

New Hampshire ECONOMIC CONDITIONS

August 2023

Samuel Morey Memorial Bridge PHOTO CREDIT

Small Falls on the Flume PHOTO CREDIT

Pepperpass PHOTO CREDIT

Forest Lake PHOTO CREDIT

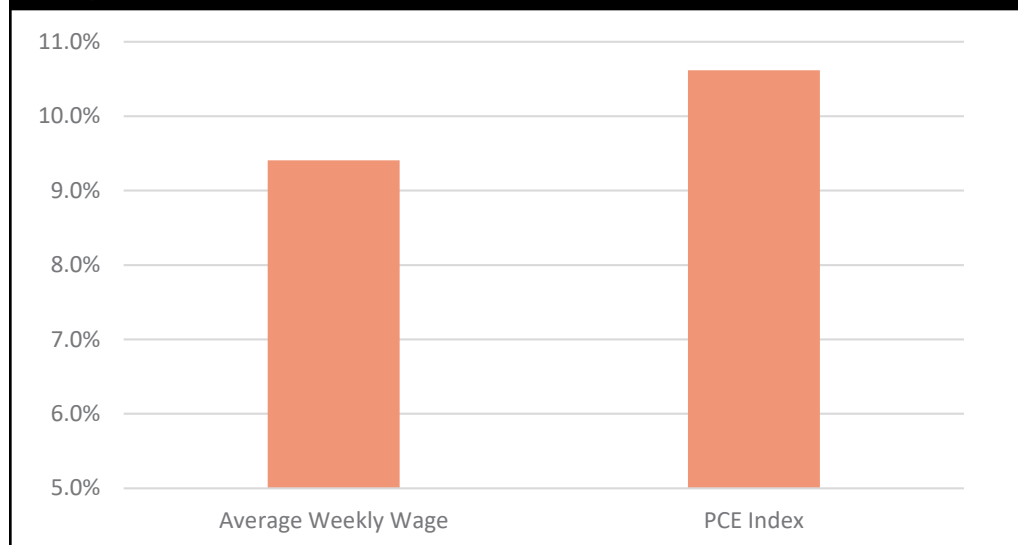
Hours and Wages for New Hampshire Workers

Privately employed New Hampshire workers received an average hourly wage of \$33.74 per hour in June 2023, a 4.8 percent increase over June 2022. On average, privately employed workers worked 33.9 hours per week, little changed from the previous year, and similar to pre-pandemic averages. Average weekly wages increased 4.2 percent over-the-year, from \$1,098 per week in June 2022¹ to \$1,144 per week in June 2023. Wage growth has been relatively high since the start of the pandemic, although since early 2021, elevated inflation has diluted real wage gains.

According to the U.S. Bureau of Economic Analysis' Personal Consumption Expenditures (PCE) Index, prices of goods and services purchased by American consumers increased 10.6 percent over the two-year period between June 2021 and June 2023. Wages for privately employed workers increased 9.4 percent over that two-year period suggesting that (on average) workers had less buying power than they did in June 2021.

Average wage growth for all privately-employed workers does not necessarily represent wage growth trends for all workers or in all industries. Changes in the composition of the workforce, such as excess retirements,² likely lowered the rate of wage increase as well. With years of experience, older workers generally earn high wages relative to others in the same occupation. An unusually large number of older workers left the workforce during the pandemic, likely decreasing the overall increase in average wage.

Wage and Inflation Increases, June 2021 to June 2023



Source: New Hampshire Employment Security, Current Employment Statistics, U.S. Bureau of Economic Analysis, Personal Consumption Expenditures Index

Hours and Wage Growth by Industry

Changes in average wages and hours worked per week varied substantially by industry. For workers in goods-producing industries, average weekly wages increased 12.3 percent between June 2021 and June 2023, while for workers in service-providing industries, average wages increased 8.5 percent.

Increased weekly wages for workers in goods-producing industries were the result of increased average hourly wages as well as an increase in average hours worked per week. Average hourly wages for workers in goods-producing industries increased 10.0 percent, from \$31.20 in June 2021 to \$34.33 in June 2023, while hours worked per week from 39.4 hours per week to 40.2 hours per week. Among workers in service-providing industries, weekly wage

gains were the result of increased hourly wages, with hours worked per week essentially unchanged between June 2021 and June 2023.

In the manufacturing sector, which accounts for approximately 70 percent of goods-producing workers, average weekly wages increased 10.9 percent between June 2021 and June 2023. However, among manufacturing

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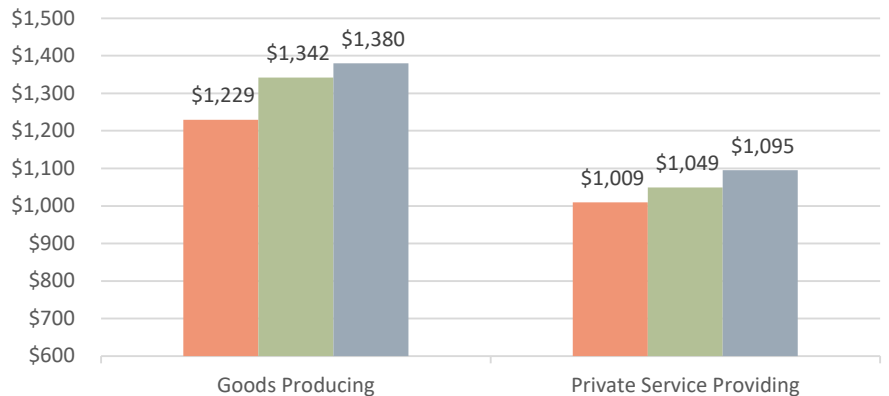
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¹ Data are not seasonally adjusted and should be compared year-over-year.

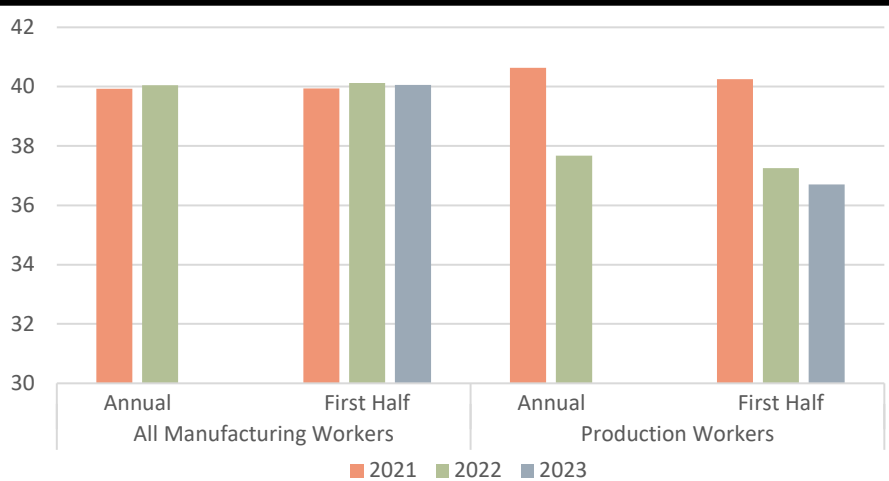
² Joshua Montes, Christopher Smith, and Juliana Dajon, "The Great Retirement Boom: The Pandemic-Era Surge in Retirements and Implications for Future Labor Force Participation," Finance and Economics Discussion Series, Board of Governors of the Federal Reserve System. <https://www.federalreserve.gov/econres/feds/files/2022081pap.pdf>

