

New Hampshire ECONOMIC CONDITIONS

September 2022

September in New Hampshire

PHOTO CREDIT

Covered Bridge in Henniker NH

PHOTO CREDIT

Franconia Notch State Park NH

PHOTO CREDIT

Train / Bridge / NH Fall Foliage

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The "Great Resignation" and Worker Earnings Growth

Early 2021 was the beginning of the "Great Resignation," a period of high labor turnover caused by high demand for workers, combined with a relatively low labor supply. High labor demand and low supply created opportunities that made changing jobs attractive to workers, and many did, looking for better wages and working conditions. The separation rate for New Hampshire workers (the percentage of workers leaving an employer) began to increase in March 2021, and remained well above pre-pandemic levels through June 2022. Data from the U.S. Census Bureau's Quarterly Workforce Indicators (QWI) show the impact turnover had on worker earnings, and which workers received the greatest benefits from changing jobs.

Workers in stable employment, those who worked at the same firm for the entire reference quarter, had

average monthly earnings of \$6,091 (\$73,092 annually) in the second quarter of 2021, higher than workers who either separated from stable employment (\$3,490 per month) and those who were hired to stable employment (\$4,567 per month).¹ This is partially due to the age of workers changing jobs; younger workers typically earn less than older workers and have higher turnover rates, so it is likely that earnings for new hires and separations include a disproportionately large share of younger (and lower-earning) workers.

Workers hired to stable employment generally earned more than workers separating from stable employment, suggesting that workers changing employers typically received higher earnings from their new employer.² The earnings difference

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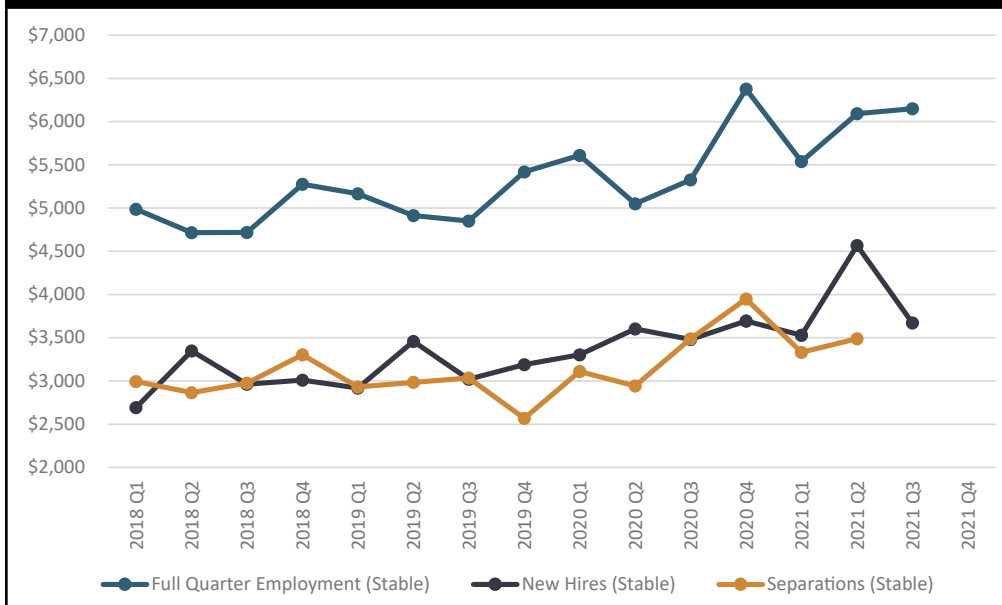
Claims Activity 9

between separating and newly hired workers increased dramatically during the Great Resignation, from approximately four percent (\$125 per month) between 2018 and 2020 to 31 percent (\$1,077 per month) in the second quarter of 2021.

Average earnings growth increased over-the-quarter for all workers during the second quarter of 2021, although workers hired to stable employment experienced larger earnings gains than other workers. Average earnings for workers hired to stable employment increased 29 percent (\$1,038 per month) over first quarter 2021 earnings, compared to ten percent (\$553 per month) for workers in stable employment or five percent (\$158 per month) for workers separating from stable employment.

Earnings for workers hired to stable employment declined in the third quarter, although seasonal summer hiring in accommodation and food services, retail trade, and arts, entertainment, and recreation, three industries with low average wages, likely affected new hire pay during

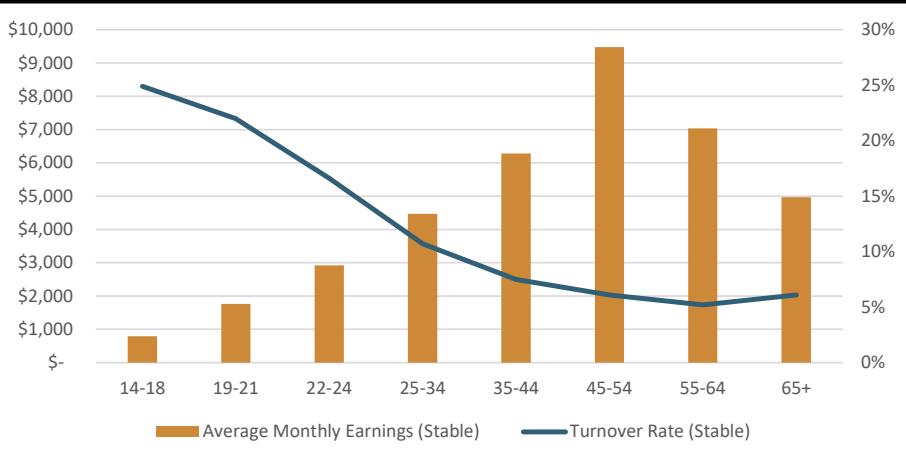
Average Monthly Earnings for New Hampshire Workers



