

# Unemployment Rate

## DEFINITION

This indicator reports the number of *unemployed persons* as a percentage of the labor force. To be unemployed, a person must be looking for work.

The *labor force* includes all persons 16 years old and older who are either employed or unemployed. A person neither working nor looking for work is not part of the labor force. Some unemployed persons give up looking for work and thereby exit the labor force. These workers are termed discouraged workers (Taylor and Weerapana 2009, 198).

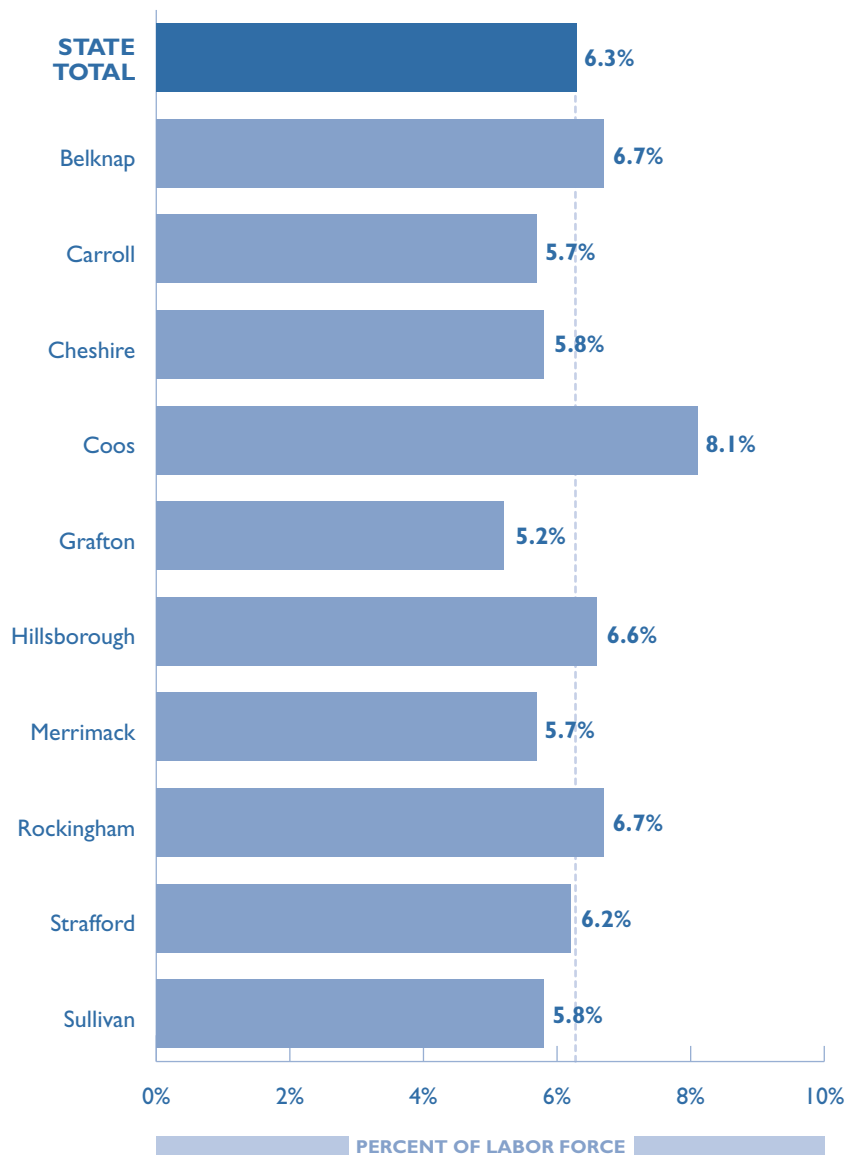
## CONTEXT

The most recent recession, which began in December 2007, officially ended in June 2009 (Murray 2010). Unemployment always increases during a recession and sometimes continues to increase even after the recession is over, but eventually declines as the economy recovers (Taylor and Weerapana 2009, 126).

The United States unemployment rate hovered around 5 percent from 2005 to 2007 then increased to 9.3 percent in 2009. According to the fall 2010 New England Economic Partnership forecast, unemployment will increase in 2011, then begin declining, but will not reach pre-recession levels in the next three years (New England Economic Partnership Fall 2010, 18-19).

The seasonally adjusted unemployment rate for the United States in December 2010 was 9.4 percent (New Hampshire Employment Security 2011).

**Annual Unemployment Rate**  
By County, 2009



## NEW HAMPSHIRE FINDINGS

In 2009, unemployment in New Hampshire rose to 6.3 percent although for the previous five years, unemployment had never exceeded 4 percent (New England Economic Partnership Fall 2010, 174). Unemployment varies considerably across the state from a low of 5.2 percent in Grafton County, which is carried by the economic engine of Dartmouth College, to a high of 8.1 percent in Coos County, where the deterioration of the paper industry and subsequent loss of population has led to a long-term decline in the area's ability to provide jobs. (see chart on previous page)

According to the fall 2010 New England Economic Partnership forecast, unemployment in New Hampshire will begin decreasing gradually in 2011. According to that forecast, New Hampshire's unemployment rate will not fall back under 4 percent until 2014 when it is forecast to lower slightly to 3.7 percent (New England Economic Partnership Fall 2010, 174).

The seasonally adjusted unemployment rate for New Hampshire in December 2010 was 5.5 percent (New Hampshire Employment Security 2011).

New Hampshire's economy has long been either the healthiest, or together with Vermont, one of the healthiest in New England. New Hampshire's unemployment rate has been lower than the average for the United States since 2001 and is forecast to be less than the U.S. average through 2014 (New England Economic Partnership Spring 2010, Summary Tables).

As of the fall of 2010, New Hampshire had recovered more than half the jobs lost during the Great Recession (Paiste 2010, B3). New Hampshire's economy grew more than the economy of any other state over the last twelve months and is poised to grow faster than any other state over the next six months (Tankersley 2010).

In New England during the recent recession, the greatest declines in employment were in construction, manufacturing and finance. Health and education services were the only sectors without a decline in regional employment (New England Economic Partnership Spring 2010, 33-34).

## SOURCE OF DATA FOR ILLUSTRATION/METHODOLOGY

New Hampshire Economic and Labor Market Information Bureau. New Hampshire Employment Security. [www.nh.gov/nhes/elmi/](http://www.nh.gov/nhes/elmi/)

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