

Recovery: How Employment Has Changed in New Hampshire Covered Employment, First Quarter 2015

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In first quarter 2015, total employment for both private and government establishments in New Hampshire was 622,729. This was an increase of 34,356 jobs from first quarter 2010, and 15,929 more jobs than first quarter 2005. Employment increased by a net 15,974 jobs in the private sector over the ten-year period. Overall, the employment increase may be welcomed as a full recovery from the most recent recession. However, as with any recovery, some sectors

have grown while others have lagged behind.

Comparing changes in employment among industry sectors for 2005 Q1 to 2010 Q1 and 2015 Q1 provides details about the jobs recovery. New Hampshire has continued to follow the long-term national trend in shifting to a services-oriented economy. From 2005 to 2015 employment in New Hampshire increased more than 34,000 jobs in *Service-providing industries*, while

Goods-producing industries dropped more than 18,000 jobs over the same ten-year period. Splitting the ten years into two segments, out of 19 industry sectors, 12 lost employment from 2005 Q1 to 2010 Q1, and all but two gained employment from 2010 Q1 to 2015 Q1. For seven of those 12 sectors, including all four among the *Goods-producing industries*, the gains from 2010 Q1 to 2015 Q1 were not quite large enough to overcome jobs lost during the previous five-year period, resulting in a ten-year net loss.

New Hampshire 1st Quarter to 1st Quarter change

	2005-2010	2010-2015	2005-2015
Total, Private plus Government	(18,427)	34,356	15,929
Service-Providing Industries	2,252	31,913	34,165
Health Care and Social Assistance	9,565	4,338	13,903
Administrative and Waste Services	2,171	7,476	9,647
Professional and Technical Service	1,892	4,301	6,193
Accommodation and Food Services	(1,454)	5,788	4,334
Educational Services	730	1,820	2,550
Management of Companies/Enterprises	648	558	1,206
Other Services Except Public Admin	495	437	932
Arts, Entertainment, and Recreation	257	13	270
Wholesale Trade	(1,372)	1,540	168
Transportation and Warehousing	(907)	1,041	134
Finance and Insurance	(2,083)	1,730	(353)
Information	(923)	412	(511)
Utilities	(244)	(297)	(541)
Real Estate and Rental and Leasing	(1,412)	(198)	(1,610)
Retail Trade	(4,694)	2,641	(2,053)
Goods-Producing Industries	(22,850)	4,659	(18,191)
Mining	(82)	63	(19)
Agriculture/Forestry/Fishing	(281)	240	(41)
Construction	(7,357)	2,716	(4,641)
Manufacturing	(15,130)	1,639	(13,491)

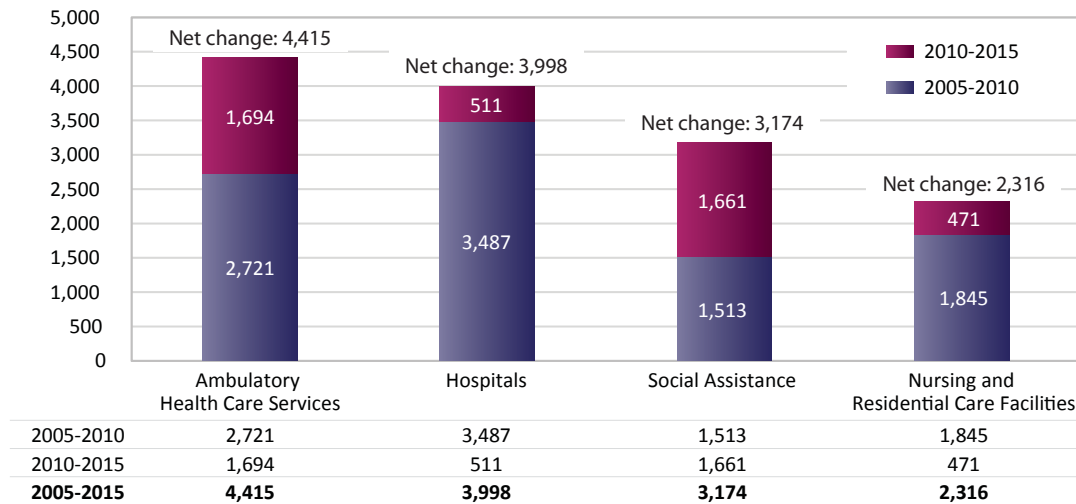
Largest net employment gains among industry sectors from first quarter 2005 to first quarter 2015

Health Care and Social Assistance

The *Health care and social assistance* sector led the way in employment gains, adding 13,900 jobs from 2005 Q1 to 2015 Q1. This sector grew throughout the recession. The majority of employment growth was from 2005 Q1 to 2010 Q1, with 9,600 more jobs; another 4,300 jobs were added between 2010 Q1 and 2015 Q1.

