

New Hampshire ECONOMIC CONDITIONS

February 2024

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Frozen Lake Winnepesaukee PHOTO CREDIT

Inn at Mill Falls, Meredith NH PHOTO CREDIT

Skiing the Mountains PHOTO CREDIT

Job Growth in New Hampshire Slowed, but the Labor Market is Still Strong

Nonfarm employment growth slowed throughout 2023 in New Hampshire and the U.S. overall, as high interest rates slowed economic growth.

Adjusted for seasonal factors, New Hampshire employment growth averaged 1,100 jobs per month in the fourth quarter of 2023, approximately half of employment growth in the first quarter. U.S. employment growth followed a similar trend, averaging 165,000 jobs per month in the fourth quarter, compared to 312,000 jobs per month in the first quarter.

Despite this decline, U.S. employment growth in the fourth quarter of 2023 was essentially the same as in 2019, when the U.S. added an average of 160,000 jobs per month. In New Hampshire, fourth quarter employment growth was approximately double the 2019 rate of growth, when employment growth averaged 550 jobs per month.

Although inflation remained elevated at the end of 2023, it dropped substantially from its peak in mid-2022.¹ U.S. Federal Reserve officials have indicated that they believe inflation is under control, and they expect to cut interest rates slightly in 2024, lessening their restrictive effect on the economy.² With more favorable rates possible later in 2024, economists have become more optimistic that the U.S. economy could achieve a “soft landing,” controlling inflation without falling into a recession.

Demand for Labor

Online postings for job openings, which indicate employer demand for additional workers, slowed over the second half of 2023. Job postings are an indicator of employer confidence, as employers may be hesitant to post new positions if they are concerned about current and future economic conditions. Data from labor market analytics firm

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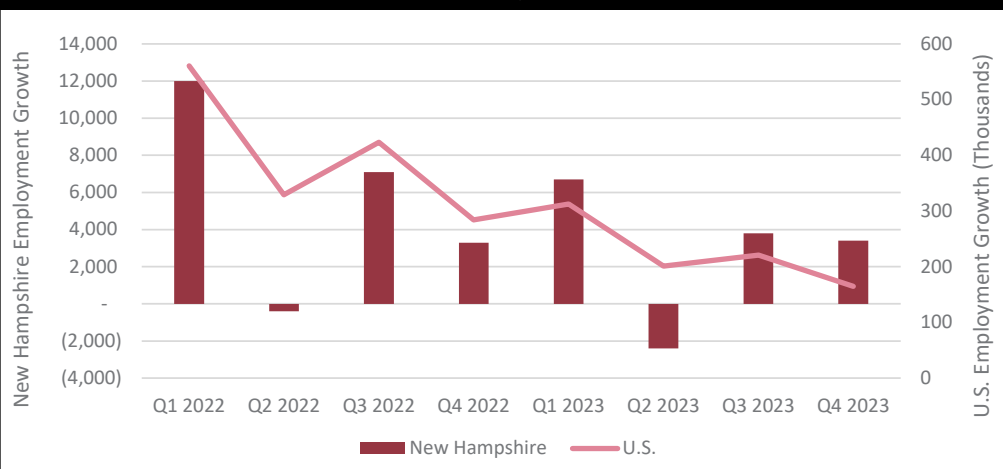
Lightcast showed that the number of job postings in New Hampshire peaked at 24,500 in May 2023, falling to just over 17,000 postings in December.

Data from the U.S. Bureau of Labor Statistics’ Job Openings and Labor Turnover Survey (JOLTS) showed a similar trend, although it indicated labor demand peaked more than a year earlier. New Hampshire’s job openings rate reached 8.1 percent in March 2022, and declined steadily to 5.1 percent in November 2023. This closely followed the national rate, which fell from 7.4 percent to 5.3 percent over that time. The November 2023 job openings rate remained slightly above the 2019 rate, which averaged 4.5 percent both nationwide and in New Hampshire.

Layoffs and Quits

Slowing employment growth in 2023 appeared to be the result of fewer hires and not an increase in layoffs. Continuing unemployment claims measure the number of individuals who qualify for unemployment insurance

Nonfarm Employment Growth



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

¹ In December 2023, the U.S. Federal Reserve’s preferred measure of inflation, the Personal Consumption Expenditures Index, increased 3.2 percent over-the-year, with food and energy prices excluded.
² Board of Governors of the Federal Reserve System, “Federal Reserve Issues FOMC Statement,” December 13, 2023. <https://www.federalreserve.gov/newsevents/pressreleases/monetary20231213a.htm>.

benefits each week. An increase in continuing claims would indicate either more individuals getting laid off, layoffs for longer durations, or a combination of the two.

