

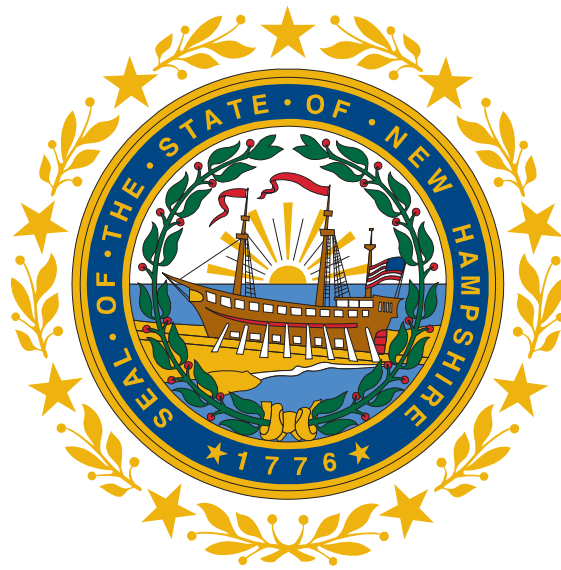
2023

Economic Analysis Report



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Economic Analysis Report



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INTRODUCTION

The coronavirus pandemic began to impact New Hampshire's economy in March 2020. Prior to that point, New Hampshire had experienced a job growth rate of 0.9 percent over the year, with 689,700 total non-farm payroll jobs in February 2020. The seasonally adjusted unemployment rate was at 2.6 percent, the sixth lowest rate in the nation, 20,160 persons were unemployed, and 757,610 New Hampshire residents were employed. New Hampshire's private industry job growth rate was the second highest of the New England states while the unemployment rate was the second lowest in New England.

In an effort to mitigate the spread of the coronavirus, state and local leaders throughout the country enacted policies to temporarily close nonessential businesses and establish criteria for the eventual reopening of these businesses. Owners and managers of essential businesses made independent decisions of how to best protect the health and safety of their employees and customers. The immediate impact was an increase of 99,660 unemployed workers and 29,820 fewer residents participating in the labor force. There were 116,800 fewer New Hampshire non-farm payroll jobs in April 2020 than in February 2020. The unemployment rate rose to 16.0 percent, eclipsing the previous high of 7.4 percent experienced from July through October of 1992. Opportunities to work remotely within some industries prevented further temporary job losses.

New Hampshire's nonessential businesses were cleared for reopening by the end of June 2020, however national and international supply chain failures, continuing restrictions in neighboring states and ongoing pandemic concerns of both business owners and workers slowed the workforce recovery. By December 2020 the unemployment rate had decreased to 4.6 percent, and 59.5 percent of New Hampshire's payroll jobs that were lost due to the pandemic had been recovered. The unemployment rate dropped to 2.5 percent in December 2021, slightly below the pre-pandemic rate. Total non-farm payroll employment returned to a pre-pandemic level in September 2022, although private non-farm employment exceeded the pre-pandemic level in July 2022.

June 2023 estimates placed the seasonally adjusted unemployment rate at a historic low of 1.8 percent, however there were 15,350 fewer New Hampshire residents participating in the labor force than there were in February 2020. Total non-farm payroll employment was 698,300, an increase of 2.2 percent from the June 2022 estimate. This compares favorably to the 2.0 percent annual job growth rate for all New England states combined and the New England Division unemployment rate of 2.8 percent in June 2023.

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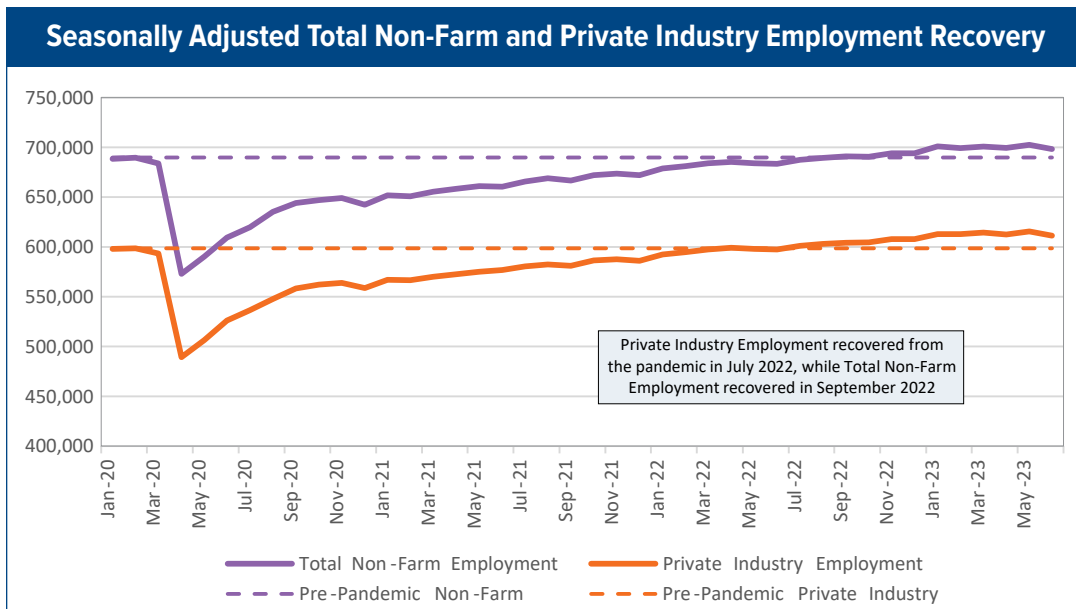
EMPLOYMENT

The U.S. Bureau of Labor Statistics estimates state employment through three separate Federal and State cooperative programs: Current Employment Statistics (CES), Local Area Unemployment Statistics (LAUS) and Quarterly Census of Employment and Wages (QCEW). Each of these programs produces a unique measure which is not directly comparable to the others. CES and LAUS programs are survey based and produced on a monthly basis, while the QCEW program is based on a census of businesses with a significant delay in data availability.

The CES program estimated that there were 698,300 total nonfarm jobs (seasonally adjusted) located in New Hampshire during June 2023. This was 8,600 more jobs than in February 2020, which represented the pre-pandemic peak in CES estimated employment for New Hampshire. The CES program estimates the number of non-farm payroll jobs located in New Hampshire, regardless of the residency of the jobholder.

Although the total employment level in New Hampshire had surpassed the pre-pandemic level, the estimates for several industry sectors remained significantly lower than pre-pandemic levels. June 2023 *retail trade* employment was 3,700 jobs below the February 2020 level, *health care and social assistance* employment was 1,000 jobs lower, while employment in *arts, entertainment and recreation* was 1,100 jobs short of recovery. *State and local government* employment levels had also struggled to recover, with *state government* employment recording 2,400 fewer jobs in June 2023 than in February 2020 and *local government* employment at 2,000 jobs below the pre-pandemic level.

Jobs lost in *retail trade* were likely related to a shift in consumer spending from brick-and-mortar stores to online purchasing. This had been a growing trend before the pandemic, but the change accelerated as people tried to avoid personal contact at retail establishments and find alternative sources for products that were in short supply. The evolution of technology also eliminated jobs in this sector as self-checkout



Source: Current Employment Statistics program, seasonally adjusted estimates.

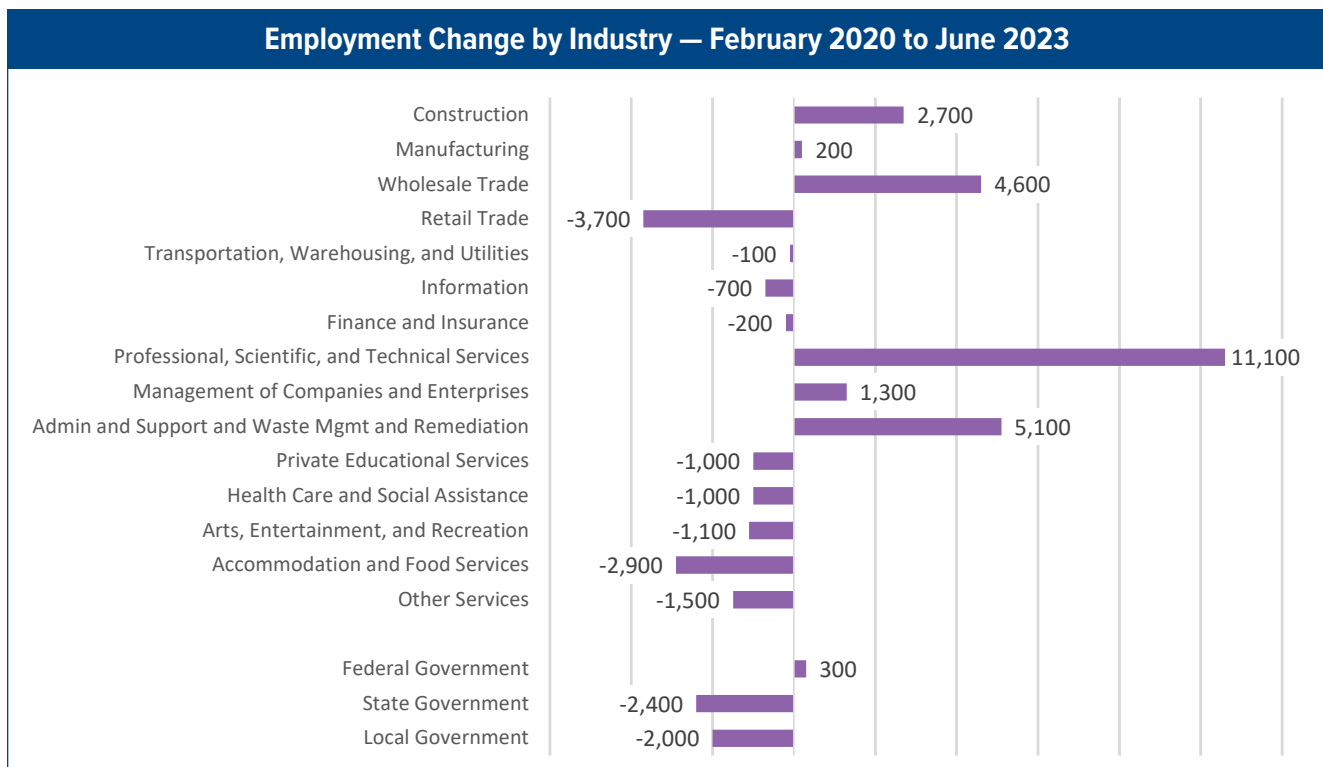
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registers became a viable replacement for cashiers. Some of the job losses in other industry sectors were likely related to the lack of available labor to fill vacant positions, rather than a lack of demand for the services provided by those industries. The absence of candidates for open positions had been a concern of employers during the post-pandemic recovery.