Source: U.S. Census Bureau, Quarterly Workforce Indicators

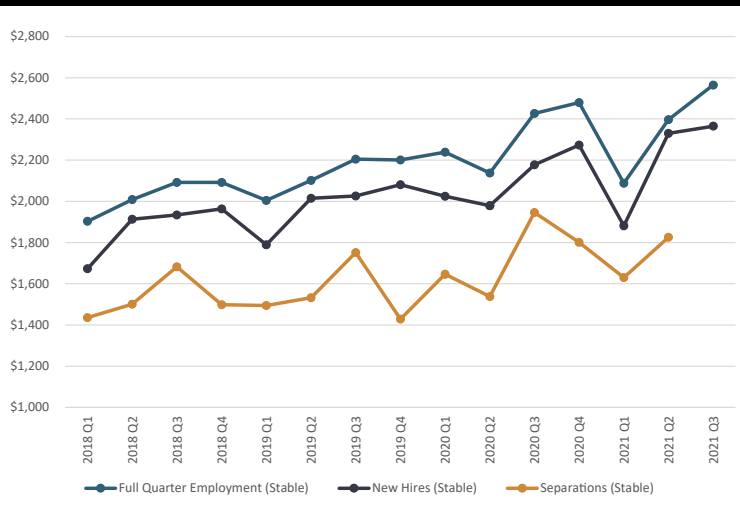
1 The earnings for workers separating from stable employment metric measures earnings in the quarter prior to separating, to ensure earnings from a full quarter of employment are measured. Earnings for workers hired to stable employment measure earnings in the quarter after hire.
2 Not all workers hired to stable employment separated from a previous employer, and not all separating workers start stable employment at a new employer. Some leave/enter the workforce, while others are hired to/separate from non-stable employment.

2021 Q2 Turnover and Earnings by Age



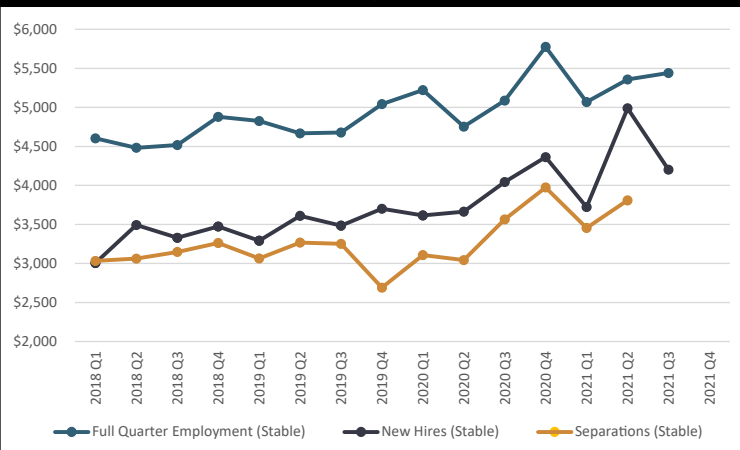
Source: U.S. Census Bureau, Quarterly Workforce Indicators

Average Monthly Earnings for Workers Age 19 to 24



Source: U.S. Census Bureau, Quarterly Workforce Indicators

Average Monthly Earnings for Workers Age 25 to 44



Source: U.S. Census Bureau, Quarterly Workforce Indicators

this quarter.³ Earnings for workers in stable employment did not fall, suggesting that earnings increases were not isolated to one quarter, like earnings increases in the fourth quarters of 2018 and 2020. (Fourth quarter earnings increases are typically associated with either bonus payments or increased hours associated with seasonal holiday demand for goods and services). Increased earnings for new hires in the second quarter likely contributed to the increased earnings for stable employment in the third quarter, since stable hires from the second quarter continued to receive elevated wages in the third quarter (now classified as workers in stable employment). Additionally, some

businesses responded to high turnover rates by increasing compensation for current employees.

Job Turnover and Earnings Increases by Age

Between 2018 and 2020 average earnings for workers age 19 to 24 hired into stable employment were 24 percent higher than earnings for workers separating from stable employment. This gap increased slightly to 28 percent in 2021 Q2. Many workers in this age group complete postsecondary education, qualifying them for higher-earning occupations. In addition, workers in this age range may be transitioning from part-time to full-time employment.

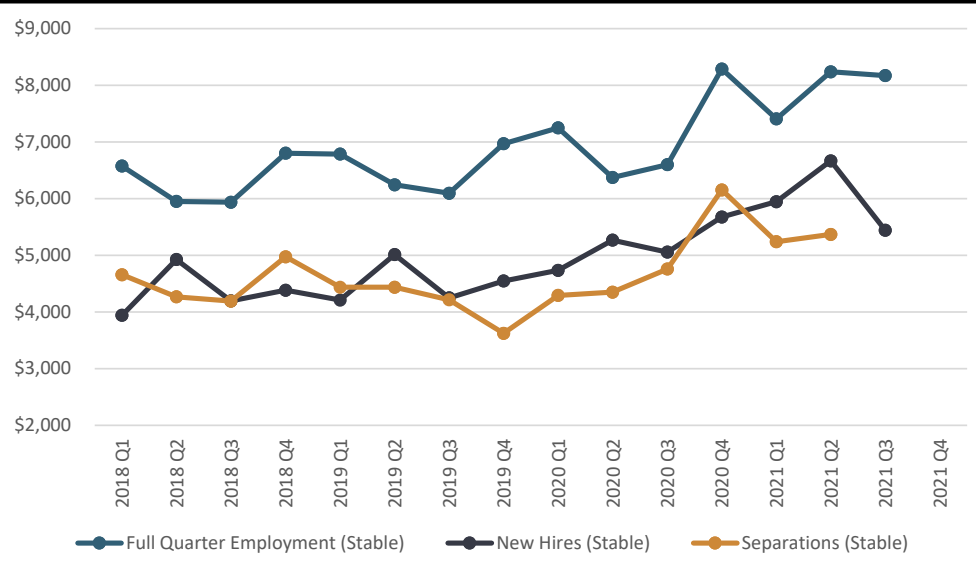
Earnings for workers age 19 to 24 hired into stable employment increased 24 percent (\$448 per month) over-the-quarter in the second quarter of 2021. While average earnings for all workers hired into stable employment declined in the third quarter of 2021, earnings for newly hired workers age 19 to 24 increased two percent (\$35 per month). Earnings increased for workers age 19 to 24 in stable employment as well, increasing 15 percent (\$309 per month) in the second quarter of 2021, and seven percent (\$168 per month) in the third quarter.