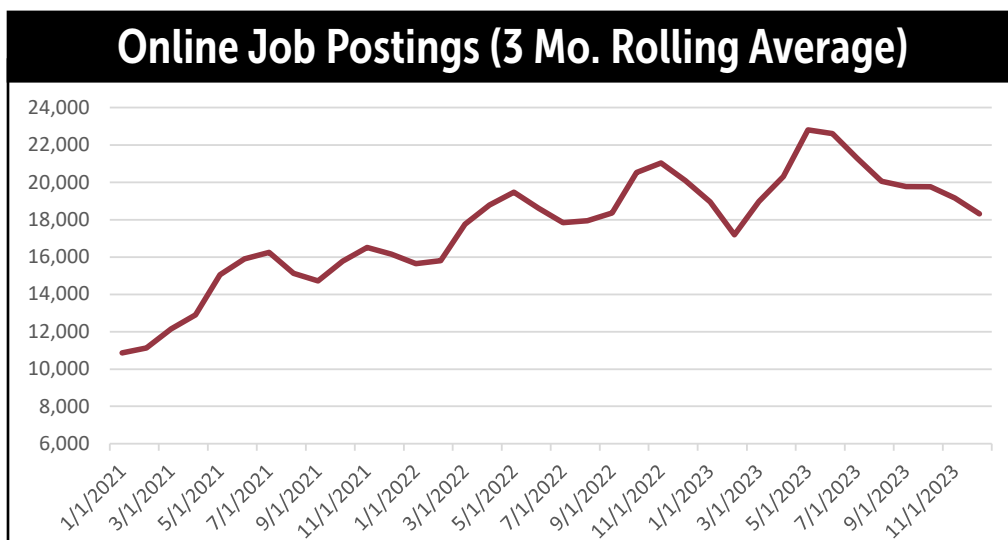
Nationally, the number of continuing unemployment claims filed each week was slightly above 2019 levels for most of 2023. The number of continuing claims filed each week followed seasonal patterns and did not suggest an increase in layoffs throughout the year. In New Hampshire, continuing claims followed a similar trajectory, but remained just below 2019 levels.

Data from JOLTS showed no sign of increasing layoffs as well, with the U.S. layoffs and discharges rate between 1.0 and 1.2 percent throughout 2023. After a slight increase at the end of 2022, the rate of layoffs and discharges in New Hampshire declined throughout 2023, from 1.6 percent in January to 0.9 percent in November.

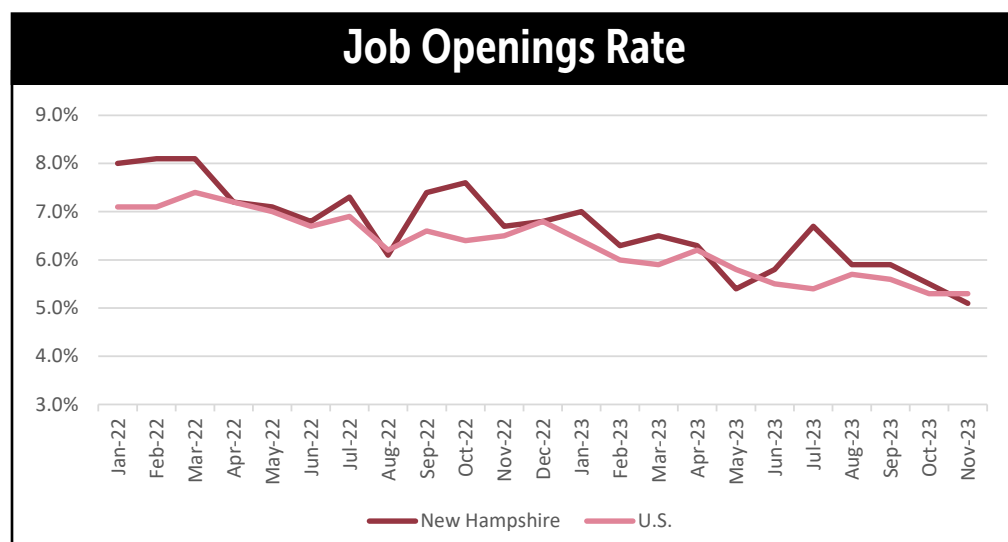
Starting in early 2021, the percentage of workers voluntarily quitting jobs increased, as workers took advantage of high demand for labor to improve wages and working conditions. The voluntary quits rate peaked in late 2021 and early 2022, reaching 3.0 percent in the U.S. and 3.3 percent in New Hampshire.³ Voluntary quits declined throughout 2022 and 2023, and were just above pre-pandemic rates in November 2023, suggesting that supply and demand for labor were more balanced. Since newly hired workers are often the first to be laid off, the decline in quits also suggests workers were behaving more cautiously by 2023, choosing the stability with their current employers over new opportunities, which may offer higher wages but also possibly greater risks.

Looking Ahead

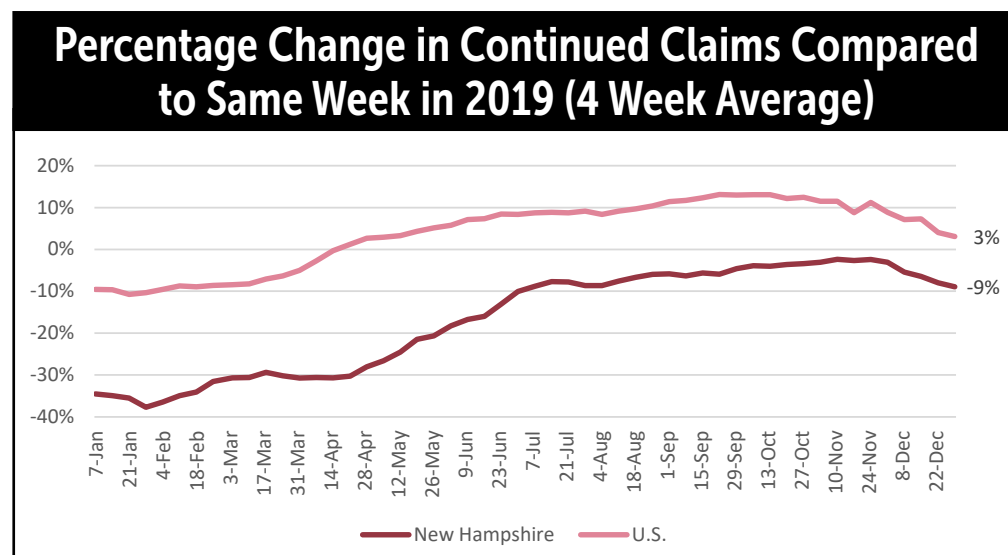
Many economists expected a recession in 2023, but the U.S. economy defied these expectations. While employment growth slowed, Gross Domestic