Professional, scientific and technical services, led all industries in New Hampshire with 11,100 jobs added to the economy between February 2020 and June 2023. Jobs in this sector are, on average, compensated at a higher wage than the average for all industries¹, so the growth in this sector provided an additional boost to the state’s economy in the form of wages paid.

Jobs in *administrative and support and waste management and remediation services* in June 2023 were 5,100 above the February 2020 employment level. This sector includes professional employer organizations and temporary employment services. The employment growth in this sector was, in part, associated with a shift in staffing methods necessitated by labor shortages. For example, the increased use of travel nurses to fill health care vacancies created due to the indirect effects of the pandemic.

Wholesale trade also experienced significant employment gains, with 4,600 more jobs in June 2023 than in February 2020. Prior to the pandemic, New Hampshire was well positioned for persons employed in *wholesale trade* as the state’s geographic location is in relatively close proximity to large population centers on the East Coast of United States.



Source: Current Employment Statistics program, seasonally adjusted estimates.

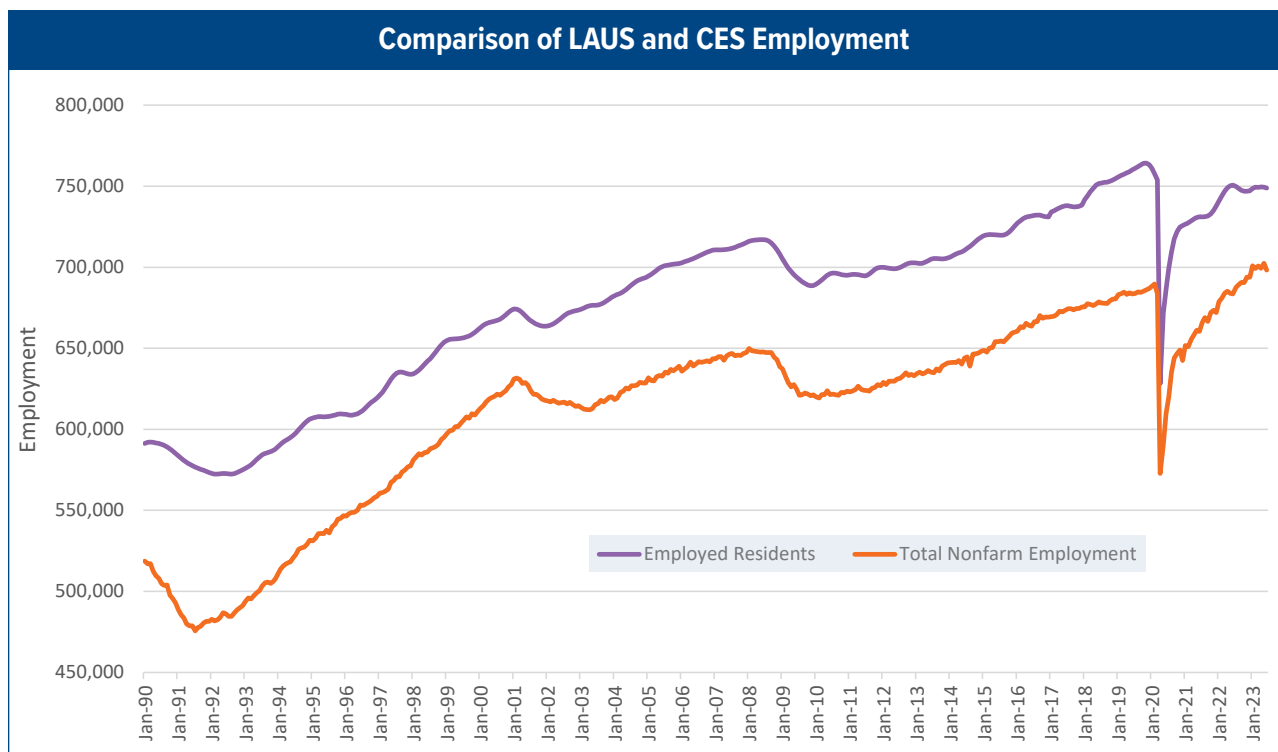
¹ In the third quarter of 2022, the average weekly wage for total covered employment was \$1,364.62 whereas the average weekly wage for professional, scientific, and technical services was \$2,273.20.

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The LAUS program estimated that there were 748,960 employed New Hampshire residents in June 2023, after seasonal adjustment. This was 8,650 fewer employed than in February 2020. The LAUS program estimates the number of employed New Hampshire residents, regardless of the location of their employment or the number of jobs that they may hold. In addition to payroll employees, LAUS estimates also include agricultural workers and self-employed individuals who are not payroll employees. The primary data source for LAUS estimates are Current Population Survey (CPS) data which are collected by the U.S. Census Bureau.

Prior to December 2019, the number of employed New Hampshire residents had increased each month for 25 months, with a gain of approximately 27,000 employed over that period. Following the low point of April 2020, employment increased in nearly every month through June 2022. Employment declined through the remainder of 2022, but increased again in early 2023. Primarily due to a decrease in June 2023, over-the-year estimates indicated a net decrease of 1,600 employed persons for the period ending June 2023.

Although the CES and LAUS timeseries follow a similar long-run pattern, which reflects the overall expansion and contraction of the economy, short-term movements can be very different as they measure two different populations. LAUS employment includes agricultural workers, the self-employed, unpaid family members working for a family business, private household workers and persons who are on unpaid leave from their job, which are not included as payroll positions in the CES program. CES estimates the number of payroll jobs and counts each job held by multiple jobholding workers, while the



Source: Current Employment Statistics and Local Area Unemployment Statistics programs, seasonally adjusted estimates.

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LAUS program only counts the worker as employed once, regardless of the number of jobs they may hold. The CES program also includes payroll jobs held by workers under the age of 16, whereas LAUS does not. A significant difference between the two timeseries is that CES estimates are based on the location of the jobs while, while LAUS estimates are based on the residency of the workers. New Hampshire is a net exporter of labor, as indicated by commuting statistics². The coronavirus pandemic provided an opportunity for expanded remote work capabilities which enabled many out-commuters to work in their state of residency.

The QCEW program provides employment counts and wages paid by industry and geographic area. Employment in this program represents jobs located in New Hampshire that are covered by state and federal unemployment insurance programs. QCEW data are not seasonally adjusted and must be compared on a same quarter basis. A comparison of pre-pandemic job counts versus the most recent data available shows that from the fourth quarter of 2019 to the fourth quarter of 2022, New Hampshire gained 7,414 jobs, an increase of 1.1 percent. Private industry jobs increased by 11,207, or 1.9 percent, over this period, however government employment had not recovered from the coronavirus pandemic and remained 3,793 below the 2019 level.

Over the year, from the fourth quarter of 2021 to the fourth quarter of 2022, New Hampshire gained 14,880 jobs, an increase of 2.2 percent. Private industry jobs increased by 15,236, or 2.6 percent, over this period. *Government* employment decreased by 357 over the year, or 0.4 percent. The largest level increase in jobs was experienced in the *professional and technical services* industry with 2,841 new jobs added over the year, a 6.4 percent increase. The largest percentage increase was in the *management of companies and enterprises* industry at 12.7 percent, with 1,239 jobs created. Relatively large increases were seen in *administrative and waste services*, an increase of 2,265 jobs and *accommodation and food services* with an additional 2,235 jobs over the year.

Coös County experienced the largest percentage increase in private industry jobs over the year, at 2.7 percent. Increases in *administrative and waste services* and *construction* were partially offset by losses in *health care and social assistance* and *manufacturing*. Rockingham County had the second largest percentage increase, at 2.3 percent, as well as the most new private industry jobs, having gained 3,153 over the year. Jobs were created in nearly every industry, while losses in individual industries were relatively small.

Approximately 44 percent of the statewide over the year private industry job increase was not assigned to a specific county. The Unassigned designation includes those jobs in which employees perform their work in multiple counties or throughout the state. It also includes individuals who work at only one location in New Hampshire, but that location cannot be identified. The rapid job growth for the Unassigned area in 2022 was primarily due to remote workers in private residences whose home addresses could not be reported without violating of the confidentiality of their personally identifiable information. Remote working became a popular option, or in some cases a necessity, during the coronavirus pandemic, although the long-term viability of remote work without regular in person attendance at a main office location remains a question.

² Data from the U.S. Census Bureau, American Community Survey indicate that New Hampshire residents working out of state exceeded non-residents working in New Hampshire by 32,563 in 2019. From 2006 through 2019, net out-commuters ranged from 31,632 to 51,496.

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Over-the-Year Employment Change by Industry			
Industry Title	Average 2021 Q4 Employment	Average 2022 Q4 Employment	Over-the-Year Change
Total, Private plus Government	662,049	676,929	14,880
Total Private	577,404	592,640	15,236
Goods-Producing Industries	101,332	103,888	2,556
Agriculture, Forestry, Fishing and Hunting	2,032	2,074	42
Mining, Quarrying, and Oil and Gas Extraction	600	617	17
Construction	29,959	30,765	806
Manufacturing	68,741	70,432	1,691
Service-Providing Industries	476,071	488,752	12,681
Utilities	2,094	2,036	(58)
Wholesale Trade	30,353	31,594	1,241
Retail Trade	90,880	90,703	(177)
Transportation and Warehousing	16,647	16,499	(148)
Information	11,789	11,979	190
Finance and Insurance	27,431	26,442	(989)
Real Estate and Rental and Leasing	6,828	7,071	243
Professional, Scientific, and Technical Services	44,414	47,255	2,841
Management of Companies and Enterprises	9,730	10,969	1,239
Administrative/Support and Waste Management/Remediation Services	36,957	39,222	2,265
Educational Services	20,539	21,310	771
Health Care and Social Assistance	92,132	92,848	716
Arts, Entertainment, and Recreation	10,795	11,842	1,047
Accommodation and Food Services	54,164	56,399	2,235
Other Services (Except Public Administration)	20,099	20,802	703
Unclassified Establishments	1,221	1,781	560
Total Government	84,645	84,288	(357)
Federal Government	8,386	8,539	153
State Government	19,546	18,884	(662)
Local Government	56,712	56,865	153

Source: Quarterly Census of Employment and Wages program.