- In *Ambulatory health care service*, a subsector within the *Health care and social assistance* sector, 4,400 jobs were added between 2005 Q1 and 2015 Q1. *Offices of Physicians*, an industry group in *Ambulatory health care services*, accounted for almost half of that increase.

Health Care and Social Assistance - 1st quarter 2005 to 1st quarter 2015 change



- *General medical and surgical hospitals*, an industry group in the *Hospitals* subsector, accounted for 2,800 (over 80 percent) of the 4,000 new jobs in *Hospitals*.
- Employment in the *Social assistance* subsector increased almost 3,200 jobs over the ten-year period. This job increase was bolstered by the *Individual and family services* industry group with 2,900 jobs added between 2005 Q1 and 2015 Q1.
- Over the ten-year period, employment in the *Nursing and residential care facilities* subsector was likely influenced by the aging demographics of New Hampshire’s population. Out of the 2,300 new jobs in the sector, almost 1,900 were added in the *Community care facilities for the elderly* industry group.

Administrative and Waste Services

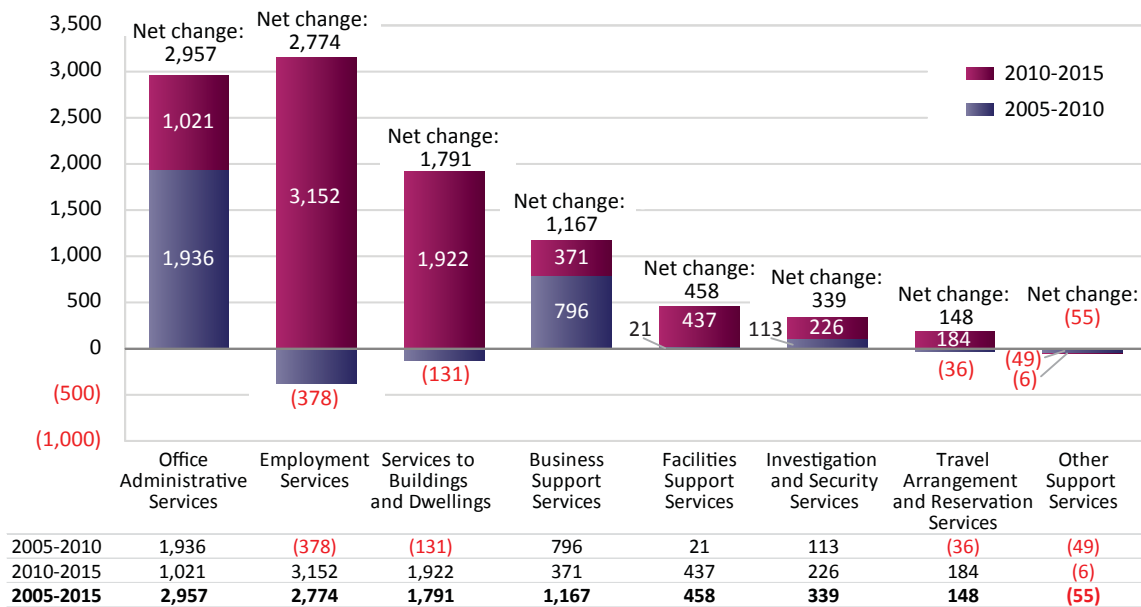
Within the *Administrative and Waste Services* sector, the *Administrative and support services* subsector accounted for 9,580 of the 9,650 new jobs from 2005 Q1 to 2015 Q1.

- The *Office administrative services* industry group made up almost 3,000 of those new jobs, with roughly 2,000 gained between 2005 Q1 and 2010 Q1, and another 1,000 jobs gained between 2010 Q1 and 2015 Q1.
- The *Employment services* industry group had a net gain of 2,775 jobs over the ten-year period, losing almost 400 jobs between 2005 Q1 and 2010 Q1, and then adding 3,150 jobs from 2010 Q1 to 2015 Q1.

