

Salem Residents by Workplace Destination



Salem residents are dependent not only on local industries but also on access to the Lawrence-Haverhill and greater Boston area labor markets for their jobs and income. Commuting patterns to and from Salem are illustrated in Tables 1 and 2. The below table illustrates the number of working persons age 16 or older living in Salem in 2000. Thirty-one percent (31.2%) of the working residents of Salem at the time worked within the town while approximately sixty-nine (69.8%) commuted out. As of 2000 over 7,000 Salem residents or 47.8% of the town's employed residents, worked in Massachusetts.

PERSONS LIVING IN SALEM IN 2000 BY PLACE OF WORK		
Place of Work	Live in Salem	% By Workplace
Salem town, Rockingham Co. NH	4487	30.2
Andover town, Essex Co. MA	1210	8.1
Lawrence city, Essex Co. MA	772	5.2
Methuen city, Essex Co. MA	590	4
Boston city, Suffolk Co. MA	512	3.4
North Andover town, Essex Co. MA	503	3.3
Haverhill city, Essex Co. MA	414	2.8
Manchester city, Hillsborough Co. NH	358	2.4
Wilmington town, Middlesex Co. MA	316	2.1
Windham town, Rockingham Co. NH	312	2
Lowell city, Middlesex Co. MA	278	1.9
Woburn city, Middlesex Co. MA	261	1.8
Derry town, Rockingham Co. NH	247	1.6
Burlington town, Middlesex Co. MA	176	1.2
Tewksbury town, Middlesex Co. MA	160	1.1
Nashua city, Hillsborough Co. NH	160	1.1
Chelmsford town, Middlesex Co. MA	158	1
Portsmouth city, Rockingham Co. NH	153	1
Plaistow town, Rockingham Co. NH	139	0.9
Londonderry town, Rockingham Co. NH	134	0.9
Waltham city, Middlesex Co. MA	118	0.8
Bedford town, Middlesex Co. MA	117	0.8
Danvers town, Essex Co. MA	101	0.7
Hudson town, Hillsborough Co. NH	100	0.7
All Other	3074	20.7
Total Working Residents	14850	99.7
Tot Residents Commuting Out	10363	69.8
Tot Working in MA	7091	68.4
<i>*Shown for individual cities or towns where 100 or more Salem residents are employed</i>		
<i>Source: 2000 Census</i>		

Salem Workers by Place of Residence



The below table illustrates the total number of persons working in Salem by their town of residence. As of 1990 inbound commuting originated principally from New Hampshire communities, with some significant (100 or more workers) inbound commuting from Massachusetts originating in Methuen, Lawrence, Haverhill, Andover, North Andover, Lowell, and Dracut. As of 2000, 13,222 workers were commuting into Salem from other locations representing 74.2% of persons employed within the town. Total outbound commuting was approximately equal to inbound commuting with 10,363 commuting out.

