

New Hampshire ECONOMIC CONDITIONS

Candia Woods, Candia NH (by Diana Nault on flickr)

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Winter Sky in Rye NH (by Képarn Photography on flickr)

December 2019

Red Barn, East Swanzey NH (by r1d16 on flickr)

Labor Market Supply and Demand for Fast-Growing Occupations in New Hampshire

The Economic and Labor Market Information Bureau publishes short-term projections twice each year to assess how changes in current economic conditions and seasonality affect demand for workers. The latest projections, released in September 2019, estimate that employment in New Hampshire will increase by 1.5 percent from fourth quarter 2018 to fourth quarter 2020, a gain of 10,896 jobs. In addition to the increase in employment, an estimated 33,600 job openings will be created to replace workers leaving the labor force and another 44,500 job openings will be created to replace workers who transfer from one occupational group to another.

Finding workers to fill these openings is a challenge for businesses, particularly when the labor market is as tight as it currently is in New Hampshire. Burning Glass Technologies' Labor Insight tool measures how long it takes to fill a typical job posting for any occupation in New Hampshire compared to a nationwide average for the same occupation. This gives an indication of whether New Hampshire has relatively large or small supply of candidates for openings in a given occupation. Postings that take longer to fill generally indicate that the pool of candidates with the necessary education, experience, skills and/or certification is relatively small. Positions that are filled more quickly

indicate that the supply of qualified candidates for that occupation is relatively large.

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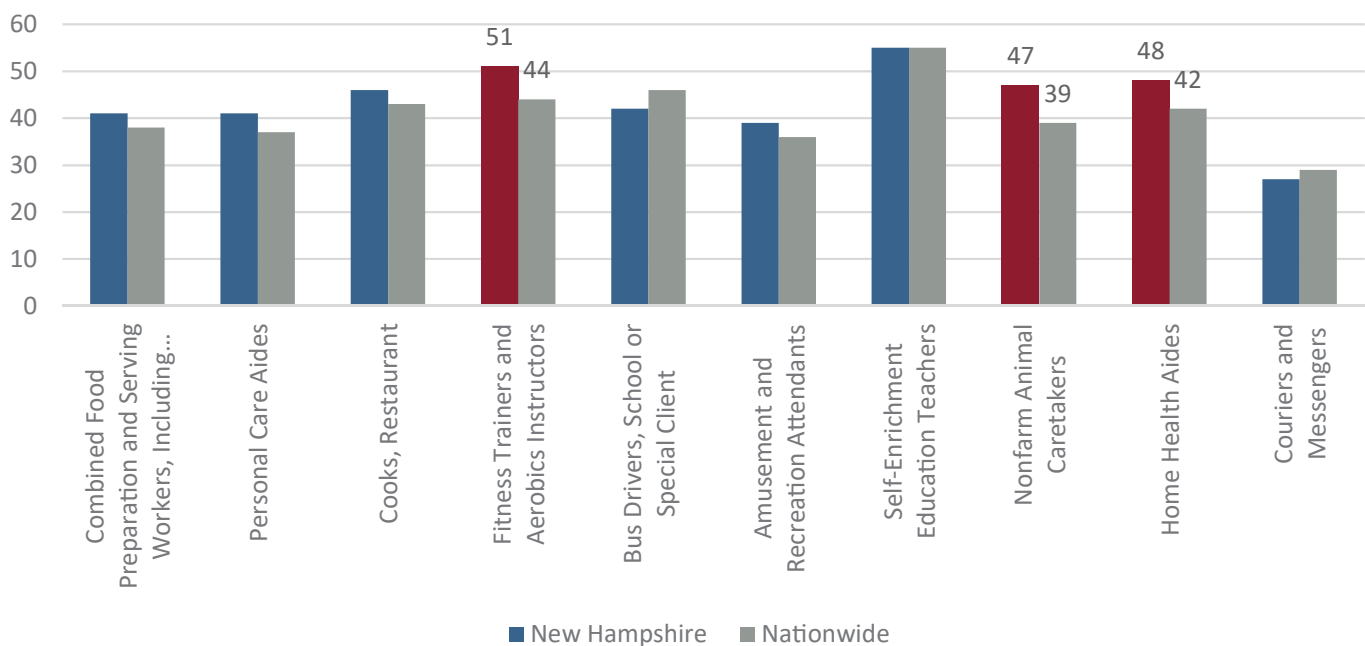
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Average Number of Days to Fill Openings for Occupations Requiring a High School Diploma or Less



Red bars indicate that a job takes more time to fill in New Hampshire than in the U.S. overall. Green bars indicate that a job takes less time to fill in New Hampshire than in the U.S. overall.

Employers who need to fill jobs with a limited labor pool may need to increase wages or find other ways to attract qualified workers, such as importing workers from outside New Hampshire or attracting and training workers from other occupations. Conversely, if the supply of labor for an occupation is greater than demand, workers may accept lower wages, change occupations, or move to an area where their skills are more in demand.