- Another industry group, *Services to buildings and dwellings*, had a net gain of 1,790 jobs, losing 130 jobs between 2005 Q1 and 2010 Q1, then gaining 1,920 jobs between 2010 Q1 and 2015 Q1.
- The *Business support services* industry group increased employment by 1,170 jobs over the ten-year period; most of the gain came during the 2005 Q1 to 2010 Q1 period.

Within the *Waste management and remediation services* subsector, only the *Remediation and other waste services* industry group experienced a net gain, adding 180 jobs over the ten-year period.

Administrative and Support Services - 1st quarter 2005 to 1st quarter 2015 change



Professional and Technical Services

Almost 6,200 jobs were added in the *Professional and technical services* sector over the ten-year period, the third largest increase among industry sectors in New Hampshire. Nearly all industry groups experienced a net gain in employment over the ten-year period.

- The largest increase among industry groups in this sector was 3,400 jobs added in the *Computer systems design and related services* industry group, with the majority of those gains occurring between 2010 Q1 and 2015 Q1.
- The *Management and technical consulting services* industry group followed suit with over 900 new jobs, most of which were gained between 2010 Q1 and 2015 Q1.

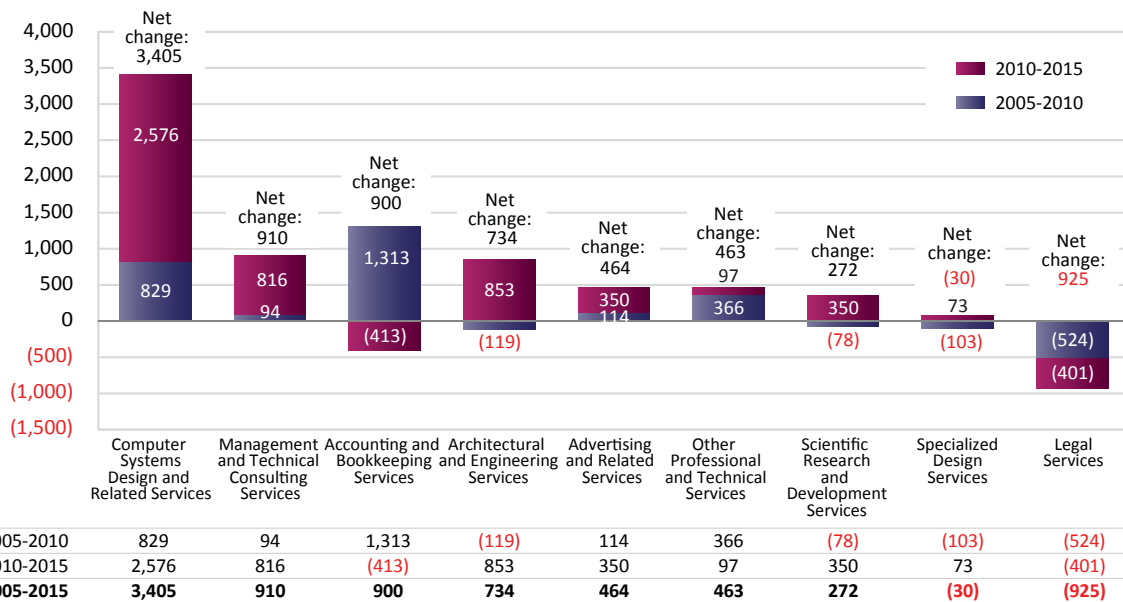
- There was a net gain of 900 jobs in the *Accounting and bookkeeping services* industry group over the ten-year period, with 1,300 jobs added between 2005 Q1 and 2010 Q1. However, this industry group reduced employment by 400 jobs from 2010 Q1 to 2015 Q1.
- Employment in the *Architectural and engineering services* industry group increased by more than 700 jobs over the ten-year period. After dropping about 120 jobs between 2005 Q1 and 2010 Q1, the industry rebounded, gaining 850 jobs between 2010 Q1 and 2015 Q1.
- The *Legal services* industry group was the only industry group in the sector to lose jobs in both five-year periods.