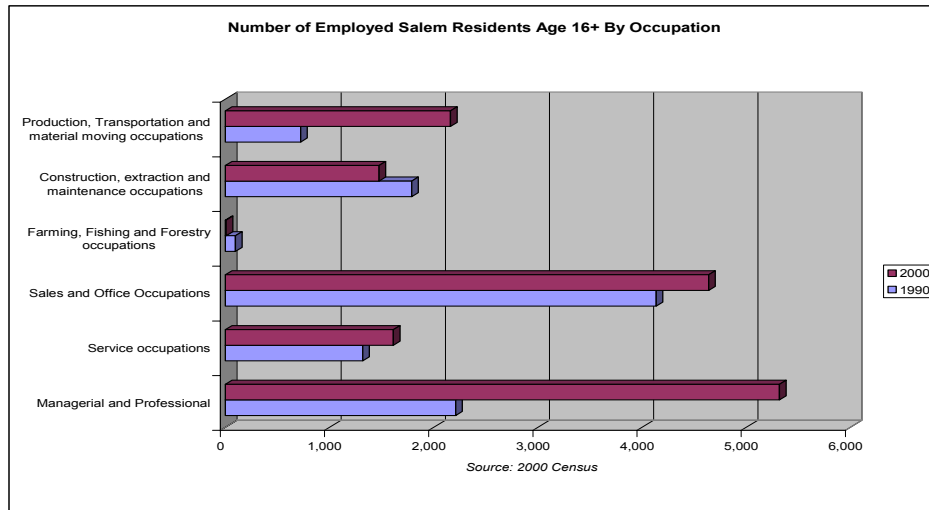
PERSONS WORKING IN SALEM IN 2000 BY RESIDENCE		
Place of Residence	Work in Salem	% By Residence
Salem town, Rockingham Co. NH	4487	25.2
Derry town, Rockingham Co. NH	1649	9.3
Methuen city, Essex Co. MA	1019	5.7
Manchester city, Hillsborough Co. NH	732	4.1
Windham town, Rockingham Co. NH	721	4
Haverhill city, Essex Co. MA	708	4
Lawrence city, Essex Co. MA	706	4
Londonderry town, Rockingham Co. NH	602	3.4
Pelham town, Hillsborough Co. NH	512	2.9
Nashua city, Hillsborough Co. NH	417	2.3
Hampstead town, Rockingham Co. NH	382	2.1
Lowell city, Middlesex Co. MA	256	1.4
Hudson town, Hillsborough Co. NH	254	1.4
Plaistow town, Rockingham Co. NH	247	1.4
North Andover town, Essex Co. MA	239	1.3
Dracut town, Middlesex Co. MA	229	1.3
Atkinson town, Rockingham Co. NH	206	1.2
Raymond town, Rockingham Co. NH	176	1
Andover town, Essex Co. MA	172	1
Exeter town, Rockingham Co. NH	170	1
Sandown town, Rockingham Co. NH	148	0.8
Hampton town, Rockingham Co. NH	146	0.8
Danville town, Rockingham Co. NH	125	0.7
Portsmouth city, Rockingham Co. NH	123	0.7
Goffstown town, Hillsborough Co. NH	122	0.7
Bedford town, Hillsborough Co. NH	121	0.7
Kingston town, Rockingham Co. NH	115	0.6
Merrimac town, Essex Co. MA	102	0.5
Merrimack town, Hillsborough Co. NH	100	0.5
All Other	2,823	15.9
Workers Commuting into Salem	13,222	74.2
Total Persons Working in Salem	17,809	99.9
<i>*Shown for individual cities or towns with 100 or more residents working in Salem.</i>		
<i>Source: 2000 Census</i>		

Resident Workers by Occupation



Changes in the occupation of Salem's working residents between 1990 and 2000 are illustrated by the below graph. In 1990 the principal occupational categories of Salem residents were in the managerial and professional, sales and office occupations and production, transportation and material moving operations.

Managerial and professional occupations showed the largest net gain in total employment by occupation between 1990 and 2000 for Salem residents, followed by production, transportation and material moving operations. A relatively small increase in sales and office occupations took place during the 1990s, and there was a decline in the number of persons working in the construction, extraction and maintenance occupations as well as agricultural occupations. In part, these shifts may reflect the shift away from traditional old-line manufacturing industries toward a higher-tech manufacturing and employment base.



The New Hampshire Department of Employment Security has issued projections of employment by occupation for the period 2002 to 2012 (see below table) indicating the following estimates of the net change in jobs by occupational category. Professional and technical employment is expected to increase by over 23.7% during the period, including significant gains in such occupations as computer engineers, systems analysts and related occupations. Of the total change in positions projected, about 22.6% of the net change is expected within the service occupations. These projections represent totals for the state of New Hampshire:

Projected Change in NH Employment By Occupation 2002-2012			
Occupational Title	Projected Change	% Change	Share of Total Employment Change
Executive, Admin & Managerial	9,178	17.5	9.6
Professional and Technical	14,298	23.7	15
Marketing & Sales	17,532	20.3	18.4
Administrative Support & Clerical	13,737	10.5	14.4
Service Occupations	21,536	18.6	22.6
Agriculture, Forestry, Fishing	143	7.2	0.2
Precision Production, Crafts, Repair	9,400	14.6	9.9
Operators, Fabricators, and Laborers	9,298	14	9.8
All Occupations	95,122	15.1	99.9

