



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN
SERVICES

DIVISION OF FAMILY ASSISTANCE

Nicholas A. Toumpas
Commissioner

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Terry R. Smith
Director

July 10, 2012

Bonnie Brathwaite, Director
Supplemental Nutrition Assistance Program
USDA/FNS, Northeast Region
10 Causeway Street
Boston, MA 02222

Dear Ms. Brathwaite:

Enclosed you will find New Hampshire's request to implement a waiver that would excuse our State from reapplying time limits for the ABAWD population for FFY 2013.

This waiver request was prepared for submission in June but was not submitted at that time since it was determined that we would qualify for an automatic waiver. New Hampshire appeared on the June 3rd, 2012 EUC Trigger Notice as "on" in the Tier Two Status column which, due to the recent federal law change, qualified us for an automatic waiver. A letter requesting that New Hampshire receive the 12-month statewide ABAWD waiver was sent to you on June 6th, 2012.

Unfortunately on July 9th, we were notified by Alison Mickiewicz from USDA/FNS/NERO that "The Emergency Unemployment Compensation Trigger Notice on the DOL website for the weeks of June 3, 10, and 17 erroneously list New Hampshire as "on" in Tier II. Unfortunately, New Hampshire does not qualify for the FY2013 ABAWD waiver at this time." Had it not been for this erroneous information, this waiver request would have been submitted sooner, allowing us the potential preparation time needed should our current ABAWD policies change.

New Hampshire, like most states, has experienced negative consequences of the recession, including a historic food stamp caseload growth and a lack of sufficient jobs due to declining occupations. The waiver request is enclosed.

If you have any questions, please contact Lynn Wilder, Administrator, at (603) 271-9275.

Sincerely,

Terry R. Smith
Director

Cc: Martha Cavanaugh
Alison Mickiewicz

Waiver Request

1. Waiver serial number:
2. Type of request: Initial
3. Primary regulation citation, if any: 7 CFR 273.24(f)(1)(i) and (ii)
4. Secondary regulation citation, if any:
5. State: New Hampshire
6. Region: NERO
7. Regulatory requirements: 7 CFR 273.24
8. Proposed alternative procedures: The State of New Hampshire is requesting to waive ABAWD requirements statewide. New Hampshire would continue to offer the voluntary FSET program to all Food Stamp recipients who meet the eligibility criteria.
9. Justification for request: To support that New Hampshire has an unemployment rate of over 10%, NH looked to the Alternative Measures of Labor Underutilization, prepared by New Hampshire Employment Security (NHES) in cooperation with the U.S. Bureau of Labor Statistics. This data indicates that for “total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force, plus all marginally attached workers”- that is, those who are unemployed, underemployed or who have given up looking for work- NH had a 11.8% labor underutilization rate for 2010, and 11.3% labor underutilization rate for 2011. *Attachments 1 and 2 document this information.*

New Hampshire has also experienced a lack of sufficient jobs in declining occupations or industries as described in the enclosed data produced by NHES Economic Labor Market Information Bureau. This request references publications supporting this.

Attachment 3 is a publication entitled **Vital Signs 2011**, also produced by NHES, Economic Labor Market Information Bureau. This publication highlights a number of disturbing trends for declining industries. Parts of Chapter 4 is enclosed. To quote the report:

- “According to a report released by the Economic Policy Institute (EPI), New Hampshire lost a higher percentage of jobs to China in the last ten years than any other state, especially in the high-tech industry, specifically Computer and electronic product manufacturing.”
- Additionally, the report states, “According to the report, the growing trade deficit with China has eliminated or displaced an estimated 2.4 million jobs in the United States between 2001 and 2008. The losses have been distributed throughout all fifty states, with the hardest hit, as a share of total state employment, being New Hampshire, North Carolina, Massachusetts, and California. Since 2001 employment in the Computer and electronic products industry has declined by 8,200 jobs, from 25,800 in 2001 to 17,600 in 2008. Employment in this industry has continued to decline, to an average annual employment in 2009 of 16,000.”

The most recent data from this report also provides a picture of employment for nonfarm, private and other occupations:

- Annual employment averages have dropped for New Hampshire from 2006 to 2010 as follows (*Attachment 4*):
 - Total nonfarm jobs – from 642,800 to 623,900, a 3.0% drop
 - Total private jobs – from 550,700 to 527,900, a 4.3% drop

- In 2010, when New Hampshire, New England and United States all experienced negative employment percent changes, New Hampshire exceeded or equaled the percentage for the United States in the loss of jobs for (*Attachment 5*):
 - Information
 - NH -7.3%
 - NE -2.5%
 - US -3.5%

 - Financial Activities
 - NH -3.8%
 - NE -2.4%
 - US -1.5%

Many of the jobs lost can be higher wage positions. Although the unemployment rate might be lower in the New Hampshire compared to other states, New Hampshire's replacement jobs do not always pay the same wages as the above mentioned occupations.

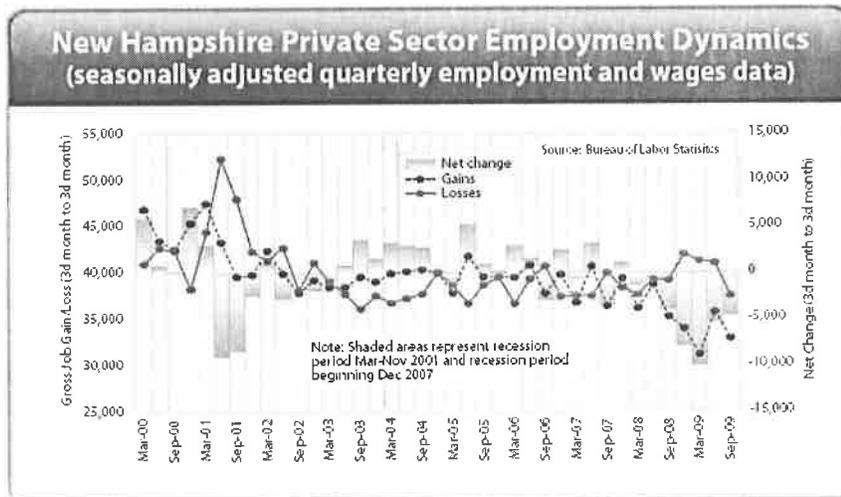
Also supporting a lack of jobs in declining occupations/industries, NHES' Economic Labor Market Information Bureau provides another publication, **The Road to Recovery, NH's Economy 2010** that indicates the following (*Attachment 6*):

- “One available state-specific component of the coincident indicator index, total nonfarm employment, showed signs of faltering in June 2008. Comparing corresponding months of the previous year, June 2008 showed a decline of 100 jobs (seasonally adjusted). Nonfarm employment continued comparable over-the-year declines from corresponding months in 2007 through September 2008, then in October employment slipped 300 jobs from October 2007. Employment continued this downward trend for each of the next nine months, losing a total of 27,000 jobs through July 2009. The disturbing part of dropping to 618,200 jobs in July 2009, the lowest employment level since May 2002, was that typical summer hiring of construction and seasonal workers in New Hampshire did not take place. Then employment waffled through December 2009 before showing some month-to-month improvement. While higher seasonally adjusted employment through February 2010 is viewed as positive, the lack of steady continued increases through May 2010 adds a cautionary reminder that several months of continued employment growth will be needed before confirming a trend.”

