

New Hampshire ECONOMIC CONDITIONS

A New England Beach (image by FotoXCapture on Pixabay)

Flowers (image by Theo Dawson on Pixabay)

Lake (image by Larry White on Pixabay)

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Job Mobility In New Hampshire During the Pandemic

The U.S. Census Bureau's Job-to-Job (J2J) Explorer measures job mobility in the U.S. This includes the flow of workers hired to and/or separating from employment, as well as flows of workers between industries and geographic areas. Job-to-job data are only available through the first quarter of 2021, although these data illustrate some of the employment trends that emerged during the first year of the coronavirus pandemic.

The pandemic disrupted the usual patterns of employment flows. Hires fell in the first quarter of 2020 as measures to slow the spread of the coronavirus took effect in March 2020, while separations increased.¹ In the second quarter of 2020, both hires and separations were below their normal levels.² The third quarter of 2020 showed signs of strong employment growth, with a higher than normal number of hires, and lower than normal separations. In the fourth quarter of 2020 and first quarter of 2021, hires were close to regular seasonal levels, while separations were slightly below regular levels.

Separations to persistent nonemployment, when a previously employed worker exits employment and does not receive wages for at least a full quarter after exiting, increased during the pandemic. Nonemployment may be voluntary, such as retiring, going to school, or becoming a family caregiver, or involuntary, such as a layoff. During the pandemic, health concerns and restrictions on business operations

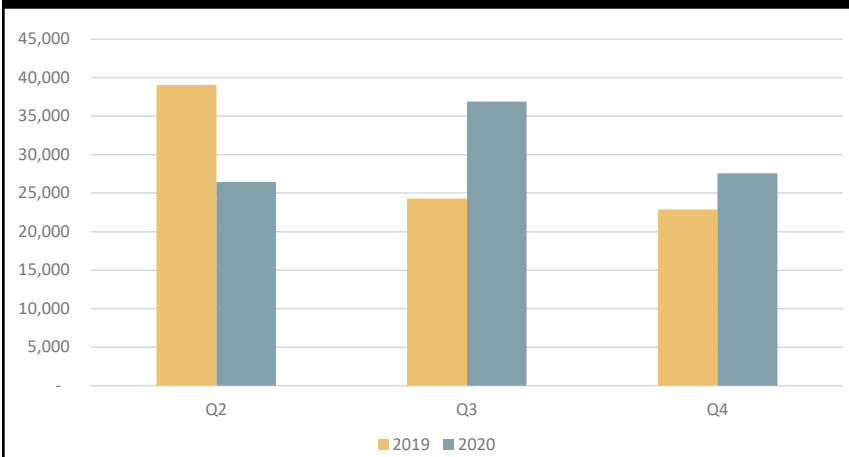
intended to slow the spread of the coronavirus were responsible for much of the increase in separations to persistent nonemployment. The third and fourth quarters of 2020 show an increase in workers returning to work after persistent nonemployment, a result of workers who separated to persistent nonemployment because of pandemic-related issues during the first and second quarters of 2020 returning to employment.

Hires and Separations, 2019 Q1 - 2020 Q1



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

Hires From Persistent Nonemployment



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

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¹ There is a seasonal trend to hires and separations, numbers should be compared year-over-year, rather than quarter-to-quarter.

² Many individuals returning to work during the second quarter of 2020 were recalled by their previous employer from temporary layoff, not starting a job with a new employer. Recalled workers are not counted as separations or hires, unless the separation lasts for more than one quarter.

Flows of Workers Between Industries

For workers who changed jobs without entering persistent nonemployment (those who had either no unemployment or less than one quarter of nonemployment between jobs), job-to-job flow data captures information about where workers were employed both before and after a job change, providing insights into shifts of workers between industries and geographies.