Source: Lightcast



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey



Source: U.S. Department of Labor, Unemployment Insurance Weekly Claims Data

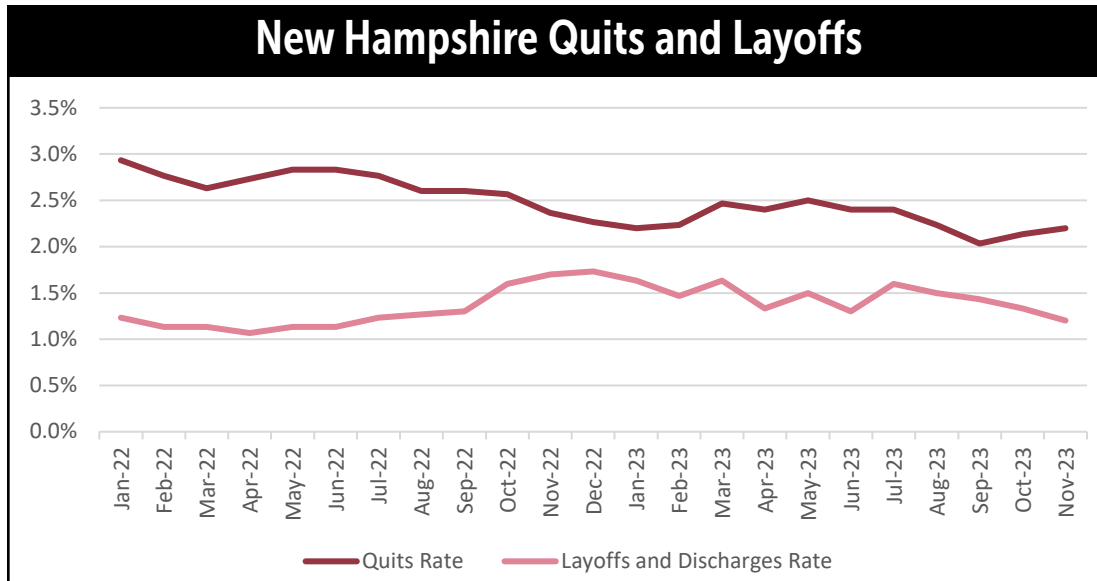
³ Workers who quit did not necessarily take another job, although voluntary quits exclude retirements.

Product (GDP) growth actually increased in the second half of the year. New Hampshire’s GDP followed the national trend, increasing at an annualized rate of 4.5 percent in the third quarter of 2023 (fourth quarter GDP data is not yet available at the state level) after 0.3 percent growth in the first half of the year.

The U.S. economy faces challenges in 2024, particularly the impact of high interest rates. The Federal Reserve’s latest forecast indicated they expect to cut interest rates

three times in 2024; even with three rate cuts, interest rates would continue to slow economic growth. After declining throughout 2023, employment growth in 2024 will likely be lower than in 2023. However, employment growth ended 2023 at pre-pandemic levels, and with no change in the number of layoffs or unemployment claims, the labor market remains strong overall.

– Greg David, Economist



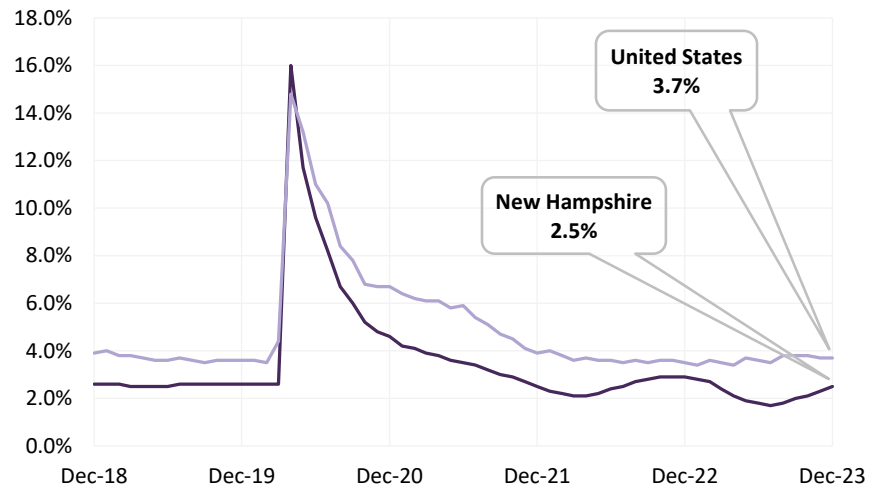
Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Dec-23	Nov-23	Dec-22
United States	3.7%	3.7%	3.5%
Northeast	3.9%	3.8%	3.9%
New England	3.1%	2.9%	3.5%
Connecticut	3.8%	3.6%	4.0%
Maine	3.2%	3.0%	3.1%
Massachusetts	3.2%	2.9%	3.7%
New Hampshire	2.5%	2.3%	2.9%
Rhode Island	3.2%	2.9%	3.2%
Vermont	2.2%	2.1%	3.0%
Mid Atlantic	4.2%	4.1%	4.0%
New Jersey	4.8%	4.7%	3.3%
New York	4.5%	4.3%	4.1%
Pennsylvania	3.5%	3.4%	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	
	Dec-23	Nov-23	Dec-22	Month	Year
Total Nonfarm	705,500	703,000	694,000	2,500	11,500
Total Private	617,700	615,700	607,800	2,000	9,900
Mining and Logging	900	900	900	0	0
Construction	31,300	31,200	30,000	100	1,300
Manufacturing	72,600	72,100	71,600	500	1,000
Durable Goods	54,200	54,000	53,500	200	700
Non-Durable Goods	18,400	18,100	18,100	300	300
Trade, Transportation, and Utilities	139,700	139,900	139,100	-200	600
Wholesale Trade	32,500	32,500	31,600	0	900
Retail Trade	89,000	89,300	89,300	-300	-300
Transportation, Warehousing, and Utilities	18,200	18,100	18,200	100	0
Information	11,300	11,300	11,900	0	-600
Financial Activities	34,000	34,200	33,900	-200	100
Financial and Insurance	26,900	27,000	26,800	-100	100
Real Estate and Rental and Leasing	7,100	7,200	7,100	-100	0
Professional and Business Services	103,300	103,100	99,900	200	3,400
Professional, Scientific, and Technical Services	50,600	50,100	48,700	500	1,900
Management of Companies and Enterprises	10,900	10,900	10,500	0	400
Administrative and Support and Waste Management and Remediation Services	41,800	42,100	40,700	-300	1,100
Education and Health Services	127,500	127,100	124,300	400	3,200
Educational Services	31,700	31,800	30,700	-100	1,000
Health Care and Social Assistance	95,800	95,300	93,600	500	2,200
Leisure and Hospitality	72,600	71,500	71,700	1,100	900
Arts, Entertainment, and Recreation	13,300	12,800	11,600	500	1,700
Accommodation and Food Services	59,300	58,700	60,100	600	-800
Other Services	24,500	24,400	24,500	100	0
Government	87,800	87,300	86,200	500	1,600
Federal Government	8,800	8,700	8,500	100	300
State Government	21,900	21,900	21,600	0	300
Local Government	57,100	56,700	56,100	400	1,000

