

# New Hampshire ECONOMIC CONDITIONS

October 2023

Kancamagus PHOTO CREDIT

Fall Leaves and Waterfall PHOTO CREDIT

Bright Foliage PHOTO CREDIT

Autumn in New England PHOTO CREDIT

## Nonemployer Statistics Show an Increase in Gig Work in 2020

Sole proprietorships, partnerships, and corporations that don't employ any workers other than the owner(s) are known as "nonemployer" establishments. The number of nonemployer establishments in New Hampshire decreased from 108,650 in 2019 to 107,100 in 2020, a 1.4 percent decline. This decline was smaller than the decline in private employment, which fell 6.5 percent in 2020. Prior to the coronavirus pandemic, nonemployer establishments and private employment had grown at essentially the same rate, with the number of nonemployer establishments increasing 3.0 percent between 2016 and 2019, and private employment increasing 3.1 percent.

The difference between employer and nonemployer losses suggests

that, while many businesses closed during the pandemic (both employers and nonemployers), new business creation also increased. (Newly established businesses often have no employees, only owners, making them nonemployers). Increased entrepreneurial activity is common after negative economic events; while these events cause job losses and business closures, they also create opportunities for new businesses.<sup>1</sup> The pandemic accelerated several existing trends, including online retail, delivery services (both food and courier services), and the prevalence of teleworking; systemic changes like these typically increase the rate of innovation and business creation.

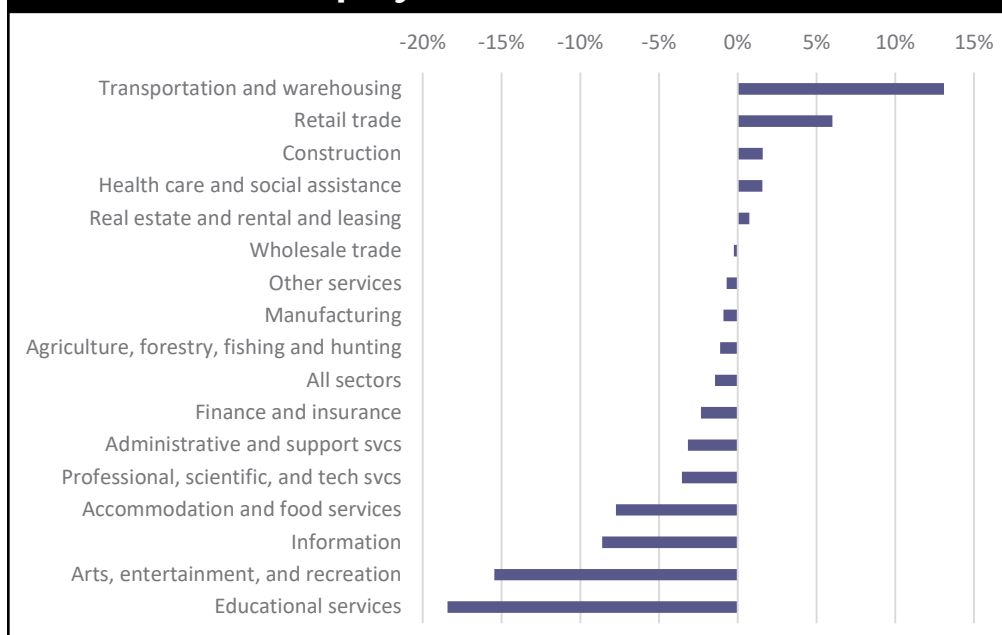
In two sectors, the number of nonemployers increased substantially in

2020, an indication of the opportunities created by systemic changes during the pandemic. Nonemployers in transportation and warehousing increased 13.1 percent (660 nonemployers) in 2020, while in retail trade, nonemployers increased 6.0 percent (530 nonemployers).

In transportation and warehousing, the number of nonemployers grew rapidly before the pandemic, increasing 68.5 percent between 2016 and 2019. Employment in the sector increased during this time as well, increasing 7.5 percent. The transportation and warehousing sector includes ride-sharing services and delivery services (for both food and packages). These services were becoming more prevalent pre-pandemic, and while demand for ride-sharing declined during the pandemic, demand for delivery services continued to increase.

Before increasing in 2020, the number of nonemployers in retail trade remained relatively flat between 2016 and 2019. During that time, retail trade employment declined

### Nonemployer Growth, 2019-2020



Source: U.S. Census Bureau, Nonemployer Statistics

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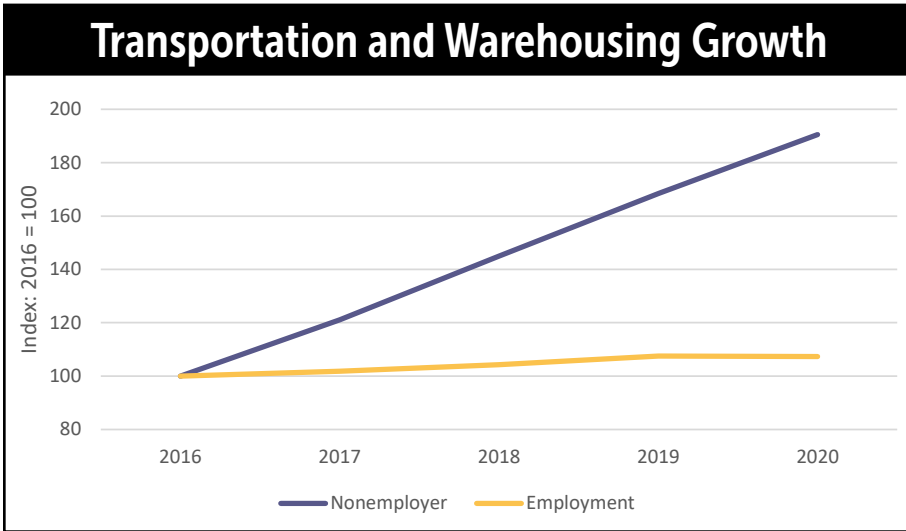
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##### Not Seasonally Adjusted Estimates