This article examines some of the fastest growing occupations in New Hampshire, and assesses whether the supply of labor for these occupations is adequate to support the growing demand for workers. The occupations included in this article all employed at least 500 workers in 2018 Q4, and are among the occupations projected to grow the fastest in New Hampshire from 2018 Q4 to 2020 Q4. These occupations are categorized by the level of education typically required to gain entry-level employment: occupations requiring a high school diploma or less education, occupations requiring a bachelor's degree or more, and those requiring "middle skills," more education and training than a high school diploma but less than a four-year college degree.

Occupations Requiring a High School Diploma or Less

Most of the fastest-growing occupations that required a high school diploma or less required a similar amount of time to fill open positions in New Hampshire as they did

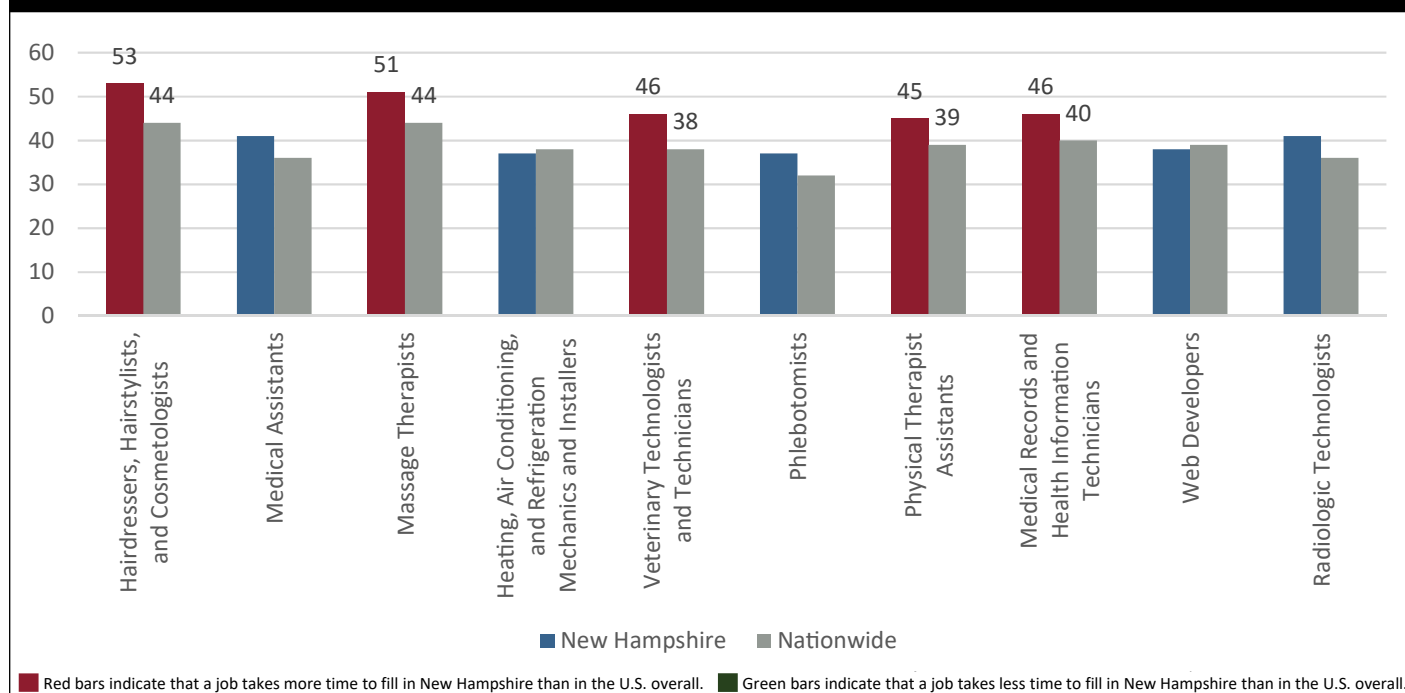
throughout the U.S. Three occupations took longer to fill in New Hampshire: *Nonfarm Animal Caretakers*, *Home Health Aides* and *Fitness Trainers and Aerobics Instructors*. Openings for these occupations took between six and eight days longer to fill in New Hampshire than in the U.S. as a whole.

Home Health Aides help people with disabilities, chronic illnesses, or cognitive impairment by assisting in their daily living activities.¹ Nationwide, *Home Health Aides* are projected to grow by more than 300,000 jobs from 2018 through 2028. Only three occupations are expected to add more jobs over that time. *Home Health Aide* is a rapidly growing occupation, primarily due to the growing elderly population in the U.S.

