

PRIVATE ENTERPRISE

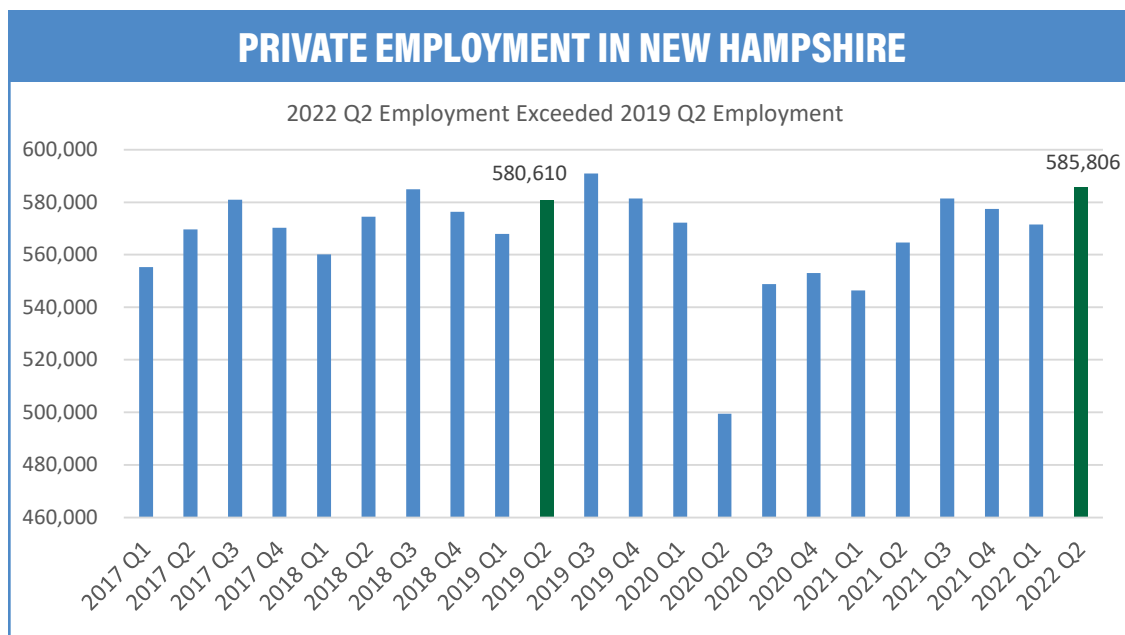
New Hampshire's private sector experienced strong employment growth in 2021, continuing to recover from job losses experienced during the coronavirus pandemic. Annual private employment averaged 567,574 workers in 2021, a 4.6 percent increase from 2020 levels, but 2.2 percent (approximately 12,800 workers) below 2019 employment. Private employment continued to grow through the first two quarters of 2022, averaging 585,810 workers in the second quarter. This exceeded private employment in the second quarter of 2019 by approximately 5,200 workers, surpassing pre-pandemic employment levels for the first time, although public sector employment and total employment remained slightly below pre-pandemic levels.¹

High Tech Firms

While total private employment in New Hampshire declined by 6.5 percent in 2020, high tech employment fell by just 0.5 percent. In 2021, high tech employment grew by 6.2 percent, its highest growth rate since at least 2000. High tech industries are those that employ at least twice

the average amount of workers in scientific, engineering, and technician occupations.² There are 45 high tech industries, with most of them falling within the manufacturing, information, and professional, scientific, and technical services sectors. In 2021, 14 percent of privately employed workers, 79,150 workers, were employed in high tech industries. High tech employment is categorized into three levels: level I has the highest concentration of technology-oriented workers, at least five times higher than average. Level II industries employ workers in high tech occupations between 3.0 and 4.9 times the average rate, and level III employ workers in high tech occupations at 2.0 to 2.9 times the average rate.