Source: NH Employment Security, NH Job Outlook and Locator

Resident Workers by Industry



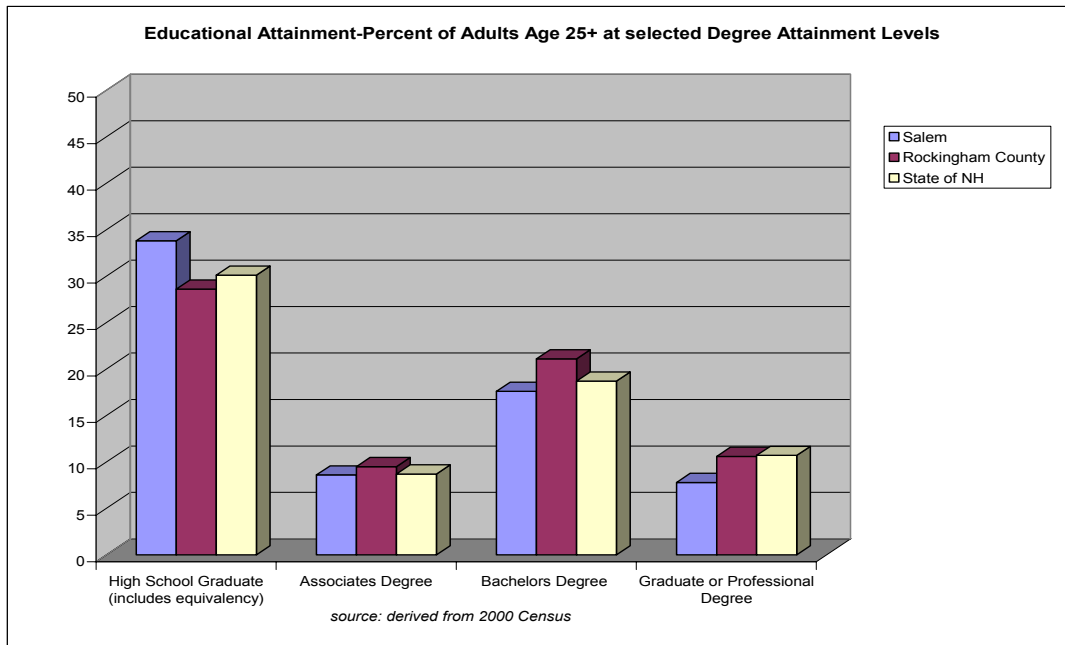
As of 2000, Salem had 15,692 residents age 16 and over who were employed. Predominant industrial sectors in Salem included the broad services category, followed by manufacturing and retail trade. About 22% of Salem residents were employed in a manufacturing industry in 2000, higher than the Rockingham County and state averages at 18%. A smaller share of the working population was employed in services than in Rockingham County and the State of NH in 2000. A total of 944 Salem workers reported being self-employed in 2000, representing 6.2% of local workers age 16 or older.

Percent of Persons 16+ Employed by Industry in 2000			
	Salem	Rockingha m County	State of NH
Agricultural Services, Forestry, Fishing and Hunting and Mining	0.5	0.7	0.9
Construction	6.8	7	6.8
Manufacturing	22	18.2	18.1
Transportation and warehousing, and Public Utilities	3.8	4.8	4.1
Wholesale Trade	4.9	4.2	3.6
Retail Trade	15.2	13.9	13.7
Information	4.1	3.2	2.7
Finance, insurance, real estate, and rental and leasing	5.5	6.2	6.3
Services	36.9	41.9	43.8
Total	99.7	100.1	100
Detail of Services			
Professional, scientific, management, administrative, and waste management	9.7	10.3	8.8
Educational, health and social services	14.3	17.8	20
Arts, entertainment, recreation, accomodation and food services	5.3	6.2	6.9
Public administration	3.9	3.6	3.8
Other Services	4	4	4.3
<i>Source: derived from 2000 Census Data</i>			

Educational Attainment



The below graph illustrates the relative educational attainment of residents age 25 and over. Data are shown as cumulative percentages of the population at the indicated degree level. Persons with at least a high school degree represent approximately 82% of the age 25 and over population of Salem, approximately equivalent to the New Hampshire average, and slightly higher than the Rockingham County average. Those in Salem having a bachelor's degree level education averaged just over 20% in 1990, somewhat lower than the state and county average.