- “Building permits are a leading economic indicator, and the poor housing market impacted employment in Construction prior to the recession. By first quarter 2007, total employment change was below that of first quarter 2004. Seasonal boosts in employment during second and third quarters helped increase employment during the next two years (2007 and 2008), however, each quarter after third quarter 2008 has had employment lower than first quarter 2004.”
- Job loss increases coupled with job gain decreases accounted for New Hampshire’s decline in private sector jobs as follows:

During the recent economic downturn, as gross job losses started to increase, gross job gains declined leading to a prolonged period of net job losses. This divergence of these two elements illustrates the reason for New Hampshire’s sharp decline in employment - jobs were being eliminated at the same time as fewer jobs were being created.

New Hampshire Employment Security, Economic & Labor Market Information Bureau



Source: NHES, Economic & Labor Market Information Bureau, “Road to Recovery”

Lastly, supporting a lack of jobs in declining occupations/industries, New Hampshire looked at annual data for Annual Average Employment by NAICS code by Industry. Out of the 23 major categories between 2008 and 2010, all but 3 of the categories experienced declines. Twenty categories had declines for Annual Average Employment, with the following Industries in the double digits (*Attachment 7 & 8*):

- Construction – declined 22%
- Goods-Producing Industries – declined 17%
- Manufacturing – declined 15%
- Mining – declined 23%
- Real Estate, Rental & Leasing – declined 14%; and
- Unclassified – declines 130%.

It will take some time for NH to reabsorb all the job losses it has experienced as a result of the latest recession.

10. Anticipated impact on households and State agency operations: New Hampshire's supply of available jobs has not recovered from the recession. More highly qualified people have been competing for the lower-wage jobs and part-time jobs, thus reducing the supply of employment opportunities available to the demography receiving Food Stamps and the ABAWD population.

11. Caseload information, including percent, characteristic, and quality control error rate for affected portion: The population of Food Stamp recipients receiving Food Stamps only (which would include ABAWDs, and not include those receiving a cash grant or medical assistance) increased at a higher rate than the general Food Stamp population from December 2008 to present.

New Hampshire's SNAP (Food Stamps) Snapshot caseload report shows the total number of Food Stamp cases increased by 77% between December 2008 and June 2012 (from 32,142 to 56,962), and the number of individuals receiving Food Stamps increased by 80% for the same time period (from 65,272 to 117,708).

ABAWDs have not historically been a significant factor in the quality control error rate.

12. Anticipated implementation data and time period for which waiver is needed? New Hampshire is requesting the waiver be effective October 1st, 2012.

13. Proposed quality control review procedures: There are no special quality control procedures needed in conjunction with this waiver.

14. Signature and title of requesting official: See attached letter.

15. Date of request: July 10th, 2012

Alternative Measures of Labor Underutilization through 4th Quarter 2011

Alternative Measures of Labor Underutilization -- New Hampshire vs United States

	Previous calendar year annual average		Latest calendar year annual average	
	2010 New Hampshire	2010 United States	2011 New Hampshire	2011 United States
Alternative Measure				
U-1, persons unemployed 15 weeks or longer, as a percent of the civilian labor force	3.3%	5.7%	2.6%	5.3%
U-2, job losers and persons who completed temporary jobs, as a percent of the civilian labor force	4.1%	6.0%	3.2%	5.3%
U-3, total unemployed, as a percent of the civilian labor force (<i>this is the definition used for the official unemployment rate</i>) *	6.0%	9.6%	5.4%	8.9%
U-4, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers	6.3%	10.3%	5.8%	9.5%
U-5, total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers	6.9%	11.1%	6.5%	10.4%
U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers	11.8%	16.7%	11.3%	15.9%

* Due to small state sample sizes, monthly state Current Population Survey (CPS) data do not meet Bureau of Labor Statistics (BLS) publication standards, and moving average estimates of alternative measures for states had not been tabulated until recently. These data were developed by BLS from quarterly tabulations in which the components of each measure are rounded to the nearest hundred. As a result, the newly tabulated estimates contain slightly more rounding error than that found in typical CPS annual average tabulations (in which rates are based on unrounded data). Note that the unemployment rates (U-3) that are shown in the table are derived directly from the CPS. As a result, these U-3 measures may differ from the official state unemployment rates for the latest 4-quarter average period. The latter are monthly estimates developed from models used by the Local Area Unemployment Statistics (LAUS) program that incorporate CPS estimates, as well as input data from other sources.

For further explanation of these Alternative Measures of Labor Underutilization, please see *Alternative Measures of Labor Underutilization May 2009*, on the NHES ELM website at www.nh.gov/nhes/elmi/polzipo/econanalys/articles/Underutilization.pdf

For historical New Hampshire Alternative Measures of Unemployment, please see next page

Alternative Measures of Labor Underutilization through 4th Quarter 2011

Alternative Measures of Labor Underutilization - New Hampshire

Measure	2006	2007	2008	2009	2010	2011
U-1, persons unemployed 15 weeks or longer, as a percent of the civilian labor force	0.9%	0.9%	1.2%	3.2%	3.3%	2.6%
U-2, job losers and persons who completed temporary jobs, as a percent of the civilian labor force	1.5%	1.8%	2.1%	4.5%	4.1%	3.2%
U-3, total unemployed, as a percent of the civilian labor force (<i>this is the definition used for the official unemployment rate</i>) *	3.4%	3.6%	3.8%	6.4%	6.0%	5.4%
U-4, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers	3.5%	3.7%	4.0%	6.8%	6.3%	5.8%
U-5, total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers	4.0%	4.2%	4.6%	7.6%	6.9%	6.5%
U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers	6.1%	6.5%	7.8%	12.5%	11.8%	11.3%

* Due to small state sample sizes, monthly state Current Population Survey (CPS) data do not meet Bureau of Labor Statistics (BLS) publication standards, and moving average estimates of alternative measures for states had not been tabulated until recently. These data were developed by BLS from quarterly tabulations in which the components of each measure are rounded to the nearest hundred. As a result, the newly tabulated estimates contain slightly more rounding error than that found in typical CPS annual average tabulations (in which rates are based on unrounded data). Note that the unemployment rates (U-3) that are shown in the table are derived directly from the CPS. As a result, these U-3 measures may differ from the official state unemployment rates for the latest 4-quarter average period. The latter are monthly estimates developed from models used by the Local Area Unemployment Statistics (LAUS) program that incorporate CPS estimates, as well as input data from other sources.