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Over-the-Year Employment Percentage Change by Industry and County Fourth Quarter 2021 to Fourth Quarter 2022

Industry Title	Belknap	Carroll	Cheshire	Cöös	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	Unassigned
Total, Private plus Government	0.1%	1.5%	0.4%	0.7%	0.9%	1.1%	1.3%	2.1%	1.4%	0.1%	18.4%
Total Private	0.3%	1.7%	1.2%	2.7%	1.8%	1.2%	1.4%	2.3%	1.5%	0.0%	18.3%
Goods-Producing Industries	1.5%	-0.3%	4.7%	-0.7%	1.7%	3.1%	3.2%	1.3%	6.2%	1.4%	-5.2%
Agriculture, Forestry, Fishing and Hunting	-8.2%	n.a.	-8.4%	n.a.	17.1%	3.9%	1.1%	-10.5%	n.a.	n.a.	n.a.
Mining, Quarrying, and Oil and Gas Extraction	0.0%	n.a.	0.0%	n.a.	-5.4%	5.1%	3.7%	8.6%	n.a.	n.a.	n.a.
Construction	1.6%	3.0%	5.7%	48.7%	4.5%	3.5%	3.7%	-0.3%	8.0%	0.7%	-9.0%
Manufacturing	1.7%	-5.5%	4.8%	-19.8%	0.0%	3.0%	3.1%	2.3%	5.1%	1.6%	27.2%
Service-Providing Industries	0.0%	2.0%	0.0%	3.3%	1.8%	0.8%	1.1%	2.6%	0.5%	-0.7%	19.4%
Utilities	2.3%	-23.1%	n.a.	0.0%	n.a.	0.2%	0.7%	-1.9%	n.a.	-2.3%	-29.5%
Wholesale Trade	-7.4%	4.9%	6.8%	3.0%	-0.5%	3.5%	2.6%	3.4%	10.0%	-27.9%	7.4%
Retail Trade	0.3%	0.9%	-1.3%	4.7%	2.4%	-1.7%	-1.8%	1.2%	-0.6%	-1.2%	-1.3%
Transportation and Warehousing	-3.7%	8.8%	-10.7%	-5.5%	-10.0%	-10.5%	21.3%	3.4%	-6.8%	1.1%	16.0%
Information	6.9%	-6.1%	3.4%	13.0%	-2.2%	-2.9%	5.3%	-1.3%	-1.6%	-6.1%	23.5%
Finance and Insurance	7.9%	-5.7%	-3.0%	10.2%	-4.2%	-9.9%	-3.1%	0.4%	-15.9%	5.7%	17.6%
Real Estate and Rental and Leasing	-13.9%	11.0%	5.5%	5.1%	-8.0%	1.2%	6.6%	7.3%	-1.6%	0.0%	26.4%
Professional, Scientific, and Technical Services	1.5%	6.0%	2.3%	-38.7%	-1.3%	-0.5%	7.8%	1.5%	-2.1%	20.3%	27.7%
Management of Companies and Enterprises	-2.3%	n.a.	n.a.	17.6%	4.4%	19.7%	10.8%	6.3%	39.4%	n.a.	35.8%
Administrative/Support and Waste Management/Remediation Services	4.1%	8.4%	10.6%	87.4%	-10.0%	3.1%	3.6%	2.4%	-7.3%	-21.2%	24.3%
Educational Services	-7.3%	n.a.	-1.7%	24.6%	n.a.	-1.4%	12.9%	6.4%	-8.0%	3.4%	17.7%
Health Care and Social Assistance	-0.8%	-4.4%	-1.9%	-9.3%	1.1%	2.7%	-6.8%	2.5%	5.4%	4.0%	11.0%
Arts, Entertainment, and Recreation	-6.9%	8.2%	-0.6%	18.5%	3.3%	11.7%	21.4%	8.5%	9.9%	7.4%	21.5%
Accommodation and Food Services	2.0%	4.8%	2.0%	2.8%	7.3%	5.3%	1.5%	3.2%	4.3%	6.4%	33.8%
Other Services (Except Public Administration)	3.6%	2.5%	2.4%	-5.6%	5.9%	3.0%	2.9%	1.1%	6.9%	12.6%	20.2%
Unclassified Establishments	43.5%	n.a.	257.1%	n.a.	211.1%	185.7%	29.4%	96.2%	n.a.	n.a.	20.9%
Total Government	-0.8%	0.5%	-3.8%	-5.3%	-5.7%	0.2%	1.0%	0.1%	0.9%	0.6%	47.3%
Federal Government	-2.0%	-2.0%	2.9%	-6.7%	-3.5%	3.8%	-1.0%	-1.2%	2.9%	0.0%	47.1%
State Government	-1.6%	-1.4%	-12.4%	-0.3%	-23.9%	-10.1%	0.8%	-7.5%	0.3%	-5.2%	n.a.
Local Government	-0.5%	0.7%	-1.6%	-6.5%	-0.8%	0.3%	1.6%	1.0%	1.3%	1.3%	33.3%

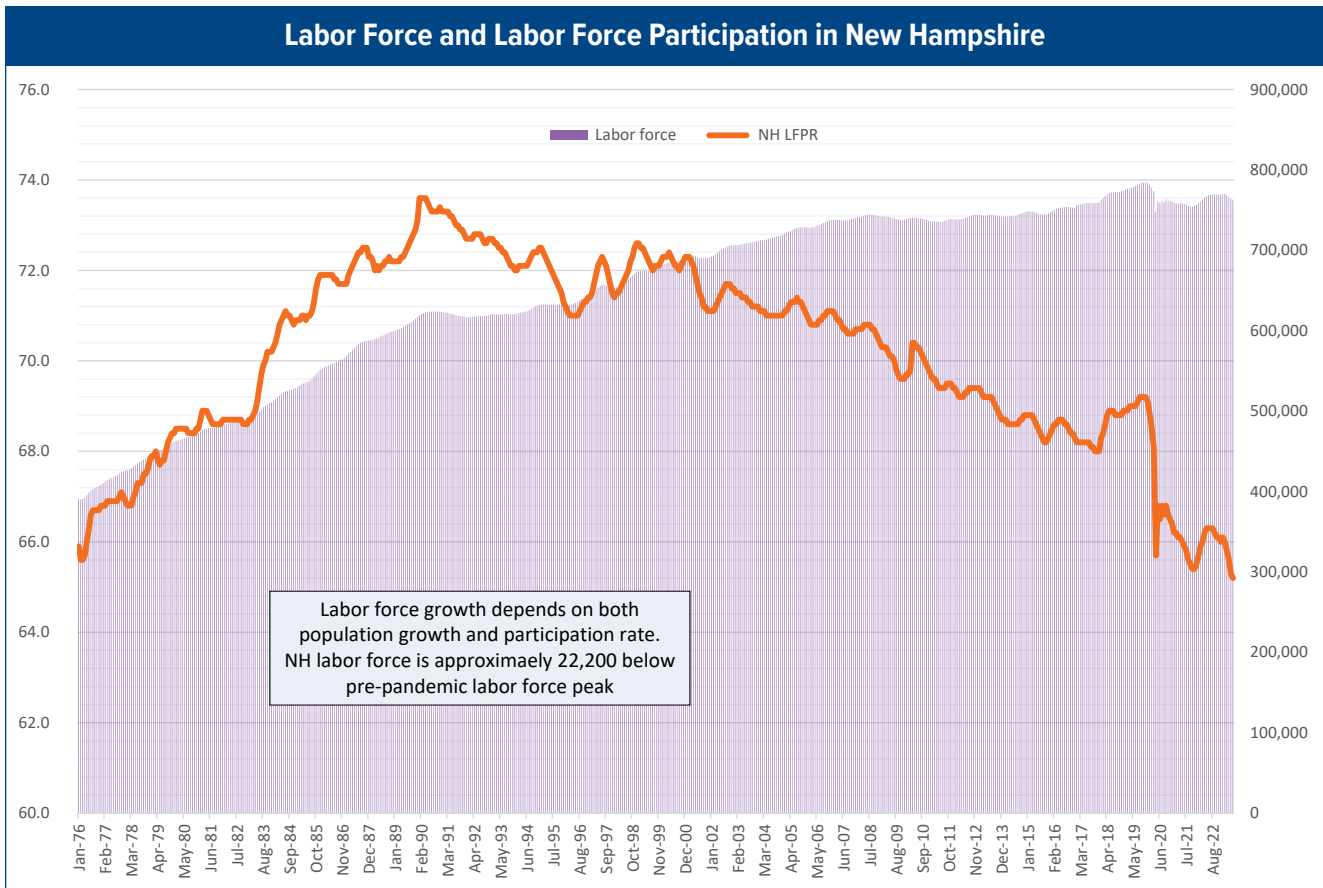
Source: Quarterly Census of Employment and Wages program.

LABOR FORCE PARTICIPATION

The seasonally adjusted labor force participation rate in New Hampshire was 65.2 percent in June 2023, a decrease of 0.9 percentage points from January 2023. The size of the labor force in June 2023 was 15,350 residents below the pre-pandemic level in February 2020. It is important to note that, although the participation rate was at a historic low in June 2023, New Hampshire's rate was greater than 36 states in the nation, including all other New England states.

The New Hampshire labor force participation rate, as calculated by the LAUS program, has been declining since May 1990. This rate was at a high of 73.6 percent in January through April 1990. Prior to the coronavirus pandemic, in February 2020, the rate was 68.5 percent and fell to 65.7 percent in April 2020. Although the labor force participation rate increased to 66.3 percent during the summer of 2022, it did not recover to the pre-pandemic rate.

The continued concern of coronavirus exposure and the experiences of people during the pandemic may have played a significant role in the further decline of labor force participation. Despite the high rates of price inflation in 2022 and 2023, the higher cost of living did not encourage more residents to join or return to the labor force. In some ways, the lasting impact from the coronavirus pandemic may have been a cultural change in workers' attitudes, with a heightened focus on the work-life balance.