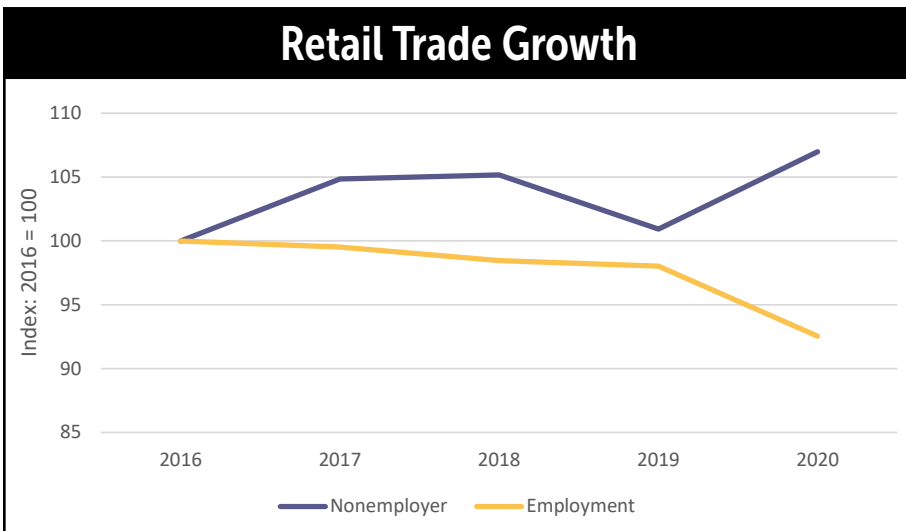
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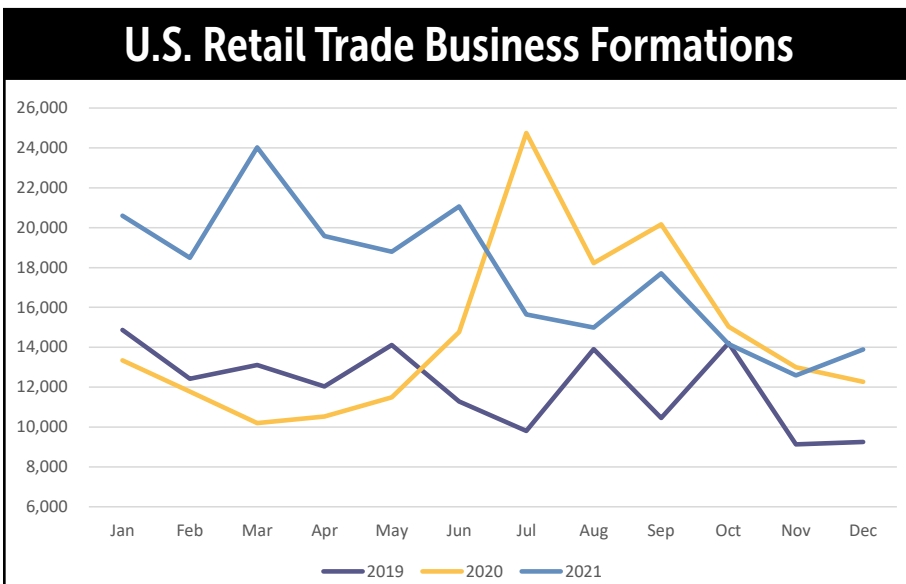
<sup>1</sup> Haltiwanger, John C., "Entrepreneurship During the COVID-19 Pandemic: Evidence From the Business Formation Statistics," National Bureau of Economic Research, [https://www.nber.org/system/files/working\\_papers/w28912/w28912.pdf](https://www.nber.org/system/files/working_papers/w28912/w28912.pdf)



Source: U.S. Census Bureau, Nonemployer Statistics, New Hampshire Employment Security, Quarterly Census of Employment and Wages



Source: U.S. Census Bureau, Nonemployer Statistics, New Hampshire Employment Security, Quarterly Census of Employment and Wages



Source: U.S. Census Bureau, Business Formation Statistics

two percent. While the number of nonemployers increased in 2020, retail trade employment continued to decline, falling an additional 5.6 percent. Public health concerns and social distancing restrictions during the coronavirus pandemic affected brick and mortar retailers, and consumers shifted to buying more goods online.

While brick and mortar retailers faced challenges, the pandemic created opportunities for online retailers, and likely contributed to the increase in nonemployer retail establishments. According to the U.S. Census Bureau’s Business Formation Statistics program, which measures applications for an Employer Identification Number (EIN) assigned to businesses by the IRS, the number of retail trade businesses formed nationwide increased almost 60 percent in the second half of 2020 over the second half of 2019.

In both retail trade and transportation and warehousing, the increase in nonemployers is associated with the increasing prevalence of platform businesses and gig work. Platform businesses create ecosystems that allow users, such as buyers and sellers, to interact – common examples would be ride-sharing services and online marketplaces. These platforms allow small businesses to easily access a market for their goods and services. Demand for delivery services and online retailers increased during the pandemic, and online platforms made it relatively easy for new businesses to be established to meet this demand. Individuals who provide goods and services through these platforms are generally classified as nonemployers, since they are independent contractors (gig workers), not employees of the platform.

Nonemployers in New Hampshire had average annual receipts of \$60,900 in 2020 (gross receipts, not income or profit), suggesting that for a large percentage of owners, nonemployer businesses are a secondary source of income. Annual receipts for nonemployers in retail trade and transportation and warehousing were below the overall average, averaging \$51,800 and \$31,350, respectively.