Average Weekly Wages for Privately Employed Workers



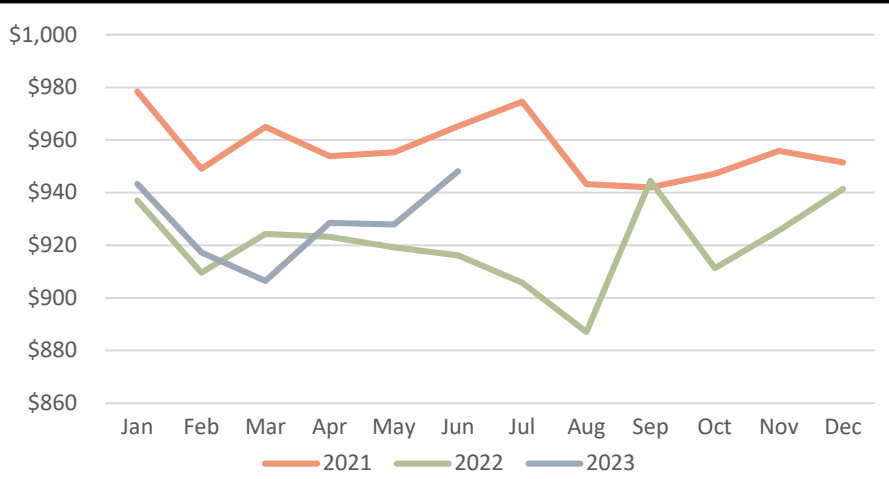
Source: New Hampshire Employment Security, Current Employment Statistics

Average Hours Worked Per Week



Source: New Hampshire Employment Security, Current Employment Statistics

Average Weekly Wages for Production Workers



Source: New Hampshire Employment Security, Current Employment Statistics

workers in production occupations – those who create the goods sold by manufacturers – average weekly wages declined 1.8 percent.

This decline in weekly wages was largely due to fewer hours worked per week by production workers. After averaging 40.3 hours per week in 2021, hours per week declined to 37.3 in 2022, and averaged just 36.8 over the first half of 2023.

While average hours worked per week by production workers declined, the average for all manufacturing workers has been essentially unchanged.

In addition to fewer hours worked, production workers also received smaller hourly wage increases than non-production workers. Hourly wages for production workers increased 5.8 percent between June 2021 and June 2023, compared to 9.0 percent for all manufacturing workers.

Even as hours declined, employment of production workers in the manufacturing sector increased steadily, adding 3,400 jobs (7.3 percent) between June 2021 and June 2023. This suggests that the decrease in hours has not been related to low demand for manufactured goods, but may instead be associated with an increase in part-time work. Part-time work is relatively uncommon in manufacturing, but may become more prevalent; the Manufacturing Institute, the non-profit workforce development and education partner of the National Association of Manufacturers, recommends offering part-time and other more flexible working arrangements as a strategy to retain workers approaching retirement age.³

In the trade, transportation and utilities supersector,⁴ hours worked per week declined from 33.3 hours in June 2021 to 31.4 hours in June 2023. Average hourly wages increased 6.5 percent over that time, just enough to offset the decline in hours; weekly wages in June 2023 were just 0.4 percent higher than weekly wages in June 2021.

While other sectors within trade, transportation, and utilities continued to grow, employment in the transportation and warehousing sector declined by an estimated 800 jobs (4.8 percent) between June 2022

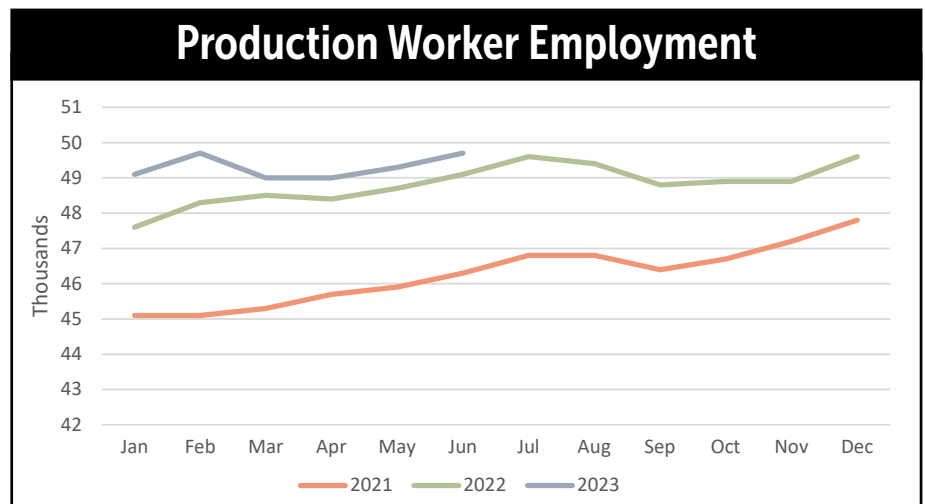
3 The Manufacturing Institute, "The Aging of the Manufacturing Workforce," July 2019. <https://www.themanufacturinginstitute.org/wp-content/uploads/2020/03/MI-Sloan-Aging-in-the-MFG-Workforce-Report.pdf>
 4 Trade, transportation and utilities includes retail trade, wholesale trade, utilities, and transportation and warehousing. Retail trade accounts for approximately 65 percent of trade, transportation and utilities employment.

and June 2023. While transportation and warehousing accounts for just over ten percent of employment in the trade, transportation, and utilities, this likely had some impact on wage growth and hours worked for the supersector overall.