For further explanation of these Alternative Measures of Labor Underutilization, please see *Alternative Measures of Labor Underutilization May 2009*, on the NHES ELMI website at www.nh.gov/nhes/elmi/pdf/econanalysis/articles/Underutilization.pdf

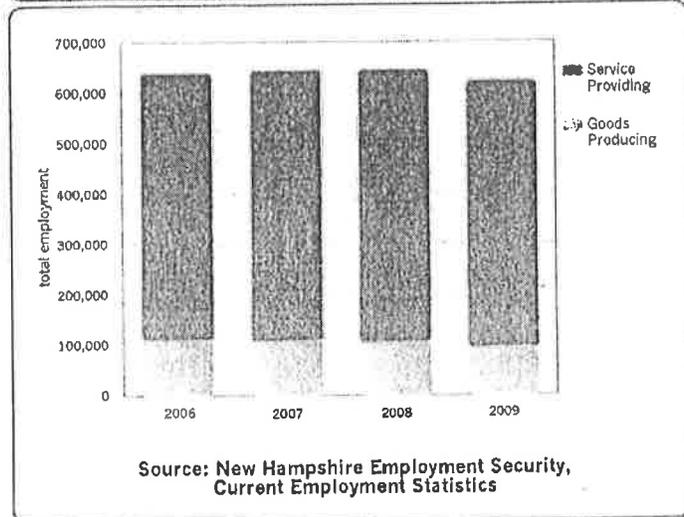
Prepared by:
New Hampshire Employment Security
Economic and Labor Market Information Bureau
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In September 2010, the National Bureau of Economic Research's (NBER) Business Cycle Dating Committee announced that the latest recession officially ended in June 2009. By common definition, recession generally refers to two consecutive quarters of decline in Gross Domestic Product (GDP), the amount of goods and services produced by the United States. Therefore, according to this definition a recession would be considered over when growth in GDP resumes. The NBER's Business Cycle Dating Committee, however, looks at the amount of business activity in the economy, such as employment, industrial production, real income and wholesale-retail sales. When the Committee declared that the recession had ended in June 2009, it meant that the economy had reached its lowest point, not that economic activity had returned to its pre-recession levels. The recession from which the country is slowly emerging was determined not only to be the longest post-World War II recession, but also the deepest in terms of job losses, and the recovery has been slow.

Despite the jobless recovery (when employment growth lags significantly behind growth in GDP) nationwide, New Hampshire has demonstrated slow, but consistent job growth after dropping to 614,400 nonfarm jobs in January 2010, the lowest January nonfarm estimate (not seasonally adjusted) since 2004. Seasonally adjusted nonfarm employment estimates placed New Hampshire's job growth at 1.43 percent, or 8,900 jobs from June 2009 to June 2010. Nationally, as of June 2010, nonfarm payrolls were more than 500,000 jobs below the level that they were when the recession officially ended in June 2009.

* According to a report released by the Economic Policy Institute (EPI), New Hampshire lost a higher percentage of jobs to China in the last ten years than any other state, especially in the high-tech industry, specifically *Computer and electronic product manufacturing*. An estimated 16,300 jobs were shifted to China between 2001 and 2008 which equates to approximately 2.35 percent of the average employment in the state between 2005 and 2007, according to the EPI report. This number includes jobs that were held by New Hampshire residents whether the jobs were located in the state, or were located in other states to which New Hampshire residents commuted. According to the report, the growing trade deficit with China has eliminated or displaced an estimated 2.4 million jobs in the United States between 2001 and 2008. The losses have been distributed throughout all fifty states, with the hardest hit, as a share of total state employment, being

Total New Hampshire Nonfarm Employment, Goods Producing and Service Providing



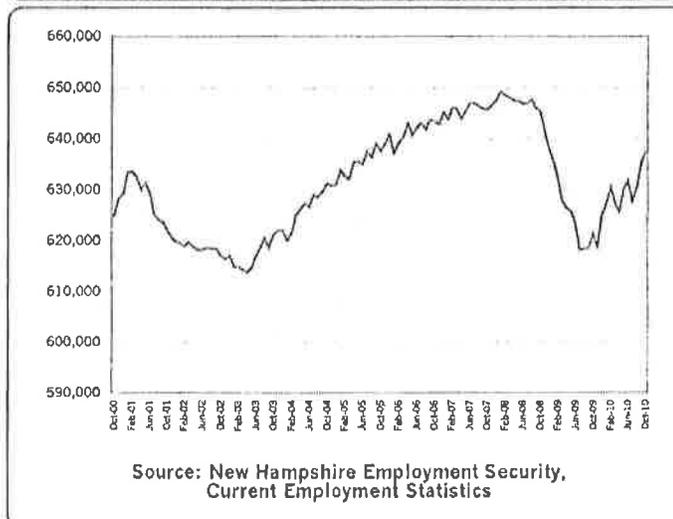
New Hampshire, North Carolina, Massachusetts, and California.¹ Since 2001 employment in the *Computer and electronic products* industry has declined by 8,200 jobs, from 25,800 in 2001 to 17,600 in 2008. Employment in this industry has continued to decline, to an average annual employment in 2009 of 16,000.

The average number of nonfarm jobs in 2009, not seasonally adjusted, was 624,100, a decrease of 3.4 percent from the previous year's level of 646,100. Preliminary October 2010 nonfarm employment estimates placed the total number of nonfarm jobs at 643,300, up 16,400 from October 2009. Employment in private industry, at 541,900 in October, also increased from its level of 525,600 a year earlier, a gain of 16,300 jobs. Private industry employment began to decline in 2008, losing 1,900 jobs from 2007. The jobs loss in 2009 was far more significant, with a reduction of 23,500, bringing total private industry employment down to 527,300. The latest data indicate that New Hampshire has gained almost half of the private industry employment lost during the recession.

Total Government employment in New Hampshire rose modestly from 2006 to 2009, and the preliminary October 2010 estimates showed continued employment growth, with 101,400 jobs. This is an increase of 100 jobs from October 2009. This small over-the-year change was driven by a loss of 500 jobs in Federal government, and a gain of 200 jobs in both State and Local government.

The Goods-producing domain of the New Hampshire economy consists of

Total New Hampshire Nonfarm Employment (seasonally adjusted)



Source: New Hampshire Employment Security, Current Employment Statistics

the *Mining and logging*, *Construction*, and *Manufacturing* supersectors. Employment in *Mining and logging* stayed stable from 2006 to October 2010, fluctuating between 900 and 1,100 jobs. *Construction* employment gained 600 jobs over-the-year. *Manufacturing* had gained 2,200 jobs from October 2009 to October 2010. In 2009 *Manufacturing* employment in the state declined to 67,600 from a pre-recession level of 78,300 in 2006. Preliminary October 2010 estimates indicated that the current level of *Manufacturing* employment is 67,100.

Transportation, trade, and utilities is the second largest employing supersector in the state's economy and posted a 2,400 job gain over the past twelve months. In October 2009 employment was estimated at 134,400, and by October 2010 this total had increased to 136,800. The largest component, *Retail trade*,

¹ Scott, Robert F. "EPI Briefing Paper #260: Unfair China Trade Costs Local Jobs." *Economic Policy Institute*. 23 Mar. 2010. Accessed 20 Dec. 2010. <www.epi.org/publications/entry/bp260>.

gained 1,500 jobs over-the-year. *Wholesale trade* gained about half that amount during this period with 700 jobs added.