Annual receipts in transportation and warehousing declined every year since 2016, falling more than \$20,000 over four years. While the number of nonemployers in this

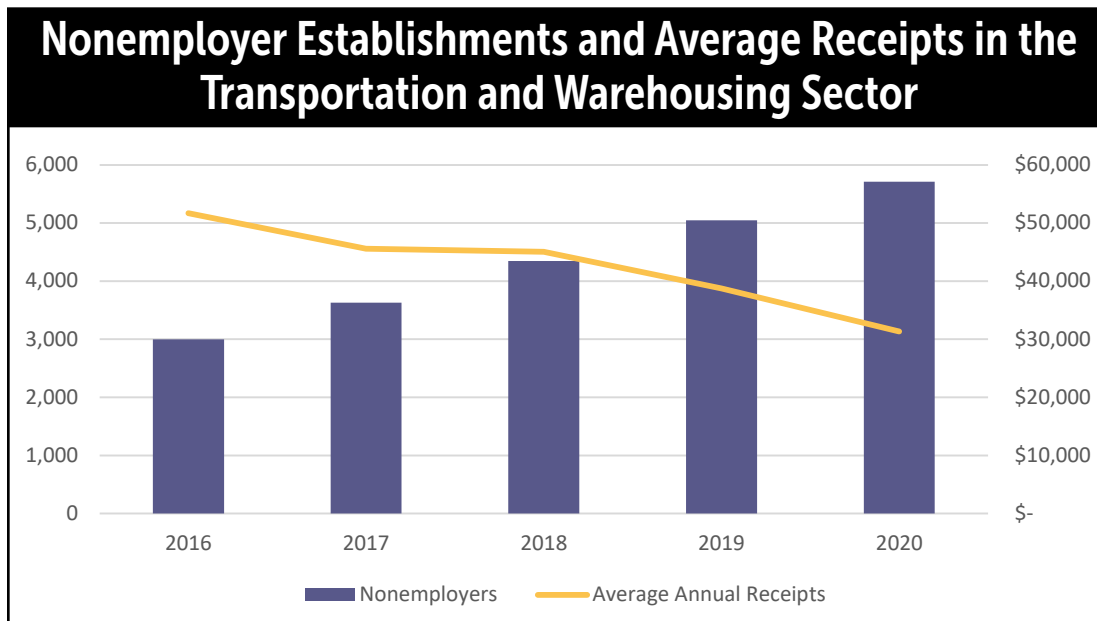
sector nearly doubled between 2016 and 2020, few of those new establishments were primary sources of income. Overall, average receipts for nonemployers increased six percent over that time, suggesting that outside of transportation and warehousing, the percentage of nonemployers that were secondary sources of income did not undergo a similar shift.

The increase in gig work in New Hampshire followed a national trend. A working paper from researchers at the National Bureau of Economic Research showed a nationwide increase in platform-based gig work, particularly in transportation and warehousing.<sup>2</sup> The number of gig

workers grew from 1.8 million in 2019 to 3.0 million in 2020. Gig worker growth accelerated in 2021, increasing to 4.9 million. More than four million of those workers were in the transportation and warehousing sector.<sup>3</sup>

Transportation and warehousing gig work has likely cooled off since 2021. Usage of food delivery apps began to decline in 2022, as inflation and a shift back to in-person dining reduced demand for food delivery services.<sup>4</sup> Still, the number of gig workers will likely continue to grow in the long-term.

– Greg David, Economist



Source: U.S. Census Bureau, Nonemployer Statistics

2 Andrew Garin, Emilie Jackson, Dmitri K. Koustas, and Alicia Miller, “The Evolving Role of Gig Work during the COVID-19 Pandemic,” National Bureau of Economic Research, <https://www.nber.org/digest/20238/evolving-role-gig-work-during-covid-19-pandemic>

3 Gig workers could perform work in multiple sectors.

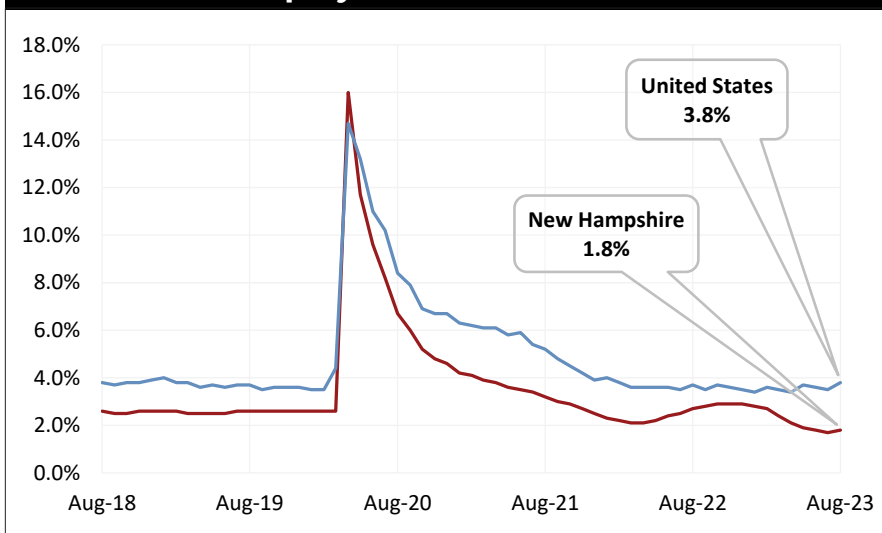
4 Rob Wile, “Food-Delivery Apps Lose Steam as People return to In-Person Dining,” NBC News, April 23, 2022. <https://www.nbcnews.com/business/consumer/uber-eats-doordash-decline-in-person-dining-rcna25249>

