

New Hampshire Economic Conditions

April 2016

New Hampshire Nonfarm Jobs Grew by 1.5 Percent in 2015

New Hampshire experienced an estimated 1.5 percent increase in nonfarm employment in 2015, a faster rate of growth than the 1.1 percent seen in 2014. Nonfarm jobs reached an average of 656,200, up 9,600 over 2014 levels. According to recently benchmarked figures, this was 2,500 more nonfarm jobs than the 7,100 added in 2014.

Even stronger was the growth of jobs in the private sector, which expanded at a 1.8 percent clip, outpacing the growth rate of all nonfarm jobs by 0.3 percent. This was a larger differential than in 2014, when private sector jobs grew by 1.2 percent, just a tad faster than all nonfarm jobs (+1.1 percent).

The addition of 10,200 jobs in 2015 lifted private sector employment to 566,100. By comparison, private sector employment increased by 6,700 in 2014.

The nonfarm employment estimates graphed below are not seasonally adjusted. Employment numbers are subject to typical seasonal variations, such as construction slow-downs during winter months, boosted retail employment leading up to the end-of-year holiday season followed by lower retail employment in January, and summertime drops in employment in transportation as bus companies “hibernate” to some degree during the summer school shutdown months. Most industry

sectors, with a few exceptions, increased employment each month when measured over-the-year from 2014 to 2015.

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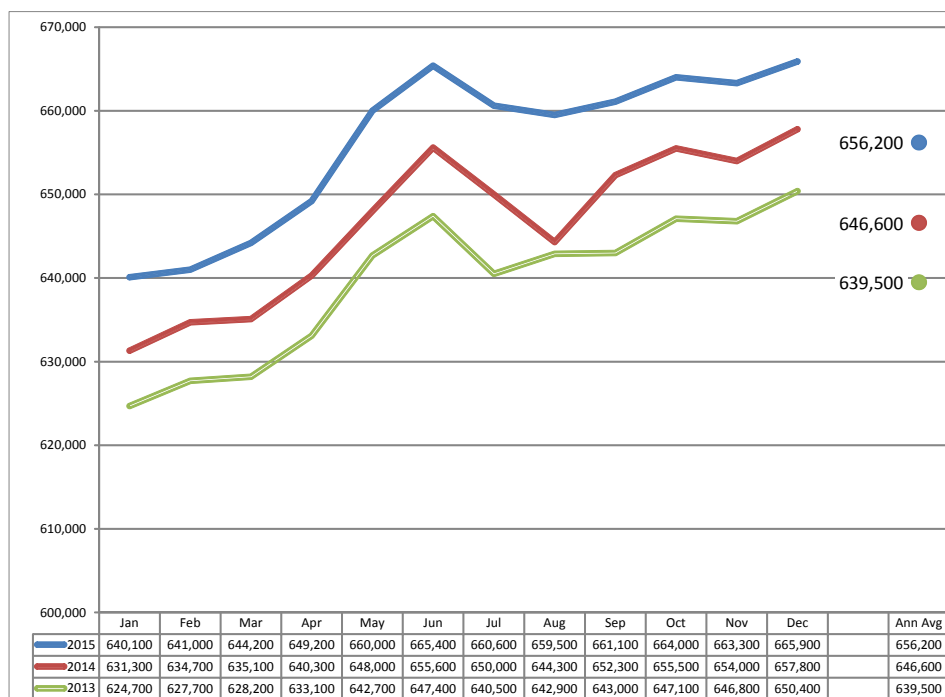
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Total Nonfarm Employment added 9,600 jobs in 2015

