau then publishes its estimates for the nation and the individual states. The results are released in three different but intertwined reports – median household income annually, me-

dian household income two-year average and median household income three-year average. Because these estimates come from a self-reporting survey, estimates for multiple years are combined with the goal of improving precision.

Median household income - annually

New Hampshire's median household income in 2009 was \$64,131. This ranked fourth in the nation but by very little. The top four states were in a very tight circle differing only by \$720. Connecticut (\$64,851), New Jersey (\$64,777) and Maryland (\$64,186) edged out the Granite State. This followed two years where New Hampshire held the top spot.

Median Household Income U.S., New England, and top ten states - 2007-2009

Rank	United States	\$50,618
1	New Hampshire	\$66,654
2	Connecticut	\$65,213
3	Maryland	\$65,183
4	New Jersey	\$64,143
5	Alaska	\$63,505
6	Virginia	\$61,151
7	Hawaii	\$61,055
8	Massachusetts	\$59,981
9	Colorado	\$59,964
10	Washington	\$58,964
16	Rhode Island	\$53,584
22	Vermont	\$50,619
31	Maine	\$48,032

Rank includes Washington D.C.

¹ <www.census.gov/hhes/www/income/data/historical/household/index.html>. Accessed 3/1/2011.

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Definitions

Median: The point where one-half of the cases fall below the median and one-half above. For households and families, median income is based on the distribution of the total number of households and families including those with no income. Median income is rounded to the nearest whole dollar.

Household: All the people who occupy a house, an apartment, a mobile home, a group of rooms, or a single room. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated people who share living arrangements.

Income: The sum of the amounts reported for wage or salary income; net self-employment income; interest, dividends, or net rental or royalty income or income from estates and trusts; Social Security or railroad retirement income; Supplemental Security Income (SSI); public assistance or welfare payments; retirement, survivor, or disability pensions; and all other income.

Source: The American Community Survey – Puerto Rico Community Survey – 2009 Subject Definitions, <www.census.gov/acs/www/Downloads/data_documentation/SubjectDefinitions/2009_ACSSubjectDefinitions.pdf>. Accessed 3/14/2011.

Median household income – two-year moving average

The two-year moving average is calculated by adjusting previous year income to reflect inflation. New Hampshire's nation-leading 2008-2009 median household income was \$65,028. To determine the two-year moving average, the 2009 figure of \$64,131 was added to 2008's estimate of \$65,925, after adjusting to 2009 dollars, then divided by two.

Median household income – three-year moving average

As with the two-year moving average, the three-year moving average takes the estimates for three consecutive years, adjusts for inflation, then totals and divides by three. The 2007-2009 three-year average for New Hampshire was \$66,654, again tops in the nation. This number is derived by adding the 2007 figure of \$69,906, the result when adjusting the estimate to 2009 dollars, to the two-year figures above and dividing by three.

History

Over the past quarter century New Hampshire has consistently been among those states with the highest median household income. Using the three-year moving average to compare over time, New Hampshire has led the nation three times, ranked third three times and fourth four times. There has been no time since 2000-2002 when New Hampshire has fallen below 4th in the nation. In the nine years prior to that, New Hampshire ranked between sixth and tenth among the states.

The Region

Among the New England states Connecticut has consistently ranked at or near the top in median household income. At no time has Connecticut dropped below fifth highest in the nation. In the most recent three-year ranking, Connecticut, at \$65,213, was

Current Population Survey

The Current Population Survey (CPS) offers a wealth of data for those who study the labor force and the income which results. Every month, during the week which includes the 19th of the month, the Census Bureau, in conjunction with the Bureau of Labor Statistics (BLS), surveys thousands of households about the status of their individual members during the previous week. Questions are linked to the labor force participation of every individual in each household, including hours worked, reason for not working, occurrence of any job seeking activities, their work history during the previous week and how all this relates to the previous month.

In 2010 about 54,100 housing units were surveyed each month. They are spread out among 824 statistical areas representing the entire U.S. Every state is guaranteed statistical viability. The monthly release of Employment and Unemployment is a product of this survey. A household selected for the CPS will be surveyed for four consecutive months, retire for eight months, and return for four more. This gives continuity not only over-the-month but also over-the-year.

Every year in March the CPS is expanded both in the number of questions and the number of participants. The Annual Social and Economic Supplement (ASEC) queries about 77,000 housing units. The supplemental questions include those in the CPS plus income inquiries of each individual by race, age and sex. It also divides the household into family and nonfamily units. A household is everyone residing at a single address regardless of relationships to each other. The exception is group quarters wherein reside nine or more persons not related to the head of the household. A family is two or more people related by birth, marriage or adoption.