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Aug-23	July-23	Aug-22
United States	3.8%	3.5%	3.7%
Northeast	3.5%	3.5%	3.7%
New England	2.7%	2.7%	3.6%
Connecticut	3.6%	3.6%	3.9%
Maine	2.5%	2.4%	2.7%
Massachusetts	2.6%	2.5%	3.9%
New Hampshire	1.8%	1.7%	2.7%
Rhode Island	2.7%	2.8%	3.4%
Vermont	1.8%	1.8%	2.8%
Mid Atlantic	3.8%	3.8%	3.8%
New Jersey	4.2%	3.9%	3.0%
New York	3.9%	3.9%	3.9%
Pennsylvania	3.5%	3.5%	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	
	Aug-23	Jul-23	Aug-22	Month	Year
Total Nonfarm	699,000	698,500	689,300	500	9,700
Total Private	611,200	610,900	602,900	300	8,300
Mining and Logging	1,000	1,000	900	0	100
Construction	31,400	31,300	30,100	100	1,300
Manufacturing	71,700	71,300	70,400	400	1,300
Durable Goods	53,300	53,300	52,600	0	700
Non-Durable Goods	18,400	18,000	17,800	400	600
Trade, Transportation, and Utilities	139,800	140,200	139,100	-400	700
Wholesale Trade	32,500	32,700	31,600	-200	900
Retail Trade	90,100	89,800	89,200	300	900
Transportation, Warehousing, and Utilities	17,200	17,700	18,300	-500	-1,100
Information	11,600	11,400	11,900	200	-300
Financial Activities	34,100	33,900	34,600	200	-500
Financial and Insurance	27,100	26,900	27,500	200	-400
Real Estate and Rental and Leasing	7,000	7,000	7,100	0	-100
Professional and Business Services	102,600	102,600	97,000	0	5,600
Professional, Scientific, and Technical Services	50,900	51,400	47,500	-500	3,400
Management of Companies and Enterprises	10,900	10,900	10,800	0	100
Administrative and Support and Waste Management and Remediation Services	40,800	40,300	38,700	500	2,100
Education and Health Services	125,800	125,700	123,100	100	2,700
Educational Services	30,800	30,800	30,300	0	500
Health Care and Social Assistance	95,000	94,900	92,800	100	2,200
Leisure and Hospitality	68,900	69,400	71,300	-500	-2,400
Arts, Entertainment, and Recreation	11,600	11,500	12,900	100	-1,300
Accommodation and Food Services	57,300	57,900	58,400	-600	-1,100
Other Services	24,300	24,100	24,500	200	-200
Government	87,800	87,600	86,400	200	1,400
Federal Government	8,800	8,700	8,500	100	300
State Government	22,200	22,200	21,800	0	400
Local Government	56,800	56,700	56,100	100	700

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](http://www.nhes.nh.gov/elmi/statistics/ces-htm)

**NOT SEASONALLY ADJUSTED ESTIMATES BY PLACE OF RESIDENCE**

**Labor Force Estimates**

New Hampshire	Aug-23	Jul-23	Aug-22
Total Civilian Labor Force	759,490	765,360	779,040
Employed	741,710	750,570	757,720
Unemployed	17,780	14,790	21,320
Unemployment Rate	2.3%	1.9%	2.7%

United States (# in thousands)	Aug-23	Jul-23	Aug-22
Total Civilian Labor Force	168,049	168,354	164,971
Employed	161,427	161,982	158,714
Unemployed	6,623	6,372	6,256
Unemployment Rate	3.9%	3.8%	3.8%

**Unemployment Rates by Area**

Counties	Aug-23	Jul-23	Aug-22
Belknap	2.2%	1.8%	2.6%
Carroll	2.3%	1.8%	2.6%
Cheshire	2.6%	2.2%	2.9%
Coös	2.7%	2.3%	4.1%
Grafton	2.2%	1.8%	2.4%
Hillsborough	2.4%	2.0%	2.8%
Merrimack	2.1%	1.7%	2.5%
Rockingham	2.4%	2.0%	2.8%
Strafford	2.3%	1.9%	2.5%
Sullivan	2.0%	1.7%	2.7%

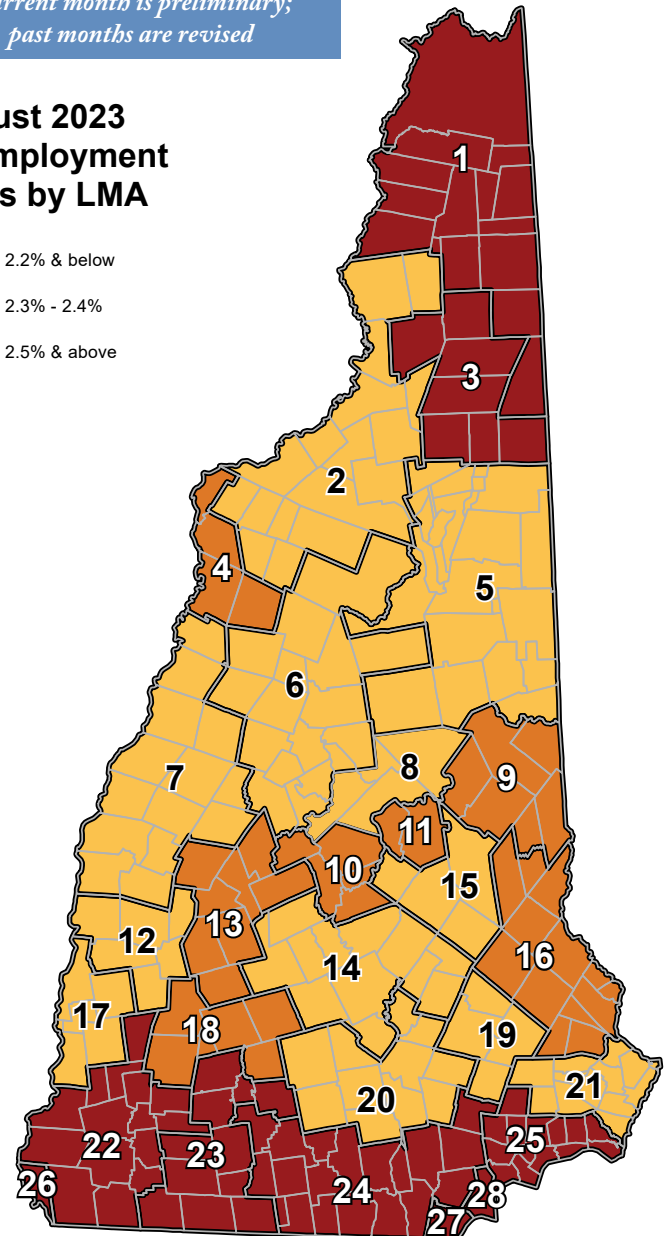
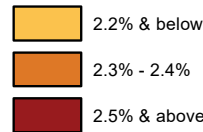
Map Key	Labor Market Areas	Aug-23	Jul-23	Aug-22
1	Colebrook, NH-VT LMA, NH Portion	3.3%	2.5%	7.5%
2	Littleton, NH-VT LMA, NH Portion	2.1%	1.7%	2.6%
3	Berlin NH Micropolitan NECTA	3.0%	2.6%	3.8%
4	Haverhill, NH LMA	2.4%	2.0%	3.4%
5	Conway, NH-ME LMA, NH Portion	2.2%	1.8%	2.5%
6	Plymouth, NH LMA	2.2%	1.8%	2.3%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	2.1%	1.8%	2.5%
8	Meredith, NH LMA	2.2%	1.7%	2.5%
9	Wolfeboro, NH LMA	2.4%	1.8%	2.8%
10	Franklin, NH LMA	2.3%	1.8%	2.8%
11	Laconia, NH Micropolitan NECTA	2.4%	1.9%	2.7%
12	Expanded Claremont, NH estimating area	2.0%	1.6%	2.6%
13	New London, NH LMA	2.3%	1.9%	2.5%
14	Concord, NH Micropolitan NECTA	2.1%	1.7%	2.4%
15	Belmont, NH LMA	2.2%	1.7%	2.6%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	2.3%	1.9%	2.5%
17	Charlestown, NH LMA	2.1%	1.7%	2.6%
18	Hillsborough, NH LMA	2.3%	1.9%	2.9%
19	Raymond, NH LMA	2.1%	1.8%	2.6%
20	Manchester, NH Metropolitan NECTA	2.2%	1.8%	2.7%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	2.1%	1.7%	2.4%
22	Keene, NH Micropolitan NECTA	2.6%	2.1%	3.0%
23	Peterborough, NH LMA	2.5%	2.1%	2.7%
24	Nashua, NH-MA NECTA Division, NH Portion	2.5%	2.1%	2.9%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	2.7%	2.2%	3.2%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	3.3%	2.7%	3.3%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	3.1%	2.8%	3.8%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	2.9%	2.3%	3.3%