Source: Local Area Unemployment Statistics program, seasonally adjusted estimates.

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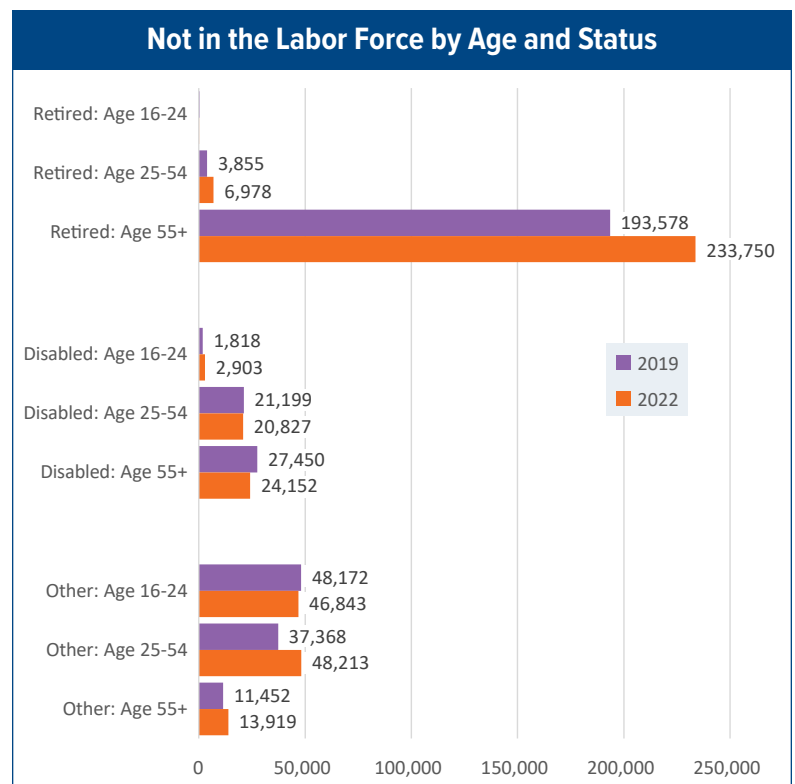
Data directly from the CPS Public Use Microdata Sample (PUMS) sacrifice accuracy and are not seasonally adjusted, but they do provide an ability to examine the demographic characteristics of the population, which are not available from the LAUS program. CPS PUMS data can also categorize the population by responses to specific survey questions, and may shed some light on who is not in the labor force and the reasons for not being in the labor force. In a 2018 workforce analysis report, a review of data for non-participants found that the main driver for the increase in the number of residents who were not in the labor force was the aging of New Hampshire’s population.

“Despite the fact that the number of residents not in the labor force grew from about 307,500 in 2007 to 354,500 in 2017, close to all of the increase in the number of residents not in the labor force was attributed to residents in the older age cohorts” (those in the age cohorts 55 and over)³.

Comparing data from 2022 with pre-pandemic 2019 data, the increase in the number of persons aged 55 and over who were not in the labor force continued to be a driver for the exodus from the labor force. Between 2019 and 2022, there were 52,650 more persons not in the labor force, and of those three quarters were in the age cohort 55 and over. Overall, the large majority of persons not in the labor force are those who are retired. Between 2019 and 2022, the number of persons not in the labor force due to retirement increased by about 43,250.

Younger workers, such as high school and college students, and persons of retirement age are far less likely to participate in the labor force than those of prime working age. Whereas the civilian non-institutionalized population has a lower limit of age 16, it does not have an upper age limit. When a state has an aging population, as New Hampshire does, and the share of the population that is at or beyond retirement age is growing more rapidly than younger age cohorts, the retired as a share of the whole population increases, resulting in a lower overall participation rate⁴.

Restricting the focus to only those in their prime working years (age 25 to 54), the labor force participation rates for both males and females were lower in the 12-month period ending June 2023 than they were prior to the pandemic⁵.



Source: Current Population Survey, unpublished public use microdata sample estimates.

2 Data from the U.S. Census Bureau, American Community Survey indicate that New Hampshire residents working out of state exceeded non-residents working in New Hampshire by 32,563 in 2019. From 2006 through 2019, net out-commuters ranged from 31,632 to 51,496.

3 <https://www.nhes.nh.gov/elmi/products/documents/workforce-analysis-2018.pdf> . Page 9.

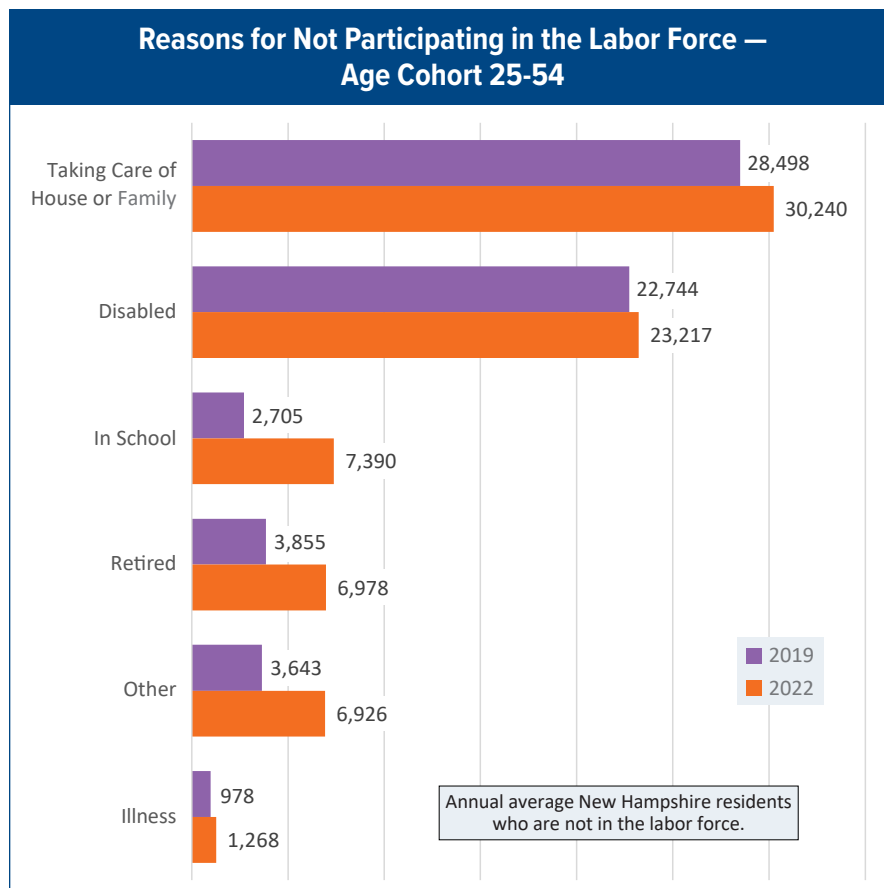
4 Current Population Survey data indicate that persons aged 55 and over represented 40.3% of New Hampshire’s civilian noninstitutionalized population in 2019 and 43.6% in 2022.

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As of March 2020, the participation rate for males aged 25 to 54 was 92.8 percent and the rate for females aged 25 to 54 was 82.8 percent. As of June 2023, the participation rate for New Hampshire residents in their prime working years was 90.2 percent for males and 80.2 percent for females.

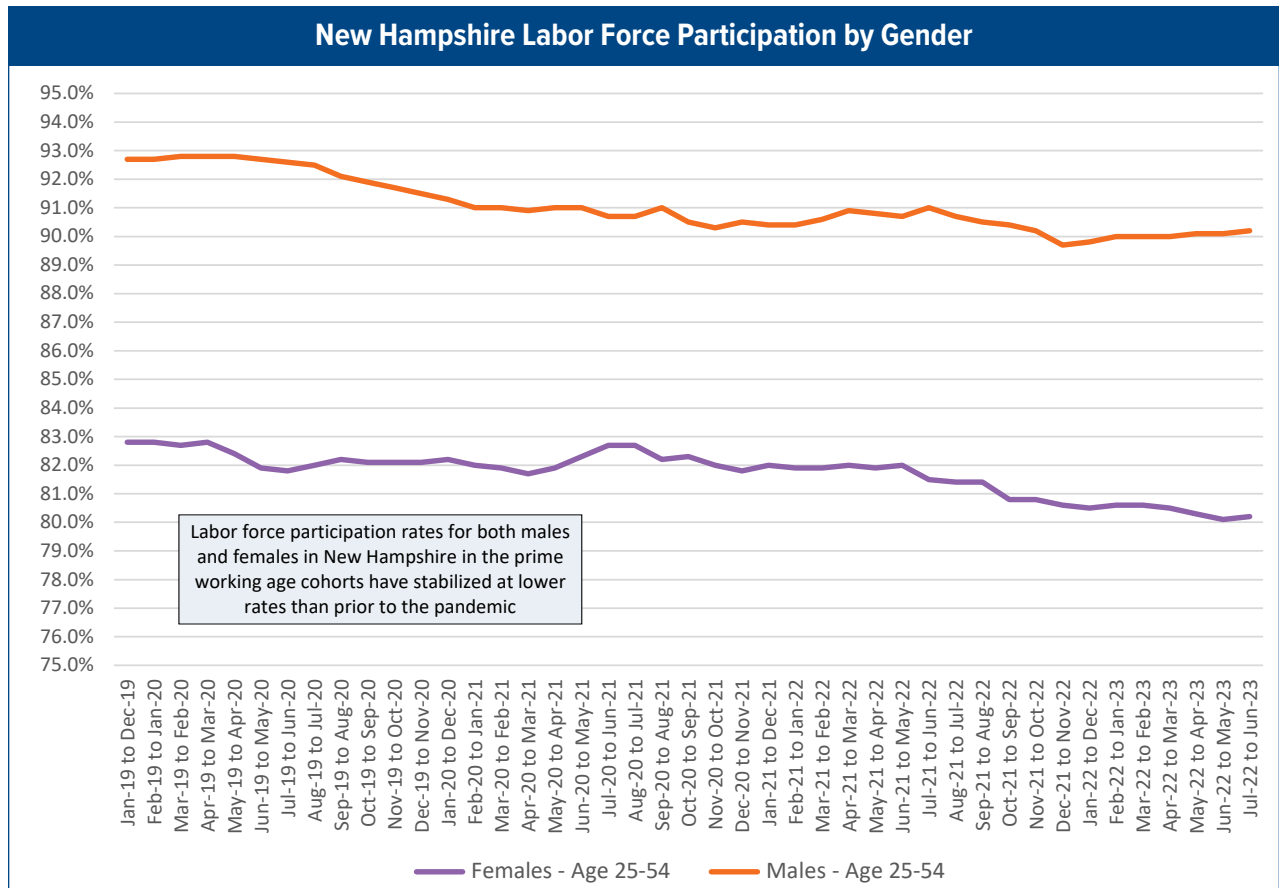
When evaluating the reasons why residents of the age cohort 25 to 54 are not in the labor force, a mixed picture emerges. The two foremost reasons given for not participating in the labor force are *taking care of house or family* and being *disabled*. These reasons were the most common reasons given in both 2019 and 2022. Whereas the number of persons citing being *disabled* and *illness* grew little, the categories with the greatest increase were those citing *in school*, *retired* and *other*. The increased number of persons leaving the labor force to pursue educational opportunities may be a positive sign for the future labor market. The reported reason of *taking care of house or family* grew as well.