Employed, unemployed, reason not employed, labor force participation rate, industry, sex, age (limited to 0-15, 16-44, 45 and over), race, Hispanic origin all are gathered from this survey. Job losers, job changers and new hires are all noted. The March expansion provides more specific detail on all this plus an in-depth analysis of income.¹ Because this is an over-the-year look at these work-related issues, mobility of participants is also examined.

¹ Because the income figures are self-reported and not from tax or other documents, there is a rather large standard error related to the data. The more extensive the survey, the lower the standard error. Because New Hampshire is one of the smaller reporting units, it typically carries a high standard error. The standard error for New Hampshire's 2009 median household income was \$1,856.

number two to New Hampshire. In an amazing run of consistency, the Nutmeg State ranked either 4th or 5th in 14 of the 15 years prior to last year.

Among the remaining New England states, Massachusetts ranked between

6th and 15th over the past 25 years. In the latest ranking, Massachusetts was 8th with \$59,981. Sixteenth ranked Rhode Island, at \$53,584 in 2007-2009, has spent much of the past quarter century in a similar situation. It has been ranked between 14th and 21st

since 1987-1989. Vermont was 22nd with \$50,619 in 2007-2009. This was its lowest ranking since 2001-2003. That, however, was a rebound from a seven-year period where it ranked between 24th and 31st. Maine ranked 31st in 2007-2009 with \$48,032. This is the highest place for it since it ranked 30th in 1995-1997. In the interim Maine was between 32nd and 42nd in the nation.²

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² Includes Washington D.C.

2010 Census for New Hampshire

New Hampshire had 1,316,470 residents at the time of the census in April 2010. Eight states have a smaller population, two of which are New England neighbors, Vermont and Rhode Island. Maine, despite a long trend toward having a smaller population than the Granite State, maintained a narrow 11,891 lead. No other two states are this close in population. The 2000 census recorded a 39,137 difference between the two states.

The New Hampshire 2010 count was 80,684 more than were counted in the 2000 census. Only ten states saw a smaller headcount growth. Three of those ten were New England states: Rhode Island (4,248), Vermont (16,914) and Maine (53,438). One, Michigan, actually saw its population decline over the decade. Texas saw the largest gain with 4,293,741 more residents in 2010 than in 2000.

The percentage gain for New Hampshire of 6.5 percent over the decade was a bit more impressive. Eighteen states, including all five of the other New England states, saw a smaller percentage growth. Connecticut

grew 4.9 percent; Maine, 4.2 percent; Massachusetts, 3.1 percent; Vermont, 2.8 percent; and Rhode Island, 0.4 percent.

The state tally from the 2010 census had to be reported to the President of the United States in December 2010. The results determine how the 435 seats in the U.S. House of Representatives are apportioned to each state. The big winner in reapportionment in 2010 was the State of Texas, picking up four seats. The only other multiple seat pick up was in Florida, which got two new seats. Six states gained a single seat: Georgia, Arizona, Washington, Nevada, South Carolina and Utah. These 12 seats came from 10 states. New York and Ohio each ceded two; Pennsylvania, Illinois, Missouri, New Jersey, Massachusetts, Iowa, Louisiana and Michigan lost one each.

Each Congressional district represents between 527,624 residents (Rhode Island, which has two) and 994,416 residents (Montana, with one). The average for all districts comes to about 720,000 people per representative. New Hampshire has two representatives, one per 660,723 people. Five

states have a smaller population per representative ratio than New Hampshire. Since two of those already are reduced to the mandatory one representative, and New Hampshire and its New England cohorts have the smallest growth among the regions, it is not a stretch to believe that if this trend continues, one or two censuses down the road could lead to New Hampshire losing one of its two seats.

Over the decade, between censuses, the states, in conjunction with the Census Bureau, estimate population each year. The 2009 estimate for the state was 1,324,575. This was 8,105 more than the 2010 census count. This indicates that there is a slight overestimation in the yearly estimates. The State Data Center will recalculate the population for each year since 2000. The ancillary effects of this reestimation will be changes in per capita calculations. Personal income, disposable income, median income, state revenue and state expenses are examples of calculated per capita data points. With a slightly smaller denominator (population), each will increase proportionally.

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Decennial Population, New England States