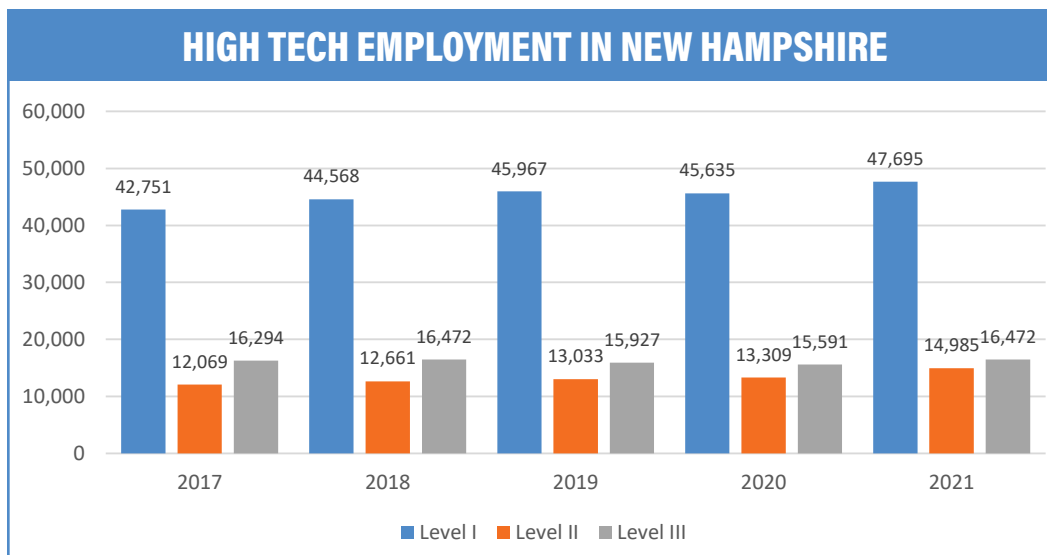
Employment in level I high tech industries declined by 330 jobs (0.7 percent) in 2020, before adding 2,060 (4.5 percent) in 2021. Level I manufacturing industries were most affected by the pandemic, losing nearly 1,000 jobs in 2020, and an additional 350 jobs in 2021. Employment for level I industries in the information and professional, scientific, and technical services sectors increased slightly in 2020, followed by larger gains in 2021.



Source: New Hampshire Employment Security, Quarterly Census of Employment and Wages

¹ Due to seasonal employment trends, employment should be compared year-over-year, rather than quarter-to-quarter.

² Daniel E Hecker, "High-technology employment: a NAICS-based update." *Monthly Labor Review*, July 2005. <https://www.bls.gov/opub/mlr/2005/07/art6full.pdf>



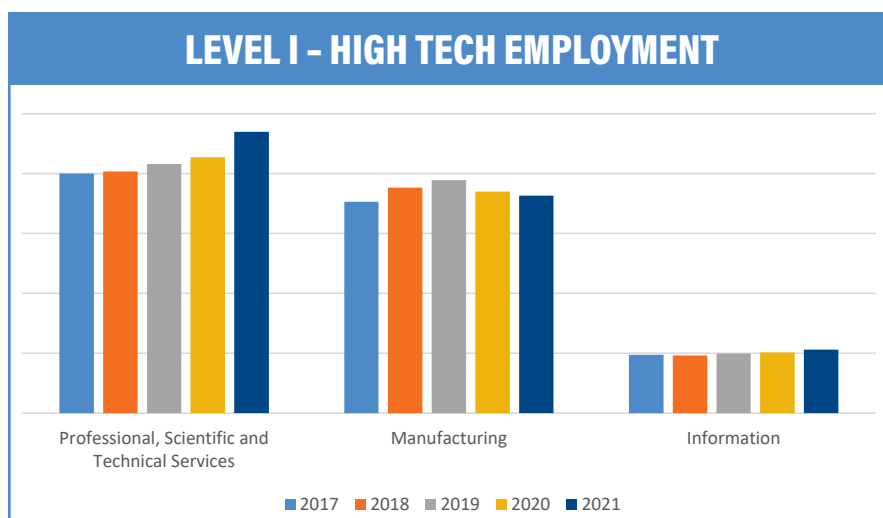
Source: New Hampshire Employment Security, Quarterly Census of Employment and Wages

Level II high tech industries grew 2.1 percent in 2020, followed by 12.6 percent growth in 2021. Two industries were responsible for the majority of this growth: professional and commercial equipment and supplies merchant wholesalers (part of the wholesale trade sector), and management, scientific, and technical consulting services (part of the professional, scientific, and technical services sector).