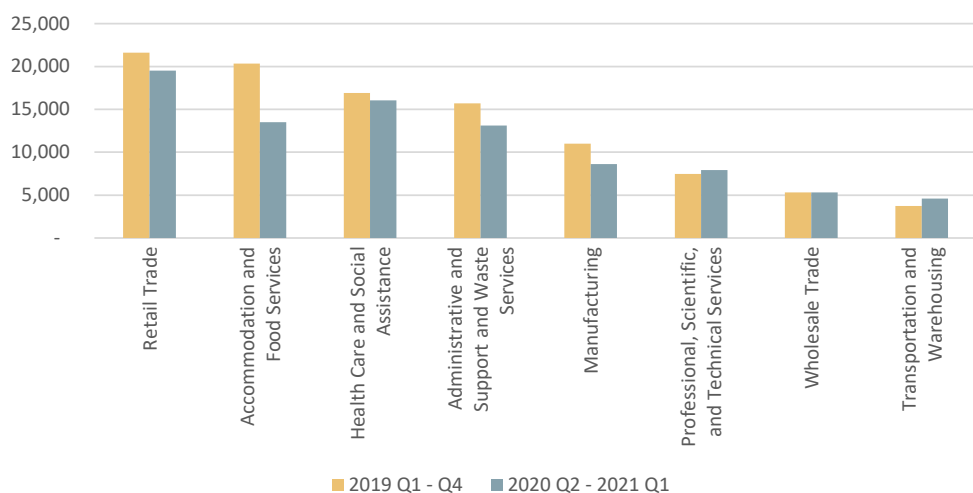
Between the second quarter of 2020 and the first quarter of 2021, job-to-job flows (workers changing jobs without entering persistent nonemployment) fell 15 percent compared to the four quarters prior to the pandemic (2019 Q1 – 2019 Q4).³ While some workers were hesitant to switch jobs during the pandemic, part of this decline was due to an increase in workers experiencing persistent nonemployment, as some industries like hospitality, retail, and personal care services were subject to restriction that closed or severely limit their operation. In other cases, health concerns, increased work stress (as with health care workers and those in industries who were required to enforce pandemic-related restrictions such as social distancing and mask wearing), may have induced workers to change occupations and industries. Among workers who changed jobs during the pandemic, the flow from one job to another indicated a shift away from some industries and towards others.

Compared to 2019, the number of workers who began a job in accommodation and food services during the first year of the pandemic declined 34 percent, while the number of workers starting jobs in transportation and warehousing, wholesale trade, and professional, scientific and technical services increased. Transportation and warehousing saw the largest percentage increase, with flows to jobs in that industry increasing 23 percent.

Transportation and warehousing employment increased during the first year of the pandemic, and while nearly a quarter of workers starting a transportation and warehousing job

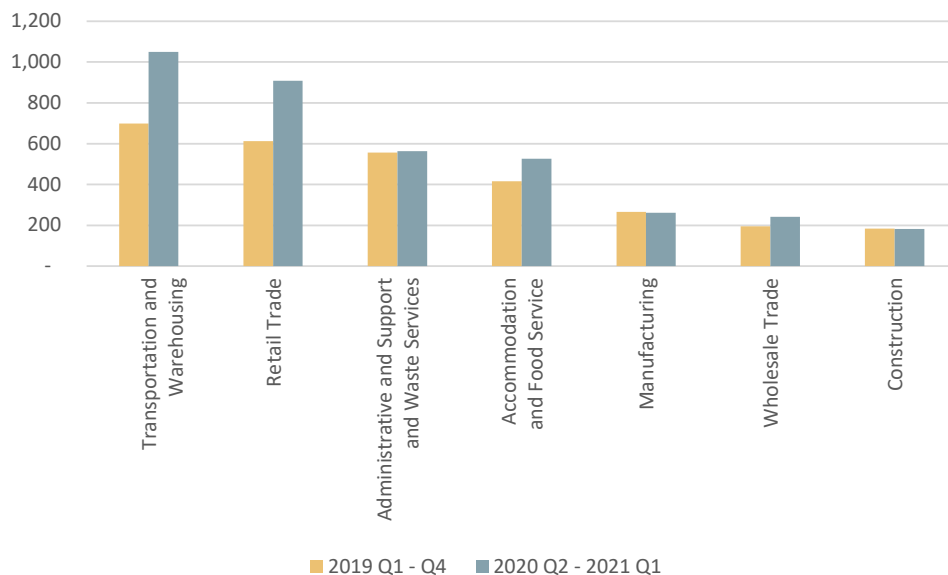
came from another job in that industry, the number of hired workers who had been employed in other industries also increased. Compared to 2019, the number of workers who moved to a job in transportation and warehousing from retail trade rose from 610 workers to 910, a 49 percent increase. The number of workers moving from a job in accommodation and food services to transportation and warehousing rose from 420 workers to 530, an increase of 27 percent.