Workers age 25 to 44 hired to stable employment may have received the largest benefits from changing employers during the Great Resignation. In the second quarter of 2021, average monthly earnings for new hires were 31 percent higher than earnings for workers separating from stable employment, and earnings increased 34 percent (\$1,270 per month) over the previous quarter. Earnings for workers in stable employment increased just six percent, or \$290 per month.

Average monthly earnings for new hires to stable employment age 45 to 64 were 24 percent (\$1,300) higher than earnings for workers separating from stable

³ New hires to stable employment measures workers who worked the full quarter following the quarter they began employment; seasonal summer workers are mostly hired in the second quarter and would be considered new hires to stable employment if they are employed for the full third quarter.

Average Monthly Earnings for Workers Age 45 to 64

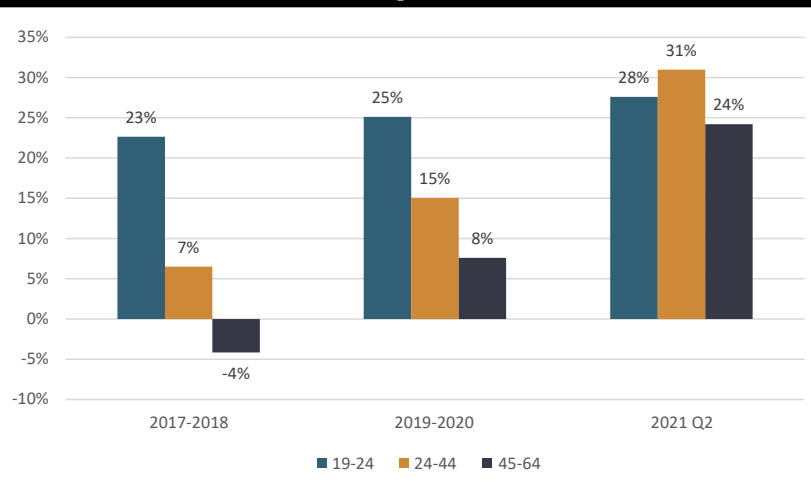


Source: U.S. Census Bureau, Quarterly Workforce Indicators

employment. However, the over-the-quarter increase in earnings for workers in stable employment (\$830 per month) exceeded the increase for new hires to stable employment (\$780 per month).

Prior to the Great Resignation, the difference in average earnings between workers age 45 to 64 hired to stable employment and those separating from stable employment was smaller than that of younger workers, suggesting that workers in this age range benefited less from changing jobs.⁴ In 2017 and 2018, workers age 45 to 64 hired to stable employment earned four percent less than those separating from stable employment. In 2019 and 2020, workers age 45 to 64 hired to stable employment earned eight percent more than those

Difference in Monthly Earnings, New Hires vs. Separations (Stable)



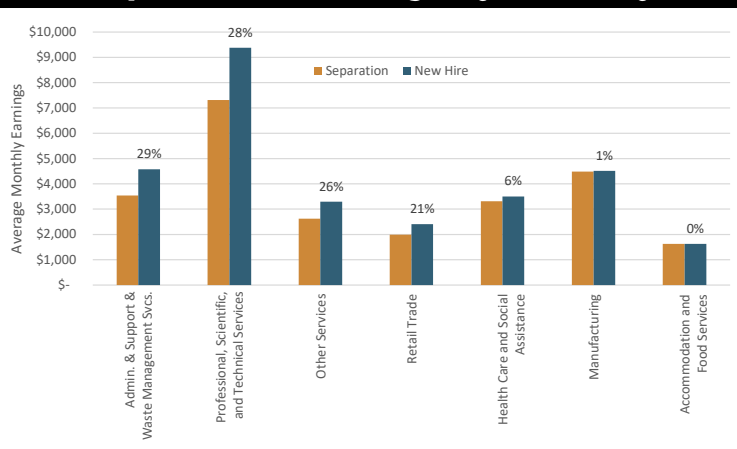
Source: U.S. Census Bureau, Quarterly Workforce Indicators

separating from stable employment, although the difference between earnings for new hires and separations was larger for workers age 25 to 44 (15 percent), and age 19 to 24 (25 percent).

Earnings Gains by Industry

The difference in earnings between workers hired to stable employment and those separating from stable employment varied by industry, suggesting that the current labor market is not equally tight in all industries. The difference in earnings was largest in administrative and support and waste management and remediation services, with new hires earning 29 percent more than separating workers.⁵ This industry includes staffing agencies and other employment services, which have been in high demand. Average earnings for new hires in professional, scientific, and technical services, retail trade, and other services were also more than 20 percent higher than wages for separating workers.

Difference in 2021 Q2 New Hire and Separation Earnings by Industry



Source: U.S. Census Bureau, Quarterly Workforce Indicators

Average earnings for new hires in health care and social service were just six percent higher than wages for separating workers, while in manufacturing, new hires earned just one percent more than separating workers. In accommodation and food services, there was essentially no difference in earnings between new hires and separating workers.

– Greg David, Economist

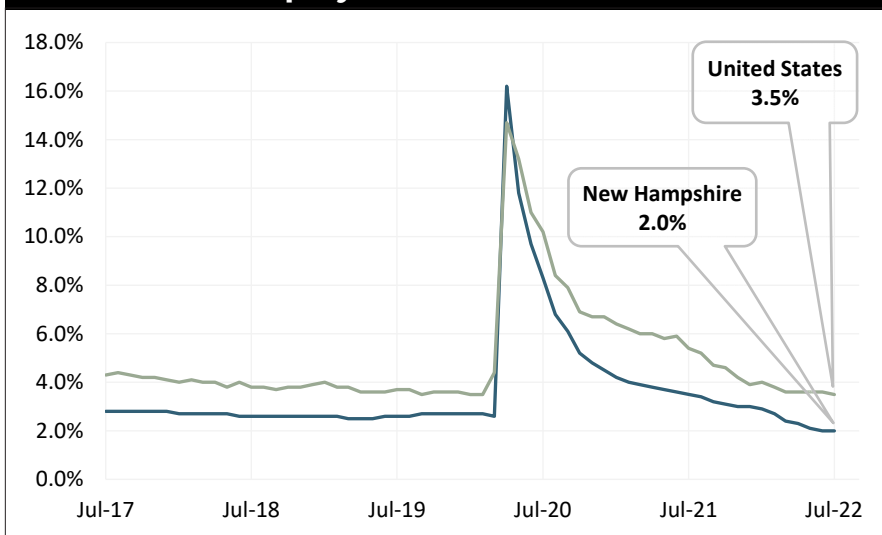
4 Older workers are generally in peak earning years, while younger workers earn less, although they typically see larger increases as their careers progress. In addition, the same increase in salary would represent a larger percentage increase for lower-earning workers, for example, a \$3,000 raise would be a ten percent increase for a worker earning \$30,000 per year, but a three percent increase for a worker earning \$100,000 per year.
5 Workers changing jobs do not necessarily remain in the same industry.