Although this occupation is also growing quickly in New Hampshire, the number of *Home Health Aides* as a proportion of the population is relatively low. New Hampshire has a location quotient for *Home Health Aides* of 0.15, indicating that the state has 85 percent fewer *home health aides* per capita than the nation as a whole.² This is the lowest location quotient for *Home Health Aides* among all 50 states.

Home Health Aides are not required to have a license or certification to work in New Hampshire. However, Medicaid-eligible facilities are required to employ *Home Health Aides* who have attained licensure as a Licensed Nursing Assistant, a qualification that few other states require for this occupation.³ This same license also qualifies

Average Number of Days to Fill Openings for Occupations Requiring Middle Skills



¹ U.S. Bureau of Labor Statistics, Occupational Outlook Handbook. <https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm>

² U.S. Bureau of Labor Statistics, Occupational Employment Statistics. <https://data.bls.gov/oes/#/home>

workers to be employed as a *Nursing Assistant*, an occupation that earns roughly ten percent more, on average, than *Home Health Aides*.⁴ Considering the higher earning potential in other occupations, for the same level of qualification, it is not surprising that relatively few people in New Hampshire work as *Home Health Aides*, and that these positions take longer to fill.

Occupations Requiring Middle Skills

Five of the fastest-growing occupations requiring middle skills took a longer time to fill in New Hampshire than in the country as a whole. Openings for *Veterinary Technologists and Technicians*, *Medical Records and Health Information Technicians*, *Physical Therapist Assistants*, *Hairdressers*, *Hairstylists*, and *Cosmetologists* and *Massage Therapists* all took a longer time to fill in New Hampshire than in the U.S. overall. Openings for these occupations took between six and nine days longer to fill in New Hampshire. None of the fastest-growing occupations that required middle skills had openings filled faster in New Hampshire than in the rest of the U.S.

Occupations Requiring a Bachelor's Degree or More

Openings for four of the fastest-growing occupations requiring a bachelor's degree or more took longer to fill in New Hampshire than in the country as a whole; one was easier to fill. Openings for *Physician Assistants*, *Nurse*

Practitioners, *Medical and Health Services Managers* and *Physical Therapists* took a longer time to fill in New Hampshire, requiring six to eight days longer on average to fill compared to the U.S. overall. Openings for *Financial Managers* were filled faster in New Hampshire than in the rest of the country. Nationwide, openings for these jobs were filled in 39 days on average, while in New Hampshire they were typically filled in 33 days.

Summary

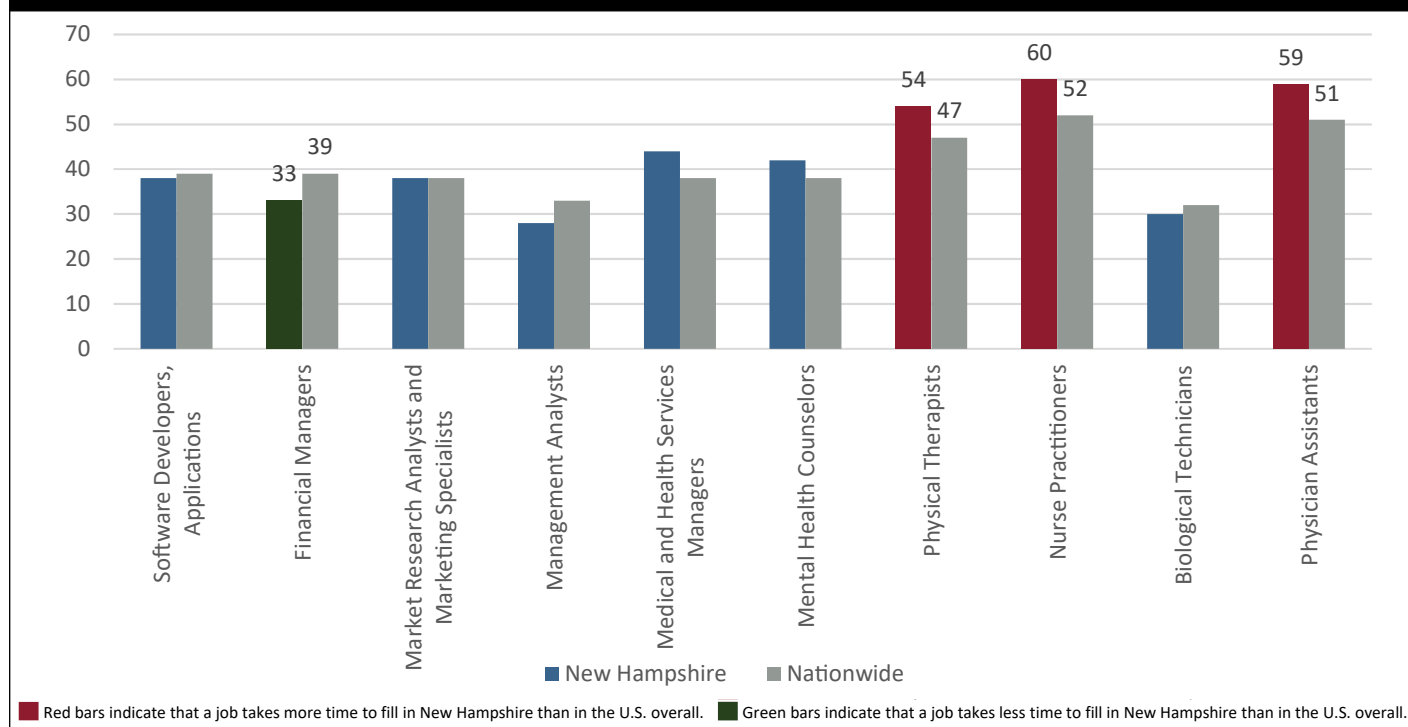
Across all education levels, occupations that were projected for high growth, and took a longer time to fill, fell into three occupational groups:

- *Healthcare Practitioners and Technical Occupations*
- *Healthcare Support Occupations*
- *Personal Care and Service Occupations*

Healthcare occupations are growing quickly across the country, and openings for many of these occupations are hard to fill across the United States, not just in New Hampshire. There are factors that make these openings even more difficult to fill in New Hampshire.

New Hampshire has one of the oldest populations in the U.S., which requires more healthcare services than a younger population of equivalent size would. In addition, half a million New Hampshire residents, nearly 40 percent of the population, lived in a rural area in 2018.⁵ Rural areas have a

Average Number of Days to Fill Openings for Occupations Requiring a Bachelor's Degree or More



³ PHI, State home health aide training requirements. <https://phinational.org/resource/state-home-health-aide-training-requirements/>

⁴ U.S. Bureau of Labor Statistics, Occupational Employment Statistics. <https://data.bls.gov/oes/#/home>

more difficult time recruiting health care workers than more densely populated areas.⁶ Another problem New Hampshire employers face is residents who work out-of-state. Nearly one in five employed New Hampshire residents commute out-of-state for their primary job.⁷ With such a large percentage of residents leaving the state for work, the pool of qualified candidates for jobs in New Hampshire shrinks, making it even harder to fill openings.

For *Personal Care and Service Occupations*, both *Nonfarm Animal Caretakers* and *Fitness Trainers and Aerobics Instructors* had lower average wages in New Hampshire in 2018 than they did in surrounding states.⁸ New Hampshire residents working in these occupations may cross state lines for higher wages, making positions in New Hampshire harder to fill. *Fitness Trainers and Aerobics Instructors* in Massachusetts had average wages 44 percent higher than *Fitness Trainers and Aerobics Instructors* in New Hampshire.

The *Management Occupations* group had one occupation that took a longer time to fill, and one that required a shorter than average to fill. Openings for *Medical and Health Services Managers* took longer to fill in New Hampshire than in the rest of the U.S. Although considered a *Management Occupation*, this occupation is part of the healthcare industry, and faces the same labor supply issues that many *Healthcare Practitioners and Technical Occupations* and *Healthcare Support Occupations* face.

Financial Managers was the only fast-growing occupation that was easier to fill in New Hampshire than in the U.S. overall. Qualified candidates for *Financial Managers* positions are typically required to have five or more years of work experience in related occupations. New Hampshire has a high concentration of employment in the *Securities, Commodity Contracts, and Other Financial Investments and Related Activities* subsector.⁹ This subsector has a location quotient of 1.48 in New Hampshire, meaning employment is 48 percent higher in New Hampshire than in the U.S. as a whole. With a high concentration of employment in this subsector, there is a large pool of experienced finance workers – *Personal Financial Advisors*, *Financial Analysts*, and *Securities, commodities, and financial services sales agents*, for example – ready to fill an open management position.

Finding a way to increase the supply of qualified workers for hard-to-fill occupations will be a challenge for New Hampshire's employers, educators and policy makers. With so many of these occupations focused on caring for people, particularly the elderly, not developing an adequate supply of workers for these occupations will have consequences beyond purely economic ones.

- Greg David, Economist

⁵ Rural Health Information Hub, New Hampshire State Guide. <https://www.ruralhealthinfo.org/states/new-hampshire>

⁶ Parija Kavilanz, "The US can't keep up with demand for health aides, nurses and doctors," CNN, May 4, 2018. <https://money.cnn.com/2018/05/04/news/economy/health-care-workers-shortage/index.html>

⁷ U.S. Census Bureau, On The Map. <https://onthemap.ces.census.gov/>

⁸ U.S. Bureau of Labor Statistics, Occupational Employment Statistics. <https://data.bls.gov/oes/#/home>

⁹ U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages. <https://data.bls.gov/PDQWeb/en>