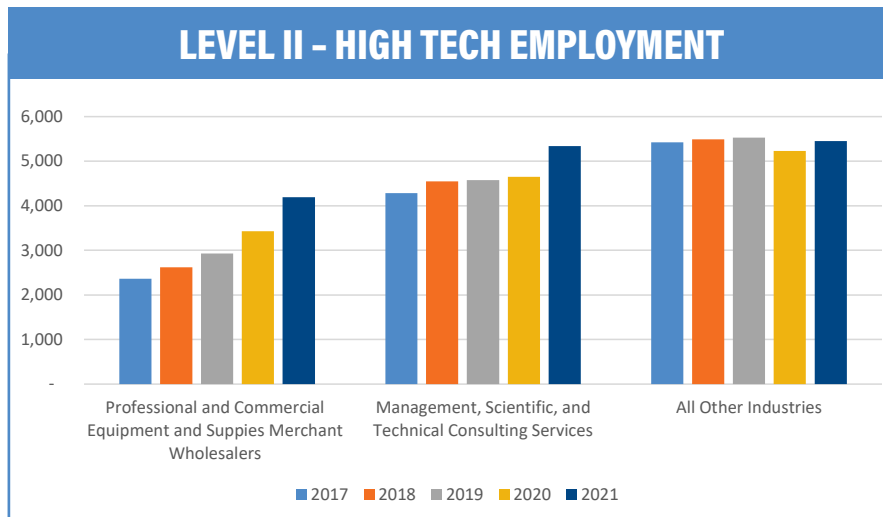
After declining in 2016 and 2017, employment in professional and commercial equipment and supplies merchant wholesalers increased by more than ten percent in 2018 and 2019. Employment growth accelerated during the pandemic, increasing by 17 percent in 2020 and by 22 percent in 2021. Employment in management, scientific,

and technical consulting services also accelerated during the pandemic. Employment increased by 70 jobs (1.6 percent) in 2020, before adding 700 (14.9 percent) in 2021.

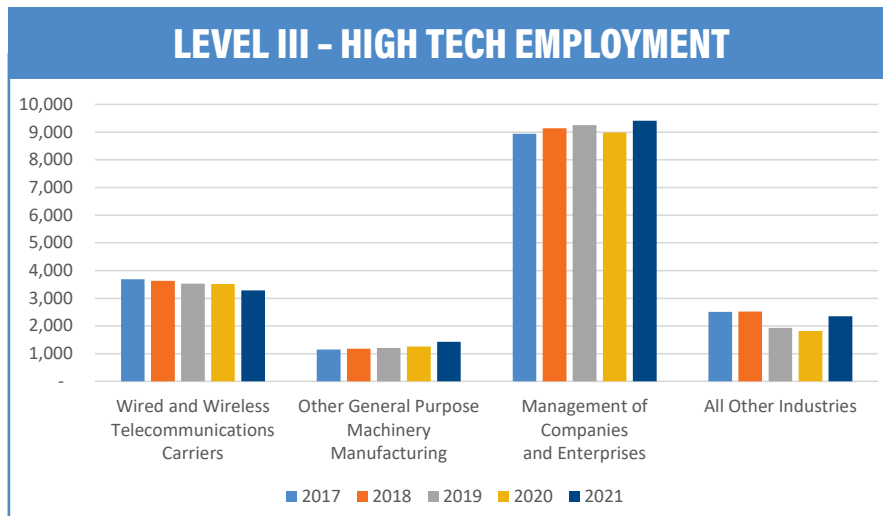
Employment in level III high tech industries declined in 2019 and 2020, losing nearly 900 jobs (5.3 percent) over that time. Employment returned to 2018 levels in 2021, with most of the employment gains in management of companies and enterprises and other general purpose machinery manufacturing. Employment in the wired and wireless telecommunications carriers industry, part of the information sector, declined between 2017 and 2021. Employment declined by 400 jobs (11.1 percent), with more than half of those jobs lost in 2021.