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Jul-22	Jun-22	Jul-21
United States	3.5%	3.6%	5.4%
Northeast	4.0%	4.1%	6.3%
New England	3.3%	3.5%	5.5%
Connecticut	3.7%	4.0%	6.3%
Maine	2.8%	3.0%	4.9%
Massachusetts	3.5%	3.7%	5.7%
New Hampshire	2.0%	2.0%	3.5%
Rhode Island	2.7%	2.7%	6.0%
Vermont	2.1%	2.2%	3.3%
Mid Atlantic	4.2%	4.4%	6.6%
New Jersey	3.7%	3.9%	6.6%
New York	4.4%	4.4%	6.9%
Pennsylvania	4.3%	4.5%	6.4%

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



Current Employment Statistics (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	Jul-22	Jun-22	Jul-21	Month	Year
Total Nonfarm	682,300	681,300	669,200	1,000	13,100
Total Private	596,300	595,500	582,500	800	13,800
Mining and Logging	900	1,000	900	-100	0
Construction	31,200	31,400	29,100	-200	2,100
Manufacturing	69,800	69,400	67,800	400	2,000
Durable Goods	51,800	51,500	50,700	300	1,100
Non-Durable Goods	18,000	17,900	17,100	100	900
Trade, Transportation, and Utilities	139,000	139,100	139,400	-100	-400
Wholesale Trade	30,500	30,500	29,400	0	1,100
Retail Trade	90,600	90,700	91,900	-100	-1,300
Transportation, Warehousing, and Utilities	17,900	17,900	18,100	0	-200
Information	12,000	12,200	11,700	-200	300
Financial Activities	34,700	34,800	34,700	-100	0
Financial and Insurance	27,700	27,800	27,900	-100	-200
Real Estate and Rental and Leasing	7,000	7,000	6,800	0	200
Professional and Business Services	94,700	93,600	88,200	1,100	6,500
Professional, Scientific, and Technical Services	46,000	45,500	42,800	500	3,200
Management of Companies and Enterprises	9,700	9,600	9,400	100	300
Administrative and Support and Waste Management and Remediation Services	39,000	38,500	36,000	500	3,000
Education and Health Services	120,400	120,800	121,300	-400	-900
Educational Services	29,100	29,100	29,400	0	-300
Health Care and Social Assistance	91,300	91,700	91,900	-400	-600
Leisure and Hospitality	69,300	69,200	65,900	100	3,400
Arts, Entertainment, and Recreation	12,800	12,000	11,200	800	1,600
Accommodation and Food Services	56,500	57,200	54,700	-700	1,800
Other Services	24,300	24,000	23,500	300	800
Government	86,000	85,800	86,700	200	-700
Federal Government	8,500	8,400	8,400	100	100
State Government	21,600	21,700	22,600	-100	-1,000
Local Government	55,900	55,700	55,700	200	200

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	Jul-22	Jun-22	Jul-21
Total Civilian Labor Force	779,000	772,500	765,880
Employed	764,100	757,070	739,150
Unemployed	14,900	15,430	26,730
Unemployment Rate	1.9%	2.0%	3.5%

United States (# in thousands)	Jul-22	Jun-22	Jul-21
Total Civilian Labor Force	165,321	165,012	162,817
Employed	159,067	158,678	153,596
Unemployed	6,255	6,334	9,221
Unemployment Rate	3.8%	3.8%	5.7%

Unemployment Rates by Area

Counties	Jul-22	Jun-22	Jul-21
Belknap	1.7%	1.9%	3.3%
Carroll	1.7%	2.0%	3.2%
Cheshire	2.1%	2.3%	4.0%
Coös	2.9%	2.3%	3.9%
Grafton	1.8%	2.0%	3.4%
Hillsborough	1.9%	2.0%	3.6%
Merrimack	1.7%	1.9%	3.2%
Rockingham	1.9%	2.0%	3.4%
Strafford	1.9%	2.0%	3.4%
Sullivan	1.9%	2.0%	3.4%