Looking forward, the number of participants in the prime working age may expand as they complete their educational goals and reenter the labor force. Others, who exited the labor force due to pandemic concerns may also reenter as those concerns subside. The increase in persons below normal retirement who reported as not in the labor force due to retirement was likely pandemic related and should be a temporary condition.



Source: Current Population Survey, unpublished public use microdata sample estimates.

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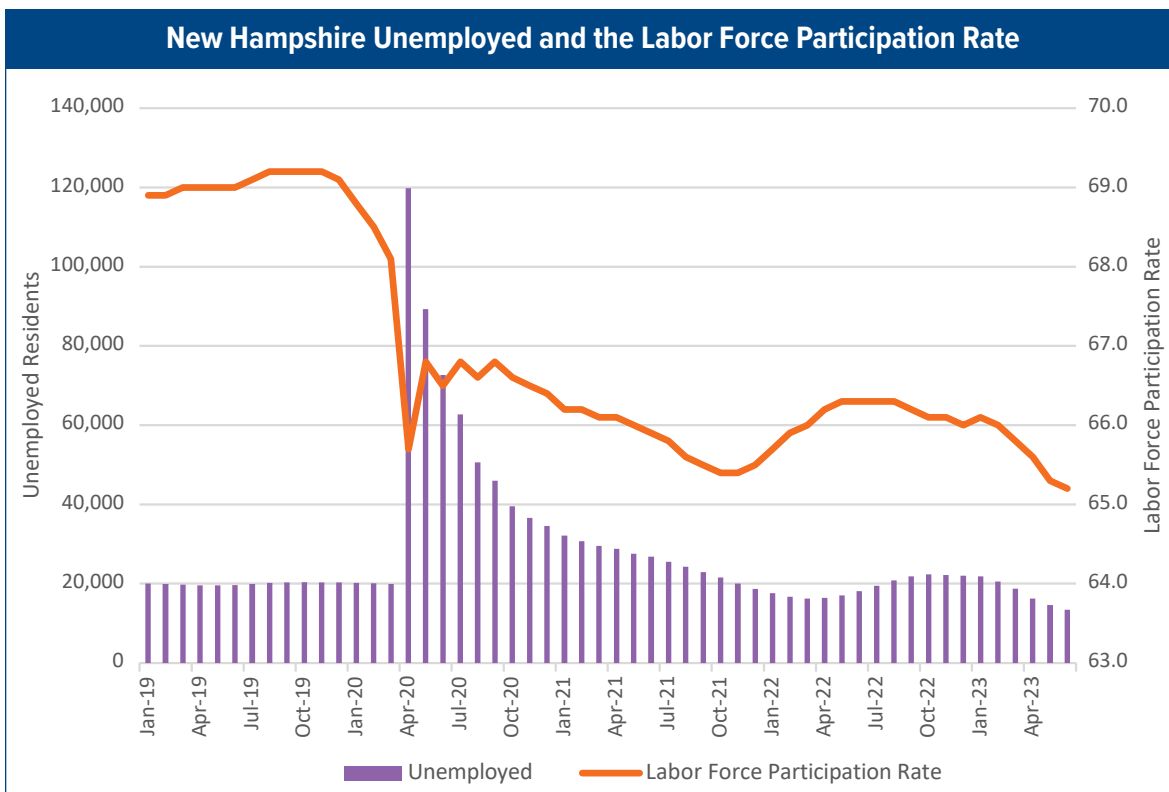
Source: Current Population Survey, unpublished public use microdata sample estimates.

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UNEMPLOYMENT

The LAUS program provides estimates of the number of New Hampshire residents who are unemployed and their share of the labor force. To be included among the unemployed, a person must be able and available for work and must be actively searching for employment, or be on temporary layoff from their job. This measure is unrelated to unemployment insurance benefit eligibility or the state in which the New Hampshire resident last worked. The number of unemployed New Hampshire residents was 22,040 in December 2022, an unemployment rate of 2.9 percent. In June 2023, only 13,460 residents were unemployed, or an unemployment rate of 1.8 percent.

In April 2020, during the early days of the coronavirus pandemic, the number of unemployed reached a historic high of 119,820 and an unemployment rate of 16.0 percent. There were nearly 100,000 more residents unemployed than just one month earlier. The number of unemployed dropped to 34,600 by December 2020 and then to 18,660 by December 2021. As more people returned to the labor force in 2022, the number of unemployed was on the rise. In January 2022, approximately 17,570 people were unemployed, a seasonally adjusted unemployment rate of 2.3 percent. The number unemployed dropped to 16,270 by March 2022. The estimate of unemployed residents rose steadily each month until it peaked at 22,350 in October 2022. Between January 2022 and December 2022, the number of unemployed New Hampshire residents increased by 4,470 while the labor force increased by 10,760.



Source: Local Area Unemployment Statistics program, seasonally adjusted estimates.

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The pandemic driven unemployment increase did not impact all counties equally, although all of these areas returned to pre-pandemic unemployment levels in 2022. Carroll County experienced the largest percent increase in its annual average unemployment level, with a 185 percent increase from 2019 to 2020. QCEW program data indicate that approximately 21 percent of Carroll County employment was in the *accommodation and food service* industry which was the industry that suffered the most job losses due to the pandemic. Although unemployment in Carroll County returned to the pre-pandemic level, the labor force in 2022 was 4 percent lower than it was in 2019. Belknap County experienced a 167 percent increase in its unemployment level, while Cheshire County had the smallest increase at only 127 percent. Hillsborough County unemployment increased by 159 percent in 2020, an average of 10,330 more workers unemployed than in 2019.

Annual Average Unemployment by County				
	2019	2020	2021	2022
Belknap County	810	2,160	1,110	790
Carroll County	620	1,770	860	610
Cheshire County	1,080	2,450	1,470	1,060
Coos County	480	1,130	620	480
Grafton County	1,110	2,820	1,570	1,140
Hillsborough County	6,480	16,810	8,290	6,220
Merrimack County	1,920	4,810	2,540	1,890
Rockingham County	5,210	13,160	6,210	4,890
Strafford County	1,780	4,620	2,330	1,720
Sullivan County	540	1,250	740	540

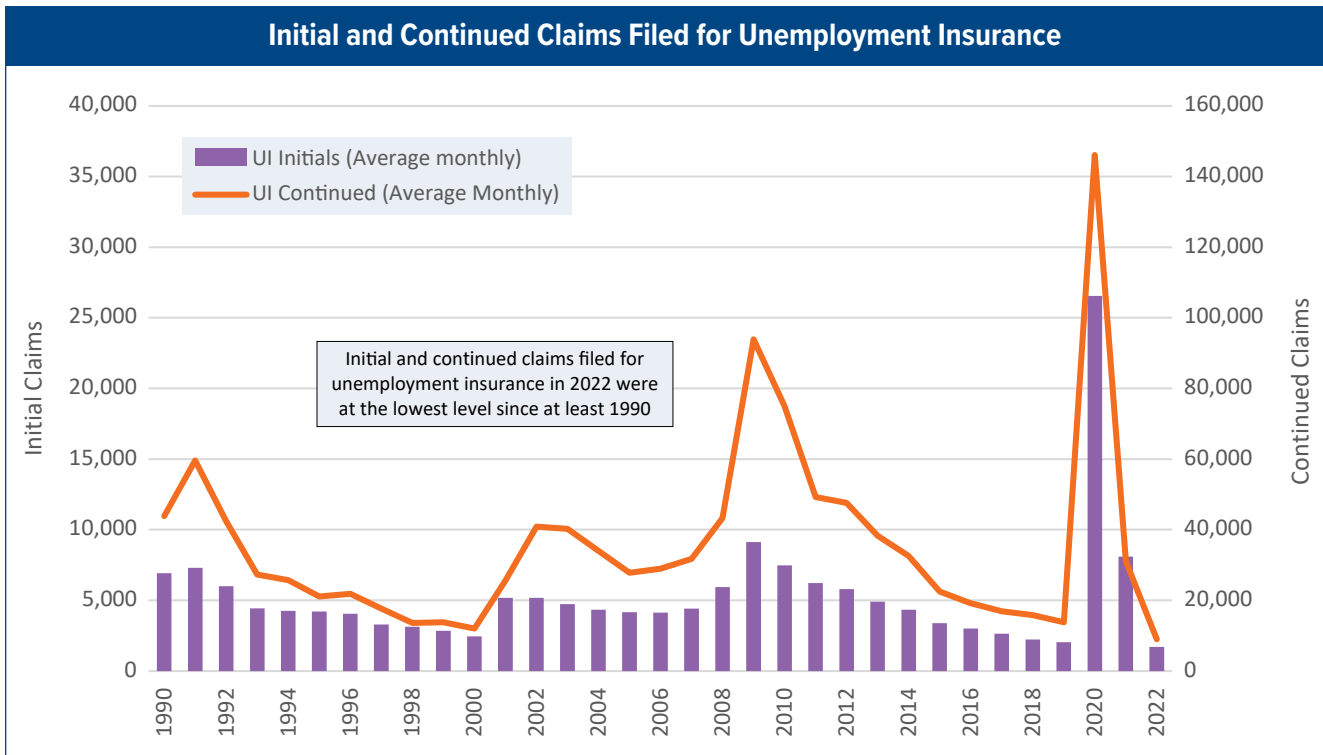
Source: Local Area Unemployment Statistics program, not seasonally adjusted estimates.