Source: New Hampshire Employment Security, Quarterly Census of Employment and Wages



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Firms by Size Data

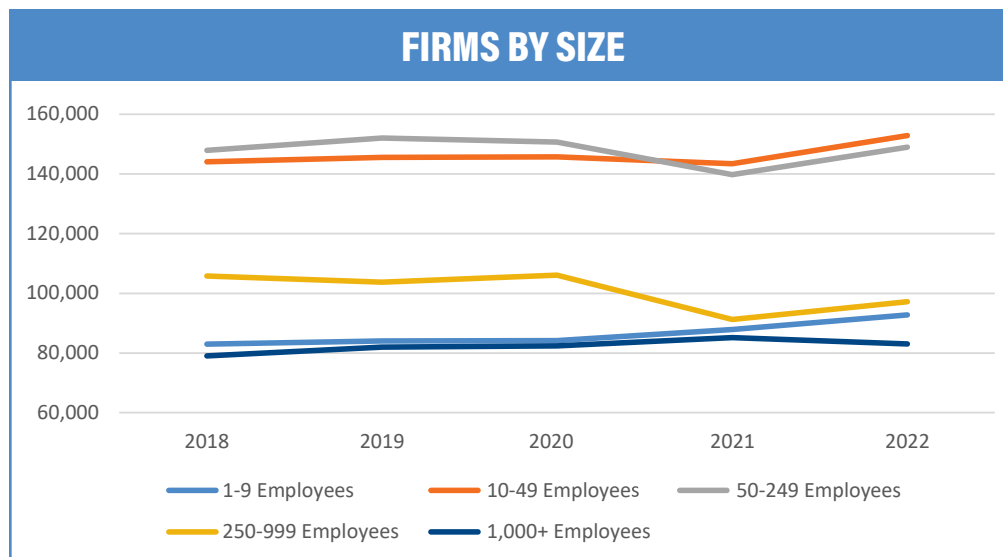
Firms by Size data provide information about employment and firm size, based on the number of workers firms employ during March of every year. Between March 2020 and March 2021, employment declined 3.9 percent, but employment by both the largest and smallest firms – those with either 1,000 or more New Hampshire-based employees, or those with between one and nine employees – increased.³

This trend did not continue between March 2021 and March 2022. Employment by firms with 1,000 or more employees declined by 2,100, partially because the number of firms with 1,000 or more employees declined by one. Employment by firms with between one and nine employees continued to grow, increasing by 4,860 workers, but the

majority of employment growth came from firms with between ten and 999 employees, size categories that had lost workers over the previous year. Employment by firms with between 20 and 99 workers increased by 14,050 workers, accounting for just over half of all employment growth. The number of private employers increased by nearly 3,000 from March 2021 to March 2022. With the exception of firms employing more than 1,000 workers, the number of employers in every size category increased. The number of employers with between one and nine employees increased by 2,440, accounting for more than 80 percent of the increase in employers.

– Greg David

³ Change in employment and change in number of employers can reflect new firms, or firms adding or losing employees to move into a different size category.



FIRMS BY SIZE*	2018	2019	2020	2021	2022
Total Number of Firms with employment	37,092	37,704	38,180	39,771	42,744
1 - 4 employees	21,921	22,270	22,785	24,504	26,602
5 - 9 employees	6,318	6,445	6,372	6,482	6,822
10 - 19 employees	4,159	4,271	4,327	4,265	4,461
20 - 49 employees	2,910	2,891	2,877	2,860	3,070
50 - 99 employees	979	1,019	1,007	905	1,017
100 - 249 employees	537	540	536	508	513
250 - 499 employees	171	168	177	157	164
500 - 999 employees	67	68	68	56	62
1,000 & over employees	30	32	31	34	33
Over-the-year Change in Number of Firms	475	612	476	1,591	2,973
Net Annual Change in Number of Employees	4,874	7,576	1,662	-21,481	27,385
1 - 4 employees	774	392	678	2,904	2,832
5 - 9 employees	-270	746	-633	903	2,028
10 - 19 employees	722	1,483	810	-1,090	2,916
20 - 49 employees	2,728	-41	-636	-1,194	6,502
50 - 99 employees	12	2,722	-784	-7,227	7,548
100 - 249 employees	1,066	1,478	-566	-3,712	1,708
250 - 499 employees	3,104	-1,887	2,342	-6,599	1,918
500 - 999 employees	-1,957	-236	65	-8,298	4,029
1,000 & over employees	-1,305	2,919	386	2,832	-2,096