The largest employing supersector in the state's economy is *Education and health services*. This group added 1,100 jobs from October of 2009 to October 2010. *Educational services* gained 800 jobs over-the-year, while *Health services* gained 2,200 during the same period. Since 2006 this supersector has experienced employment growth each year, with a high of 2.6 percent growth in 2006 down to a 1.5 percent growth rate from 2008 to 2009. Thus far in 2010, *Education and health services* has grown 3.2 percent since 2009, putting it on track to post the largest gain in employment since 2006.

New Hampshire is showing signs of a slow but steady recovery. There are projects on the horizon that have the potential to bring jobs to the state. The proposed Northern Pass project, a cooperative endeavor between Hartford, Connecticut-based Northern Utilities, Boston-based NSTAR, and Hydro-Quebec, is expected to create at least 1,200 jobs in the Franklin area according to the Chief Economist for Gallagher,

Callahan & Gartrell, the Concord-based law firm hired by Northeast Utilities to study the economic impact of the project.² The project would bring hydroelectric power from Canada to a proposed facility in Franklin which will convert the direct-current (DC) power to alternating current (AC) power to be distributed over the New England power grid.

Albany Engineered Composites (AEC), a subsidiary of Albany International, plans to expand its Rochester facility and construct a new building at its current site. The construction project is expected to create 300 jobs, while the new investment in AEC's existing operations is expected to create 500 new jobs by 2013. The company's corporate headquarters and leadership team from New York is expected to be transferred to Rochester over the course of the next several years. AEC makes lightweight, high-strength composite parts for aircraft engines.³

Such projects represent positive signs for New Hampshire's economy.

Eleanor Goodbread

2. Ballenger, Tara. "Job estimate at over 1,200." 13 Oct. 2010. *Concord Monitor*. Accessed 14 Oct. 2010. <www.concordmonitor.com/print/220298>
3. "Governor Lynch, State and Rochester City Officials Announce Creation of Hundreds of Jobs." *Press Release*. 15 Oct. 2010. Office of the Governor of New Hampshire. Accessed 29 Oct. 2010. <www.governor.nh.gov/media/news/2010/101510-rochester-jobs.htm>.

Vital Signs: Economic and Social Indicators in New Hampshire

4. Employment by Industry

Annual Employment Averages	2006	2007	2008	2009	2010	Source
TOTAL NONFARM	642,800	647,800	649,100	627,800	623,900	NHES
TOTAL PRIVATE	550,700	554,500	553,800	531,300	527,900	NHES
Goods Producing	108,700	106,200	103,000	91,400	88,100	NHES
Mining & Logging	1,100	1,100	1,000	900	900	NHES
Construction	29,400	27,400	26,000	22,600	21,400	NHES
Manufacturing	78,300	77,600	75,900	67,900	65,800	NHES
Durable Goods	59,600	59,300	57,900	51,900	50,300	NHES
Primary Metal Manufacturing	3,200	3,100	3,100	2,700	2,600	NHES
Computer & Electronic Product	18,400	18,300	17,600	16,100	15,800	NHES
Electrical Equipment, Appliance, & Component	4,800	4,900	4,900	4,100	3,700	NHES
Nondurable Goods	18,700	18,300	18,000	16,000	15,500	NHES
Service Providing	534,100	541,700	546,200	536,400	535,800	NHES
Trade, Transportation, & Utilities	141,600	141,400	139,900	133,900	132,800	NHES
Wholesale Trade	28,000	28,300	28,100	26,500	25,900	NHES
Retail Trade	98,000	97,700	96,700	93,000	92,400	NHES
Food & Beverage Stores	20,000	20,400	21,200	21,500	20,800	NHES
Transportation and Utilities	15,600	15,400	15,100	14,500	14,500	NHES
Information	12,500	12,400	12,600	12,300	11,400	NHES
Financial Activities	39,400	38,400	38,100	36,600	35,200	NHES
Professional & Business Services	61,800	65,500	66,400	62,800	64,200	NHES
Educational & Health Services	101,200	104,700	108,100	110,800	112,200	NHES
Educational Services	23,500	24,800	26,000	27,000	27,600	NHES
Health Care & Social Assistance	77,600	79,900	82,100	83,800	84,500	NHES
Hospitals	26,100	26,800	27,700	28,200	28,100	NHES
Leisure & Hospitality	63,900	64,000	63,800	62,000	62,400	NHES
Accommodation & Food Services	52,900	53,100	52,700	51,100	51,400	NHES
Food Services & Drinking Places	43,800	43,900	43,600	42,500	42,700	NHES
Other Services	21,500	22,000	22,000	21,300	21,800	NHES
Total Government	92,200	93,300	95,400	96,500	95,900	NHES
Annual Employment Percent Changes	2006	2007	2008	2009	2010	Source
TOTAL NONFARM						
New Hampshire	1.0%	0.8%	0.2%	-3.3%	-0.6%	NHES
New England	1.0%	0.9%	0.0%	-3.6%	-0.3%	NHES/BLS
United States	1.8%	1.1%	-0.6%	-4.4%	-0.7%	NHES/BLS
Private						
New Hampshire	1.1%	0.7%	-0.1%	-4.1%	-0.6%	NHES
New England	1.0%	0.9%	-0.2%	-4.2%	-0.3%	NHES/BLS
United States	2.0%	1.1%	-1.0%	-5.3%	-0.8%	NHES/BLS
Government						
New Hampshire	0.9%	1.2%	2.3%	1.2%	-0.6%	NHES
New England	0.7%	0.8%	0.9%	-0.4%	-0.5%	NHES/BLS
United States	0.8%	1.1%	1.3%	0.2%	-0.3%	NHES/BLS

Vital Signs: Economic and Social Indicators in New Hampshire

4. Employment by Industry

Annual Employment Percent Changes (continued)	2006	2007	2008	2009	2010	Source
Information						
New Hampshire	-1.6%	-0.8%	1.6%	-2.4%	-7.3%	NHES
New England	-0.2%	0.9%	-0.3%	-5.6%	-2.5%	NHES/BLS
United States	-0.8%	-0.2%	-1.6%	-6.0%	-3.5%	NHES/BLS
Financial Activities						
New Hampshire	0.0%	-2.5%	-0.8%	-3.9%	-3.8%	NHES
New England	1.0%	-0.2%	-1.5%	-3.9%	-2.4%	NHES/BLS
United States	2.1%	-0.3%	-1.9%	-4.6%	-1.5%	NHES/BLS
Professional & Business Services						
New Hampshire	4.4%	6.0%	1.4%	-5.4%	2.2%	NHES
New England	2.5%	2.1%	0.7%	-5.8%	0.7%	NHES/BLS
United States	3.6%	2.1%	-1.2%	-6.5%	0.9%	NHES/BLS
Educational & Health Services						
New Hampshire	3.5%	3.5%	3.2%	2.5%	1.3%	NHES
New England	2.5%	2.9%	2.5%	1.8%	1.4%	NHES/BLS
United States	2.6%	2.8%	2.8%	1.9%	1.8%	NHES/BLS
Leisure & Hospitality						
New Hampshire	0.9%	0.2%	-0.3%	-2.8%	0.6%	NHES
New England	1.4%	1.6%	0.7%	-2.4%	1.3%	NHES/BLS
United States	2.3%	2.4%	0.1%	-2.7%	-0.2%	NHES/BLS
Other Services						
New Hampshire	0.9%	2.3%	0.0%	-3.2%	2.3%	NHES
New England	0.6%	1.1%	-0.5%	-1.9%	-0.1%	NHES/BLS
United States	0.8%	1.0%	0.4%	-2.7%	-0.7%	NHES/BLS