Accommodation and Food Services

Between 2005 Q1 and 2015 Q1, the *Accommodation and food services* sector had a net gain of 4,330 jobs. After dropping 1,450 jobs from 2005 Q1 to 2010 Q1, from 2010 Q1 to 2015 Q1 the sector added 5,780 jobs.

- The *Food services and drinking places* subsector gained a net 4,520 jobs between 2005 Q1 and 2015 Q1, adding over 5,000 jobs in the latter five years after dropping 550 jobs from 2005 Q1 to 2010 Q1.
- From 2010 Q1 to 2015 Q1, the *Accommodation* subsector recovered over 700 jobs after losing 900 jobs between 2005 Q1 and 2010 Q1.

Professional and Technical Services - 1st quarter 2005 to 1st quarter 2015 change



Educational Services

The *Educational services* sector gained 2,550 jobs over the ten-year period, adding 730 jobs between 2005 Q1 and 2010 Q1, and 1,820 jobs between 2010 Q1 and 2015 Q1. The private *Colleges and universities* industry group accounted for almost 1,330 of the job gains in the sector over the ten years.

Largest net employment losses among industry sectors from 2005 Q1 to 2015 Q1

Out of the nine industry sectors with a net loss of employment from 2005 Q1 to 2015 Q1, all but two made inroads to recovery from 2010 Q1 to 2015 Q1. Only the *Utilities* and *Real Estate and Rental and Leasing* sectors have yet to regain jobs lost starting in 2005.

Manufacturing

The *Manufacturing* sector lost the most employment over the ten-year period, declining by almost 13,500 jobs. More than 15,100 jobs were shed between 2005 Q1 and 2010 Q1. Though not strong, there has been evidence of some recovery, with a gain of 1,600 jobs between 2010 Q1 and 2015 Q1. This gain was not enough to bring employment in the sector back to the 2005 Q1 level.

The *Manufacturing* sector is one of the most detailed, with 21 subsectors, and as of 2015 Q1, was the third-largest employing industry sector in New Hampshire.

- Five subsectors — *Textile mills*, *Food manufacturing*, *Apparel manufacturing*, *Chemical manufacturing*, and *Petroleum and*

coal products manufacturing — experienced net employment gains over the ten-year period.

- Even though the *Textile mills* and *Chemical manufacturing* subsectors had employment declines from 2005 Q1 to 2010 Q1, employment increases from 2010 Q1 to 2015 Q1 outweighed the losses.
- Ten *Manufacturing* subsectors increased employment from 2010 Q1 to 2015 Q1; however, these job gains did not bring employment back up to 2005 Q1 levels. These subsectors were: *Textile product mills*; *Beverage and tobacco product manufacturing*; *Leather and allied product manufacturing*; *Transportation equipment manufacturing*; *Furniture and related product manufacturing*;

Manufacturing - 1st quarter 2005 to 1st quarter 2015 change



Fabricated metal product manufacturing; Electrical equipment and appliances manufacturing; Wood product manufacturing; and Printing and related support activities.

- One subsector, *Machinery manufacturing*, posted job gains from 2005 Q1 to 2010 Q1, then lost the entire job gain between 2010 Q1 and 2015 Q1.
- Five subsectors experienced only job losses from 2005 Q1 to 2010 Q1 and from 2010 Q1 to 2015 Q1. These were: *Nonmetallic mineral product manufacturing; Primary metal manufacturing; Paper manufacturing;*

Miscellaneous manufacturing; and Computer and electronic product manufacturing.