FIRMS BY SIZE* (continued...)	2018	2019	2020	2021	2022
Percent of Total Employment					
1 - 4 employees	7.3%	7.3%	7.4%	8.2%	8.3%
5 - 9 employees	7.5%	7.5%	7.4%	7.8%	7.8%
10 - 19 employees	10.0%	10.1%	10.3%	10.5%	10.5%
20 - 49 employees	15.7%	15.4%	15.3%	15.7%	16.1%
50 - 99 employees	12.0%	12.3%	12.2%	11.3%	12.1%
100 - 249 employees	14.4%	14.5%	14.3%	14.2%	13.8%
250 - 499 employees	10.7%	10.3%	10.6%	9.8%	9.7%
500 - 999 employees	8.2%	8.1%	8.0%	6.8%	7.2%
1,000 & over employees	14.1%	14.5%	14.5%	15.6%	14.4%
* Firms by size numbers are based on March covered employment data, in each calendar year.					
Source: New Hampshire Employment Security, ELMI. Last Update 12/20/2022					

FIRMS SUBJECT TO UNEMPLOYMENT COMPENSATION	2017	2018	2019	2020	2021
Total Firms	43,118	43,720	44,616	46,654	50,083
New firms	5,687	6,060	6,033	7,016	9,148
Terminated firms	4,941	5,319	5,013	4,732	5,346
Source: New Hampshire Employment Security. Last Update 12/20/2022					

PERCENT OF ESTABLISHMENTS WITH 100+ WORKERS (Ranked from highest among 50 states and D.C.)	2017	2018	2019	2020	2021
New Hampshire	2.3%	2.3%	2.4%	2.4%	
United States rank	29	30	24	28	
Connecticut	2.7%	2.7%	2.7%	2.7%	
United States rank	11	15	12	11	
MAINE	1.7%	1.7%	1.7%	1.7%	
United States rank	46	47	46	47	
Massachusetts	2.9%	2.9%	2.9%	2.9%	
United States rank	6	6	5	5	
Rhode Island	2.3%	2.3%	2.3%	2.3%	
United States rank	30	27	31	31	
Vermont	1.6%	1.6%	1.7%	1.7%	
United States rank	48	48	47	46	
Source: County to County Business Patterns, U.S. Census Bureau, ELMI Analysis. Last Update 12/20/2022					

HIGH TECH BY NAICS	2017	2018	2019	2020	2021
Total Units	5,819	6,363	6,782	7,306	8,606
Level I Units	3,441	3,750	4,091	4,343	4,976
Level II Units	1,442	1,652	1,792	2,028	2,669
Level III Units	936	961	899	935	961
Total Annual Average Employment	71,114	73,701	74,927	74,535	79,152
Level I Annual Average Employment	42,751	44,568	45,967	45,635	47,695
Level II Annual Average Employment	12,069	12,661	13,033	13,309	14,985
Level III Annual Average Employment	16,294	16,472	15,927	15,591	16,472
Total Wages (in millions)	\$7,159.3	\$7,571.9	\$7,959.5	\$8,483.1	\$11,663.0
Level I Wages	\$4,465.7	\$4,791.4	\$5,067.1	\$5,389.0	\$5,955.5
Level II Wages	\$1,179.5	\$1,291.6	\$1,362.0	\$1,529.9	\$1,897.3
Level III Wages	\$1,514.1	\$1,488.9	\$1,530.4	\$1,564.3	\$3,810.2
Average Weekly Wage	\$1,936	\$1,976	\$2,043	\$2,189	\$2,834
Level I Average Weekly Wage	\$2,009	\$2,067	\$2,120	\$2,271	\$2,401
Level II Average Weekly Wage	\$1,879	\$1,962	\$2,010	\$2,211	\$2,435
Level III Average Weekly Wage	\$1,787	\$1,738	\$1,848	\$1,929	\$4,448
Definitions of High Tech Level I, Level II, and Level III can be found at: http://www.nhes.nh.gov/elmi/products/documents/ec-high-tech-10.pdf					
Source: New Hampshire Employment Security, ELMI. Last Update 12/20/2022					

NON-CURRENT LOANS AND LEASES (\$ Millions)	2017	2018	2019	2020	2021
FDIC commercial banks, Dec. 31st totals (Millions)	\$76	\$12.5	\$8.5	\$7.9	\$5.1
Percent change from previous year	-34.2%	65.4%	-31.7%	-7.5%	-35.5%
Source: Federal Deposit Insurance Corporation, ELMI Analysis. Last Update 3/24/2023					
Prepared by: New Hampshire Employment Security, Economic and Labor Market Information Bureau					
www.nhes.nh.gov/elmi (603) 228-4124					