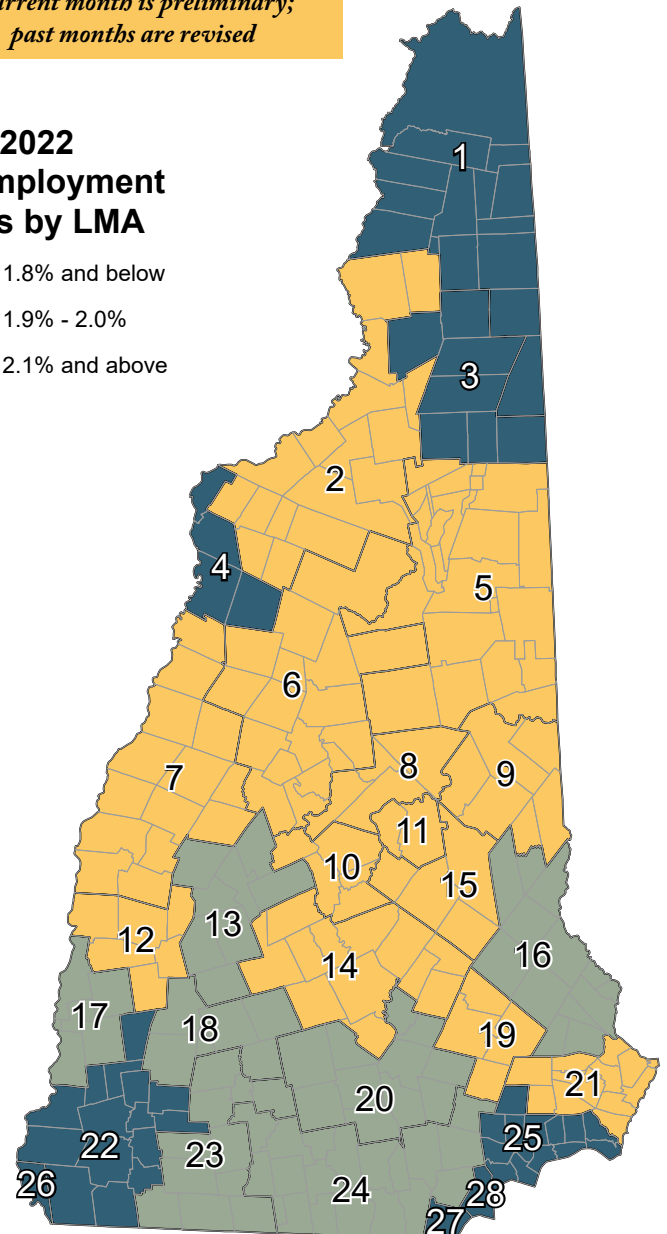
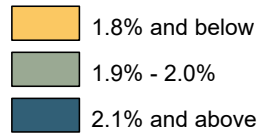
Map Key	Labor Market Areas	Jul-22	Jun-22	Jul-21
1	Colebrook, NH-VT LMA, NH Portion	5.0%	2.1%	3.4%
2	Littleton, NH-VT LMA, NH Portion	1.8%	1.9%	3.5%
3	Berlin NH Micropolitan NECTA	2.6%	2.6%	4.5%
4	Haverhill, NH LMA	2.2%	2.4%	4.3%
5	Conway, NH-ME LMA, NH Portion	1.6%	1.9%	3.2%
6	Plymouth, NH LMA	1.8%	2.0%	3.2%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	1.8%	2.0%	3.3%
8	Meredith, NH LMA	1.5%	1.7%	2.9%
9	Wolfeboro, NH LMA	1.8%	2.2%	3.4%
10	Franklin, NH LMA	1.8%	2.0%	3.5%
11	Laconia, NH Micropolitan NECTA	1.8%	2.0%	3.7%
12	Expanded Claremont, NH estimating area	1.8%	1.9%	3.3%
13	New London, NH LMA	2.0%	2.1%	3.4%
14	Concord, NH Micropolitan NECTA	1.7%	1.8%	3.1%
15	Belmont, NH LMA	1.6%	1.8%	3.1%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	1.9%	2.0%	3.4%
17	Charlestown, NH LMA	2.0%	2.2%	4.4%
18	Hillsborough, NH LMA	2.0%	2.2%	3.7%
19	Raymond, NH LMA	1.7%	1.8%	3.0%
20	Manchester, NH Metropolitan NECTA	1.9%	1.9%	3.4%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	1.6%	1.7%	3.0%
22	Keene, NH Micropolitan NECTA	2.2%	2.3%	3.9%
23	Peterborough, NH LMA	1.9%	2.1%	3.5%
24	Nashua, NH-MA NECTA Division, NH Portion	2.0%	2.0%	3.6%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.2%	2.2%	3.9%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	3.0%	3.2%	7.6%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	2.7%	2.5%	4.2%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	2.2%	2.3%	4.2%

Unemployment Rates by Region

Not Seasonally Adjusted	Jul-22	Jun-22	Jul-21
United States	3.8%	3.8%	5.7%
Northeast	4.2%	4.0%	6.7%
New England	3.4%	3.4%	5.6%
Connecticut	4.3%	4.1%	6.6%
Maine	2.7%	3.0%	4.6%
Massachusetts	3.5%	3.5%	5.9%
New Hampshire	1.9%	2.0%	3.5%
Rhode Island	3.0%	2.8%	6.3%
Vermont	2.1%	2.5%	3.3%
Mid Atlantic	4.5%	4.3%	7.0%
New Jersey	3.7%	3.6%	6.9%
New York	4.8%	4.3%	7.1%
Pennsylvania	4.7%	4.6%	7.0%

*Current month is preliminary;
past months are revised*

**July 2022
Unemployment Rates by LMA**



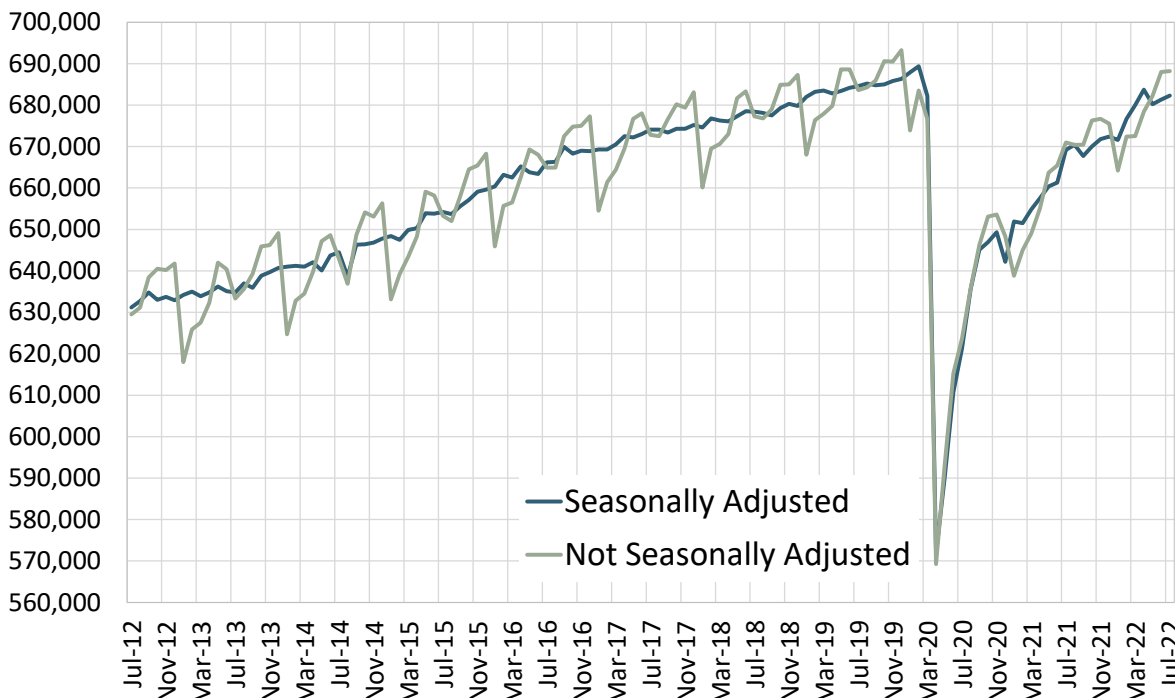
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