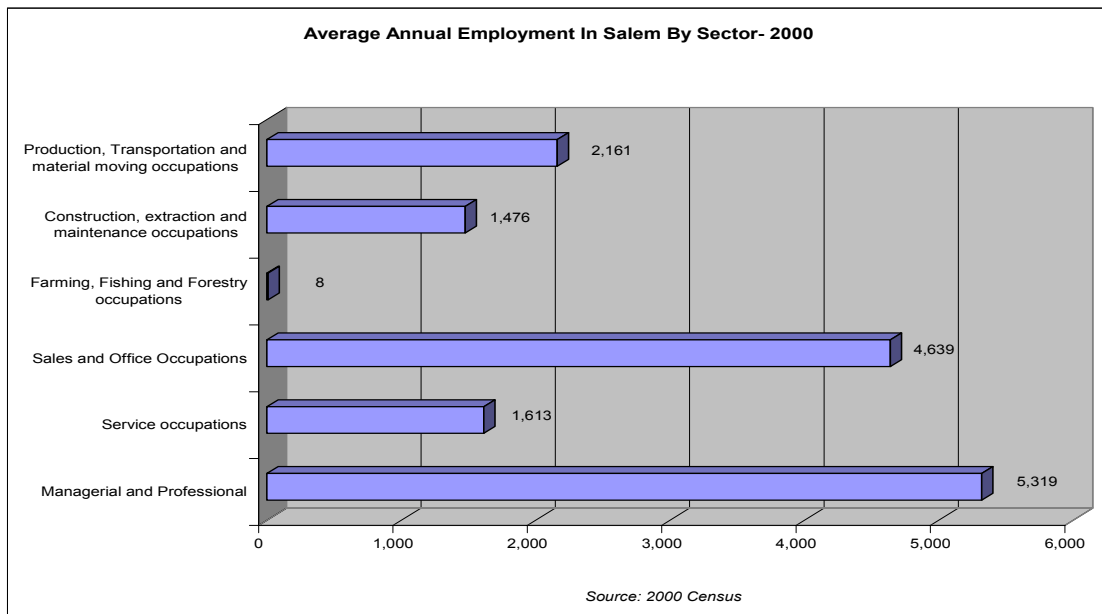


Employment by Industry in Salem



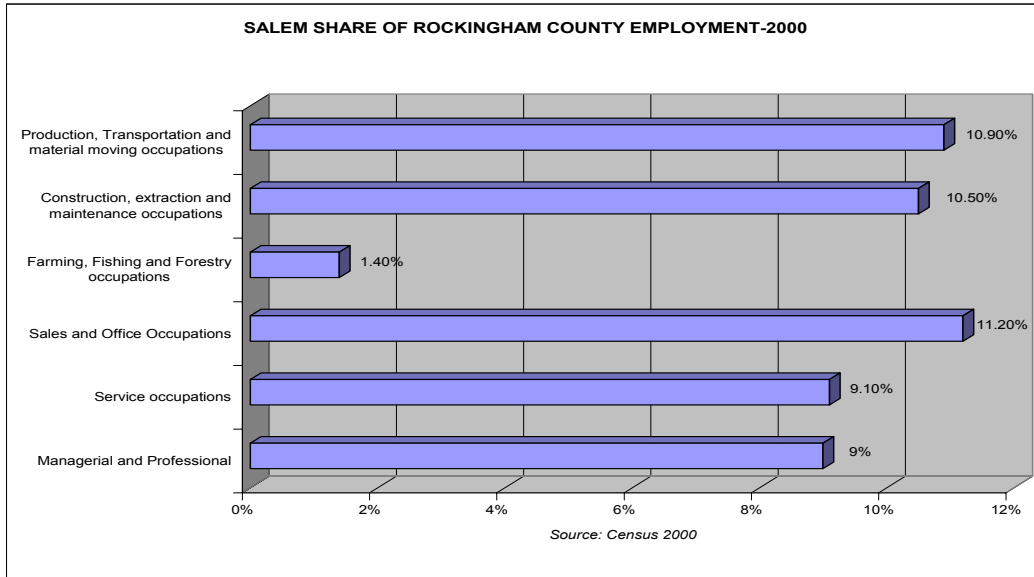
This section describes Salem's economic base in terms of the number and type of jobs and businesses located within the Town of Salem. As noted earlier in this chapter, only about 32% of local jobs are estimated to be held by Salem residents, while 68% of those employed locally live elsewhere.

Data for 2002 from the U.S. Economic Census indicate a total employment base in Salem of 15,480 in the private sector and government employment. As of 2002, there were 992 establishments providing employment in the Town of Salem. Salem is the location of approximately 14% of Rockingham County establishments having employment, and the Town hosts approximately 19% of the County's jobs. The below graph illustrates 2000 local employment by industrial sector. Together, the retail trade, services, manufacturing and wholesale trade sectors account for 12,069 jobs in Salem in 2000, about 79.3% of the total job base in the Town. Manufacturing represents 22% of local employment. The services sector in Salem includes all general business and personal services, and the entertainment and recreation industries that include Rockingham Park Racetrack and Canobie Lake Park are part of this sector.