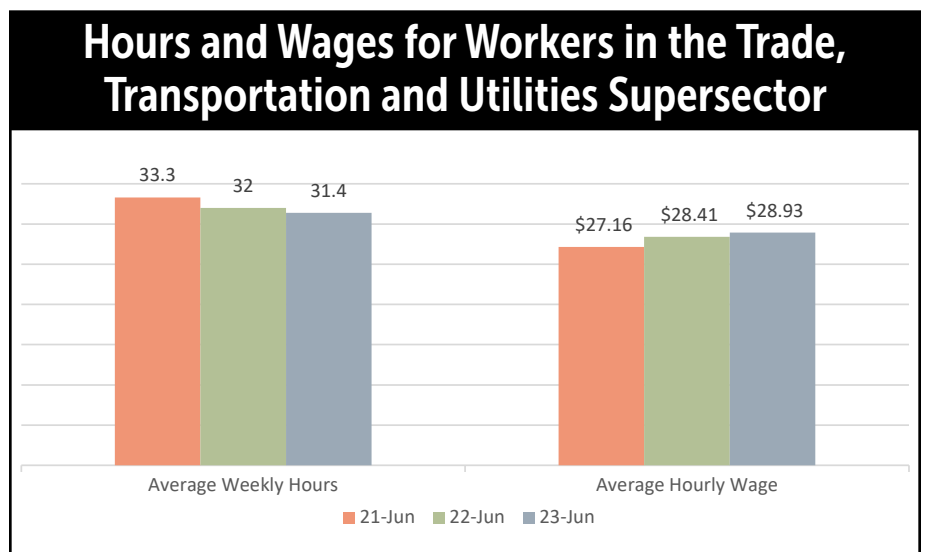
Between June 2021 and June 2023, both wages and hours increased steadily for workers in the professional and business services supersector.⁵ Average weekly hours increased from 36.7 hours per week in June 2021 to 37.6 hours in June 2023, while average hourly wages increased from \$35.67 per hour in June 2021 to \$42.45 per hour in June 2023, a gain of 19.0 percent. With both hours and hourly wages increasing, average weekly wages increased 21.9 percent, from \$1,309 per week in June 2021 to \$1,596 per week in June 2023. These increases are averages, and do not necessarily reflect the wage increases of all workers. Wage increases in this sector were likely affected by changes in the composition of occupations as well as individual wage increases. The professional, scientific, and technical services subsector has been among the fastest growing industries in recent years and has among the highest paying occupations, especially in comparison to many business services subsector industries.

Average hourly wages for workers in the leisure and hospitality supersector⁶ increased 19.7 percent over the last two years, from \$17.95 per hour in June 2021 to \$21.48 per hour in June 2023, as the industry struggled to keep and attract workers in the face of increasing competition from higher-wage industries and perceptions that working conditions are less favorable in the industry. Average hours per week declined slightly, from 26.0 hours per week in June 2021 to 25.5 hours per week in June 2021.

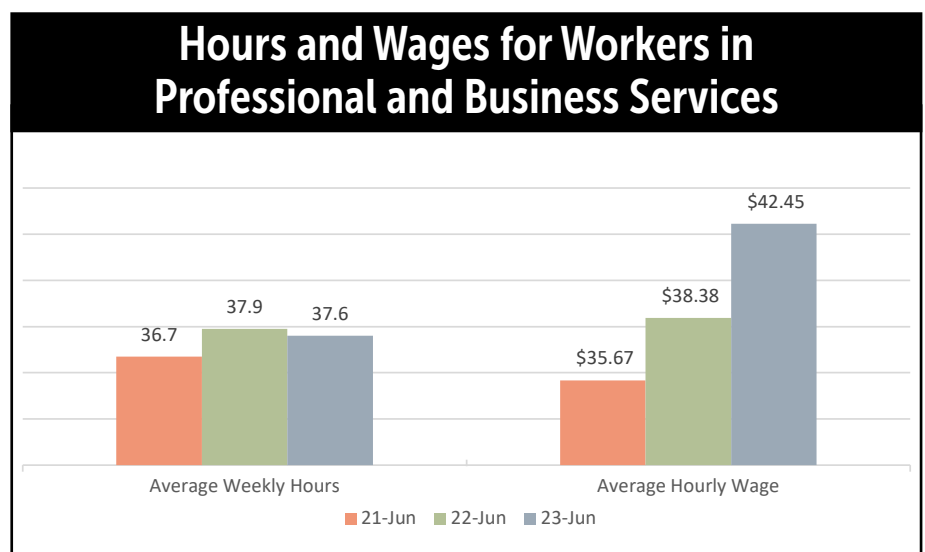
In the education and hospitality supersector,⁷ average hours per week increased from 33.0 hours per week in June 2021 to 33.5 hours per week in June 2023. Average hourly wages increased 12.4 percent over that time, although there was essentially no over-the-year wage growth in the first half of 2023. Experienced workers leaving the education⁸ and health care⁹ sectors, either retiring or changing careers, may have contributed to slowing wage growth.



Source: New Hampshire Employment Security, Current Employment Statistics



Source: New Hampshire Employment Security, Current Employment Statistics



Source: New Hampshire Employment Security, Current Employment Statistics

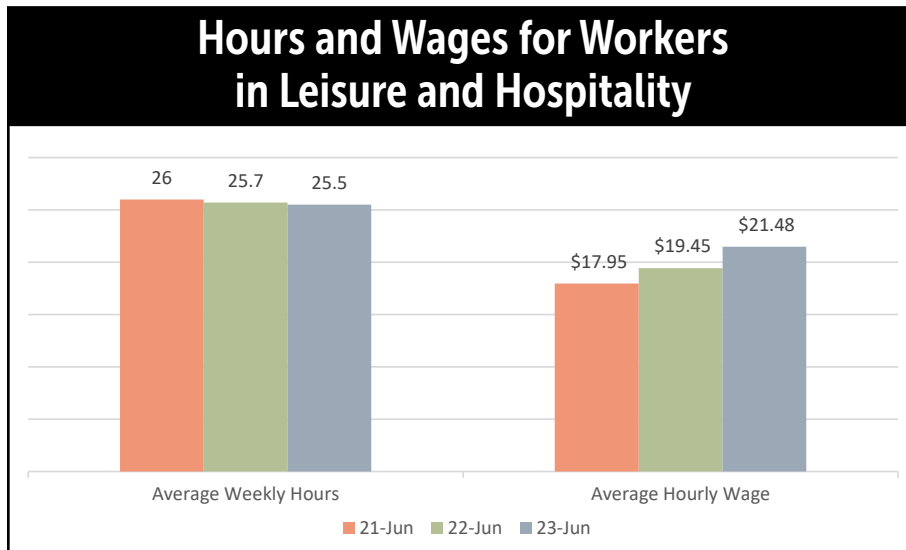
⁵ Professional and business services includes professional, scientific, and technical services, management of companies and enterprises, and administrative and support and waste management and remediation services.
⁶ Leisure and hospitality includes accommodation and food services and arts, entertainment, and leisure.
⁷ Education and hospitality includes private educational services and health care and social services.
⁸ Matt Barnum, "I just found myself struggling to keep up: Number of teachers quitting hits new high," USA Today, March 6, 2023. <https://www.usatoday.com/story/news/education/2023/03/06/more-teachers-quitting-than-usual-driven-stress-politics-data-shows/11390639002/>.
⁹ Hailey Mensik, "Over 200,000 healthcare workers quit jobs last year", HealthCareDive, October 26, 2022. <https://www.healthcaredive.com/news/covid-pandemic-healthcare-burnout-providers-quit-jobs/634946/>.

