

New Hampshire Economic Conditions

July 2010

Population Change and the Labor Force

The foundation of New Hampshire's workforce is its population. The demographic make-up and size of the state's population determine the potential of how the future workforce will meet labor demand.

Resident Population

The most recent estimate of New Hampshire's population was 1,324,575 as of July 1, 2009, according to the U.S. Census Bureau. Over the year, the state added 2,703 residents, the smallest increase since the beginning of the decade. The last time the state experienced such a small change was in 1991, when the population shrank over-the-year.

Population change is measured by two major components – natural increase and migration. A net 3,587 residents were gained from natural increase, the number of births minus deaths. That

increase was partially offset by the net effect of resident migration – net international migration plus net domestic migration. Total migration was a net loss of 815 residents from 2008 to 2009. This was the third consecutive year that New Hampshire experienced a net population loss because of domestic out-migration.

Net international migration includes the net movement of the Armed Forces between the United States and overseas.¹ Periods that the United States

has been at war have contributed to international out-migration of the population.

Civilian Population

New Hampshire's civilian population (the portion of the resident population not in the active-duty military) was 1,323,422 persons as of July 1, 2009, an increase of 2,826 over-the-year. The increase of those 16 years or older was more than double that of the total civilian population, a gain of 6,510 people in this broad age group.

¹ Net International Migration is defined by the U.S. Census Bureau as any change of residence across the borders of the United States (50 states and District of Columbia). Net international migration is estimated in four parts: (1) net international migration of the foreign born, (2) net migration between the United States and Puerto Rico, (3) net migration of natives to and from the United States, and (4) net movement of the Armed Forces population between the United States and overseas. The largest component, net international migration of the foreign born, includes lawful permanent residents (immigrants), temporary migrants (such as students), humanitarian migrants (such as refugees), and people illegally present in the United States. These components are not estimated individually. Rates are expressed per 1,000 population. Source: U.S. Bureau of the Census, Population Topics Glossary, < <http://www.census.gov/popest/topics/terms/> > . Accessed 6/21/10.

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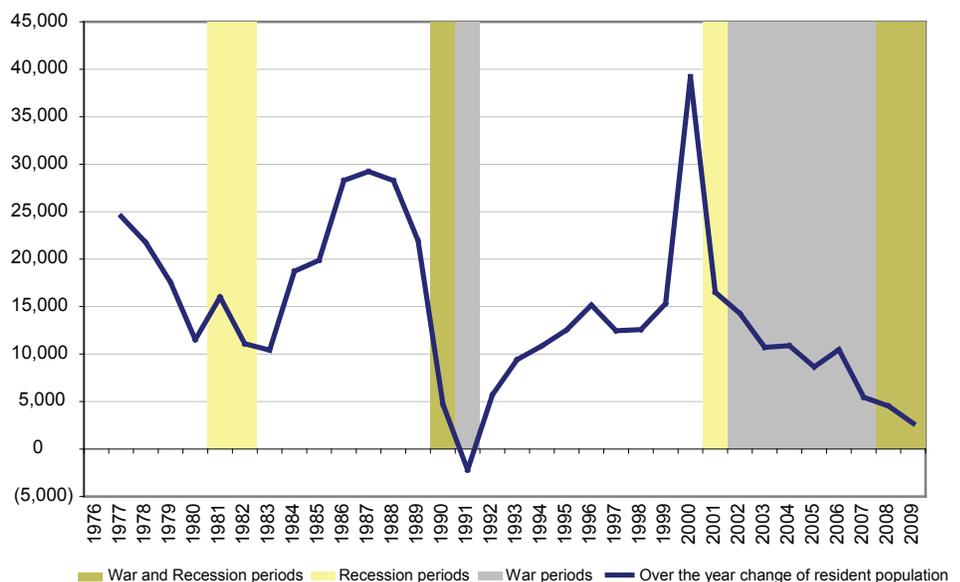
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New Hampshire over-the-year change in resident population



1980, 1990, and 2000 population numbers are from decennial census counts. All other years are annual estimates. Methodologies may differ slightly.

However, the population in ages most likely to participate in the labor force² — those aged 16 to 64 years — increased by 1,657.

From July 1, 2000 to July 1, 2009, the 16 to 64 years age group grew by 8.6 percent, slightly faster than the increase in total population at 6.3 percent. But the 65 years and over age group grew by 17.1 percent over that same period, while the civilian population 0 to 15 years of age decreased in size.

² According to 2009 Geographic Profile, only one in five civilians aged 65 years and over participated in the labor force.

The current slow in-migration rates might not have an immediate impact on New Hampshire's labor force. In 10 to 15 years, however, should these rates continue, the increasingly smaller population entering the primary workforce supply will not compensate for current members who will be aging out of the primary workforce supply. Without population growth from those very young age cohorts, an influx of both domestic and international migrants would be needed to increase the labor force supply.

Labor Force Supply

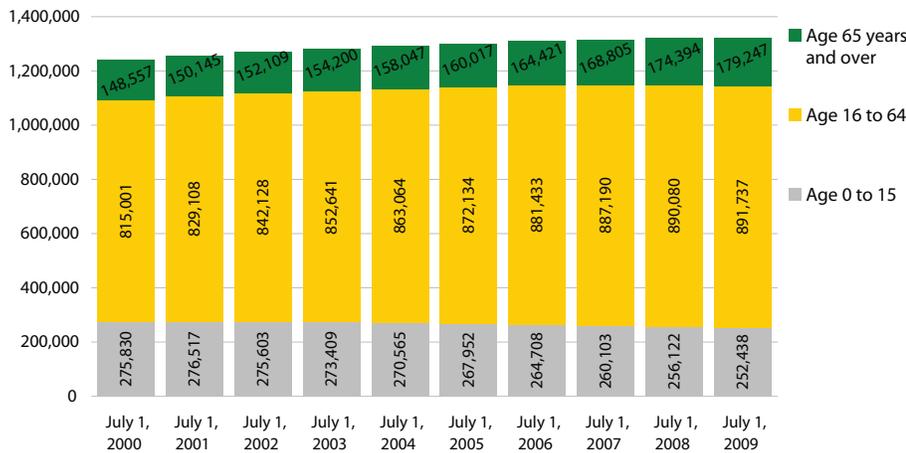
Changes in migration are affected by available economic opportunities and

conversely have an effect on expansion and contraction of economic activity. In other words, the demand for and supply of workers do not always match. The current level of unemployment means there is a larger supply of workers than there are jobs available. Workers tend to migrate towards areas that have opportunities for employment. With labor market conditions in most other parts of the nation, similar to (or worse than) New Hampshire many workers are staying where they are for now, reducing both in- and out-migration.

The definition of the labor force includes only civilian non-institutionalized population age 16 years or older. Some age groups are more likely to participate in the workforce, so evaluating just the overall size of the population is not sufficient to understand labor force changes.

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New Hampshire Civilian Population by Age



Road to Recovery, New Hampshire's Economy 2010

This publication is a detailed state economic analysis intended to inform workforce decision and policy makers. The information will also be useful to anyone with a stake in New Hampshire's economy, whether they are involved in business or career planning, or general economic research and analysis.

The report provides a mid-year look at New Hampshire's economic situation. It includes the most recent data describing key economic indicators such as gross domestic product, employment, personal income, housing, and exports. In addition, the report looks forward, considering occupational employment projections and recent population trends.

Road to Recovery, along with all other reports produced by the Bureau, can be accessed at: www.nh.gov/nhes/elmi