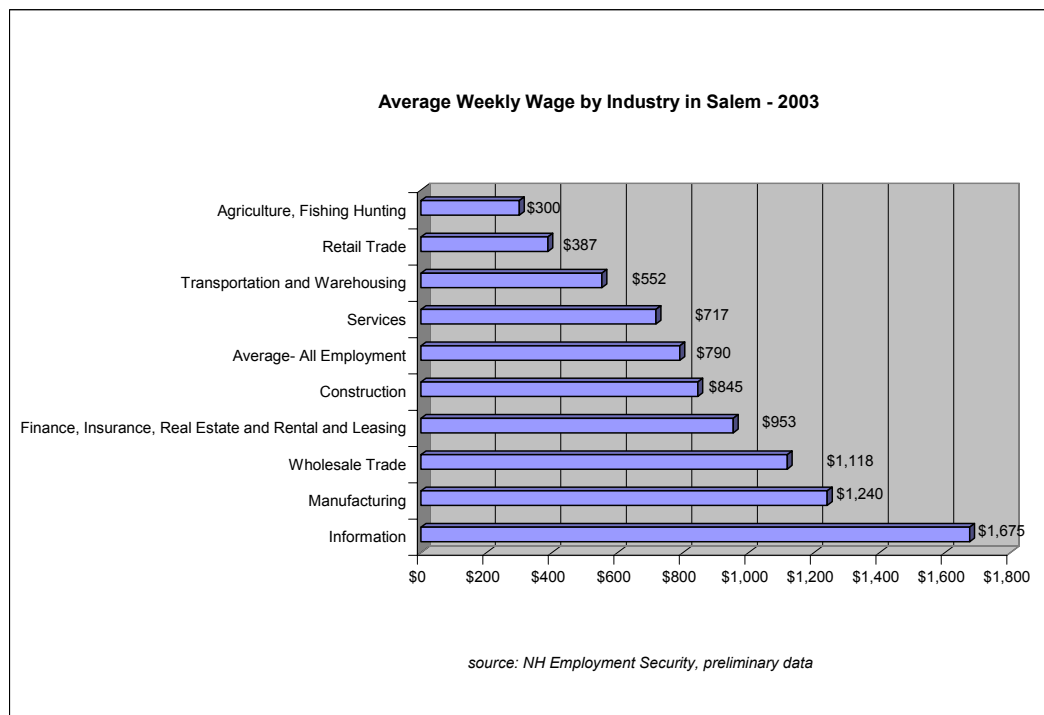
Employment by Industry in Salem continued

The below chart illustrates, for each of the major industrial sectors, Salem's share of Rockingham County employment. Salem has comparatively high shares in sales and office occupations, production, transportation and material moving occupations and construction, extraction and maintenance occupations.



The next chart compares average weekly wages in Salem in 2003 within the major industrial sectors (different from the Master Plan). The average for all jobs in Salem is approximately \$790 per week for all sectors combined, the equivalent of about \$41,080 annually.

In Salem, the highest weekly wages are derived from information, manufacturing and wholesale trade. The retail trade sector, Salem's largest source of local employment, generates one of the lowest weekly wages; however, wages and employment in this sector often represent part time positions.



Salem Employment by Sector and Size of Firm



Approximately 48% of the private sector business establishments in Salem employ fewer than 10 persons, and nearly half employ less than 5 persons. The largest firms tend to be found in the manufacturing, retail trade and services sectors. The largest employers in manufacturing are involved in computers, electronic components and related industries. The largest wholesale employers are in the groceries and chemical industries. The largest retail employers are in grocery stores, miscellaneous general merchandise, home furnishings and appliance stores and restaurants. Within the services sector, Salem's largest employer is in educational, health and social services sectors. Other significant components of the local service sector include large employers in fields such as employment agencies, security, truck rental, programming services, software and system design, and data processing.