New Hampshire Nonfarm Employment Statewide
Not Seasonally Adjusted

Current month
is preliminary;
past months
are revised

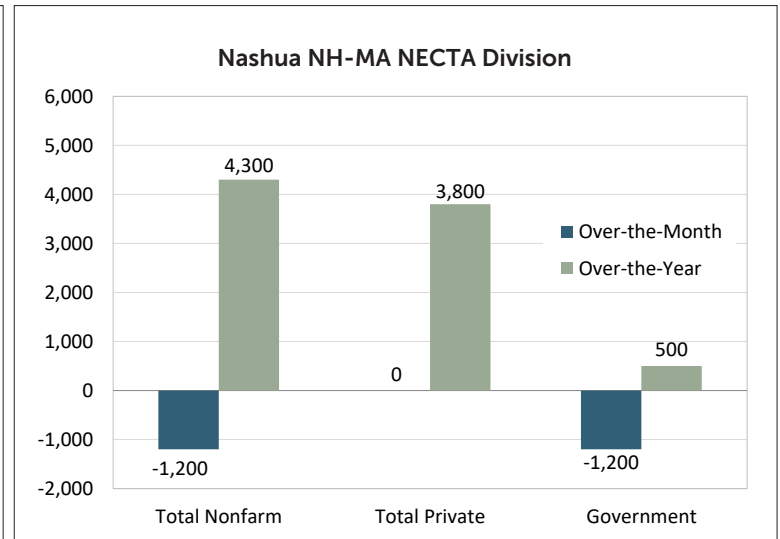
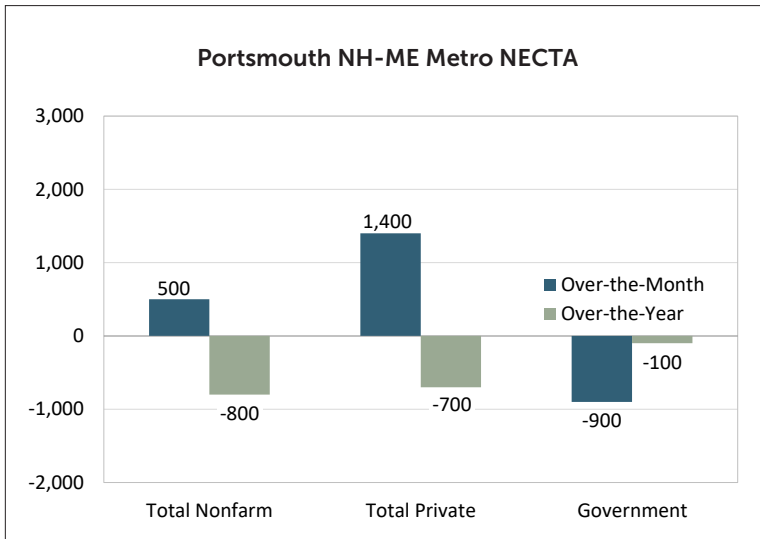
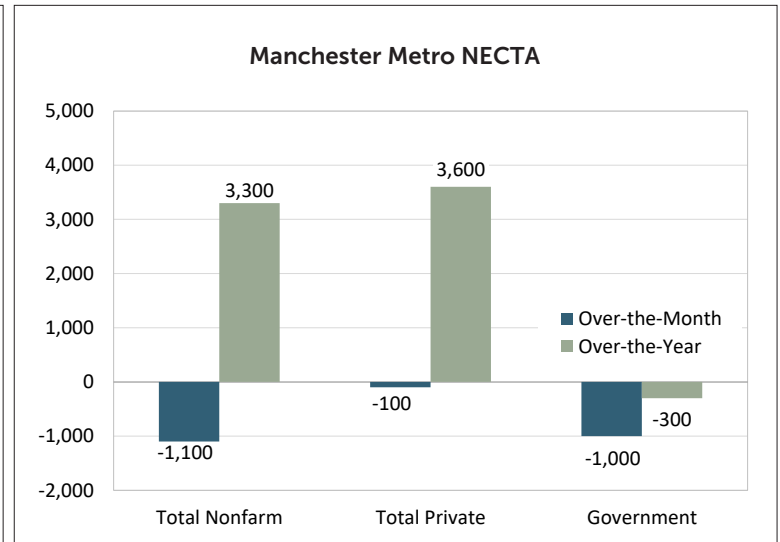
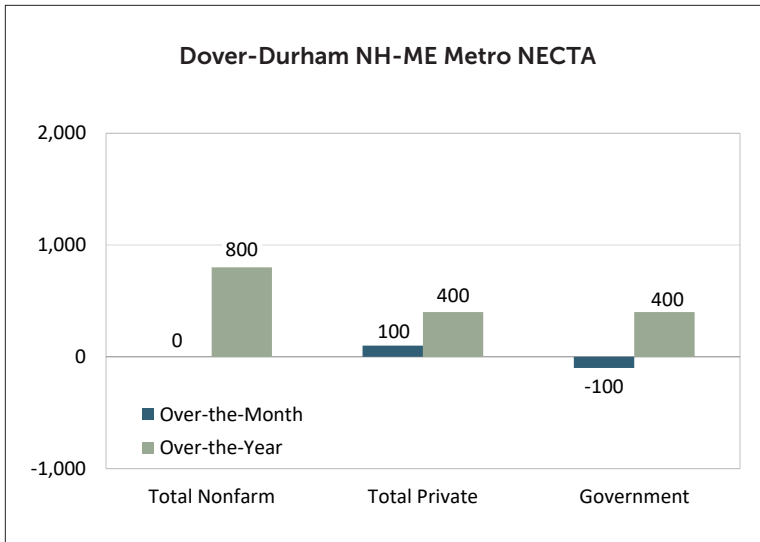
	Number of Jobs			Change From Previous	
	Jul-22	Jun-22	Jul-21	Month	Year
Total Nonfarm	688,200	688,000	671,000	200	17,200
Total Private	612,300	606,300	594,400	6,000	17,900
Mining and Logging	1,000	1,000	1,000	0	0
Construction	32,700	32,300	30,400	400	2,300
Manufacturing	70,300	70,100	68,400	200	1,900
Durable Goods	52,200	52,000	51,100	200	1,100
Non-Durable Goods	18,100	18,100	17,300	0	800
Trade, Transportation, and Utilities	139,700	139,800	140,000	-100	-300
Wholesale Trade	30,800	30,500	29,600	300	1,200
Retail Trade	91,800	91,700	92,900	100	-1,100
Transportation, Warehousing, and Utilities	17,100	17,600	17,500	-500	-400
Information	12,000	12,300	11,900	-300	100
Financial Activities	35,200	35,000	35,200	200	0
Professional and Business Services	95,800	94,500	89,800	1,300	6,000
Education and Health Services	118,500	119,400	115,800	-900	2,700
Leisure and Hospitality	81,600	77,400	77,400	4,200	4,200
Other Services	25,500	24,500	24,500	1,000	1,000
Government	75,900	81,700	76,600	-5,800	-700
Federal Government	8,600	8,400	8,400	200	200
State Government	19,600	19,400	21,100	200	-1,500
Local Government	47,700	53,900	47,100	-6,200	600