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	Dec-23	Nov-23	Dec-22
Total Civilian Labor Force	759,650	764,680	767,990
Employed	740,580	745,330	748,780
Unemployed	19,070	19,350	19,210
Unemployment Rate	2.5%	2.5%	2.5%

United States (# in thousands)	Dec-23	Nov-23	Dec-22
Total Civilian Labor Force	166,661	167,977	164,224
Employed	160,754	162,149	158,872
Unemployed	5,907	5,827	5,352
Unemployment Rate	3.5%	3.5%	3.3%

Unemployment Rates by Area

Counties	Dec-23	Nov-23	Dec-22
Belknap	2.5%	2.5%	2.6%
Carroll	2.8%	2.8%	2.8%
Cheshire	2.6%	2.6%	2.6%
Coös	3.2%	2.9%	3.3%
Grafton	2.1%	2.2%	2.2%
Hillsborough	2.6%	2.7%	2.6%
Merrimack	2.2%	2.2%	2.2%
Rockingham	2.6%	2.7%	2.6%
Strafford	2.2%	2.3%	2.2%
Sullivan	2.2%	2.2%	2.4%

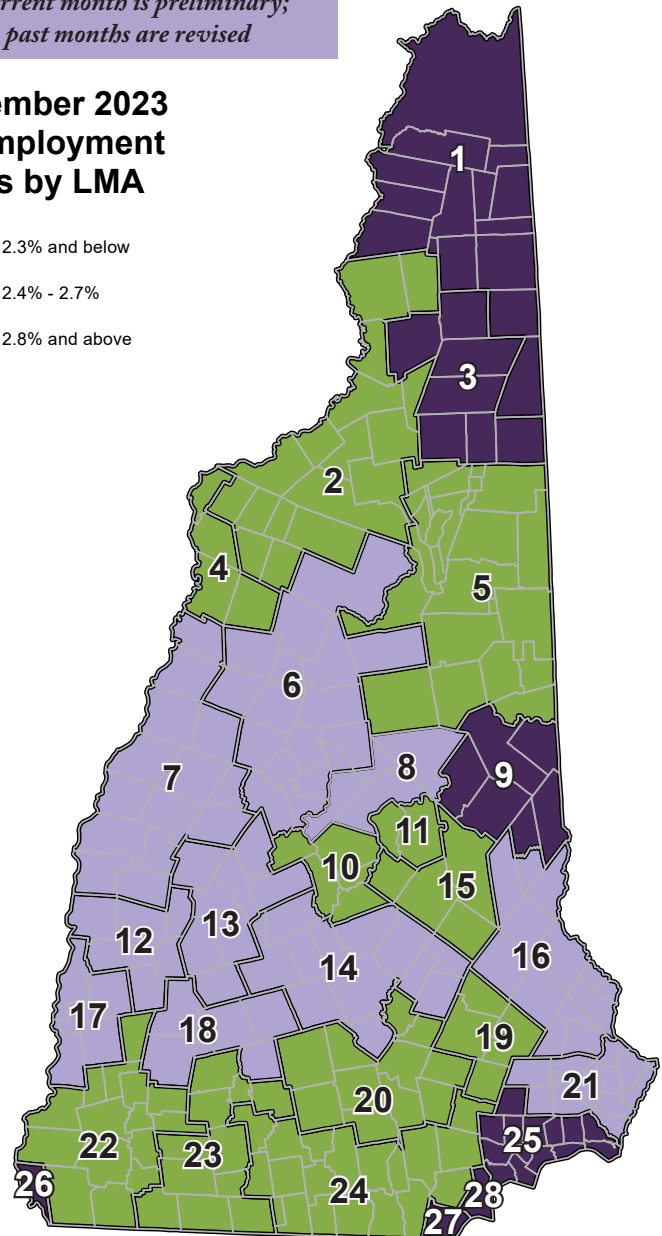
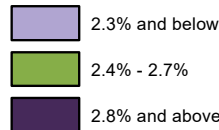
Map Key	Labor Market Areas	Dec-23	Nov-23	Dec-22
1	Colebrook, NH-VT LMA, NH Portion	3.8%	3.6%	3.4%
2	Littleton, NH-VT LMA, NH Portion	2.4%	2.4%	2.5%
3	Berlin NH Micropolitan NECTA	3.4%	2.9%	3.7%
4	Haverhill, NH LMA	2.5%	2.2%	2.8%
5	Conway, NH-ME LMA, NH Portion	2.7%	2.6%	2.6%
6	Plymouth, NH LMA	2.1%	2.2%	2.2%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	2.0%	2.1%	2.2%
8	Meredith, NH LMA	2.3%	2.4%	2.4%
9	Wolfeboro, NH LMA	3.1%	3.0%	3.2%
10	Franklin, NH LMA	2.5%	2.5%	2.7%
11	Laconia, NH Micropolitan NECTA	2.7%	2.7%	2.7%
12	Expanded Claremont, NH estimating area	2.2%	2.3%	2.4%
13	New London, NH LMA	2.2%	2.3%	2.2%
14	Concord, NH Micropolitan NECTA	2.2%	2.1%	2.2%
15	Belmont, NH LMA	2.5%	2.4%	2.5%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	2.2%	2.3%	2.2%
17	Charlestown, NH LMA	2.2%	2.2%	2.4%
18	Hillsborough, NH LMA	2.1%	2.1%	2.4%
19	Raymond, NH LMA	2.4%	2.3%	2.4%
20	Manchester, NH Metropolitan NECTA	2.4%	2.5%	2.4%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	2.3%	2.4%	2.3%
22	Keene, NH Micropolitan NECTA	2.5%	2.5%	2.5%
23	Peterborough, NH LMA	2.7%	2.8%	2.5%
24	Nashua, NH-MA NECTA Division, NH Portion	2.7%	2.8%	2.6%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	3.0%	3.0%	3.0%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	2.9%	3.0%	3.6%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	3.3%	3.5%	3.4%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	3.1%	3.1%	3.2%