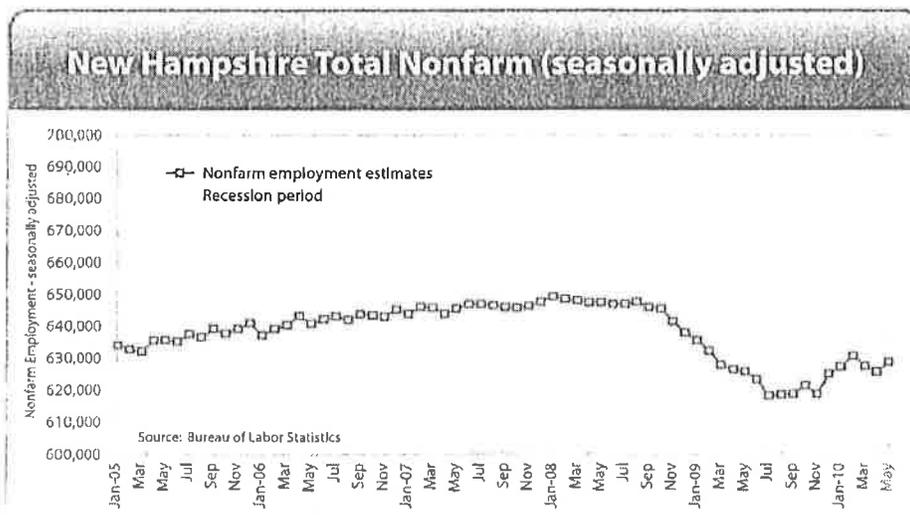
Employment by Industry Sources:

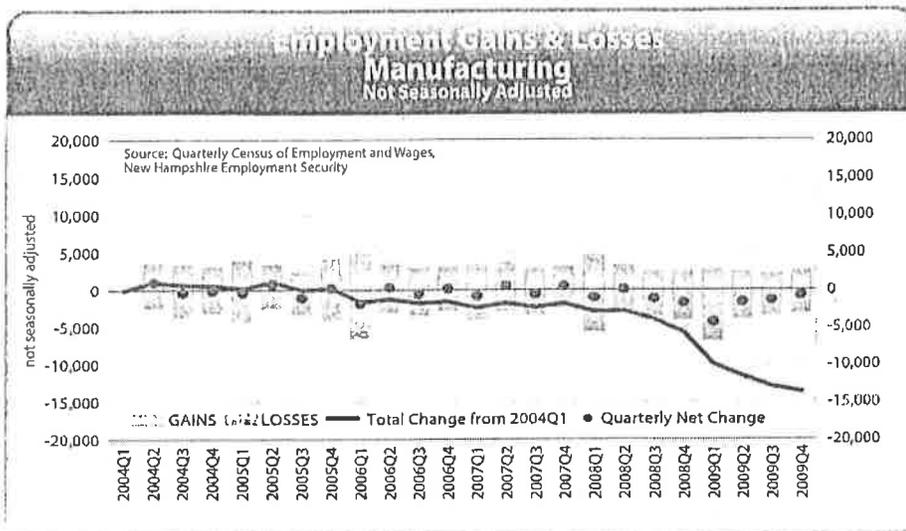
BLS. Bureau of Labor Statistics, United States Department of Labor

Nonfarm Employment

* One available state-specific component of the coincident indicator index, total nonfarm employment, showed signs of faltering in June 2008. Comparing corresponding months of the previous year, June 2008 showed a decline of 100 jobs (seasonally adjusted). Nonfarm employment continued comparable over-the-year declines from corresponding months in 2007 through September 2008, then in October employment slipped 300 jobs from October 2007. Employment continued this downward trend for each of the next nine months, losing a total of 27,000 jobs through July 2009. The disturbing part of dropping to 618,200 jobs in July 2009, the lowest employment level since May 2002, was that typical summer hiring of construction and seasonal workers in New Hampshire did not take place. Then employment waffled through December 2009 before showing some month-to-month improvement. While higher seasonally adjusted employment through February 2010 is viewed as positive, the lack of steady continued increases through May 2010 adds a cautionary reminder that several months of continued employment growth will be needed before confirming a trend.

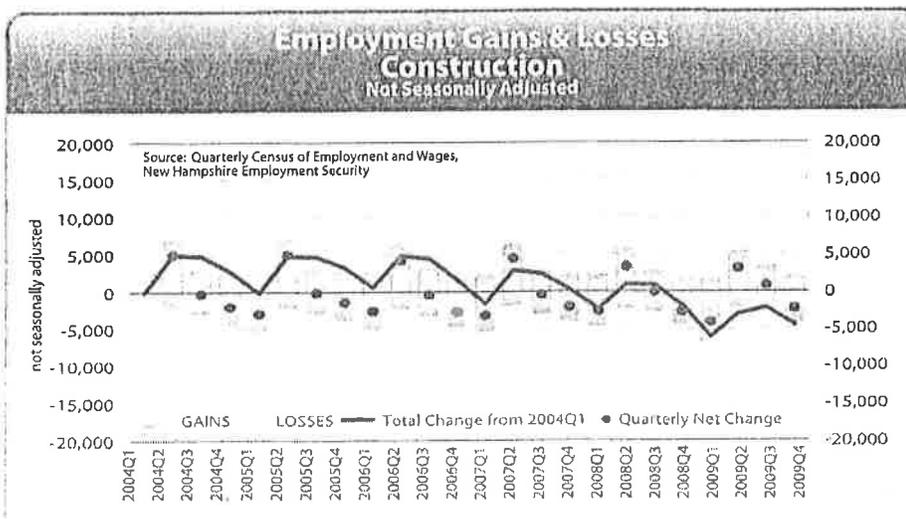
Nationally, nonfarm employment peaked at 137,951,000 in December 2007, later designated as the end of the economic expansion. Employment embarked on a downhill journey through December 2009 when it reached its low of 129,588,000 jobs. That represented a loss of over eight million jobs during the 24-month period. Since that time, the employment level has held fairly steady, not indicating either significant growth or losses. It remains to be seen if employment will begin to grow or slip again, with the risk of a double-dip recession.