**Unemployment Rates by Region**

Not Seasonally Adjusted	Aug-23	July-23	Aug-22
United States	3.9%	3.8%	3.8%
Northeast	4.1%	3.8%	4.1%
New England	2.9%	2.9%	3.6%
Connecticut	3.5%	3.9%	4.1%
Maine	2.5%	2.5%	2.2%
Massachusetts	2.9%	2.9%	3.9%
New Hampshire	2.3%	1.9%	2.7%
Rhode Island	3.1%	2.4%	4.0%
Vermont	2.2%	1.8%	2.8%
Mid Atlantic	4.5%	4.2%	4.3%
New Jersey	5.0%	4.7%	3.2%
New York	4.4%	4.1%	4.2%
Pennsylvania	4.3%	3.8%	5.2%

*Current month is preliminary; past months are revised*

**August 2023 Unemployment Rates by LMA**



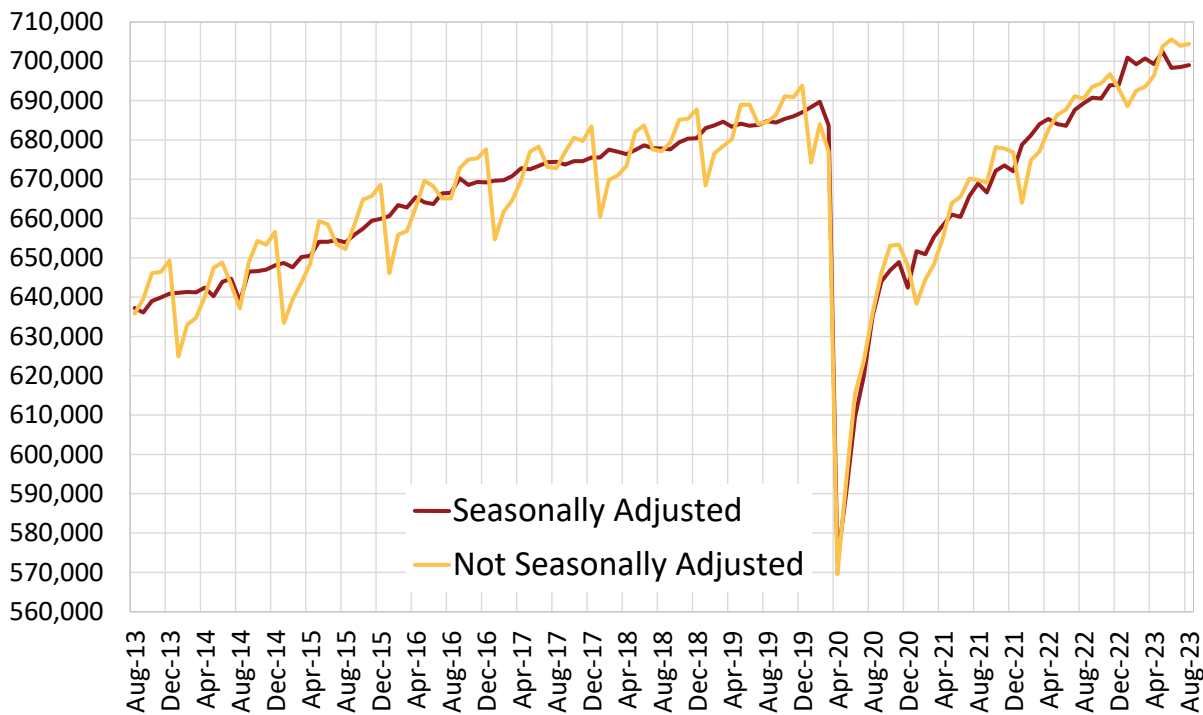
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