CLAIMS FOR UNEMPLOYMENT INSURANCE

The annual averages of both initial claims for unemployment benefits and continued weeks claimed reached historic lows in 2022 following the historic highs of 2020. Claims for unemployment benefits returned to more typical levels in the summer of 2021. Claims further declined throughout 2022, but returned to pre-pandemic levels in 2023. Claims returned low levels much more rapidly than in prior recessions due to the unusual nature of the 2020 recession. Rather than being due to normal movements of the business cycle or a systemic failure, this brief recession was caused by the immediate, yet temporary, response to the pandemic. Once pandemic restrictions on businesses were eased, pre-pandemic activities resumed and claim levels returned to their pre-pandemic trend.

The historically low claims levels in 2022 were a side effect of the coronavirus pandemic. Under normal circumstances, seasonal patterns of employment and natural business expansions or contractions result in some level of unemployment, regardless of labor market conditions. In 2022, worker shortages resulting from continuing pandemic concerns among some workers provided opportunities for others to obtain replacement employment more rapidly. Long periods of unemployment during the pandemic also resulted in some workers being ineligible for unemployment benefits due to their insufficient work history between their return from pandemic-related unemployment and their post-pandemic job loss. These workers would be included in the official unemployment estimate from the LAUS program, but not in the unemployment claims count.

Demographic data regarding unemployed claimants are provided to the Department of Labor, Employment and Training Administration on a monthly basis in the form of the Characteristics of the Insured Unemployed report. This report provides some insight as to which demographic groups filed a



Source: NHES unemployment claims data as reported to the U.S. Department of Labor, Employment and Training Administration in the Claims and Payment Activities report.

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larger share of the claims for unemployment benefits during the coronavirus pandemic than they had prior to the pandemic and whether those were lasting impacts or simply temporary. The most obvious group affected by the pandemic was females. In 2019, females accounted for 44 percent of unemployed claimants and that share increased to 57 percent in 2020. Female claimants as a share of all claimants remained high in 2021, but returned to the pre-pandemic share in 2022. Remote learning and limited childcare resources likely contributed to this increase in claims. Younger workers also filed for a greater share of the claims during the pandemic while older workers' shares decreased. The largest number of jobs lost during the pandemic were in the *accommodation and food service* industry, which typically hires younger workers. Unemployment claims by younger workers have also returned to pre-pandemic shares.

Characteristics of the Insured Unemployed					
	2019	2020	2021	2022	2023*
Sex					
Male	55%	42%	46%	53%	54%
Female	44%	57%	53%	46%	45%
Information Not Available	1%	0%	1%	1%	1%
Ethnicity					
Hispanic or Latino	6%	6%	7%	7%	8%
Not Hispanic or Latino	82%	88%	86%	87%	86%
Information Not Available	12%	7%	7%	7%	7%
Race					
American Indian or Alaska Native	1%	0%	0%	0%	0%
Asian	2%	3%	3%	1%	2%
Black or African American	2%	2%	3%	2%	2%
Native Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%
White	88%	88%	86%	88%	85%
Information Not Available	8%	7%	8%	8%	9%
Age					
Less than Age 22	1%	6%	3%	1%	1%
Age 22 to 24	2%	6%	4%	3%	2%
Age 25 to 34	15%	23%	20%	17%	17%
Age 35 to 44	18%	19%	20%	21%	21%
Age 45 to 54	24%	17%	18%	20%	21%
Age 55 to 59	16%	10%	11%	13%	14%
Age 60 to 64	14%	9%	11%	13%	12%
Age 65 and over	10%	11%	13%	12%	13%
* Includes Unemployment Insurance claims data through August 31, 2023					

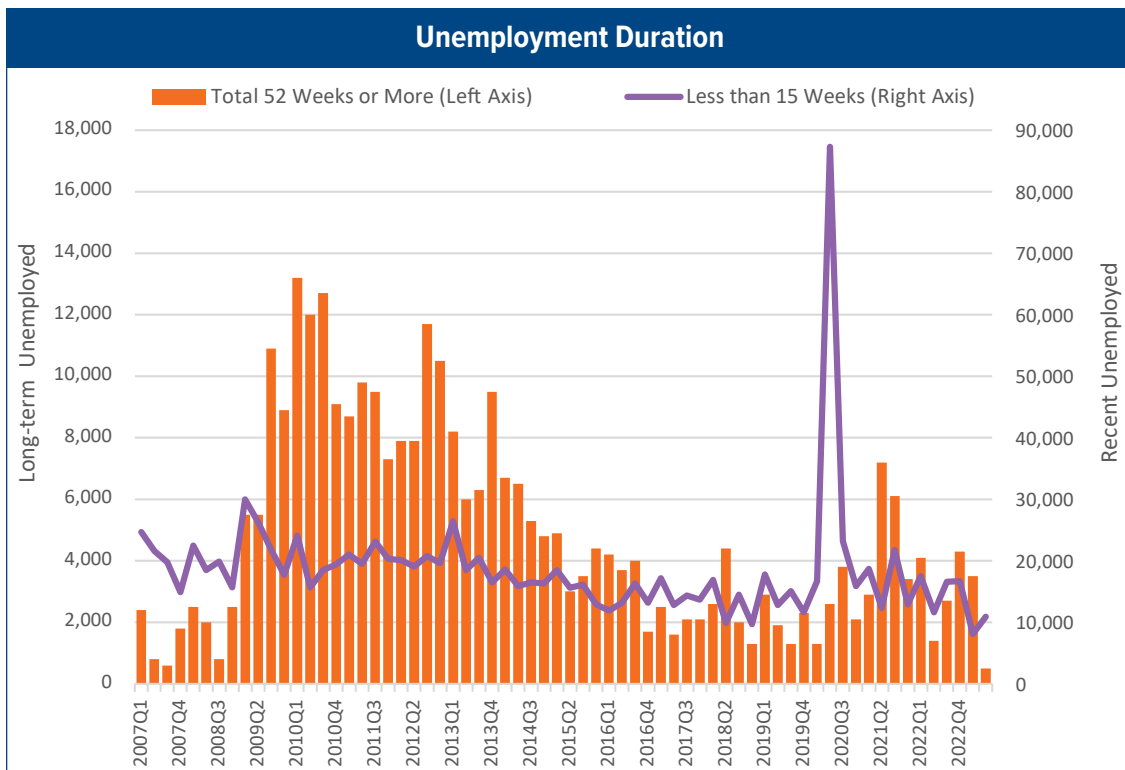
Source: NHES unemployment claims data as reported to the U.S. Department of Labor, Employment and Training Administration in the Characteristics of the Insured Unemployed report.

DURATION OF UNEMPLOYMENT

There are two primary methods of measuring the duration of unemployment. The first is based on unemployment insurance claims data and the second is based on results of the Current Population Survey. Claims based estimates are more narrowly defined, as they do not include persons ineligible for benefits or those who do not choose to file. As of December 2019, the average unemployment duration for New Hampshire claimants was 12.1 weeks. By June 2021, the average had increased to 25.5 weeks. The average decreased to pre-pandemic levels by June 2022 and was only 9.6 weeks as of June 2023.

The unemployment duration data from CPS is a broader measure as it includes persons who did not file unemployment insurance claims. As disruptive as the pandemic was, the brief nature of the recession and rapid recovery of jobs helped reduce the probability of residents experiencing long-term unemployment. The number of long-term unemployed since the pandemic closures ended is in stark contrast to the long-term unemployed in the aftermath of the Great Recession. Tepid employment growth following the Great Recession kept many workers on the sideline for longer periods of time and long-term unemployment became a persistent problem. Employment following the pandemic closures recovered much more rapidly, but some long-term unemployment issues remained.

Although the number of unemployed New Hampshire residents fell to low levels in the first half of 2023, the level of the long-term unemployed remained higher than prior to the pandemic. Some residents may have found it more difficult to gain employment even though employers struggled to restaff their businesses. This dichotomy is typically caused by a mismatch between employers and the long-term unemployed. The mismatch can be in the form of skills, training or licensure, geography, and the expectations of employment such a working conditions, work hours, compensation and the availability of remote work options.



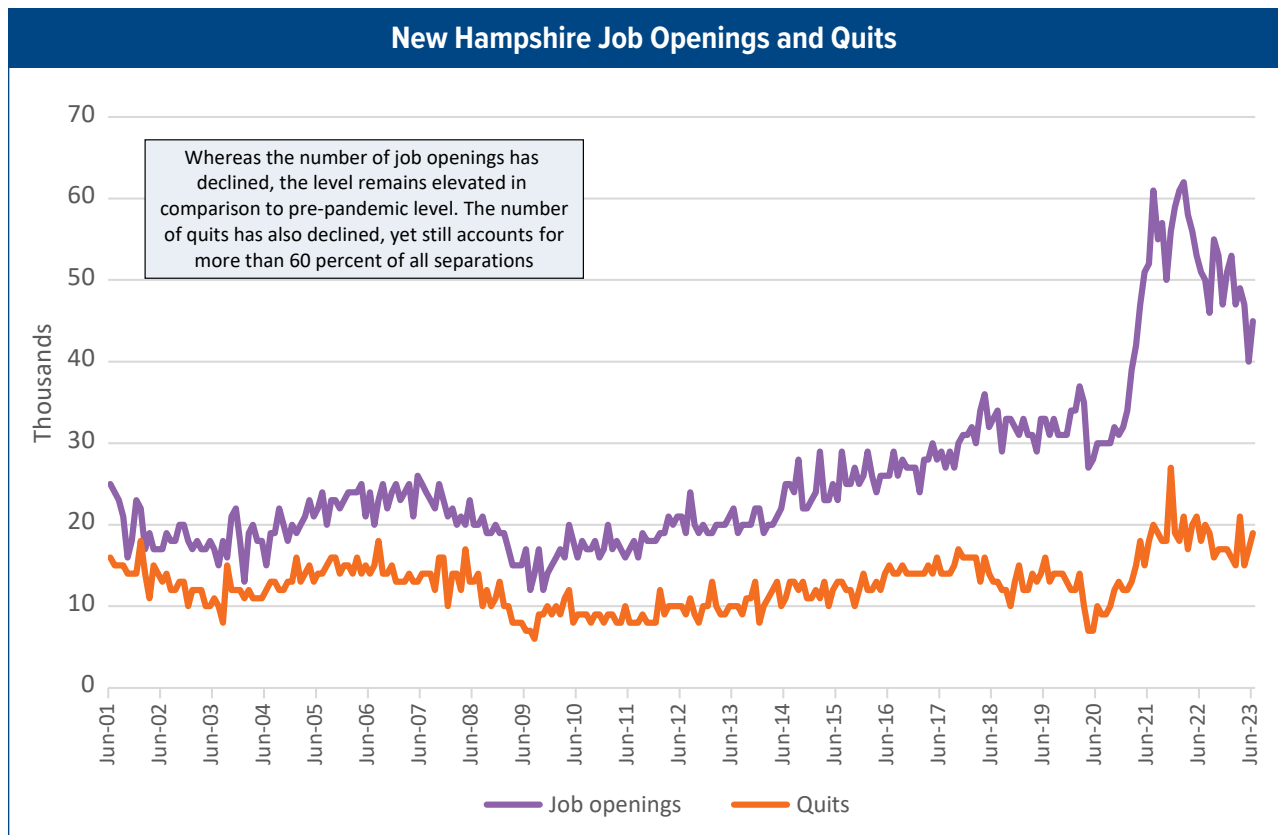
Source: Current Population Survey, unpublished public use microdata sample estimates.