Economic Sector	Number of Establishments by Employment Size-Class									Total
	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1000+	
Agricultural Services, Forestry, Fishing and Hunting and Mining	0	1	0	0	0	0	0	0	0	1
Construction	73	24	0	0	0	0	0	0	0	97
Manufacturing	20	12	9	17	9	2	0	0	0	69
Transportation and warehousing, and Public Utilities	22	14	2	3	0	0	0	0	0	41
Wholesale Trade	48	24	14	6	2	1	0	0	0	95
Retail Trade	119	83	60	48	8	8	5	0	0	331
Information	16	3	3	4	1	0	0	0	0	27
Finance, insurance, real estate, and rental and leasing	57	24	12	3	2	2	0	0	0	100
Services	258	122	81	30	17	5	1	2	0	516
Unclassified	7	6	1	0	0	0	0	0	0	14
Total	620	313	182	111	39	18	6	2	0	1,289
Percent of Establishments	48.10%	24.28%	14.12%	8.61%	3.03%	1.49%	0.47%	0.16%	0.00%	100.26%

Source: County Business Patterns, 2002; Zip Code Business Patterns for 03079 (Salem) and 03073 (N. Salem)

The below table indicates that the number of firms in Salem decreased by 1,724 between 1999 and 2002. The largest decrease in the number of firms was in services and wholesale trade. However, there was an increase in finance, insurance, real estate, and rental and leasing firms. These data indicate that between 1999-2002, Salem has supported a net decrease averaging 21 establishments per year.

Number of Firms in Salem by Industrial Sector 1999- 2002				
Industrial Sector	1999	2000	2001	2002
Agricultural Services, Forestry, Fishing and Hunting and Mining	1	1	1	1
Construction	118	121	120	116
Manufacturing	74	66	68	69
Transportation and warehousing, and Public Utilities	20	16	21	21
Wholesale Trade	105	104	104	95
Retail Trade	335	324	314	331
Information	22	24	23	27
Finance, insurance, real estate, and rental and leasing	98	86	52	104
Services	504	509	512	429
Unclassified	9	13	7	7
Total	1286	1264	1222	1200
Employees	21,607	21,426	21,361	19,883
Annual Payroll (Thousands of \$)	664,292	846,038	692,838	666,956
Payroll/Employee	\$30,744	\$39,487	\$32,336	\$33,544
<i>County Business Patterns, 2002, Zip Code Business Patterns for 03079 (Salem) and 03073 (N. Salem)</i>				

Revenues and Share of Activity by Industry



The US Census Bureau issues a series of economic Census reports for major industrial categories every five years. Local data are sometimes not available by industry. Data are subject to suppression to prevent disclosure of private establishment information where an employer dominates a particular industrial category. Sales and revenue figures provide

some insight into Salem's share of regional market activity and its relative importance within New Hampshire. The Economic Census reports were reviewed with respect to four major sectors of the Salem economy: (1) retail trade, (2) wholesale trade, (3) services, and (4) manufacturing. Since the 1980s, Salem has grown significantly in market share and relative importance in the State as a major center in all four economic sectors.

Retail Trade Sales

The above table illustrates the growth in retail establishments in Salem, as reported in the Cen-

RETAIL ESTABLISHMENTS IN SALEM				
Retail Category	1987	1992	1997	2002
Building Materials & Garden Equipments	13	13	19	14
General Merchandise Stores	12	13	14	14
Food Stores	22	34	18	20
Automotive Dealers/ Suppliers	14	10	25	26
Gasoline Service Stations	11	10	12	9
Apparel & Accessory Stores	28	66	80	86
Furniture, Home Furnishings, & Equip	34	40	41	41
Drug and Proprietary Stores	7	9	25	23
Miscellaneous & Non-store Retailers	60	99	86	94
Establishments With Payroll	201	294	320	327

sus of Retail Trade, for the period 1987-2002. A major shift occurred between 1987 and 1992 when the Mall at Rockingham Park was established and the number of retail establishments increased by 93 in the five-year period. Due to changes in the classification system used by the Census Bureau in 1997, data for that year may not be entirely comparable by business category to prior years.