New Hampshire Nonfarm Employment Statewide  
Not Seasonally Adjusted

Current month  
is preliminary;  
past months  
are revised

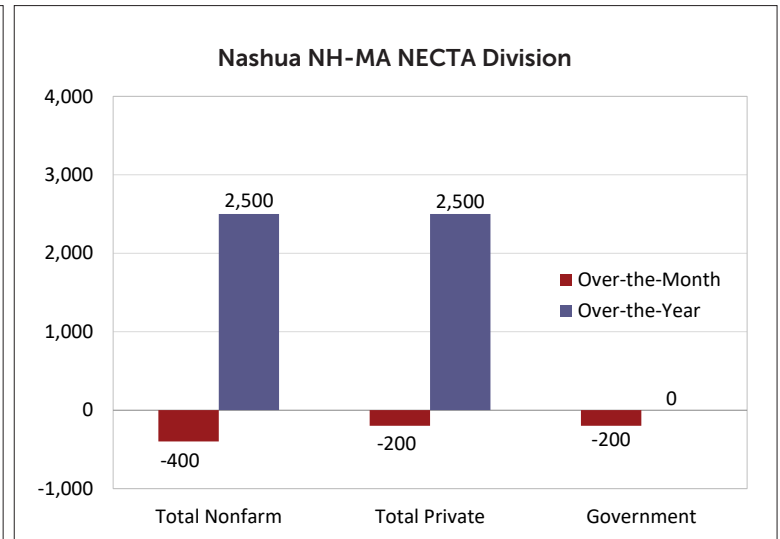
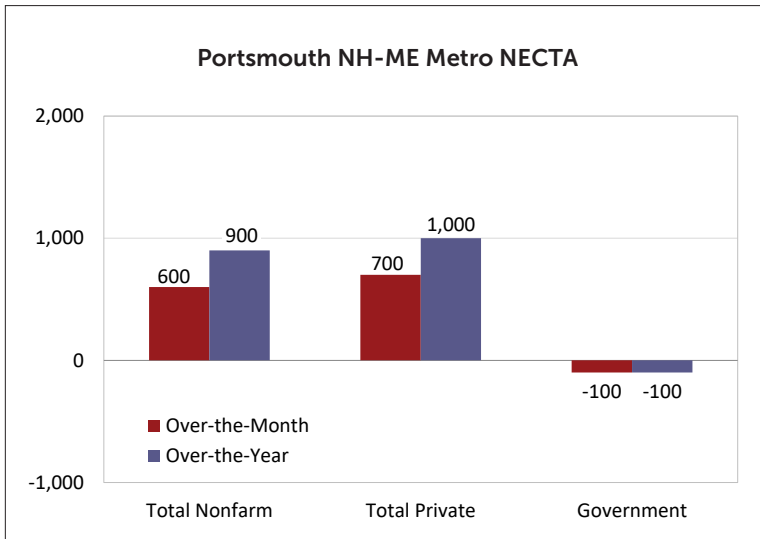
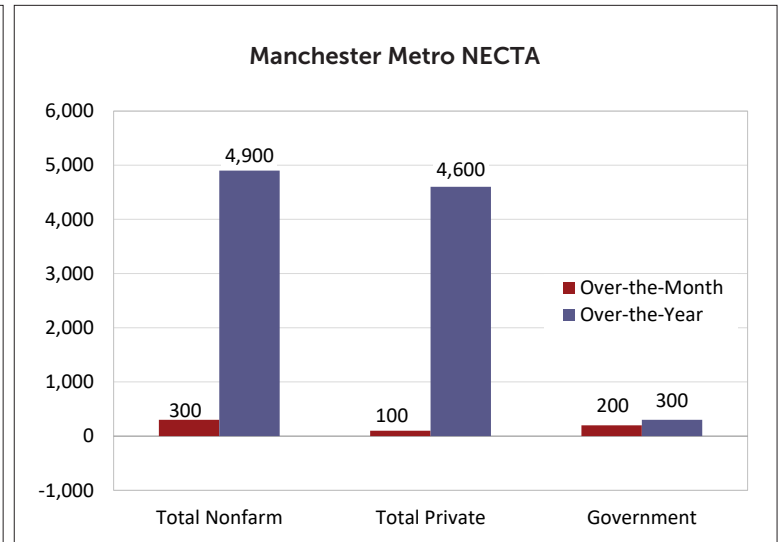
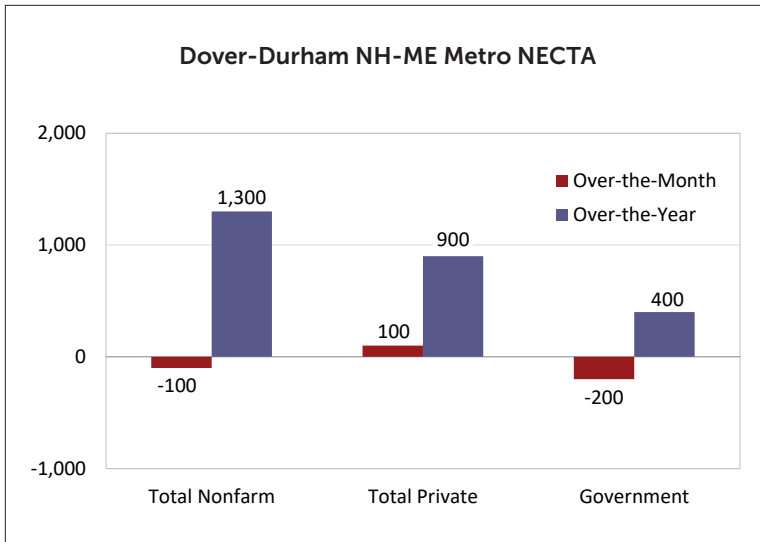
	Number of Jobs			Change From Previous	
	Aug-23	Jul-23	Aug-22	Month	Year
Total Nonfarm	704,400	703,900	690,500	500	13,900
Total Private	625,400	625,300	613,300	100	12,100
Mining and Logging	1,000	1,000	1,000	0	0
Construction	32,600	32,800	31,200	-200	1,400
Manufacturing	72,300	71,700	70,700	600	1,600
Durable Goods	53,700	53,600	52,800	100	900
Non-Durable Goods	18,600	18,100	17,900	500	700
Trade, Transportation, and Utilities	140,700	140,400	139,600	300	1,100
Wholesale Trade	32,900	32,900	31,700	0	1,200
Retail Trade	91,000	90,600	90,500	400	500
Transportation, Warehousing, and Utilities	16,800	16,900	17,400	-100	-600
Information	11,600	11,500	12,000	100	-400
Financial Activities	34,500	34,300	35,000	200	-500
Professional and Business Services	104,000	103,700	98,500	300	5,500
Education and Health Services	123,500	123,600	117,600	-100	5,900
Leisure and Hospitality	80,300	81,100	82,300	-800	-2,000
Other Services	24,900	25,200	25,400	-300	-500
Government	79,000	78,600	77,200	400	1,800
Federal Government	8,800	8,800	8,500	0	300
State Government	20,400	20,500	20,100	-100	300
Local Government	49,800	49,300	48,600	500	1,200