Summary

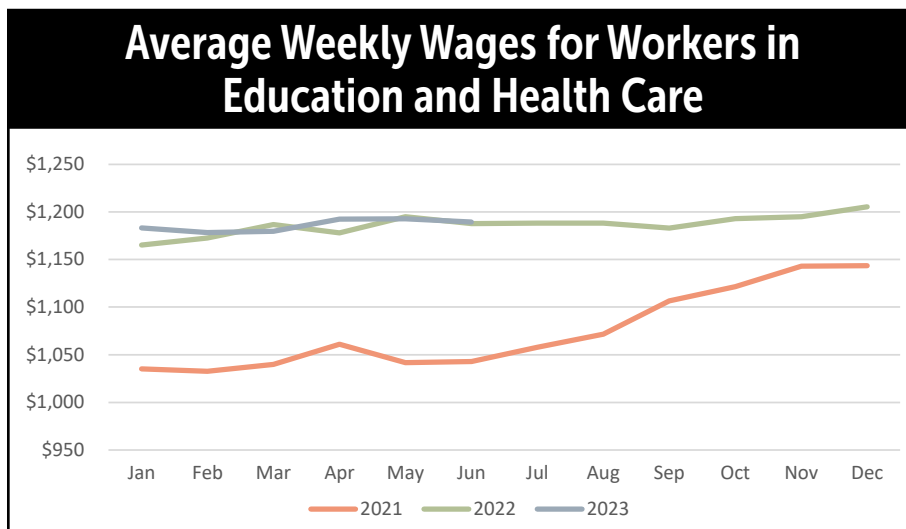
New Hampshire has had a tight labor market since early 2021, with high demand for labor and relatively few workers to meet that demand. Trends in wages and hours worked per week suggest that demand for labor remains strong overall, although it has slowed in some sectors. Workers in professional and business services and leisure and hospitality received wage gains well above the rate of inflation, suggesting demand for labor remains high in these sectors of the workforce. Below average wage growth in trade, transportation, and utilities, education and health

services, and manufacturing, while possibly affected by retirements and career changes, suggest that demand for workers in these sectors is easing. Declining hours worked per week in trade, transportation, and utilities and (to a lesser extent) leisure and hospitality suggest that the tight labor market may be starting to ease in those supersectors as well. Still, most sectors of New Hampshire workforce continue to add jobs, and demand for labor remains relatively strong.

– Greg David, Economist



Source: New Hampshire Employment Security, Current Employment Statistics



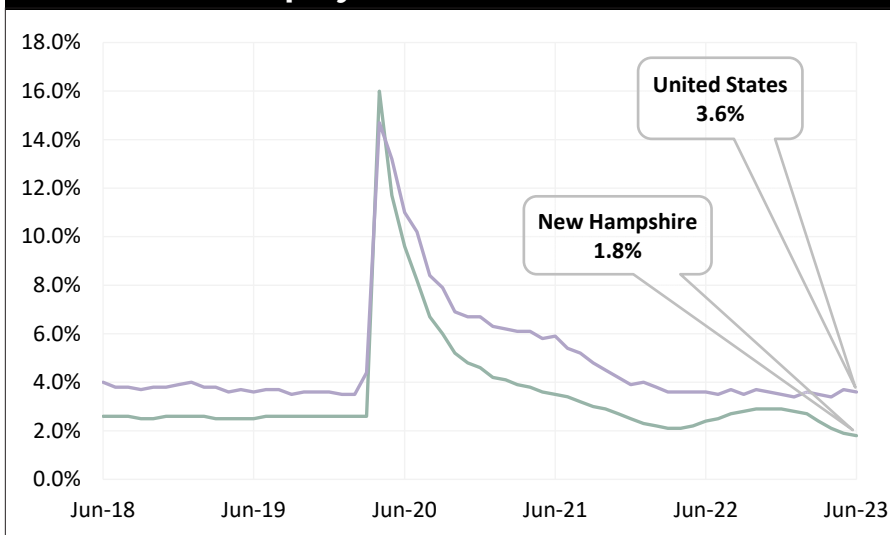
Source: New Hampshire Employment Security, Current Employment Statistics

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Jun-23	May-23	Jun-23
United States	3.6%	3.7%	3.6%
Northeast	3.5%	3.6%	3.8%
New England	2.8%	3.0%	3.5%
Connecticut	3.7%	3.7%	4.0%
Maine	2.4%	2.4%	2.6%
Massachusetts	2.6%	2.8%	3.7%
New Hampshire	1.8%	1.9%	2.4%
Rhode Island	2.9%	3.0%	3.1%
Vermont	1.9%	2.1%	2.3%
Mid Atlantic	3.8%	3.9%	4.0%
New Jersey	3.7%	3.6%	3.4%
New York	3.9%	3.9%	4.1%
Pennsylvania	3.8%	4.0%	4.3%

**Local Area Unemployment Statistics (LAUS)
Unemployment Rate, NH and US**



Current Employment Statistics (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	Jun-23	May-23	Jun-22	Month	Year
Total Nonfarm	698,500	702,400	683,600	-3,900	14,900
Total Private	611,600	615,500	597,500	-3,900	14,100
Mining and Logging	900	900	1,000	0	-100
Construction	31,400	31,100	30,000	300	1,400
Manufacturing	70,700	71,200	70,300	-500	400
Durable Goods	52,900	53,600	52,300	-700	600
Non-Durable Goods	17,800	17,600	18,000	200	-200
Trade, Transportation, and Utilities	140,000	140,600	138,300	-600	1,700
Wholesale Trade	32,600	32,700	31,200	-100	1,400
Retail Trade	89,400	89,600	88,500	-200	900
Transportation, Warehousing, and Utilities	18,000	18,300	18,600	-300	-600
Information	11,700	11,700	11,900	0	-200
Financial Activities	34,300	34,900	34,400	-600	-100
Financial and Insurance	27,300	27,600	27,300	-300	0
Real Estate and Rental and Leasing	7,000	7,300	7,100	-300	-100
Professional and Business Services	102,500	103,400	95,600	-900	6,900
Professional, Scientific, and Technical Services	50,800	51,400	46,900	-600	3,900
Management of Companies and Enterprises	10,800	10,700	10,700	100	100
Administrative and Support and Waste Management and Remediation Services	40,900	41,300	38,000	-400	2,900
Education and Health Services	125,500	125,900	121,200	-400	4,300
Educational Services	31,200	32,300	29,900	-1,100	1,300
Health Care and Social Assistance	94,300	93,600	91,300	700	3,000
Leisure and Hospitality	70,300	71,500	70,700	-1,200	-400
Arts, Entertainment, and Recreation	11,800	11,700	12,700	100	-900
Accommodation and Food Services	58,500	59,800	58,000	-1,300	500
Other Services	24,300	24,300	24,100	0	200
Government	86,900	86,900	86,100	0	800
Federal Government	8,700	8,700	8,400	0	300
State Government	22,200	22,000	22,000	200	200
Local Government	56,000	56,200	55,700	-200	300