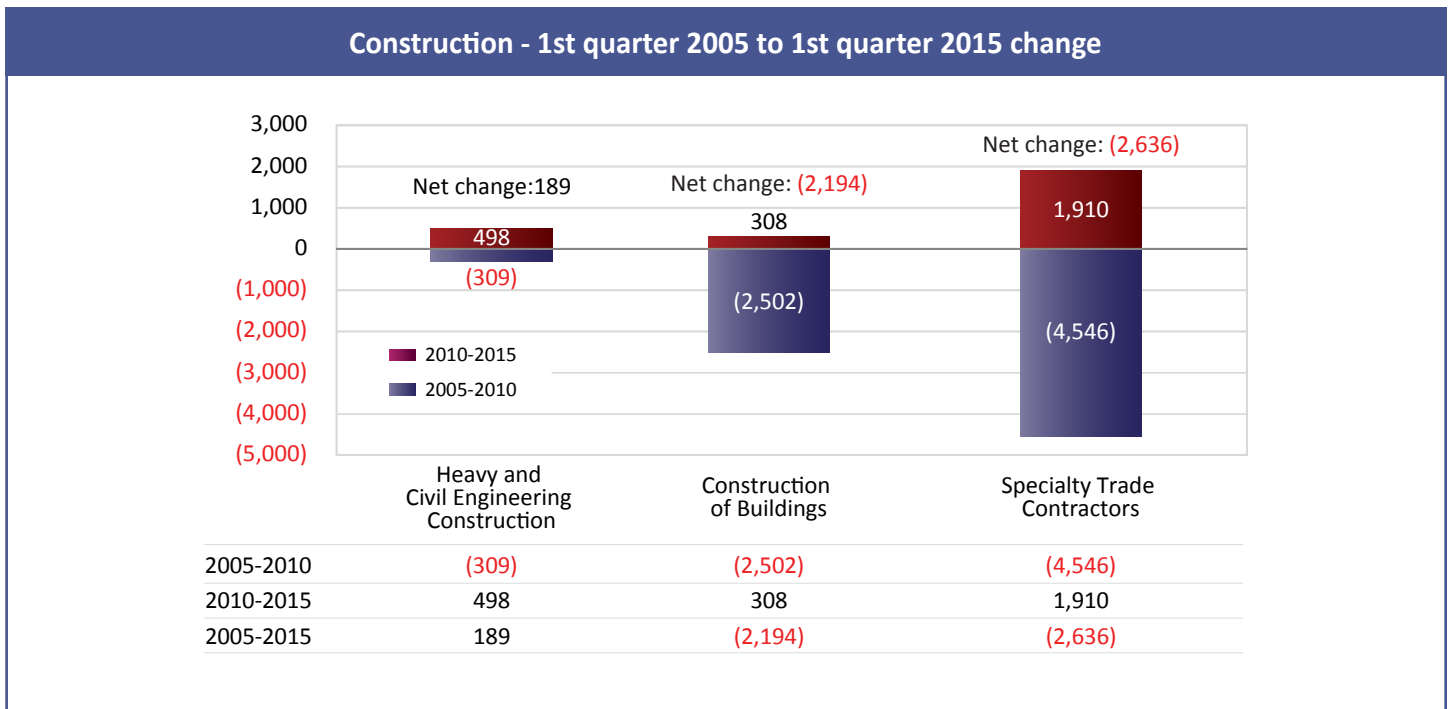
- The job losses in the *Computer and electronic product manufacturing* and the *Miscellaneous manufacturing* subsectors may be contributing to concerns about declining *Manufacturing* employment. These subsectors accounted for a significant share of New Hampshire’s total export sales to the world in 2014; *Computer and electronic product manufacturing* accounted for 40.0 percent of total export sales and

Miscellaneous manufacturing accounted for 3.9 percent of export sales.¹

- These two *Manufacturing* subsectors, as measured by production, also accounted for a significant share of total value added by manufacture: *Computer and electronic product manufacturing* with 20.7 percent and *Miscellaneous manufacturing* with 7.0 percent.² These were the two *Manufacturing* subsectors with the largest employment declines over the ten-year period.

¹ International Trade Administration, US Department of Commerce, Trade Stats Express™ Home, National Trade Data Home

² Annual Survey of Manufacturers, US Census Bureau. Value added by manufacture is the measurement of activity derived by subtracting the cost of materials, supplies, containers, fuel, purchased electricity, and contract work from the value of shipments (products manufactured plus receipts for services rendered) adjusted by the addition of value added by merchandising operations (i.e., the difference between the sales value and the cost of products sold without further processing).



Construction

The *Construction* sector added 2,716 jobs from 2010 Q1 to 2015 Q1. That was not enough, however, to make up for the loss of 7,350 jobs in the three *Construction* subsectors between 2005 Q1 and 2010 Q1. *Heavy and civil engineering construction* was the only subsector to gain enough jobs between 2010 Q1 and 2015 Q1 to surpass the losses of the prior five-year period.