Destination Industry for Job-to-Job Flows



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

Origin Industry for Workers Starting a Job In Transportation and Warehousing



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

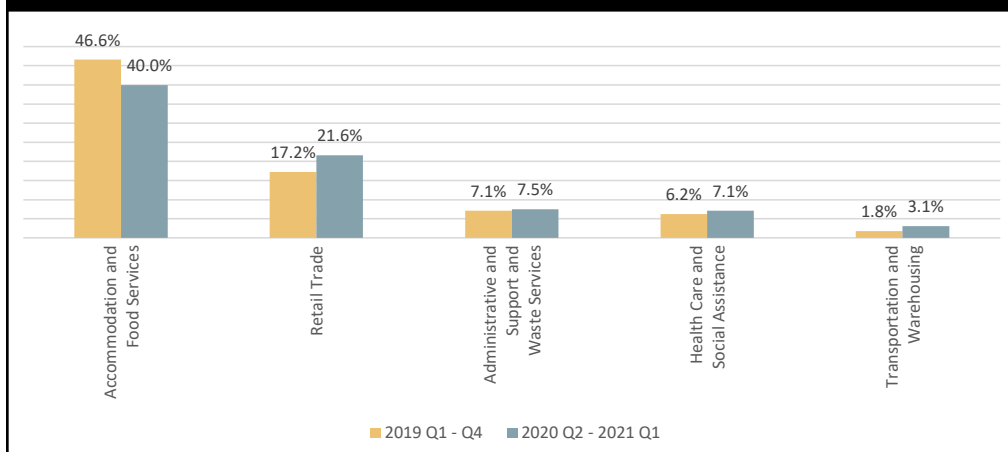
³ This article uses the time frame of the second quarter of 2020 through the first quarter of 2021 because it captures four full quarters of job flows during the pandemic (April 2020 through March 2021). This also allows comparison to one full year of pre-pandemic trends, 2019 Q1-Q4.

Compared to 2019, workers who had been employed in accommodation and food services were more likely to leave the industry during the pandemic. In 2019, 47 percent of workers who left a job in accommodation and food services started another job in the same industry. During the pandemic, this fell to 40 percent, while workers who left jobs in accommodation and food services for a job in retail trade increased from 17 percent to 22 percent. The percentage of workers leaving accommodation and food services for a job in

transportation and warehousing nearly doubled during the pandemic, from 1.8 percent to 3.1 percent.

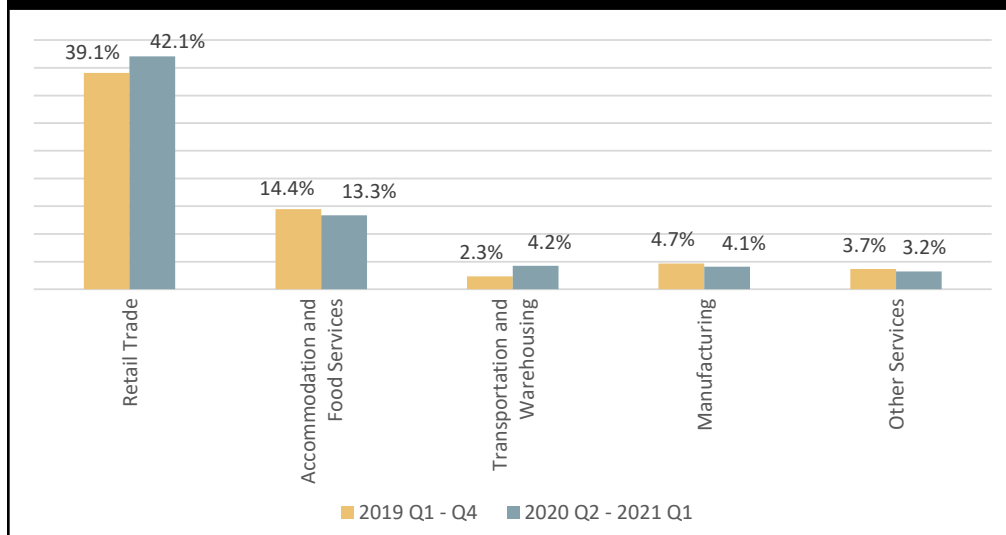
Prior to the pandemic, 39 percent of workers who left a job in the retail trade industry started another job in the same industry; this increased to 42 percent during the pandemic. The percentage of workers leaving retail trade for a job in transportation and warehousing nearly doubled during the pandemic, from 2.3 percent to 4.2 percent, while the percentage leaving for a job in accommodation and food services declined.