Wholesale Trade Sales

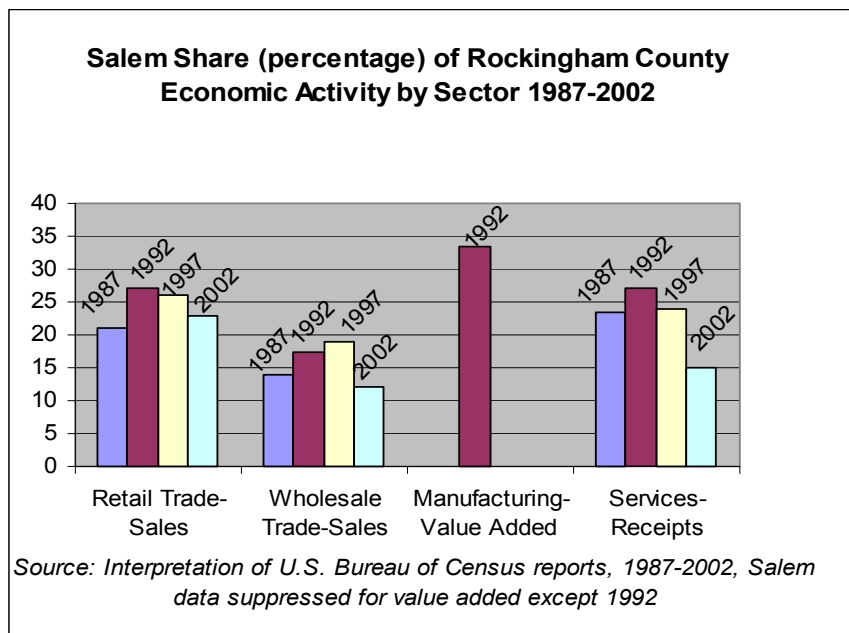
Wholesale trade activity has declined in Salem as a percentage of Rockingham county economic activity.

Services Receipts

In the services sector, Salem's total contribution to Rockingham county activity declined to 16% in 2002 from about 24% in 1997. The major contributors to the sector are the administrative, support, waste management and remediation industry (\$13,8914) and professional, technical and scientific services (\$12,0902).

Manufacturers – Value Added

Manufacturing activity was compared with respect to value added in the manufacturing process. Data for Salem were available only for 1992, when Salem ranked 3rd in New Hampshire in total value added by manufacturers. Local value added represented 33% of the Rockingham County total.