Total Nonfarm Employment Trend Through August 2023

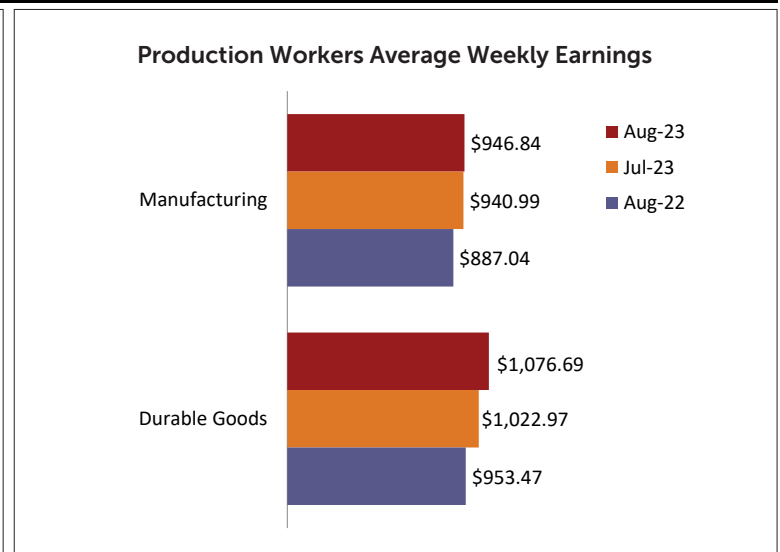
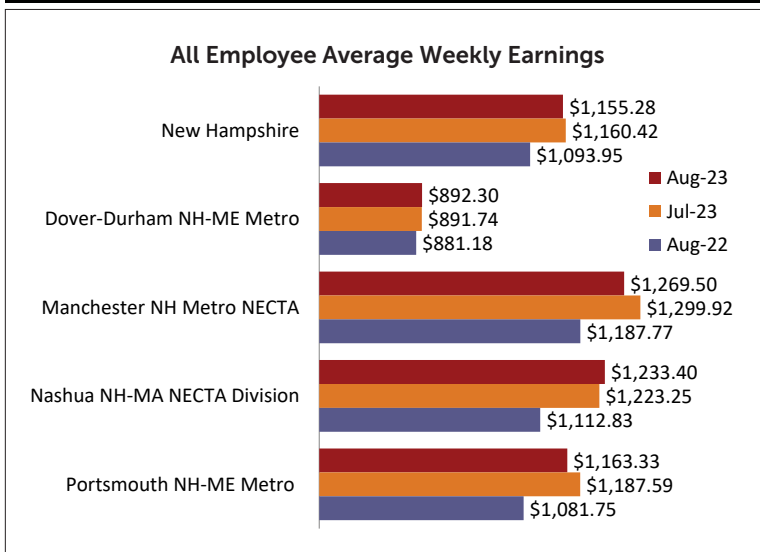


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - August 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](http://www.nhes.nh.gov/elmi/statistics/ces-data.htm)

MONTHLY ANALYSIS OF CURRENT EMPLOYMENT STATISTICS (CES)

*Seasonally Adjusted*

Total nonfarm employment increased to 699,000 jobs in August, based on preliminary seasonally adjusted estimates. This was an increase of 300 non-farm private industry jobs and 200 government jobs over the month. Six private industry supersectors experienced over-the-month employment gains and two supersectors experienced losses, while both mining and logging and professional and business services were unchanged. Seasonally adjusted over-the-month changes reflect the number of jobs that are not attributable to a regular seasonal pattern of employment variability.

Manufacturing employment increased by 400 in August, after the seasonal adjustment. The information, financial activities, and other services supersectors each added 200 positions over the month. Both the construction and private education and health services supersectors added 100 jobs. Leisure and hospitality employment contracted by 500 while employment in the trade, transportation, and utilities supersector declined by 400 jobs over the month.

Total nonfarm employment in August 2023 was 9,300 jobs above the pre-pandemic level in February 2020. Employment in professional and business services was 17,500 above the pre-pandemic level, while leisure and hospitality was 5,500 jobs below the February 2020 level.