Total Nonfarm Employment Trend Through July 2022

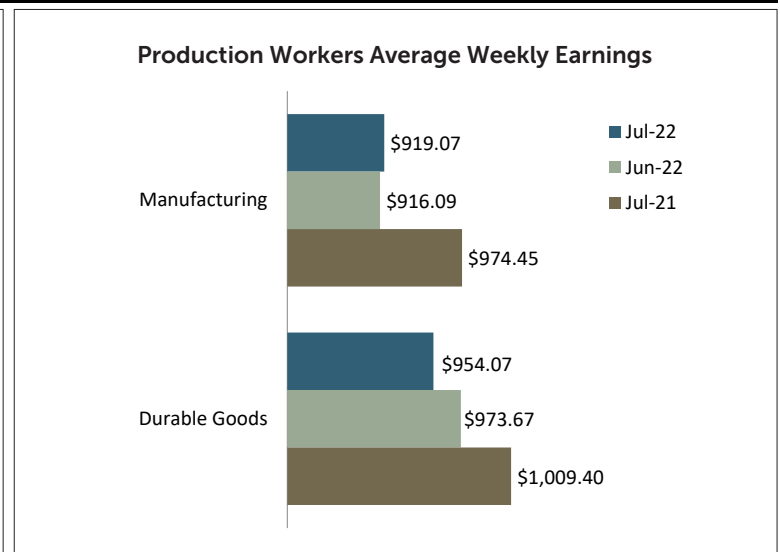
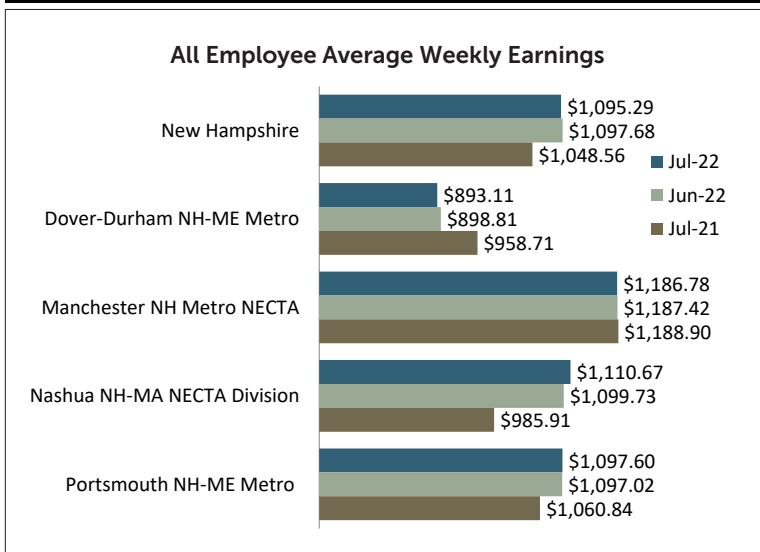


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - July 2022



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 increased to 682,300 jobs in July, based on preliminary seasonally adjusted estimates. This was an increase of 1,000 non-farm jobs over the month, as private industries gained 800 positions and Government employment increased by 200. Four private industry supersectors experienced over-the-month employment gains and six experienced employment losses from June 2022 to July 2022. Seasonally adjusted over-the-month changes reflect the number of jobs that are not attributable to a regular seasonal pattern of employment variability.

Professional and business services employment increased by 1,100 over the month, after the seasonal adjustment. Manufacturing gained 400 jobs while the other services supersector added 300 positions. Employment in leisure and hospitality increased by 100 from June to July.

Private education and health services lost 400 jobs over the month, after the seasonal adjustment. The information and the construction supersectors each experienced decreases of 200 jobs over the month. Trade, transportation, and utilities; financial activities and mining and logging supersectors each lost 100 jobs in July.

Total private employment in July 2022 was 2,000 jobs below the pre-pandemic level in February 2020. Private education and health services employment was 6,400 jobs below the February 2020 level. Professional and business services, construction, and financial activities supersectors were above pre-pandemic levels.