Destination Industry for Workers Leaving a Job in Accommodation and Food Services



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

Destination Industry for Workers Leaving a Job in Retail Trade



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

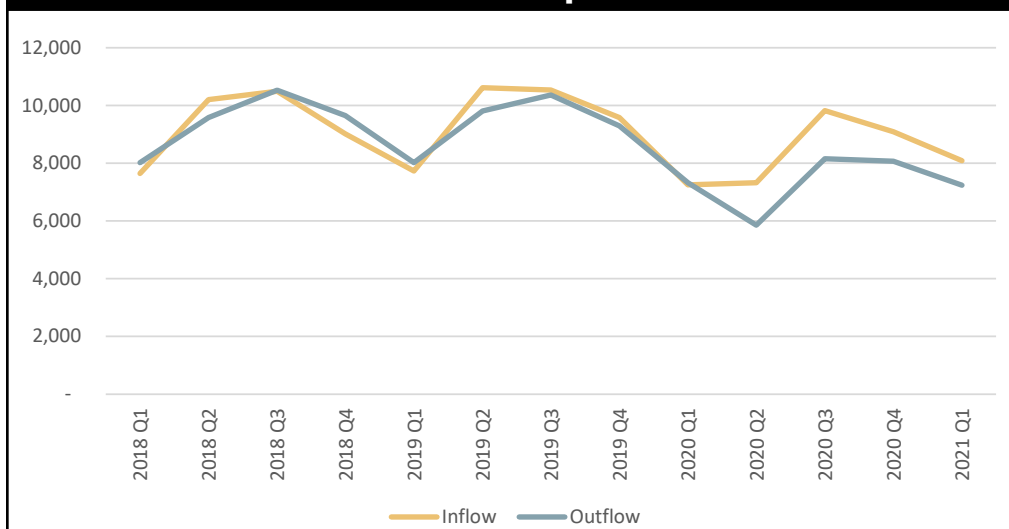
Flows of Workers Into and Out of Employment in New Hampshire

In addition to industry changes, job-to-job flows can measure flows of workers between states. In 2019, workers who changed jobs (without persistent nonemployment) flowed into and out of jobs in New Hampshire in roughly equal numbers. This pattern changed during the pandemic. Both the flow of workers into jobs located in New Hampshire and the flow of workers out of jobs located in New Hampshire declined when the pandemic started, remaining below pre-pandemic levels through the first quarter of 2021. The flow of workers from jobs in New Hampshire to jobs in other states declined more than the flow of workers into New Hampshire,

resulting in a net inflow of approximately 4,900 workers into New Hampshire. The U.S. Census Bureau's 2021 population estimate noted a similar inflow into New Hampshire during the pandemic, with domestic in-migration adding 13,608 residents between July 1, 2020 and July 1, 2021.

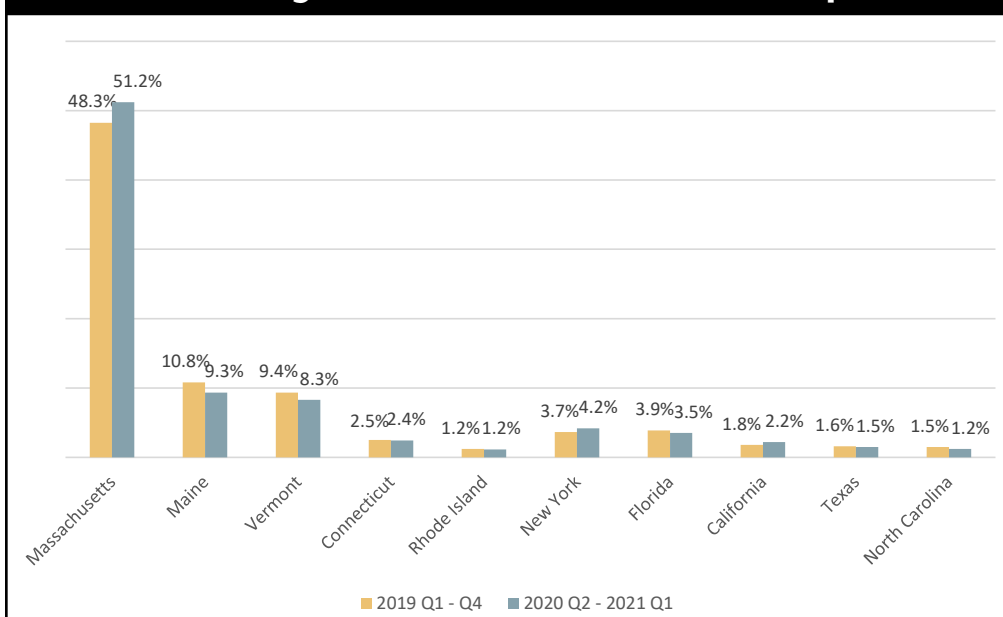
The pandemic led to a shift in which states workers were employed prior to entering employment in New Hampshire. In 2019, just over 70 percent of workers who started a job New Hampshire after employment in a different state had been employed in another New England state. While this percentage remained approximately the same during the first year of the pandemic, the percentage of workers who had previously been employed in

