

For New Hampshire Workers, High Growth In Productivity But Only Moderate Growth In Wages And Jobs

Carsey Institute Publishes Brief On State Of Working New Hampshire 2007

Contact: <u>Beth Potier</u>

603-862-1566

UNH Media Relations

October 25, 2007

Editors and reporters: Allison Churilla is available to comment on this brief: Allison.Churilla@unh.edu or 603-862-2821.

DURHAM, N.H. — New Hampshire continues to enjoy the lowest unemployment rates in New England and labor force participation rates that top both regional and national averages, according to a new issue brief from the Carsey Institute at the University of New Hampshire. But the brief, "The State of Working New Hampshire 2007," cautions that wage growth in the state has not kept pace with rising costs of living.

The brief, which updates the Carsey Institute's "The State of Working New Hampshire 2006," was produced in cooperation with the Economic Policy Institute. It notes that while New Hampshire workers fared better than the rest of the region and the nation in 2006, they have not benefited to the same extent that they did during the economic expansion of the 1990s.

"New Hampshire's recovery since the recession in 2001 has been slow," says brief author Allison Churilla, a policy fellow at the Carsey Institute and a Ph.D. candidate in sociology at UNH. "Despite high growth in productivity, by and large, New Hampshire workers have not seen similar growth in their paychecks or in jobs."

Among the brief's major findings:

- New Hampshire had a 71 percent labor force participation rate in 2006, compared to 66 percent nationally and 68 percent in New England. The labor force participation rate has dropped since 2000, when it stood at 73 percent, a decline that is largely related to lower rates of participation among young workers, male workers and workers with a high school degree or less.
- Job growth was positive between 2000 and 2006, led by the health care and education sectors, but manufacturing jobs continued to decline. Manufacturing was the state's largest industry in 2000, when it employed more than 100,000 workers, but the industry lost 25,000 jobs over the last six years and dropped to the fourth-largest industry by 2006.
- Median wage growth in New Hampshire was eight percent between 2000 and 2006, steeper than the national median wage growth of three percent. But since 2000, median

monthly rental payments in New Hampshire have increased 19 percent and median mortgage payments by 21 percent.

"Policy makers and others need to consider those workers that have not benefited during the so-called jobless recovery that has characterized the state's economic recovery since 2001," Churilla said.

The issue brief is available to download here:

<u>http://www.carseyinstitute.unh.edu/documents/CI_WorkingNH_brief.(2)pdf.pdf</u>. For more information, go to <u>www.carseyinstitute.unh.edu</u>.

The Carsey Institute at the University of New Hampshire conducts research and analysis on the challenges facing families and communities in New Hampshire, New England, and the nation. The Carsey Institute sponsors independent, interdisciplinary research that documents trends and conditions affecting families and communities, providing valuable information and analysis to policymakers, practitioners, the media, and the general public. Through this work, the Carsey Institute contributes to public dialogue on policies that encourage social mobility and sustain healthy, equitable communities.

The Carsey Institute was established in May 2002 through a generous gift from UNH alumna and noted television producer Marcy Carsey.