Current month is preliminary; past months are revised

Prior data and area data are available on our website at: www.nhes.nh.gov/elmi/statistics/ces-htm

NOT SEASONALLY ADJUSTED ESTIMATES BY PLACE OF RESIDENCE

Labor Force Estimates

New Hampshire	Jun-23	May-23	Jun-22
Total Civilian Labor Force	764,890	752,080	771,640
Employed	751,380	740,640	753,150
Unemployed	13,510	11,440	18,490
Unemployment Rate	1.8%	1.5%	2.4%

United States (# in thousands)	Jun-23	May-23	Jun-22
Total Civilian Labor Force	167,910	166,702	165,012
Employed	161,559	161,002	158,678
Unemployed	6,351	5,700	6,334
Unemployment Rate	3.8%	3.4%	3.8%

Unemployment Rates by Area

Counties	Jun-23	May-23	Jun-22
Belknap	1.7%	1.5%	2.3%
Carroll	1.8%	1.5%	2.4%
Cheshire	2.0%	1.6%	2.7%
Coös	2.0%	2.0%	2.7%
Grafton	1.7%	1.4%	2.4%
Hillsborough	1.8%	1.6%	2.4%
Merrimack	1.6%	1.3%	2.3%
Rockingham	1.8%	1.6%	2.3%
Strafford	1.7%	1.4%	2.4%
Sullivan	1.6%	1.3%	2.3%

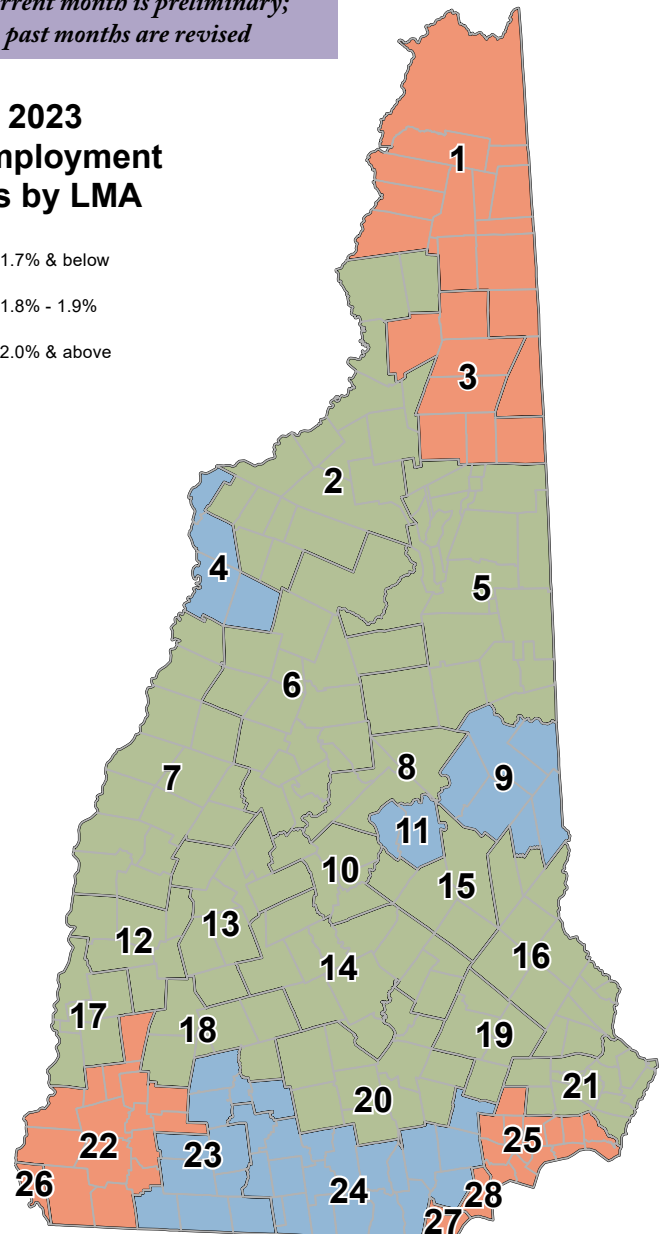
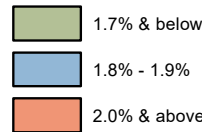
Map Key	Labor Market Areas	Jun-23	May-23	Jun-22
1	Colebrook, NH-VT LMA, NH Portion	2.4%	2.7%	2.4%
2	Littleton, NH-VT LMA, NH Portion	1.5%	1.4%	2.3%
3	Berlin NH Micropolitan NECTA	2.2%	2.2%	3.0%
4	Haverhill, NH LMA	1.8%	1.5%	2.7%
5	Conway, NH-ME LMA, NH Portion	1.7%	1.5%	2.2%
6	Plymouth, NH LMA	1.7%	1.5%	2.4%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	1.7%	1.3%	2.4%
8	Meredith, NH LMA	1.6%	1.4%	2.2%
9	Wolfeboro, NH LMA	1.9%	1.6%	2.7%
10	Franklin, NH LMA	1.7%	1.4%	2.4%
11	Laconia, NH Micropolitan NECTA	1.9%	1.7%	2.5%
12	Expanded Claremont, NH estimating area	1.6%	1.3%	2.3%
13	New London, NH LMA	1.7%	1.4%	2.4%
14	Concord, NH Micropolitan NECTA	1.6%	1.3%	2.2%
15	Belmont, NH LMA	1.6%	1.4%	2.3%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	1.7%	1.4%	2.4%
17	Charlestown, NH LMA	1.7%	1.4%	2.5%
18	Hillsborough, NH LMA	1.7%	1.3%	2.6%
19	Raymond, NH LMA	1.6%	1.4%	2.2%
20	Manchester, NH Metropolitan NECTA	1.7%	1.4%	2.3%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	1.6%	1.4%	2.1%
22	Keene, NH Micropolitan NECTA	2.0%	1.6%	2.7%
23	Peterborough, NH LMA	1.9%	1.6%	2.5%
24	Nashua, NH-MA NECTA Division, NH Portion	1.9%	1.6%	2.5%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.0%	1.8%	2.6%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	2.2%	1.9%	2.9%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	2.4%	2.2%	3.0%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	2.2%	1.9%	2.7%