There are obvious downward trends in the two largest goods producing industries, *Manufacturing* and *Construction*. There were minor net fluctuations in *Manufacturing's* employment from first quarter 2004 to fourth quarter 2005. Then larger gross job losses contributed to a net decline in first quarter 2006, with minor fluctuations continuing through fourth quarter 2007. These were followed by a string of quarterly net losses, beginning with first quarter 2008. By the end of fourth quarter 2009, employment was almost 14,000 jobs below that of first quarter 2004.

* Building permits are a leading economic indicator, and the poor housing market impacted employment in *Construction* prior to the recession. By first quarter 2007, total employment change was below that of first quarter 2004. Seasonal boosts in



employment during second and third quarters helped increase employment during the next two years (2007 and 2008), however, each quarter after third quarter 2008 has had employment lower than first quarter 2004.

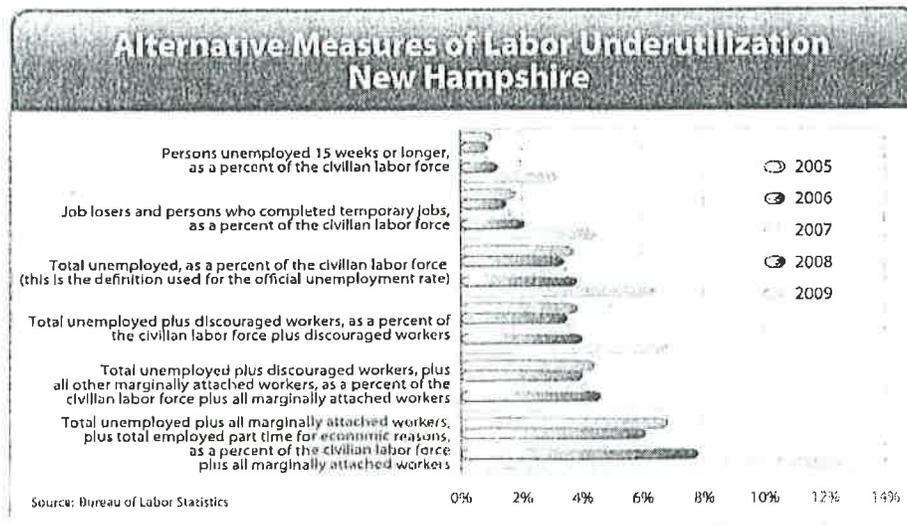
Labor Underutilization

The official measure of unemployment defines an unemployed individual as someone who is not working but is looking and available for work. During economic downturns, especially over a prolonged period, many individuals may become discouraged and stop looking for work, because they feel there is no work available. Others may decide to wait to join the labor force until the economy improves, by extending educational pursuits, for example, before seeking employment. And yet others accept part time work because they cannot find full time employment. In any of these three instances, the individuals would no longer be counted as unemployed.

Alternative Measures

A recession period often highlights the population of individuals who are not included as part of the official estimate of the unemployed. This is one reason alternative measures of labor underutilization were developed. These measures have been available on a national level for many years, and recently became available at the state level.

In many ways New Hampshire was delayed in joining the recession that officially began in December 2007. Therefore changes in the annual averages of the alternative measures of labor underutilization increased only slightly from 2007 to 2008. Pronounced changes in the 2009 measures reflected decreased hiring levels among all industry sectors, increased duration of unemployment, and persons dropping out of the labor force. New Hampshire's official unemployment rate for 2008 (U-3



State of New Hampshire Average Annual 2008

NAICS Code	Industry	Units	Average Annual Employment	Average Weekly Wage
	Total, Private plus Government	45,052	628,819	\$863.66
	Total Private	43,108	541,768	\$870.64
101	Goods-Producing Industries	6,750	104,441	\$1,074.60
11	Agriculture/Forestry/Fishing	246	1,822	\$562.79
111	Crop Production	68	821	\$454.89
112	Animal Production	48	380	\$488.90
113	Forestry and Logging	93	438	\$710.78
114	Fishing, Hunting and Trapping	n	n	n
115	Agriculture and Forestry Support Activities	n	n	n
21	Mining	67	604	\$977.89
211	Oil and Gas Extraction	0	0	\$0.00
212	Mining (except Oil and Gas)	n	n	n
213	Support Activities for Mining	n	n	n
23	Construction	4,280	26,104	\$960.34
236	Construction of Buildings	1,196	6,345	\$1,030.96
237	Heavy and Civil Engineering Construction	211	2,821	\$1,182.25
238	Specialty Trade Contractors	2,874	16,939	\$896.93
31-33	Manufacturing	2,158	75,912	\$1,126.95
311	Food Manufacturing	116	2,447	\$828.59
312	Beverage and Tobacco Product Manufacturing	15	733	\$1,391.90
313	Textile Mills	28	1,603	\$888.32
314	Textile Product Mills	50	264	\$693.98
315	Apparel Manufacturing	20	495	\$833.06
316	Leather and Allied Product Manufacturing	14	216	\$602.65
321	Wood Product Manufacturing	124	2,191	\$785.42
322	Paper Manufacturing	26	1,673	\$970.41
323	Printing and Related Support Activities	212	3,154	\$826.17
324	Petroleum and Coal Products Manufacturing	19	226	\$1,127.33
325	Chemical Manufacturing	56	1,908	\$1,216.59
326	Plastics and Rubber Products Manufacturing	99	5,328	\$873.24
327	Nonmetallic Mineral Product Manufacturing	108	2,313	\$977.18
331	Primary Metal Manufacturing	42	3,120	\$892.32
332	Fabricated Metal Product Manufacturing	400	11,551	\$959.35
333	Machinery Manufacturing	180	8,503	\$1,223.92
334	Computer and Electronic Product Manufacturing	296	17,558	\$1,597.82
335	Electrical Equipment/Appliances Manufacturing	61	4,841	\$1,071.81
336	Transportation Equipment Manufacturing	39	1,837	\$1,166.36
337	Furniture and Related Product Manufacturing	88	1,111	\$792.47
339	Miscellaneous Manufacturing	169	4,840	\$903.57
102	Service-Providing Industries	36,357	437,326	\$821.93
22	Utilities	100	2,455	\$1,752.84
221	Utilities	100	2,455	\$1,752.84
42	Wholesale Trade	4,979	28,116	\$1,388.95
423	Merchant Wholesalers, Durable Goods	988	11,784	\$1,283.04
424	Merchant Wholesalers, Nondurable Goods	384	7,439	\$971.34
425	Electronic Markets and Agents and Brokers	3,607	8,893	\$1,878.61
44-45	Retail Trade	6,052	96,785	\$508.65
441	Motor Vehicle and Parts Dealers	793	11,813	\$827.83