Unemployment Rates by Region

Not Seasonally Adjusted	Dec-23	Nov-23	Dec-22
United States	3.5%	3.5%	3.3%
Northeast	3.8%	3.5%	3.5%
New England	3.4%	3.0%	3.1%
Connecticut	3.9%	3.5%	3.2%
Maine	3.4%	3.2%	2.7%
Massachusetts	3.5%	2.8%	3.3%
New Hampshire	2.5%	2.5%	2.5%
Rhode Island	3.3%	3.2%	2.3%
Vermont	2.0%	2.0%	2.7%
Mid Atlantic	4.0%	3.8%	3.7%
New Jersey	4.5%	4.3%	3.1%
New York	4.4%	4.0%	3.8%
Pennsylvania	2.9%	2.9%	3.8%

Current month is preliminary; past months are revised

December 2023 Unemployment Rates by LMA



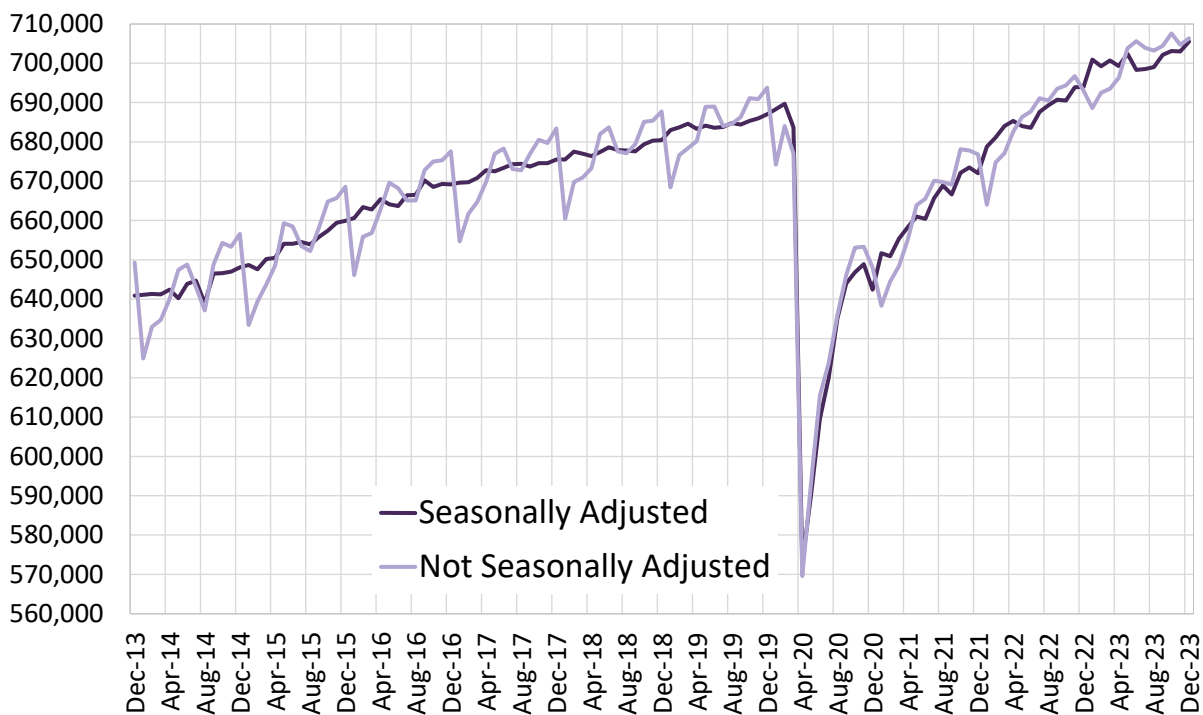
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