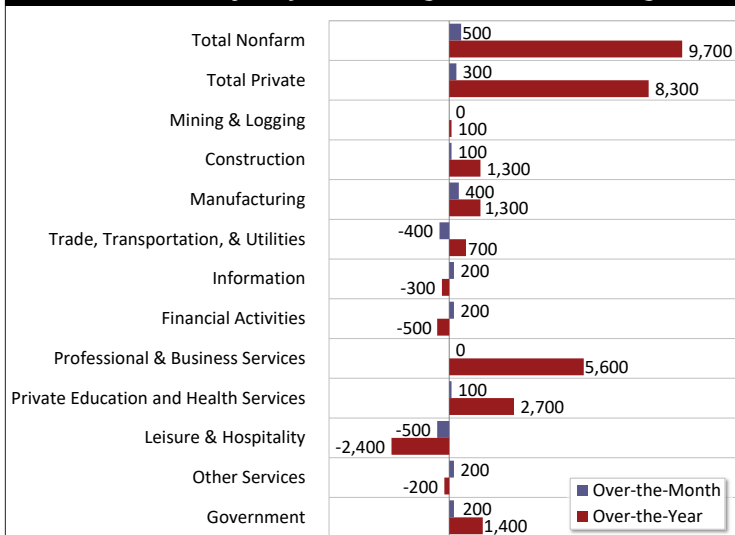
*Not Seasonally Adjusted*

Preliminary unadjusted estimates for August 2023 indicate that total nonfarm employment increased by 13,900 jobs since August 2022. Five private industry supersectors experienced over the year employment gains and four experienced over-the-year losses. Mining and logging employment was unchanged from August 2022, while government employment increased by 1,800 over the year.

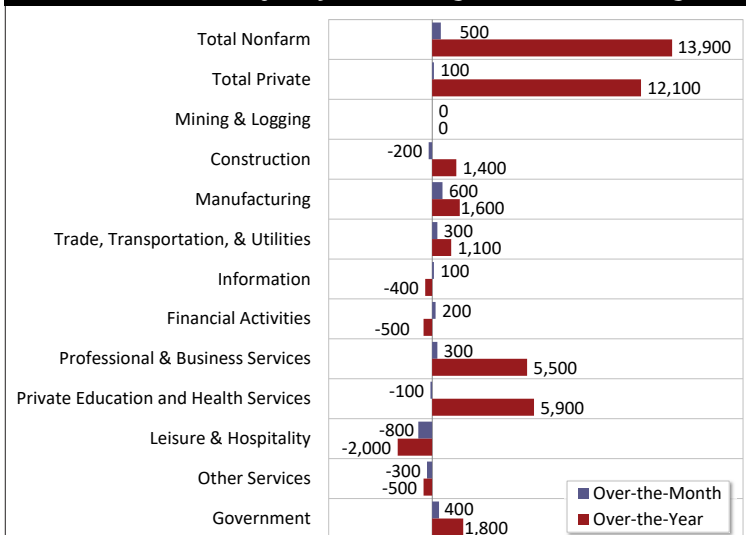
Private education and health services experienced the largest increase, with 5,900 more positions than in August 2022. Professional and business services expanded payrolls by 5,500 over the year, while manufacturing added 1,600 jobs. The construction supersector added 1,400 jobs and trade, transportation, and utilities employment increased by 1,100. Leisure and hospitality contracted by 2,000 positions from August 2022 to August 2023. Both financial activities and other services employment declined by 500 over the year. Employment in the information supersector was 400 less than a year earlier.

– Robert Cote, Research Analyst

Seasonally Adjusted August 2023 Change



Not Seasonally Adjusted August 2023 Change



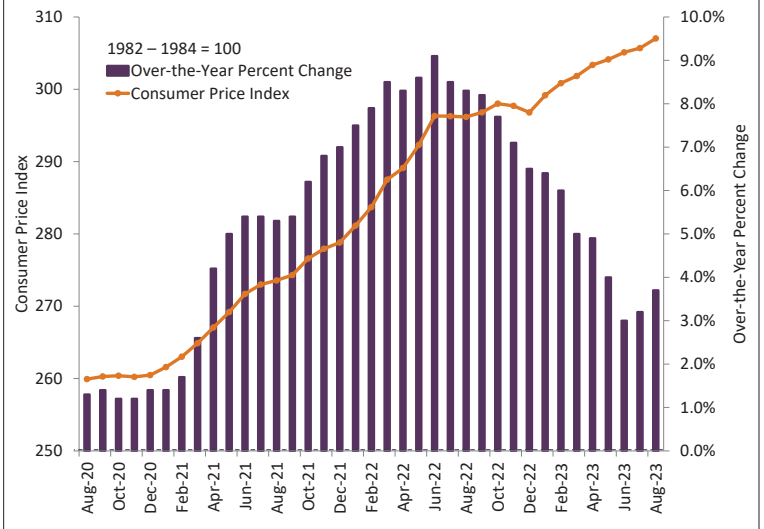


### Consumer Price Index

United States, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Aug-23	Jul-23	Aug-22	Month	Year
307.026	305.691	296.171	0.4%	3.7%

Northeast, All Urban Consumers				
Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Aug-23	Jul-23	Aug-22	Month	Year
315.441	313.952	306.855	0.5%	2.8%

### Consumer Price Index United States, All Urban Consumers



### Unemployment Compensation Claims Activity

	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Initial Claims	1,814	1,974	1,623	2,335	1,762	1,942
Continued Weeks Claimed	12,383	9,869	10,014	10,266	14,088	12,937
Average payment for a week of unemployment	\$356.86	\$363.49	\$362.04	\$367.12	\$343.32	\$344.36

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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#### New Hampshire Employment Security Local Offices

Berlin	752-5500	Claremont	543-3111
Concord	228-4100	Conway	447-5924
Keene	352-1904	Laconia	524-3960
Littleton	444-2971	Manchester	627-7841
Nashua	882-5177	Portsmouth	436-3702
Salem	893-9185	Somersworth	742-3600

Claims calls: 1-800-266-2252



#### New Hampshire Employment Security Economic and Labor Market Information Bureau

General Information	(603) 228-4124
	<a href="http://www.nhes.nh.gov/elmi">www.nhes.nh.gov/elmi</a>
Research Unit	228-4173
Economist	229-4427
Covered Employment & Wages	228-4060
Current Employment Statistics	228-4175
Local Area Unemployment Statistics	228-4167
Occupational Employment and Wage Statistics	229-4315