442	Furniture and Home Furnishings Stores	352	2,728	\$590.30
443	Electronics and Appliance Stores	326	3,595	\$911.82
444	Building Material and Garden Supply Stores	547	9,635	\$629.06
445	Food and Beverage Stores	595	21,171	\$346.88
446	Health and Personal Care Stores	338	4,282	\$547.86
447	Gasoline Stations	648	4,936	\$357.47
448	Clothing and Clothing Accessories Stores	698	7,807	\$322.70
451	Sporting Goods, Hobby, Book, and Music Stores	461	4,725	\$342.79
452	General Merchandise Stores	225	15,399	\$386.94
453	Miscellaneous Store Retailers	744	5,134	\$391.31
454	Nonstore Retailers	328	5,560	\$888.54
48-49	Transportation and Warehousing	884	12,528	\$688.25
481	Air Transportation	43	560	\$964.97
482	Rail Transportation	0	0	\$0.00
483	Water Transportation	n	n	n
484	Truck Transportation	412	3,103	\$826.98
485	Transit and Ground Passenger Transportation	140	3,182	\$388.53
486	Pipeline Transportation	n	n	n
487	Scenic and Sightseeing Transportation	23	277	\$481.80
488	Support Activities for Transportation	111	1,039	\$875.60
491	Postal Service	9	35	\$889.71
492	Couriers and Messengers	76	2,249	\$703.53
493	Warehousing and Storage	68	2,073	\$774.49
51	Information	700	12,508	\$1,373.32
511	Publishing Industries (except Internet)	262	6,326	\$1,647.36
512	Motion Picture and Sound Recording	67	814	\$410.25
515	Broadcasting (except Internet)	44	698	\$879.66
517	Telecommunications	149	3,414	\$1,292.83
518	Data Processing and Related Services	92	753	\$1,206.52
519	Other Information Services	87	501	\$965.66
52	Finance and Insurance	2,101	28,191	\$1,422.44
521	Monetary Authorities - Central Bank	0	0	\$0.00
522	Credit Intermediation and Related Activities	836	8,677	\$983.64
523	Financial Investment and Related Activities	418	6,122	\$2,125.62
524	Insurance Carriers and Related Activities	820	13,224	\$1,381.63
525	Funds, Trusts, and Other Financial Vehicles	26	167	\$1,674.02
53	Real Estate and Rental and Leasing	1,437	7,635	\$840.56
531	Real Estate	1,090	5,071	\$884.91
532	Rental and Leasing Services	339	2,548	\$745.50
533	Lessors of Nonfinancial Intangible Assets	7	17	\$1,882.34
54	Professional and Technical Service	5,136	30,970	\$1,412.58
541	Professional and Technical Services	5,136	30,970	\$1,412.58
5411	Legal services	792	4,411	\$1,304.84
5412	Accounting and bookkeeping services	576	4,558	\$1,328.38
5413	Architectural and engineering services	729	5,071	\$1,389.08
5414	Specialized design services	105	418	\$1,003.70
5415	Computer systems design and related services	1,330	7,308	\$1,740.09
5416	Management and technical consulting services	892	3,625	\$1,564.41
5417	Scientific research and development services	137	1,441	\$2,083.74
5418	Advertising, PR and related services	239	1,443	\$788.35
5419	Other professional and technical services	337	2,697	\$722.21
55	Management of Companies/Enterprises	361	8,111	\$1,498.93
551	Management of Companies/Enterprises	361	8,111	\$1,498.93

56	Administrative and Waste Services	2,908	27,420	\$743.65
561	Administrative and Support Services	2,737	25,677	\$728.06
5611	Office administrative services	393	2,689	\$1,652.70
5612	Facilities support services	8	25	\$1,306.17
5613	Employment services	554	9,347	\$659.56
5614	Business support services	280	2,734	\$719.42
5615	Travel arrangement and reservation services	133	632	\$880.57
5616	Investigation and security services	130	2,091	\$709.22
5617	Services to buildings and dwellings	1,166	7,311	\$488.63
5619	Other support services	74	848	\$558.66
562	Waste Management and Remediation Services	170	1,743	\$973.33
61	Educational Services	627	17,573	\$861.30
611	Educational Services	627	17,573	\$861.30
62	Health Care and Social Assistance	3,492	81,251	\$862.40
621	Ambulatory Health Care Services	2,154	27,715	\$1,155.30
622	Hospitals	35	27,131	\$925.57
623	Nursing and Residential Care Facilities	338	14,353	\$571.73
624	Social Assistance	965	12,053	\$392.86
71	Arts, Entertainment, and Recreation	685	10,939	\$377.86
711	Performing Arts and Spectator Sports	150	1,642	\$615.77
712	Museums, Historical Sites, Zoos, and Parks	59	558	\$383.46
713	Gambling, Recreation, Amusement Industries	476	8,739	\$332.80
72	Accommodation and Food Services	3,215	52,774	\$315.53
721	Accommodation	510	9,312	\$392.83
722	Food Services and Drinking Places	2,705	43,463	\$298.97
81	Other Services Except Public Admin	3,513	19,808	\$598.08
811	Repair and Maintenance	1,293	6,413	\$855.99
812	Personal and Laundry Services	950	6,423	\$441.92
813	Membership Associations and Organizations	703	6,127	\$514.96
814	Private Households	566	845	\$430.44
99	Unclassified Establishments	171	262	\$1,573.96
999	Unclassified Establishments	171	262	\$1,573.96
	Total Government	1,945	87,052	\$820.23
	Federal Government	376	7,779	\$1,298.94
	State Government	823	21,278	\$849.44
	Local Government	746	57,994	\$745.30

n = data does not meet disclosure standards

Prepared by: Economic and Labor Market Information Bureau,
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State of New Hampshire - Average Annual 2010

NAICS Code	Industry	Units	Average Annual Employment	Average Weekly Wage
	Total, Private plus Government	43,778	600,540	\$883.88
	Total Private	41,795	513,386	\$890.13
101	Goods-Producing Industries	6,055	89,428	\$1,119.47
11	Agriculture/Forestry/Fishing	244	1,752	\$579.00
111	Crop Production	65	794	\$478.92
112	Animal Production	49	395	\$494.28
113	Forestry and Logging	94	428	\$736.47
114	Fishing, Hunting and Trapping	n	n	n
115	Agriculture and Forestry Support Activities	n	n	n
21	Mining	61	491	\$1,078.95
212	Mining (except Oil and Gas)	n	n	n
213	Support Activities for Mining	n	n	n
23	Construction	3,736	21,418	\$948.93
236	Construction of Buildings	1,001	4,936	\$980.13
237	Heavy and Civil Engineering Construction	194	2,561	\$1,209.05
238	Specialty Trade Contractors	2,542	13,921	\$890.02
31-33	Manufacturing	2,013	65,767	\$1,189.72
311	Food Manufacturing	102	2,220	\$914.28
312	Beverage and Tobacco Product Manufacturing	18	643	\$1,200.53
313	Textile Mills	27	1,457	\$1,021.42
314	Textile Product Mills	42	206	\$587.87
315	Apparel Manufacturing	19	437	\$799.05
316	Leather and Allied Product Manufacturing	13	160	\$666.74
321	Wood Product Manufacturing	114	1,657	\$762.71
322	Paper Manufacturing	25	1,334	\$975.10
323	Printing and Related Support Activities	174	2,377	\$840.45
324	Petroleum and Coal Products Manufacturing	18	224	\$1,292.48
325	Chemical Manufacturing	58	1,722	\$1,170.46
326	Plastics and Rubber Products Manufacturing	101	4,733	\$956.78
327	Nonmetallic Mineral Product Manufacturing	96	1,891	\$995.59
331	Primary Metal Manufacturing	39	2,576	\$969.84
332	Fabricated Metal Product Manufacturing	382	10,460	\$1,015.32
333	Machinery Manufacturing	168	7,466	\$1,402.09
334	Computer and Electronic Product Manufacturing	292	15,777	\$1,613.22
335	Electrical Equipment/Appliances Manufacturing	58	3,674	\$1,147.39
336	Transportation Equipment Manufacturing	37	1,642	\$1,237.20
337	Furniture and Related Product Manufacturing	74	887	\$750.30
339	Miscellaneous Manufacturing	158	4,225	\$982.08
102	Service-Providing Industries	35,740	423,957	\$841.75
22	Utilities	103	2,514	\$1,686.84
221	Utilities	103	2,514	\$1,686.84
42	Wholesale Trade	4,827	25,923	\$1,437.49
423	Merchant Wholesalers, Durable Goods	967	10,347	\$1,313.47
424	Merchant Wholesalers, Nondurable Goods	388	7,330	\$1,028.87
425	Electronic Markets and Agents and Brokers	3,472	8,246	\$1,956.38
44-45	Retail Trade	5,780	92,329	\$513.43
441	Motor Vehicle and Parts Dealers	746	10,896	\$843.01