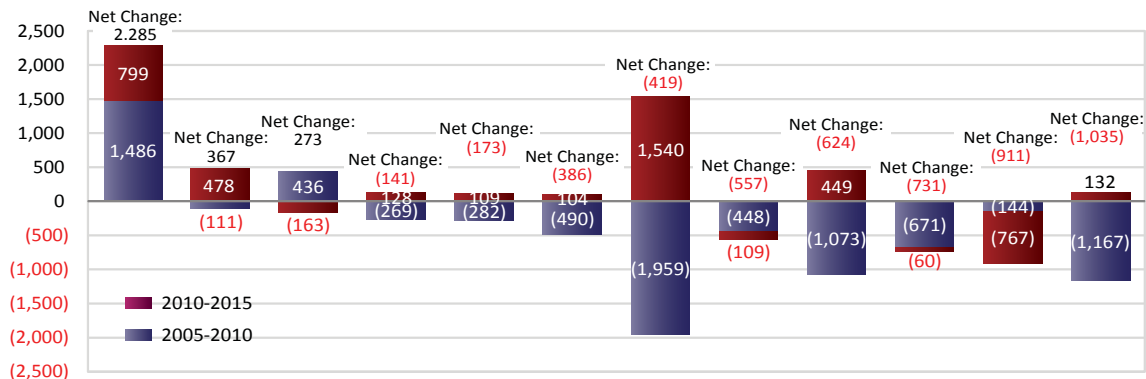
Retail trade

The *Retail trade* sector employs the largest number of workers in New Hampshire. During the ten-year period, employment in the sector declined by more than 2,000 jobs. Between 2005 Q1 and 2010 Q1, *Retail trade* employment dropped by 4,700 jobs.

- Only two of the industry’s subsectors, *Food and beverage stores* and *General merchandise stores*, gained employment between 2005 Q1 and 2010 Q1.

- The majority of employment decline from 2005 Q1 to 2010 Q1 in the sector was in three subsectors. *Motor vehicle and parts dealers* dropped close to 2,000 jobs, and *Miscellaneous store retailers*, and *Furniture and home furnishings* stores each lost more than 1,000 jobs during this period.

Retail Trade - 1st quarter 2005 to 1st quarter 2015 change



	Food and Beverage Stores	Health and Personal Care Stores	General Merchandise Stores	Electronics and Appliance Stores	Building Material and Garden Supply Stores	Sporting Goods, Hobby, Book, and Music Stores	Motor Vehicle and Parts Dealers	Nonstore Retailers	Miscellaneous Store Retailers	Gasoline Stations	Clothing and Clothing Accessories Stores	Furniture and Home Furnishings Stores
2005-2010	1,486	(111)	436	(269)	(282)	(490)	(1,959)	(448)	(1,073)	(671)	(144)	(1,167)
2010-2015	799	478	(163)	128	109	104	1,540	(109)	449	(60)	(767)	132
2005-2015	2,285	367	273	(141)	(173)	(386)	(419)	(557)	(624)	(731)	(911)	(1,035)

Most of the 12 *Retail trade* industry subsectors recovered some employment between 2010 Q1 and 2015 Q1.

- The *Food and beverage stores* subsector was the sole subsector to gain employment in both five-year periods.
- The *Health and personal care stores* subsector recovered enough jobs between 2010 Q1 and 2015 Q1 to pass 2005 Q1 employment levels.
- *General merchandise stores* was the only subsector to lose jobs between 2010 Q1 and 2015 Q1 — down 160 jobs — and still achieve a net employment gain over the ten-year period.

- Six subsectors gained employment from 2010 Q1 to 2015 Q1, but the gains were not enough to exceed 2005 Q1 employment. These subsectors were *Electronics and appliance stores, Building material and garden supply stores, Sporting goods, hobby, book, and music stores, Motor vehicle and parts dealers, Miscellaneous store retailers, and Furniture and home furnishings stores*.

Three subsectors that lost employment from 2005 Q1 to 2010 Q1 continued to drop jobs from 2010 Q1 to 2015 Q1. These included *Nonstore retailers, Gasoline stations, and Clothing and clothing accessories stores*.

Overall, recent employment gains in almost all industry sectors is a positive indicator for New Hampshire’s economy. Examining differences in employment change by the detailed industry groups shows that even within industry sectors, there may have been both strong employment gains and continued employment losses, further evidence of sector shifts in the economy. This helps illustrate one reason why some workers continue to have difficulty finding work, while some employers bemoan finding workers to fill positions.