Unemployment Rates by Region

Not Seasonally Adjusted	Jun-23	May-23	Jun-23
United States	3.8%	3.4%	3.8%
Northeast	3.8%	3.4%	4.0%
New England	2.9%	2.6%	3.6%
Connecticut	4.0%	3.7%	4.3%
Maine	2.5%	2.6%	2.7%
Massachusetts	2.8%	2.3%	3.9%
New Hampshire	1.8%	1.5%	2.4%
Rhode Island	3.0%	2.8%	2.9%
Vermont	2.1%	1.7%	2.9%
Mid Atlantic	4.2%	3.7%	4.2%
New Jersey	4.5%	3.8%	3.6%
New York	4.3%	3.8%	4.1%
Pennsylvania	3.8%	3.6%	4.7%

*Current month is preliminary;
past months are revised*

**June 2023
Unemployment Rates by LMA**



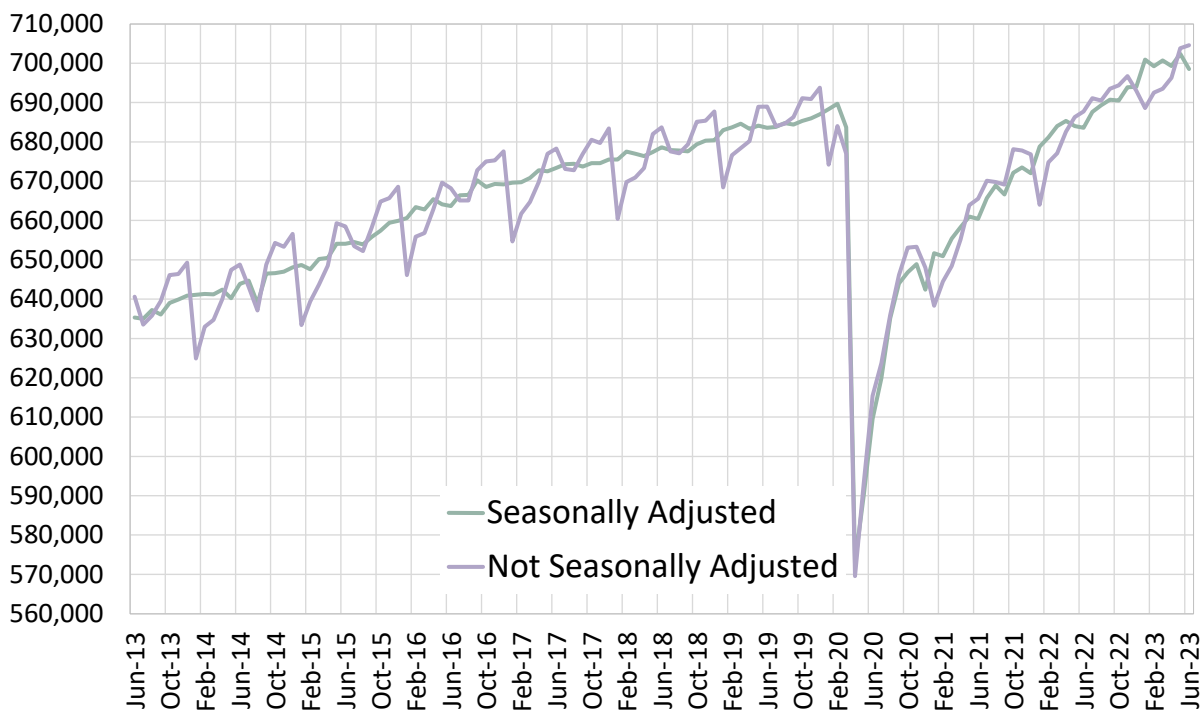
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