442	Furniture and Home Furnishings Stores	293	2,300	\$586.23
443	Electronics and Appliance Stores	300	3,335	\$1,004.71
444	Building Material and Garden Supply Stores	526	9,119	\$616.81
445	Food and Beverage Stores	576	20,807	\$352.16
446	Health and Personal Care Stores	347	3,996	\$543.26
447	Gasoline Stations	597	4,622	\$367.89
448	Clothing and Clothing Accessories Stores	642	7,476	\$324.01
451	Sporting Goods, Hobby, Book, and Music Stores	453	4,434	\$361.21
452	General Merchandise Stores	229	15,145	\$399.20
453	Miscellaneous Store Retailers	724	5,142	\$395.83
454	Nonstore Retailers	345	5,059	\$907.93
48-49	Transportation and Warehousing	844	11,855	\$702.29
481	Air Transportation	42	491	\$1,046.41
484	Truck Transportation	376	2,833	\$824.94
485	Transit and Ground Passenger Transportation	140	3,079	\$404.15
486	Pipeline Transportation	n	n	n
487	Scenic and Sightseeing Transportation	25	283	\$483.82
488	Support Activities for Transportation	112	872	\$799.63
491	Postal Service	n	n	n
492	Couriers and Messengers	80	2,150	\$766.38
493	Warehousing and Storage	63	2,124	\$814.19
51	Information	697	11,475	\$1,449.95
511	Publishing Industries (except Internet)	242	5,229	\$1,736.62
512	Motion Picture and Sound Recording	56	605	\$551.48
515	Broadcasting (except Internet)	46	672	\$863.12
517	Telecommunications	166	3,732	\$1,375.15
518	Data Processing and Related Services	88	805	\$1,256.67
519	Other Information Services	100	432	\$1,158.68
52	Finance and Insurance	1,942	26,429	\$1,500.96
522	Credit Intermediation and Related Activities	700	8,193	\$1,060.63
523	Financial Investment and Related Activities	435	5,369	\$2,342.39
524	Insurance Carriers and Related Activities	776	12,522	\$1,435.28
525	Funds, Trusts, and Other Financial Vehicles	31	346	\$1,248.49
53	Real Estate and Rental and Leasing	1,341	6,713	\$786.26
531	Real Estate	1,041	4,632	\$764.05
532	Rental and Leasing Services	294	2,046	\$826.08
533	Lessors of Nonfinancial Intangible Assets	7	36	\$1,386.00
54	Professional and Technical Service	5,153	28,849	\$1,431.55
541	Professional and Technical Services	5,153	28,849	\$1,431.55
5411	Legal services	767	4,233	\$1,363.98
5412	Accounting and bookkeeping services	568	4,151	\$1,229.83
5413	Architectural and engineering services	715	4,707	\$1,477.72
5414	Specialized design services	89	378	\$1,045.18
5415	Computer systems design and related services	1,382	6,650	\$1,773.08
5416	Management and technical consulting services	913	3,111	\$1,661.35
5417	Scientific research and development services	140	1,463	\$1,966.92
5418	Advertising, PR and related services	225	1,359	\$742.20
5419	Other professional and technical services	356	2,798	\$795.08
55	Management of Companies/Enterprises	385	8,075	\$1,542.35
551	Management of Companies/Enterprises	385	8,075	\$1,542.35
56	Administrative and Waste Services	3,034	27,231	\$768.67
561	Administrative and Support Services	2,864	25,667	\$751.92

5611	Office administrative services	528	3,017	\$1,606.38
5612	Facilities support services	6	33	\$831.68
5613	Employment services	568	9,679	\$656.55
5614	Business support services	265	2,657	\$789.68
5615	Travel arrangement and reservation services	125	606	\$974.81
5616	Investigation and security services	146	1,987	\$717.13
5617	Services to buildings and dwellings	1,155	6,885	\$504.59
5619	Other support services	71	802	\$601.29
562	Waste Management and Remediation Services	171	1,564	\$1,043.39
61	Educational Services	652	17,149	\$905.08
611	Educational Services	652	17,149	\$905.08
62	Health Care and Social Assistance	3,565	83,592	\$901.00
621	Ambulatory Health Care Services	2,205	28,733	\$1,225.20
622	Hospitals	36	27,537	\$968.55
623	Nursing and Residential Care Facilities	336	14,778	\$568.82
624	Social Assistance	989	12,543	\$401.43
71	Arts, Entertainment, and Recreation	664	10,980	\$363.12
711	Performing Arts and Spectator Sports	138	1,436	\$586.71
712	Museums, Historical Sites, Zoos, and Parks	59	561	\$378.20
713	Gambling, Recreation, Amusement Industries	468	8,983	\$326.44
72	Accommodation and Food Services	3,221	51,363	\$327.88
721	Accommodation	505	8,730	\$396.40
722	Food Services and Drinking Places	2,716	42,633	\$313.85
81	Other Services Except Public Admin	3,455	19,365	\$597.38
811	Repair and Maintenance	1,254	6,225	\$859.88
812	Personal and Laundry Services	933	6,324	\$434.46
813	Membership Associations and Organizations	719	5,921	\$518.56
814	Private Households	549	895	\$444.22
99	Unclassified Establishments	79	114	\$1,120.13
999	Unclassified Establishments	79	114	\$1,120.13
	Total Government	1,983	87,154	\$847.05
	Federal Government	385	8,005	\$1,289.16
	State Government	807	20,683	\$911.11
	Local Government	790	58,466	\$763.86

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