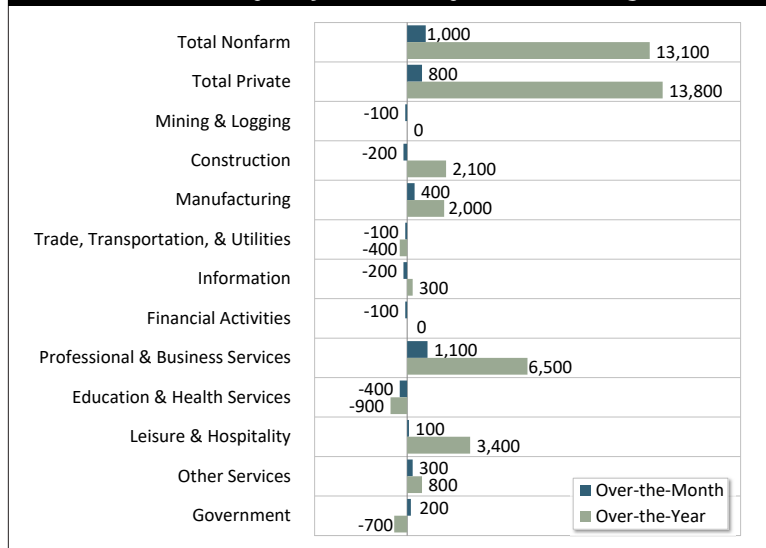
Not Seasonally Adjusted

Preliminary unadjusted estimates for July 2022 indicate that total nonfarm employment increased by 17,200 jobs since July 2021, reflecting the ongoing employment recovery from the coronavirus (COVID-19) pandemic. Seven private industry supersectors experienced over the year employment gains, one experienced an over-the-year loss, while mining and logging and financial activities employment were unchanged from July 2021 to July 2022.

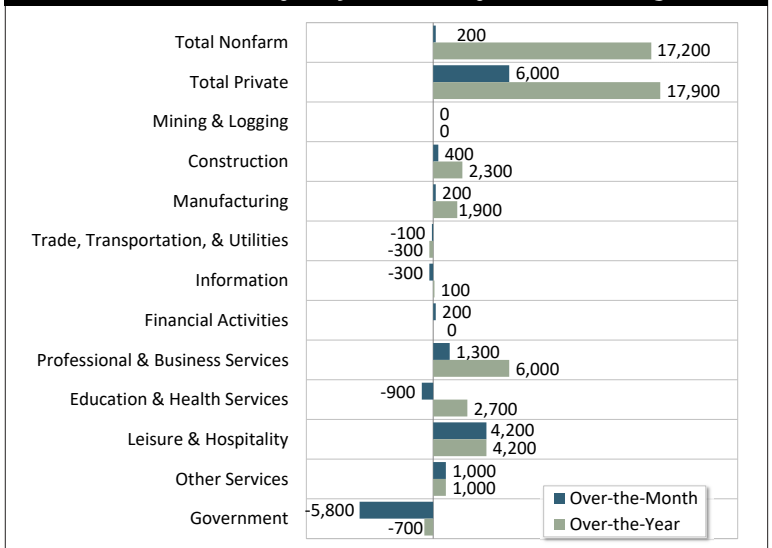
Professional and business services experienced the largest increase, with 6,000 more jobs than in July 2021. The leisure and hospitality supersector increased employment by 4,200, while private education and health services expanded payrolls by 2,700 positions. Construction added 2,300 jobs and manufacturing added 1,900 positions. Other services employment increased by 1,000 over the year, while the information supersector gained 100 jobs. Trade, transportation, and utilities lost 300 jobs over the year. Government employment in July 2022 was 700 fewer than a year earlier.

– Robert Cote, Research Analyst

Seasonally Adjusted July 2022 Change



Not Seasonally Adjusted July 2022 Change

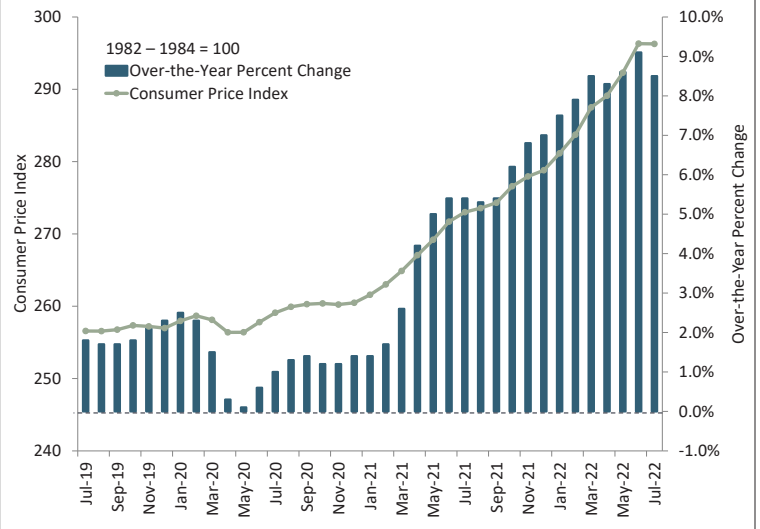


Consumer Price Index

United States, All Urban Consumers Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Jul-22	Jun-22	Jul-21	Month	Year
296.276	296.311	273.003	0.0%	8.5%

Northeast, All Urban Consumers Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Jul-22	Jun-22	Jul-21	Month	Year
305.916	306.453	285.220	-0.2%	7.3%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Initial Claims	1,854	1,547	1,682	1,156	1,808	1,583
Continued Weeks Claimed	10,840	10,411	7,697	8,015	7,073	9,113
Average payment for a week of unemployment	\$333.15	\$335.86	\$342.55	\$330.59	\$340.64	\$307.82

New Hampshire Economic Conditions is published monthly in coordination with the Bureau of Labor Statistics and the Employment Training Administration of the U.S. Department of Labor.

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Keene 352-1904	Laconia 524-3960
Littleton 444-2971	Manchester 627-7841
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New Hampshire Employment Security Economic and Labor Market Information Bureau

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