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

*Current month
is preliminary;
past months
are revised*

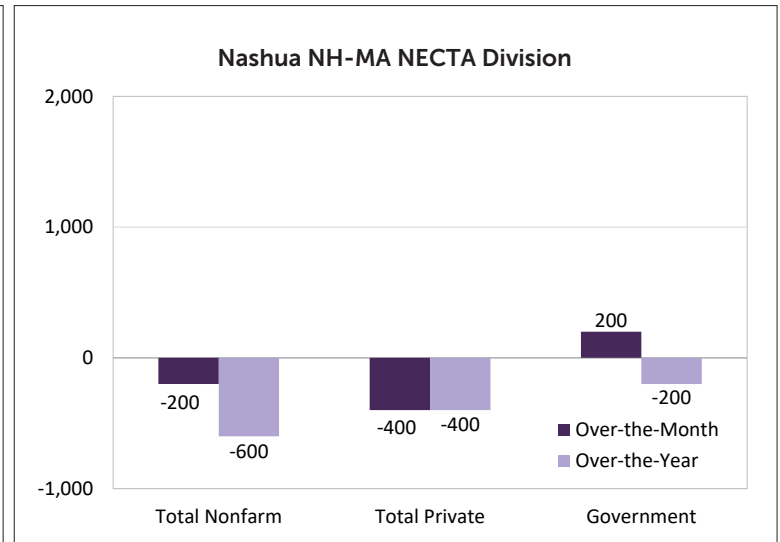
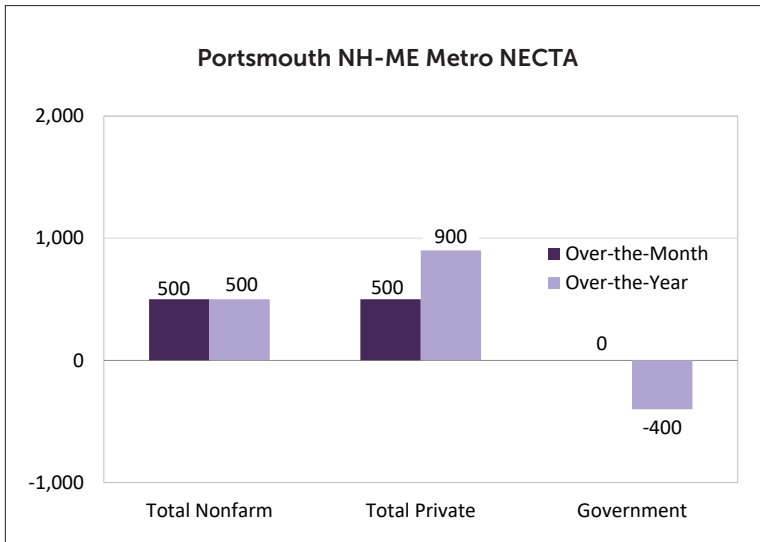
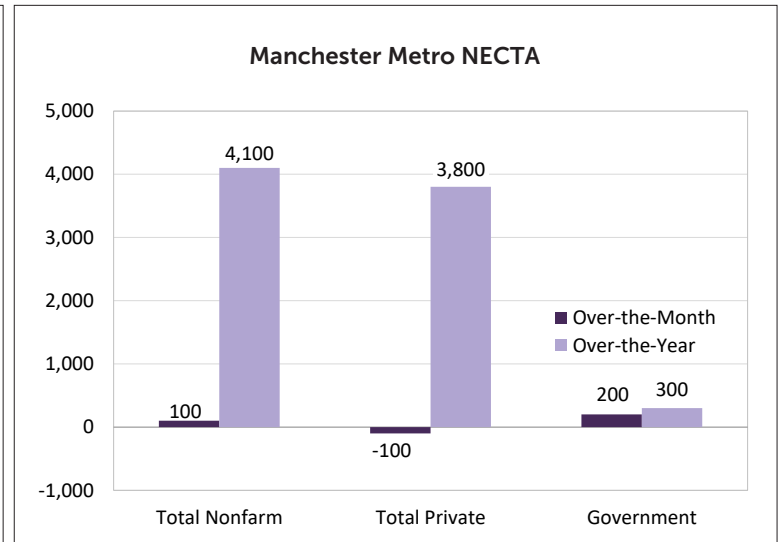
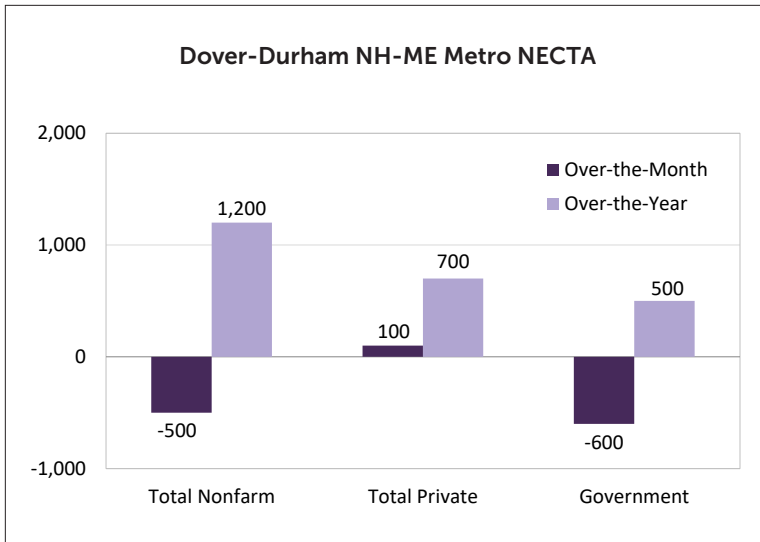
	Number of Jobs			Change From Previous	
	Dec-23	Nov-23	Dec-22	Month	Year
Total Nonfarm	706,300	704,700	693,000	1,600	13,300
Total Private	615,500	614,800	604,100	700	11,400
Mining and Logging	900	900	900	0	0
Construction	30,800	31,500	29,800	-700	1,000
Manufacturing	72,700	71,900	71,400	800	1,300
Durable Goods	54,300	53,800	53,300	500	1,000
Non-Durable Goods	18,400	18,100	18,100	300	300
Trade, Transportation, and Utilities	142,500	141,300	141,500	1,200	1,000
Wholesale Trade	32,400	32,300	31,600	100	800
Retail Trade	90,500	90,300	90,100	200	400
Transportation, Warehousing, and Utilities	19,600	18,700	19,800	900	-200
Information	11,200	11,300	11,800	-100	-600
Financial Activities	34,000	34,300	33,900	-300	100
Professional and Business Services	103,100	103,500	99,500	-400	3,600
Education and Health Services	128,000	128,900	124,200	-900	3,800
Leisure and Hospitality	68,400	67,000	66,900	1,400	1,500
Other Services	23,900	24,200	24,200	-300	-300
Government	90,800	89,900	88,900	900	1,900
Federal Government	8,800	8,800	8,500	0	300
State Government	22,400	23,000	22,200	-600	200
Local Government	59,600	58,100	58,200	1,500	1,400