Flow of Workers To and From Jobs Located in New Hampshire



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

State of Origin for New Hires in New Hampshire



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program

Massachusetts increased from 48.3 percent to 51.2 percent, and the percentage coming from every other New England state declined. The percentage of workers who were previously employed in Maine declined the most, from 10.8 percent to 9.3 percent.

Outside of New England, the percentage of workers who had been employed in Florida, Texas, and North Carolina before starting a job in New Hampshire declined during the pandemic, while the percentage of workers who had been employed in New York and California increased.

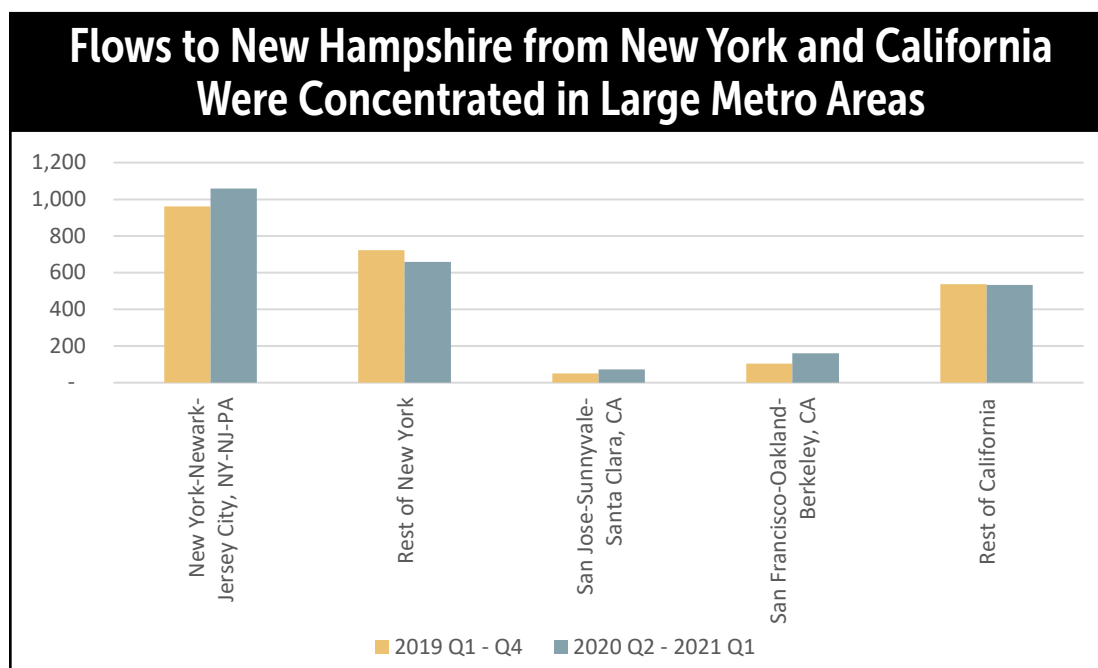
Massachusetts, New York and California share a number of common characteristics that may explain why workers who had been employed in these states began working in New Hampshire during the pandemic. These states contain densely populated metropolitan areas with high real estate prices, and large numbers of workers in industries that allow remote work.⁴ Many residents left these metro areas during the pandemic, relocating, at least temporarily, to less densely populated areas such as New Hampshire, attracted by lower risk of pandemic infection and lower real estate prices.