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JOB OPENINGS AND LABOR TURNOVER

The U.S. Bureau of Labor Statistics produces monthly data on job openings, hires, and separations under the Job Openings and Labor Turnover Survey (JOLTS) program. Voluntary separations by employees for reasons other than retirement are categorized as quits. Higher quit levels are generally considered to be a good sign for workers, as these individuals are voluntarily leaving one employer for better opportunities with a new employer. However, elevated quits during the pandemic and early days of the pandemic recovery were a sign that many workers did not feel safe returning to their pre-pandemic employment.

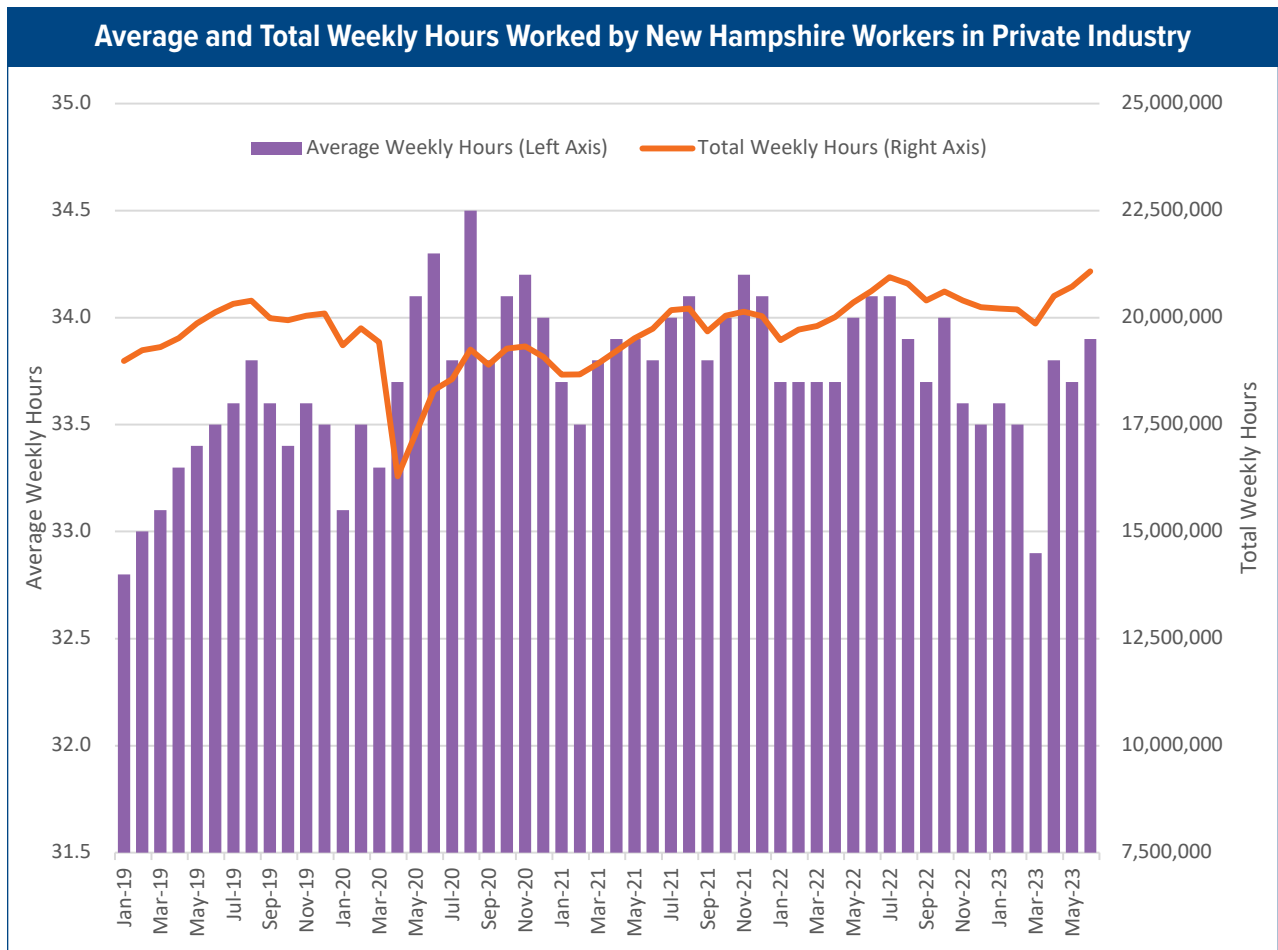
In June 2023, the seasonally adjusted national quits rate of 2.4 percent was slightly higher than the pre-pandemic rate of 2.3 percent. The national quits rate had been slowly increasing since reaching a low of 1.2 percent in August and September of 2009. The quits rate in New Hampshire for June 2023 was 2.7 percent compared to 2.2 percent in February 2020. The number of quits in June 2023 was 19,000, which accounted for more than 60 percent of total separations in New Hampshire. This indicates that workers were confident that better job opportunities were available. New Hampshire job openings data for 2023 showed a decline in comparison to the years 2021 and 2022, although job openings remained greater than the pre-pandemic levels. There were about 45,000 job openings in June 2023, which was 18,000 job openings lower than the peak in July 2021, yet 7,000 openings higher than in February 2020.



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, <https://www.bls.gov/jlt/>

HOURS WORKED

The Current Employment Statistics (CES) program produces estimates of employment, hours, and earnings of workers on nonfarm payrolls in New Hampshire for all private industries and for a selected number of industries. During the early months of the pandemic, the average weekly hours for all private industries was 34.3 in June 2020⁶. As more workers returned to employment, average weekly hours declined. In June 2023, the average was down to 33.9 weekly hours worked, however, that was the fourth highest weekly average for the month of June since 2007.



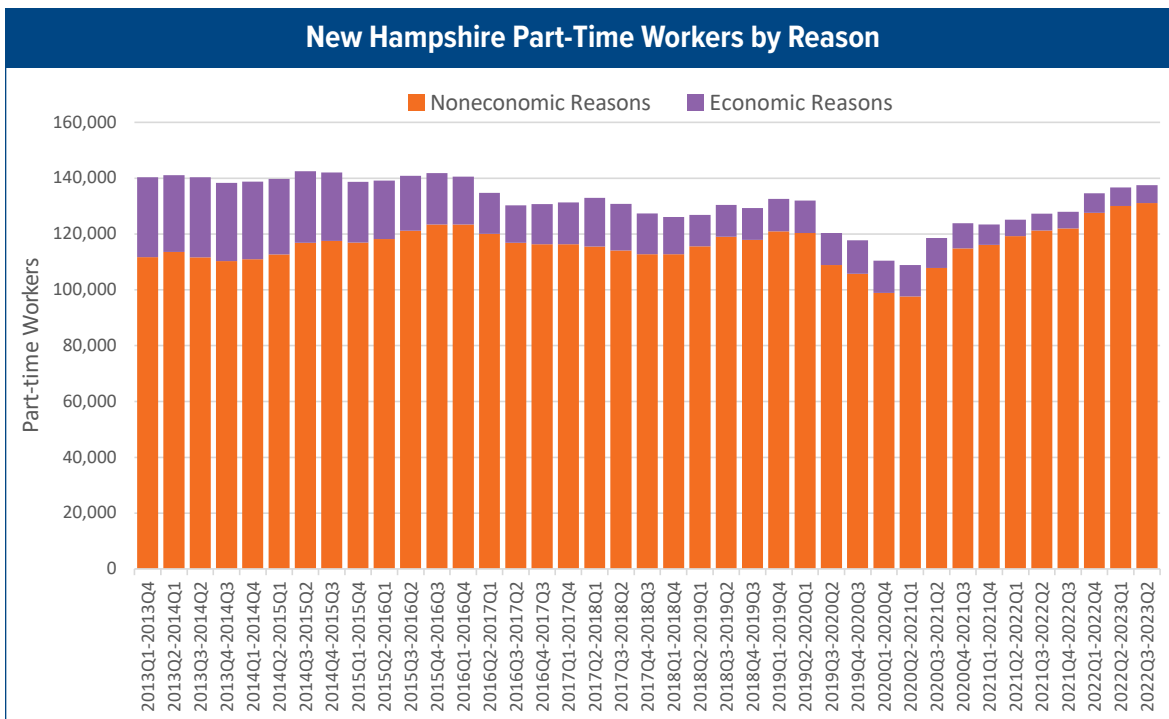
Source: Current Employment Statistics program, not seasonally adjusted estimates.

⁶ These not seasonally adjusted estimates peaked in April 2020 at a high level 34.5 average weekly hours worked in private industry, which was attained previously in October 2016.