Total Nonfarm Employment Trend Through December 2023

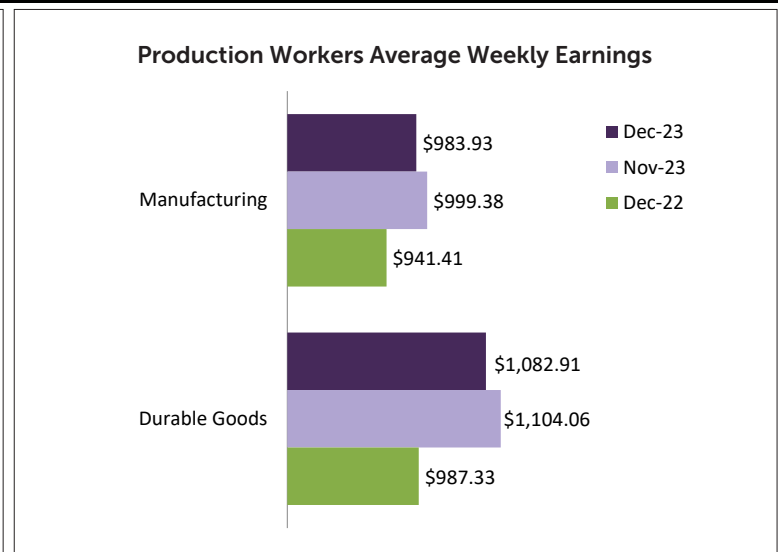
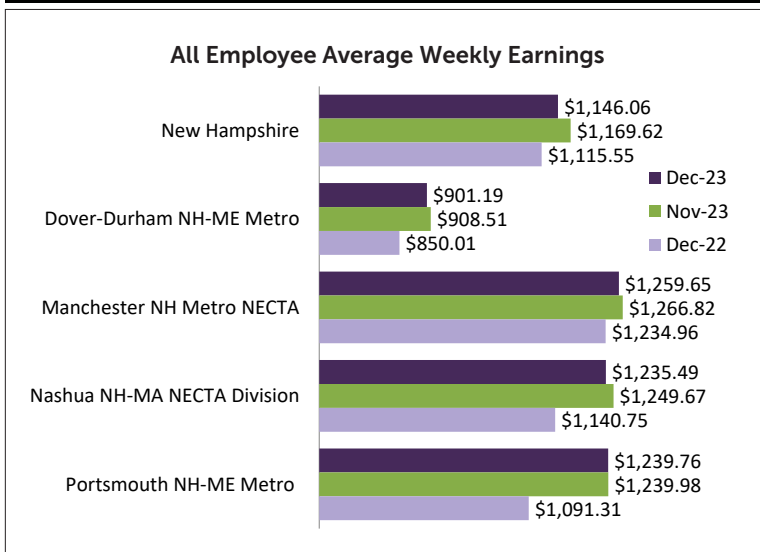


MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - December 2023



Total Private Average Weekly Earnings Data



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

MONTHLY ANALYSIS OF CURRENT EMPLOYMENT STATISTICS (CES)

Seasonally Adjusted

Total nonfarm employment increased to 705,500 jobs in December, based on preliminary seasonally adjusted estimates. This was an increase of 2,000 non-farm private industry jobs and an increase of 500 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 *information* employment 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.

Leisure and hospitality employment increased by 1,100 in December, after the seasonal adjustment. The *manufacturing* supersector added 500 jobs, *private education and health services* expanded payrolls by 400 over the month, and *professional and business services* increased employment by 200 in December. Employment in both the *construction* and *other services* supersectors increased by 100 over the month. *Trade, transportation, and utilities* and *financial activities* each lost 200 positions in December.

Total nonfarm employment in December 2023 was 15,800 jobs above the pre-pandemic level in February 2020. Employment in *professional and business services* was 18,200 above the pre-pandemic level, while *leisure and hospitality* employment was 1,800 jobs below the February 2020 level.