The increased job flows from New York and California⁵ were concentrated in large metro areas, particularly New York-Newark-Jersey City, San Francisco-Oakland-Berkeley, and San Jose-Sunnyvale-Santa Clara (aka Silicon Valley).⁶ Job flows from most other metro areas and non-metro areas in New York and California did not increase during the pandemic.

It is likely that the flow of workers from to New Hampshire from the New York City, San Francisco and San Jose metro areas during the pandemic included many who were able to work remotely; 36 percent of these workers were employed in professional, scientific, and technical services, finance and insurance, and information sectors industries. This was a 50 percent increase compared to workers who took a job in New Hampshire, leaving employment in these metro areas in 2019. A Pew Research Center study found that these industries (along with education) were most likely to allow workers to work remotely.⁷

Excluding those metro areas, the percentage of workers starting employment in New Hampshire who were previously employed in professional, scientific, and technical services, finance and insurance, or information increased during the pandemic, although to a lesser degree. Prior to the pandemic, workers in these industries accounted for 15 percent of job flows into New Hampshire, increasing to 19 percent during the pandemic. These industries account for 12 percent of workers employed in the state, so a disproportionately large percentage of workers starting employment in New Hampshire took jobs in these three industries.

– Greg David, Economist

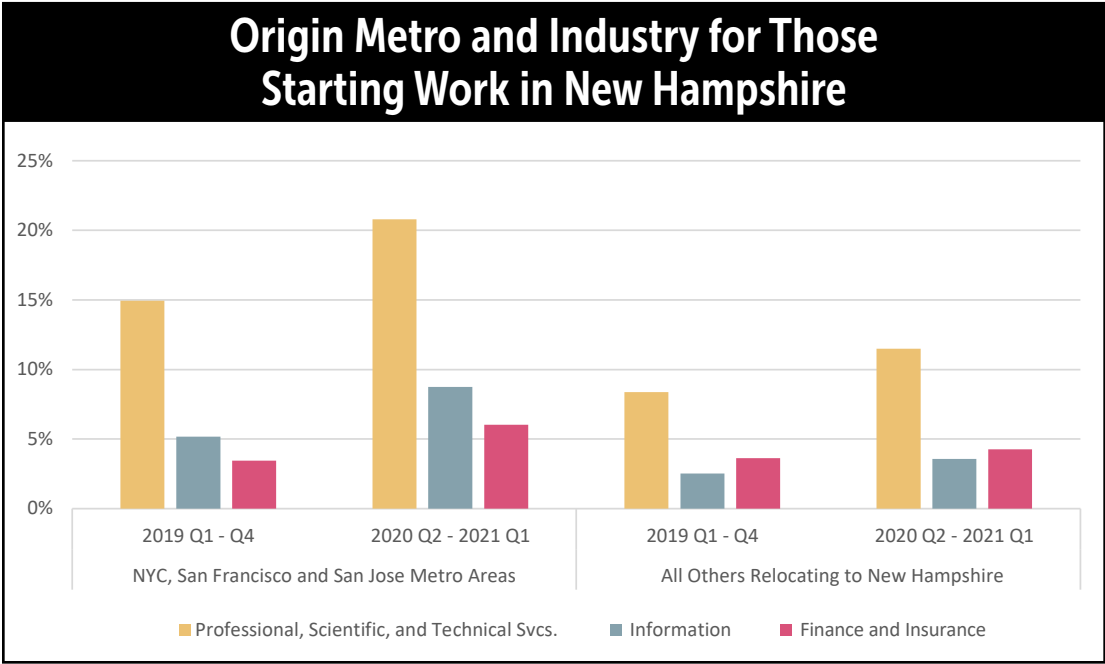


⁴ Interstate job-to-job flows only measure job change, and do not include workers who did not change employers, but began working remotely from a different state than where their employer is located.

⁵ The Boston-Cambridge-Newton metropolitan area includes parts of southern New Hampshire, making it difficult to isolate the flows of workers from Massachusetts from those moving within New Hampshire.

⁶ New York-Newark-Jersey City metropolitan area includes portions of New Jersey and Pennsylvania.

⁷ Rachel Minkin, Pew Research Center, "Even in industries where majorities can telework, some face challenges working from home during pandemic." <https://www.pewresearch.org/fact-tank/2021/01/25/even-in-industries-where-majorities-can-telework-some-face-challenges-working-from-home-during-pandemic/>



Source: U.S. Census Bureau, Job-to-Job Explorer, Longitudinal Employer-Household Dynamics Program