**New Hampshire Nonfarm Employment Statewide
Not Seasonally Adjusted**

*Current month
is preliminary;
past months
are revised*

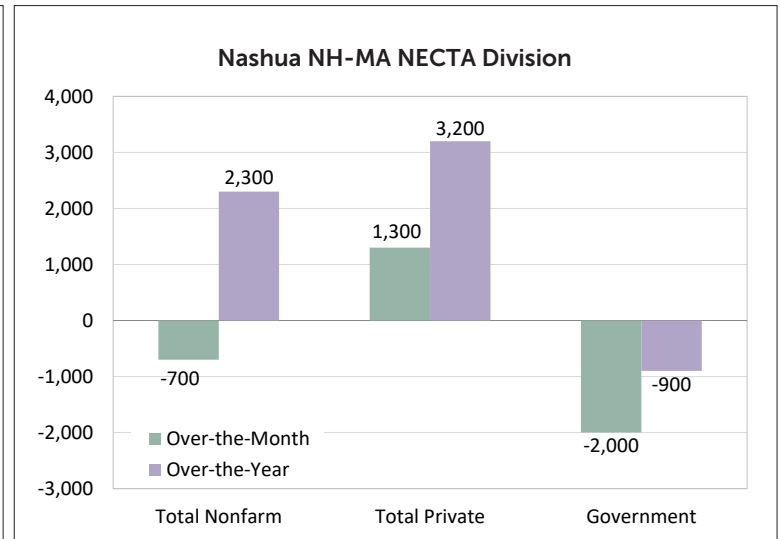
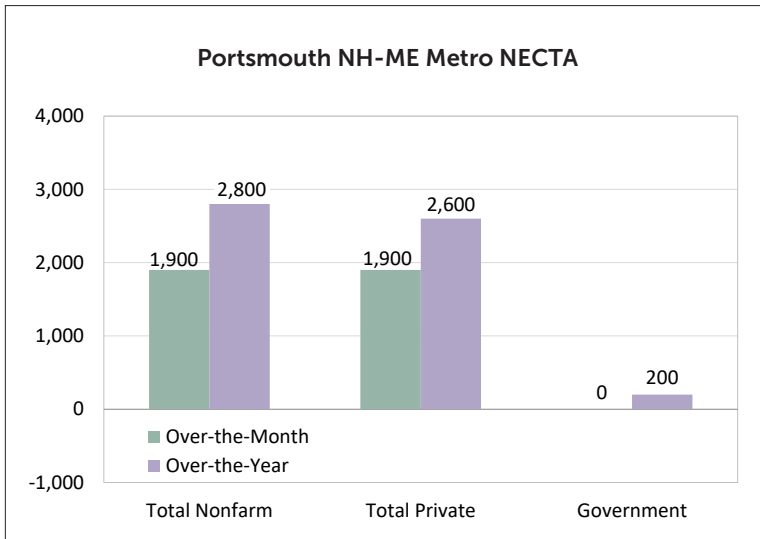
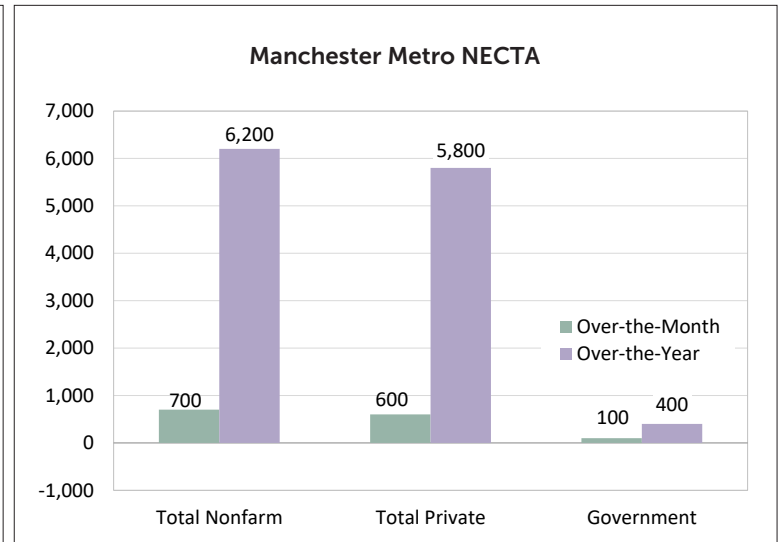
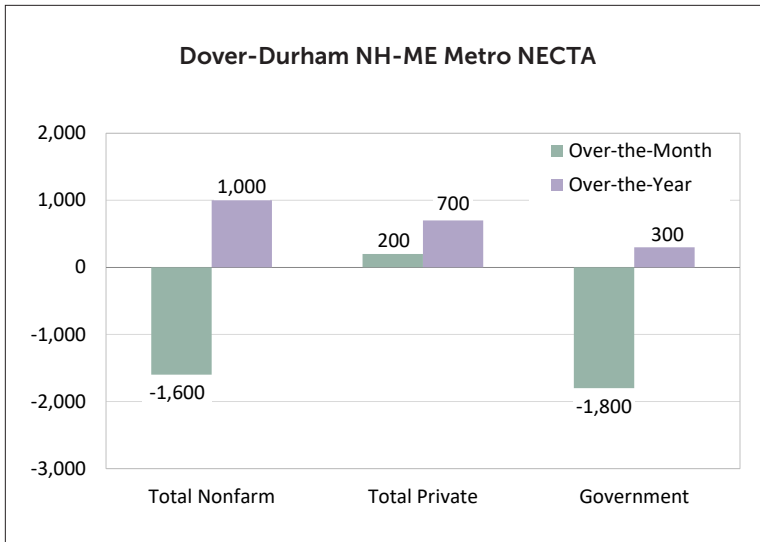
	Number of Jobs			Change From Previous	
	Jun-23	May-23	Jun-22	Month	Year
Total Nonfarm	704,600	703,800	687,700	800	16,900
Total Private	621,200	615,000	604,700	6,200	16,500
Mining and Logging	900	900	1,000	0	-100
Construction	32,400	31,500	31,000	900	1,400
Manufacturing	71,400	71,400	70,700	0	700
Durable Goods	53,300	53,700	52,500	-400	800
Non-Durable Goods	18,100	17,700	18,200	400	-100
Trade, Transportation, and Utilities	140,900	140,500	138,800	400	2,100
Wholesale Trade	32,800	32,700	31,300	100	1,500
Retail Trade	90,400	90,000	89,000	400	1,400
Transportation, Warehousing, and Utilities	17,700	17,800	18,500	-100	-800
Information	11,800	11,800	12,000	0	-200
Financial Activities	34,600	34,600	34,700	0	-100
Professional and Business Services	103,300	103,200	96,700	100	6,600
Education and Health Services	123,800	126,400	117,700	-2,600	6,100
Leisure and Hospitality	77,500	70,400	77,100	7,100	400
Other Services	24,600	24,300	25,000	300	-400
Government	83,400	88,800	83,000	-5,400	400
Federal Government	8,700	8,700	8,400	0	300
State Government	20,300	22,500	20,100	-2,200	200
Local Government	54,400	57,600	54,500	-3,200	-100

Total Nonfarm Employment Trend Through June 2023

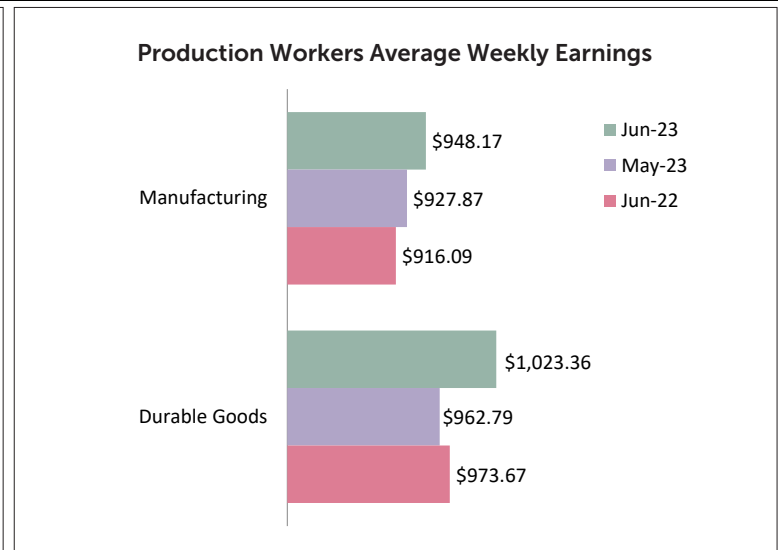
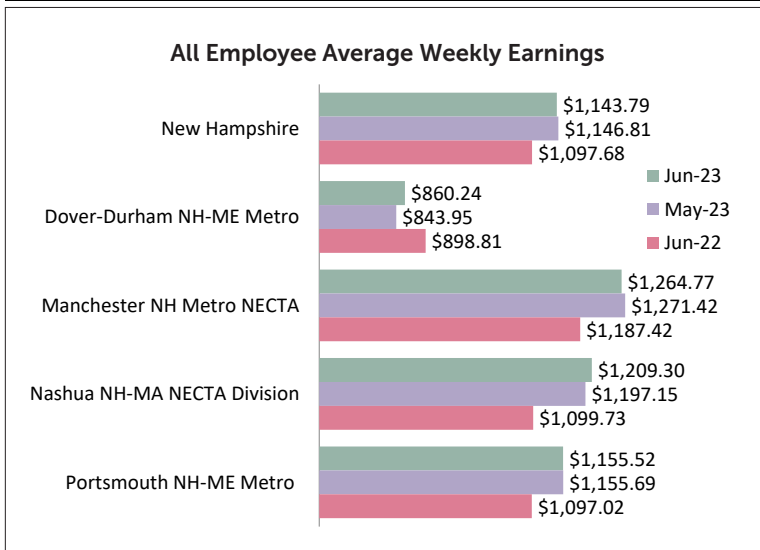


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - June 2023



Total Private Average Weekly Earnings Data



Sector data for the four areas and hours earnings data are available on our website: www.nhes.nh.gov/elmi/statistics/ces-data.htm

MONTHLY ANALYSIS OF CURRENT EMPLOYMENT STATISTICS (CES)

Seasonally Adjusted

Total nonfarm employment decreased to 698,500 jobs in June, based on preliminary seasonally adjusted estimates. This was a decrease of 3,900 non-farm private industry jobs while government employment was unchanged over the month. One private industry supersector experienced an over-the-month employment gain, six supersectors experienced losses, and three were unchanged from May to June. Seasonally adjusted over-the-month changes reflect the number of jobs that are not attributable to a regular seasonal pattern of employment variability.