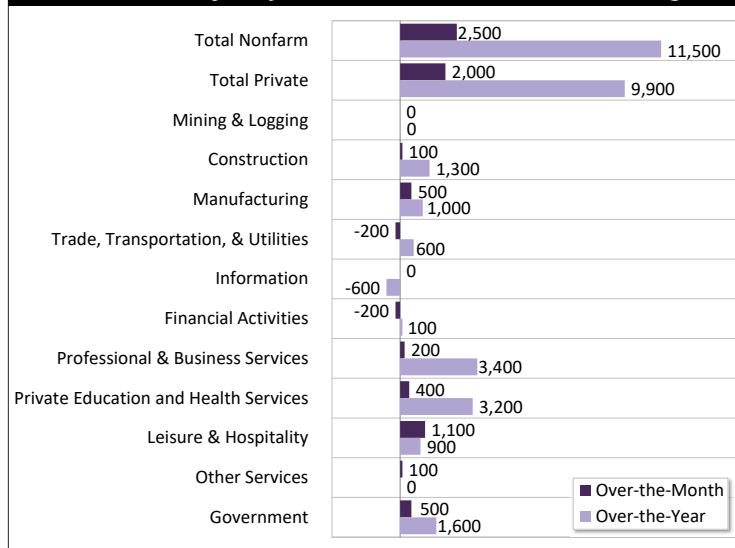
Not Seasonally Adjusted

Preliminary unadjusted estimates for December 2023 indicate that total nonfarm employment increased by 13,300 jobs since December 2022. Seven private industry supersectors experienced over the year employment gains and two experienced over-the-year losses. Employment in the *mining and logging* supersector was unchanged from December 2022, while *government* employment increased by 1,900 over the year.

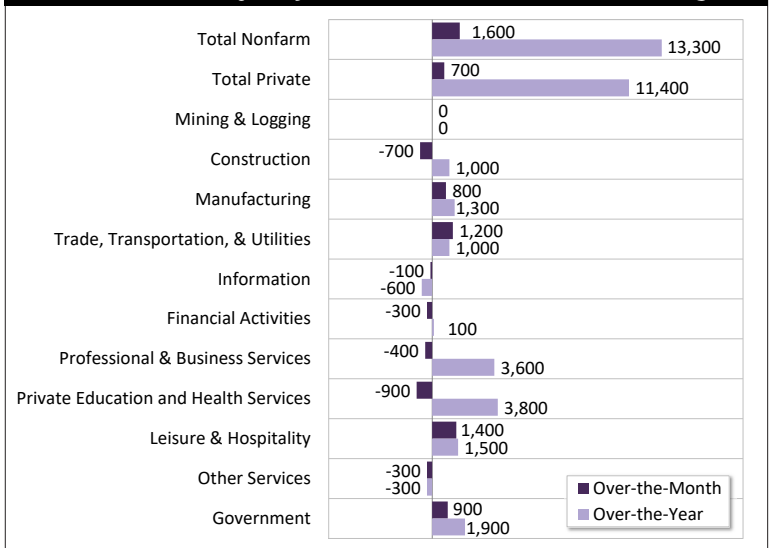
Private education and health services experienced the largest increase, with 3,800 more positions than in December 2022. The *professional and business services* supersector expanded payrolls by 3,600 over the year. Employment in the *leisure and hospitality* supersector increased by 1,500 over the year, while *manufacturing* added 1,300 jobs. Employment in both the *construction* and the *trade, transportation, and utilities* supersectors increased by 1,000 over the year. *Financial activities* added 100 jobs since December 2022. The *other services* supersector contracted by 300 over the year, while *information* employment was 600 less than a year earlier.

– Robert Cote, Assistant Director

Seasonally Adjusted December 2023 Change



Not Seasonally Adjusted December 2023 Change

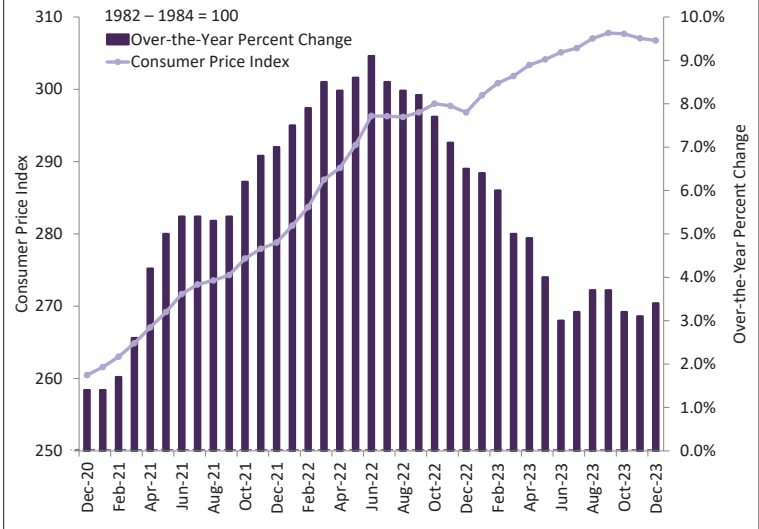


Consumer Price Index

United States, All Urban Consumers Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Dec-23	Nov-23	Dec-22	Month	Year
306.746	307.051	296.797	-0.1%	3.4%

Northeast, All Urban Consumers Not Seasonally Adjusted (CPI-U) (1982-1984=100)				
			Change From Previous	
Dec-23	Nov-23	Dec-22	Month	Year
316.143	316.252	308.150	0.0%	2.6%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Initial Claims	1,762	1,942	1,429	1,605	1,853	2,505
Continued Weeks Claimed	14,088	12,937	9,899	11,277	11,150	12,049
Average payment for a week of unemployment	\$343.32	\$344.36	\$377.95	\$382.36	\$378.92	\$379.35

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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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
	www.nhes.nh.gov/elmi
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