PART-TIME WORKERS

The CPS includes data regarding part-time workers and whether their part-time status was due to economic reasons or noneconomic reasons. The average number of New Hampshire part-time workers declined from 2013 to 2019 as result of a decrease in the number of workers who reported working part-time for economic reasons, often referred to as involuntary part-time workers. This indicates that labor market conditions had improved following the Great Recession, allowing part-time workers who wanted full time jobs to obtain full time employment. The number of people working part-time for economic reasons was not affected by the pandemic and declined further in 2021. The number of people working part-time for economic reasons decreased by 40 percent from 2019 to 2022.

During 2020, the number of part-time workers for noneconomic reasons decreased by 18 percent, or approximately 22,000 residents, compared to the year 2019. This was due to the disruptions in workers' lives, businesses and schools caused by the pandemic. The number of workers who were part-time for noneconomic reasons returned to the pre-pandemic level in 2021 and had increased by 10 percent, or approximately 11,500 workers, from 2021 to 2022. Coming out the pandemic, the increasing number of part-time workers, who did so for noneconomic reasons, was a sign of a high demand for labor in contrast with workers who prioritized other obligations over full time employment.



Source: Current Population Survey, unpublished public use microdata sample estimates.

REFERENCED LABOR MARKET INFORMATION CONCEPTS

American Community Survey (ACS)

The American Community Survey is a large, continuous demographic survey conducted by the U.S. Census Bureau that provides profiles of America's communities. Questionnaires are mailed to a sample of addresses to obtain information about persons and housing units. The survey produces annual and multi-year estimates of population and housing characteristics.

Average weekly earnings (CES Program)

Average total money earnings in non-farm employment during the survey week. Earnings are reported before deductions of any kind, and include pay for overtime, holidays, vacations, and sick leave paid directly by the employer.

Bureau of Labor Statistics (BLS)

The U.S. government's principal data-gathering agency in the field of labor economics. The agency collects and analyses data on labor requirements, the labor force, employment and unemployment, hours of work, wages and other compensation, prices, living conditions, labor-management relations, productivity, technological developments, occupational safety and health, etc. The majority of data collected by BLS is supplied voluntarily by workers, businesses, and government agencies.

Civilian noninstitutional population (LAUS Program and CPS)

Included are persons 16 years of age and older residing in the state, who are not inmates of institutions (for example, penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces.

Continued weeks claimed

The number of weeks of benefits claimed, including weeks for which a waiting period or fixed disqualification period is being served.

Covered employment (QCEW Program)

Employment in any industry insured under the provisions of the New Hampshire Unemployment Compensation Law or subject to the Unemployment Compensation for Federal Employee (UCFE) program.

Current Employment Statistics (CES)

Estimates of non-farm wage and salary employment and workers' hours and earnings by industry. The estimates are produced monthly, in cooperation with the U.S. Bureau of Labor Statistics, based on a sample of employing establishments.

Current Population Survey (CPS)

A national household survey conducted each month by the U.S. Census Bureau. Information regarding persons, families and households is gathered from a sample of about 60,000 households nationwide. Some CPS data are incorporated into the state and area labor force estimating procedures (LAUS).

Duration of unemployment

The length of time in weeks that an unemployed person had been actively searching for work. For persons on layoff who are counted as unemployed, duration of unemployment represents the number of full weeks they had been on layoff.

Employed persons (LAUS Program and CPS)

Persons 16 years of age and over, in the civilian noninstitutional population, who worked for pay any time during the week; worked in their own business or on their own farm; worked unpaid for 15 hours or more in a family-owned business; or were temporarily absent from their jobs due to illness, bad weather, vacation, labor dispute, or personal reasons. Excluded are persons whose only activity consists of work around the house and volunteer work for religious, charitable, and similar organizations.

Full-time employees

Employees who usually work at least 35 hours per week (at all jobs within an establishment) regardless of the number of hours actually worked.

Job leavers (Current Population Survey)

Unemployed persons who quit or otherwise terminated their employment voluntarily and immediately began looking for work.

Labor force (LAUS Program and CPS)

All civilian and non-institutionalized persons aged 16 years and over who are classified as employed, unemployed on temporary layoff, unemployed and actively seeking employment, or involved in a labor-management dispute. The labor force does not include persons who do not want a job, are unable to work, or are unavailable for work. The labor force also does not include discouraged workers who are no longer actively seeking employment.

Labor force participation rate (LAUS Program)

The percent of the total civilian non-institutional population classified as in the labor force.

Local Area Unemployment Statistics (LAUS)

Estimates of total employment and unemployment are produced monthly in cooperation with the U.S. Bureau of Labor Statistics as part of a nationwide program.

Multiple jobholders (CPS)

Employed persons who, during the reference week, either had two or more jobs as a wage and salary worker, were self-employed and also held a wage and salary job, or worked as an unpaid family worker and also held a wage and salary job. Excluded are self-employed persons with multiple businesses and persons with multiple jobs as unpaid family workers.

Nonfarm wage and salary employment (CES Program)

The total number of persons on establishment payroll employed full or part time who received pay for any part of the pay period which includes the 12th day of the month. Persons on the payroll of more than one establishment are counted in each establishment. Data exclude proprietors, self-employed, unpaid family or volunteer workers, farm workers, and domestic workers.

Not in the labor force (LAUS Program and CPS)

Includes persons 16 years and over in the civilian noninstitutional population who are neither employed nor unemployed.

Not seasonally adjusted

Term used to describe a type of data series for which the effects of annual seasonal patterns have not been removed. In most cases, these data should not be compared on a monthly basis.

Part-time employment (CPS)

Persons who were at work for between 1 and 34 hours during the survey reference week are designated as being part time. Part-time workers are considered involuntary if they report that they are working part time because of slack work, plant downtime, starting or ending a job during the week they are surveyed, or the inability to find a full-time job.

Prime Working-age population

A corrected census count of those individuals from 25 to 54 years of age.

Private sector

The largest portion of the total economy, that is made up of private enterprises and corporations; as opposed to the public sector, which includes all operations of all levels of government.

Public Use Microdata Sample (PUMS)

Computerized files containing a sample of individual decennial census, Current Population Survey or American Community Survey records, showing population and housing characteristics.

Quarterly Census of Employment and Wages (QCEW)

Provides a summary of employment and wage data for workers covered by State unemployment insurance (UI) laws and for civilian workers covered by the program of Unemployment Compensation for Federal Employees (UCFE).

Reentrants (CPS)

Persons who had previously worked, but were out of the labor force prior to beginning their most recent job search or employment.

Seasonal adjustment

A process that removes the effects of events that follow a more or less regular pattern each year, such as holiday shopping seasons, summer vacation, and weather patterns. These adjustments make it easier to observe the cyclical and other non-seasonal movements in a data series.

Shortage (as in a labor shortage)

Shortages occur in a market economy when the demand for workers for a particular occupation is greater than the supply of workers who are qualified, available, and willing to do that job.

Turnover

Separation of an employee from an establishment (voluntary, involuntary, or other) and subsequent replacement by a new employee.

Unemployment (LAUS Program and CPS)

The number of people who had no employment but were available for work and: a) had engaged in active job searches within the past four weeks; b) were waiting to be called back from a job from which they had been laid off; or c) were waiting to report to a new wage or salary job within 30 days. The estimated number of people unemployed is based on data obtained from the Current Population Survey and is not contingent on the receipt unemployment insurance benefits.

Unemployment insurance (UI)

A program that provides benefits to insured and eligible persons who are out of work due to conditions beyond their control. The program is financed by an employer tax.

Unemployment rate

The number of unemployed people as a percentage of the labor force. The seasonally adjusted unemployment rate more clearly shows the underlying trend of unemployment, by removing the influence of regularly recurring seasonal fluctuations.

A more complete glossary of terms can be found at <https://www.nhes.nh.gov/elmi/tools/gloss-terms.htm>

Data Sources

Data produced by the New Hampshire Employment Security, Economic and Labor Market Information Bureau under cooperative agreements with the U.S. Bureau of Labor Statistics are available on the website <https://www.nhes.nh.gov/elmi/index.htm>

CES Program <https://www.nhes.nh.gov/elmi/statistics/ces-data.htm>

LAUS Program <https://www.nhes.nh.gov/elmi/statistics/laus-data.htm>

QCEW Program <https://www.nhes.nh.gov/elmi/statistics/qcew-data.htm>

U.S. Bureau of Labor Statistics data regarding the Job Openings and Labor Turnover Survey (JOLTS) are available on the website <https://www.bls.gov/jlt/>

Current Population Survey and American Community Survey data from the U.S. Census Bureau are unpublished, but publicly available using the U.S. Census Bureau's Microdata Access Tool (MDAT) <https://data.census.gov/mdat/#/>

Other publications from the **Economic and Labor Market Information Bureau** available online at **www.nhes.nh.gov/elmi**

- Community Profiles
- Economic Analysis Reports
- Economic Impact Scenarios (REMI Model)
 - Hospital Construction Projects in New Hampshire
 - What if the Shipyard Closed?
 - Childcare in New Hampshire
- Industry Sector Analysis
 - Health Care Workers in New Hampshire
 - Information Technology Occupations in New Hampshire
 - Positively Productive
 - The Hospitality Industry Cluster in New Hampshire
 - Work in Progress: Construction in New Hampshire
- Job Outlook and Locator: Occupations by Industry
- Licensed, Certified, and Registered Occupations in New Hampshire
- Local Employment Dynamics/OnTheMap Analysis
 - The Upper Valley – OnTheMap
 - Monadnock – OnTheMap
- Manufacturing in New Hampshire Fact Sheet
- New Hampshire Economic Conditions
- New Hampshire Occupational Employment and Wages
- Real-Time Labor Market Information/Online Job Ads Analysis
 - New Hampshire Online Job Ads Summary
 - Staffing Agency Job Ads in New Hampshire
 - Truckers: Keep Goods Moving
 - Nursing Job Postings in New Hampshire
 - New Hampshire Computer and Information Technology Job Postings
- STEM in New Hampshire: A Labor Demand-Supply Analysis
- Veterans in New Hampshire
- Vital Signs, New Hampshire Economic and Social Indicators
- Workforce and Career Information User's Guide



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