Valuation Per Capita and Equalized Tax Rate

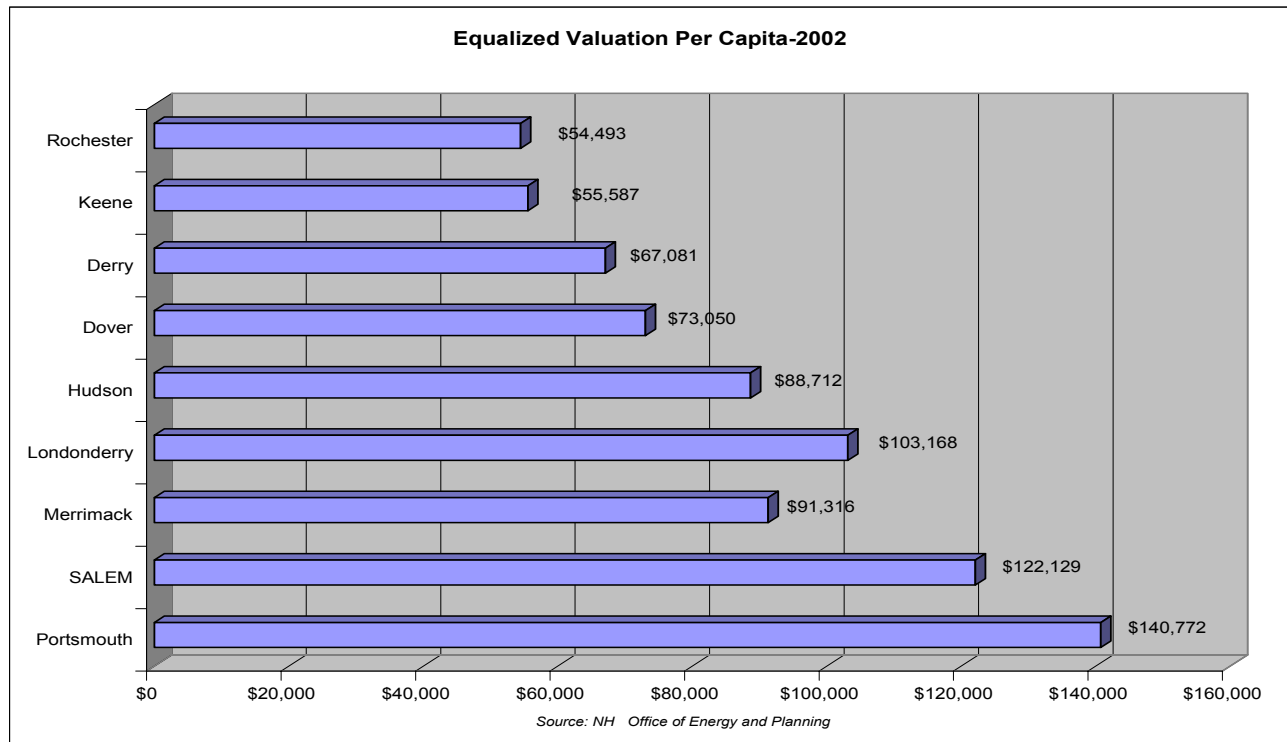


One of the desirable outcomes of community planning for commercial and industrial development is a fiscal balance between residential development service cost impacts and the net positive tax contribution generally associated with non-residential uses. In the Town of Salem, growth in Salem’s equalized assessed valuation (market value of property) has allowed its equalized tax rate to remain relatively constant as a percent of property market value. From the selected years between 1980 to 2004 shown in the below table, the equalized tax rate has ranged from 1.8% to 2.2% of market value. The Town’s equalized assessed valuation has remained between 9% and 11% of the Rockingham County total.

Changes in Salem Assessed and Equalized Valuation					
Year	Local Assessed Valuation (Taxable)	Equalized Assessed Valuation	Salem % of County EAV	Rate (Per \$1,000 Market Value)	Equalization Ratio
1980	\$531,421,755	\$615,168,253	11.2%	\$22.20	94%
1985	\$568,776,320	\$1,090,917,305	8.8%	\$19.20	55%
1990	\$698,449,200	\$1,830,982,898	9.2%	\$18.11	39%
1995	\$784,045,990	\$1,740,644,326	11.1%	\$20.99	46%
1999	\$844,559,210	\$2,241,273,776	10.8%	\$18.50	38%
2000	\$2,308,120,812	\$2,453,007,540	10.9%	\$18.93	93%
2004	\$2,419,221,415	\$4,167,573,197	10.5%	\$20.63	58%

Source: NH Department of Revenue Administration and Town of Salem

Equalized assessment figures of the state indicate that the town’s equalized assessed valuation in 2004 exceeded \$4.17 billion. The Town’s taxable assessed value, based on a revaluation completed during the year 2004 is \$2.4 billion. The growth of commercial and industrial uses, and increasing residential market values, enhanced this relationship even as the Town experienced rapid population growth. When compared to other cities and towns in New Hampshire of similar population (see below chart), Salem ranks second only to Portsmouth in equalized valuation per capita in 2002.

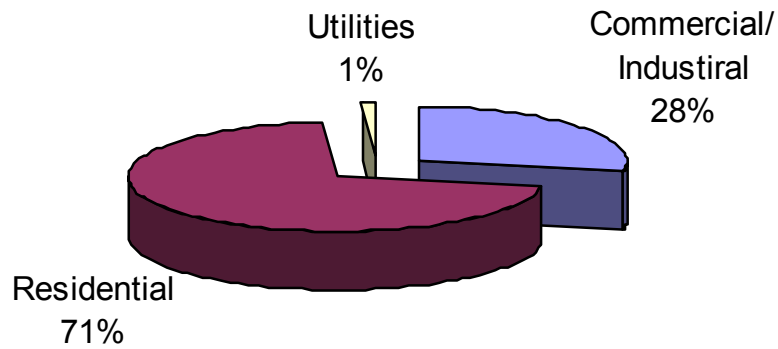


Composition of Property Tax Base



As illustrated in the below chart about two thirds of the taxable assessed valuation in the Town of Salem is in residential property and the balance (29%) is in commercial-industrial uses and utilities. The commercial sector, generally including office and retail uses, is the most significant non-residential tax contributor to the Town's tax base.

Percent of Salem Taxable Assessed Value By Sector-2004



[Web Sources](#)



New Hampshire Department of Revenue

<<http://www.nh.gov/revenue>>

New Hampshire Office of Energy and Planning

<<http://www.nh.gov/oep/programs/DataCenter>>

NHnetwork (New Hampshire Employment Network),
maintained by NH Employment Security

< <http://nhnetwork.virtuallmi.com>>

Rockingham County Planning Commission

<http://www.rpc-nh.org>

US Census

<<http://www.census.gov>>

Economic Census

<<http://www.census.gov/econ>>

County Business Patterns

<<http://www.census.gov/epcd/cbp/view/cbpview.html>>

US Census, Quick Reports by Geography (town, county, place, etc)

<<http://factfinder.census.gov>>