The construction supersector added 300 jobs in June, after the seasonal adjustment. Leisure and hospitality employment contracted by 1,200 while professional and business services trimmed payrolls by 900 jobs over the month. The financial activities, and trade, transportation, and utilities supersectors each lost 600 jobs in June. Manufacturing cut 500 jobs over the month while private education and health services employment declined by 400 positions. The mining and logging, other services and information supersectors were unchanged over the month.

Total nonfarm employment in June 2023 was 8,800 jobs above the pre-pandemic level in February 2020. Employment in professional and business services was 17,400 above the pre-pandemic level while leisure and hospitality was 4,100 jobs below the February 2020 level.

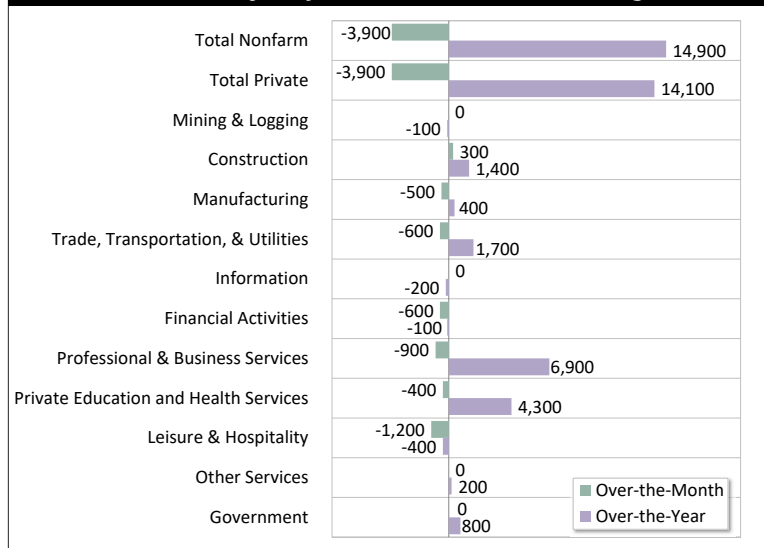
Not Seasonally Adjusted

Preliminary unadjusted estimates for June 2023 indicate that total nonfarm employment increased by 16,900 jobs since June 2022. Six private industry supersectors experienced over the year employment gains and four experienced over-the-year losses. Government employment increased by 400 over the year.

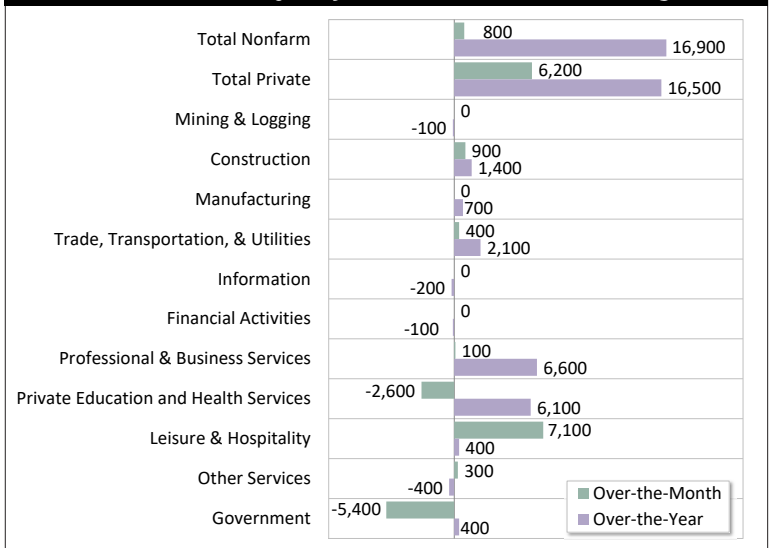
Professional and business services experienced the largest increase, with 6,600 more jobs than in June 2022. Private education and health services expanded payrolls by 6,100 over the year, while trade, transportation, and utilities added 2,100 positions. The construction supersector added 1,400 jobs and manufacturing employment increased by 700. Leisure and hospitality added 400 jobs from June 2022 to June 2023. The other services supersector contracted by 400 positions and information cut 200 jobs. Employment in both the financial activities and mining and logging supersectors was 100 jobs less than a year earlier.

– Robert Cote, Research Analyst

Seasonally Adjusted June 2023 Change



Not Seasonally Adjusted June 2023 Change

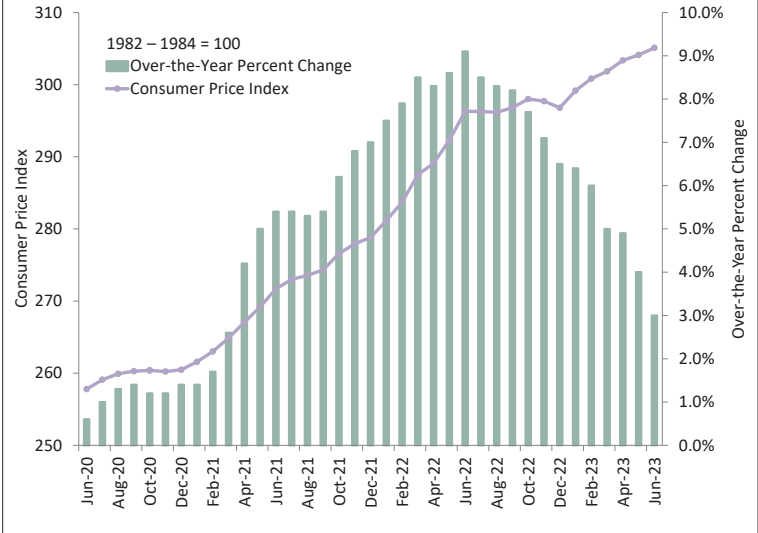


Consumer Price Index

United States, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Jun-23	May-23	Jun-22	Month	Year
305.109	304.127	296.311	0.3%	3.0%

Northeast, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Jun-23	May-23	Jun-22	Month	Year
313.329	312.241	306.453	0.3%	2.2%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Initial Claims	2,165	1,977	1,814	1,974	1,623	2,335
Continued Weeks Claimed	13,105	11,490	12,383	9,869	10,014	10,266
Average payment for a week of unemployment	\$353.19	\$361.18	\$356.86	\$363.49	\$362.04	\$367.12

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