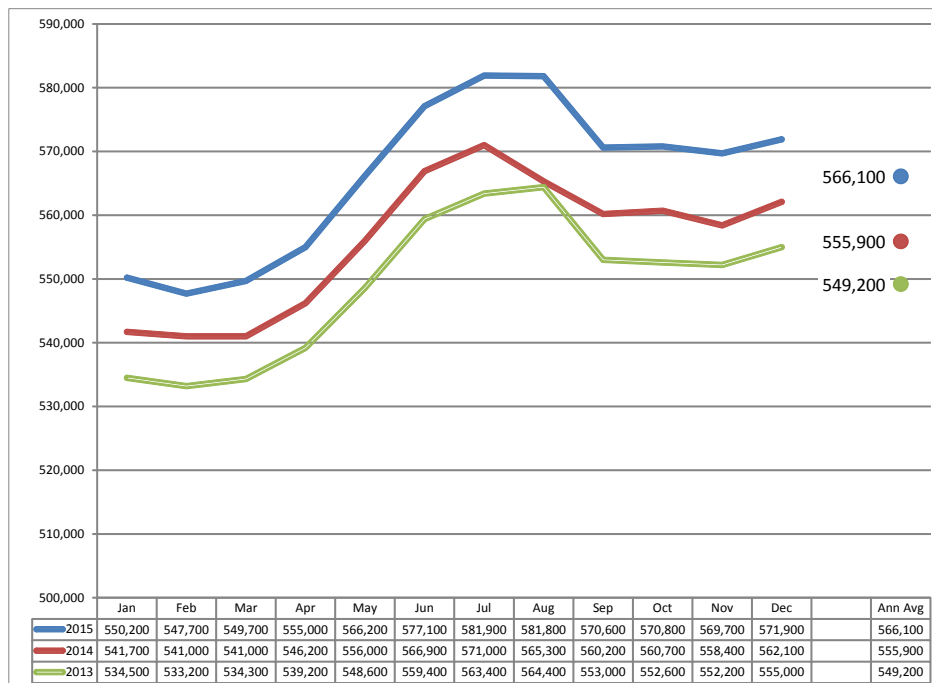
- Average monthly nonfarm employment grew by 9,600 from 2014 to 2015, an increase of 1.5 percent.
- Average nonfarm employment reached 656,200 in 2015, compared with 646,600 in 2014 and 639,500 in 2013. This growth was spurred by new jobs in the private sector.
- The unusual dip in August 2014 was, as described by the Bureau of Labor Statistics, related to the food and beverage stores industry “being impacted by employment disruptions at a grocery store chain in New England.”¹

¹ *The Employment Situation – August 2014*, USDL-14-1642, September 5, 2014, page 3. Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC.



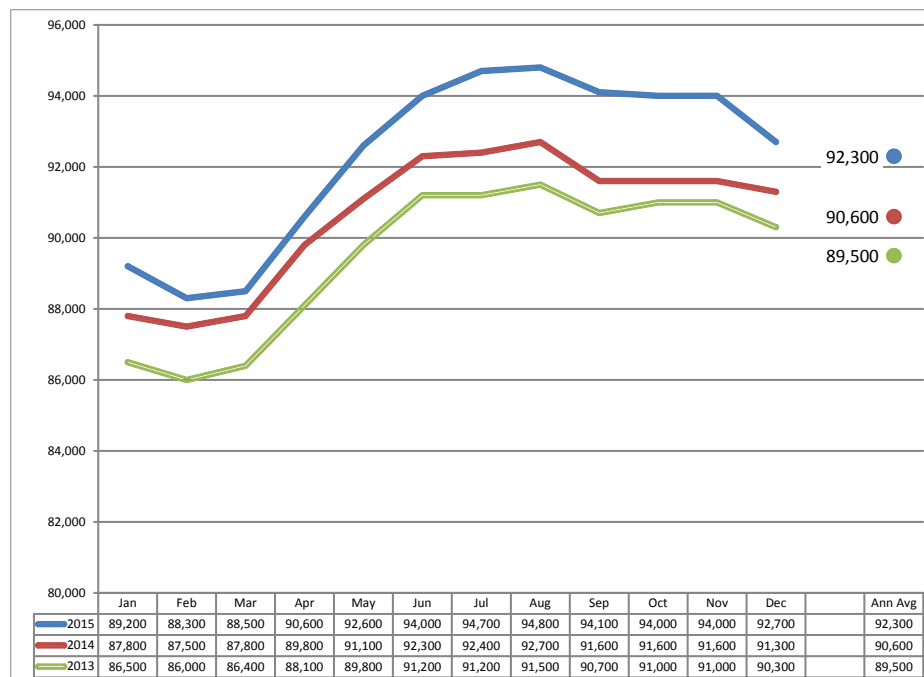
Total Private Nonfarm Employment added 10,200 jobs in 2015

- Total Private Sector nonfarm job growth was 1.8 percent in 2015, up from 1.2 percent in 2014. In both years Private nonfarm jobs grew faster than all nonfarm jobs, as government employment changed very little.
- About 10,200 Private jobs were added in 2015, up from 6,700 in 2014.
- The number of Private nonfarm jobs averaged 566,100 in 2015, setting a record for New Hampshire. Private nonfarm jobs had also set a record in 2014, but the level was only 1,100 higher than the pre-recession level of 2007, an indication of how long the recovery was from the steep decline in 2007-2010.



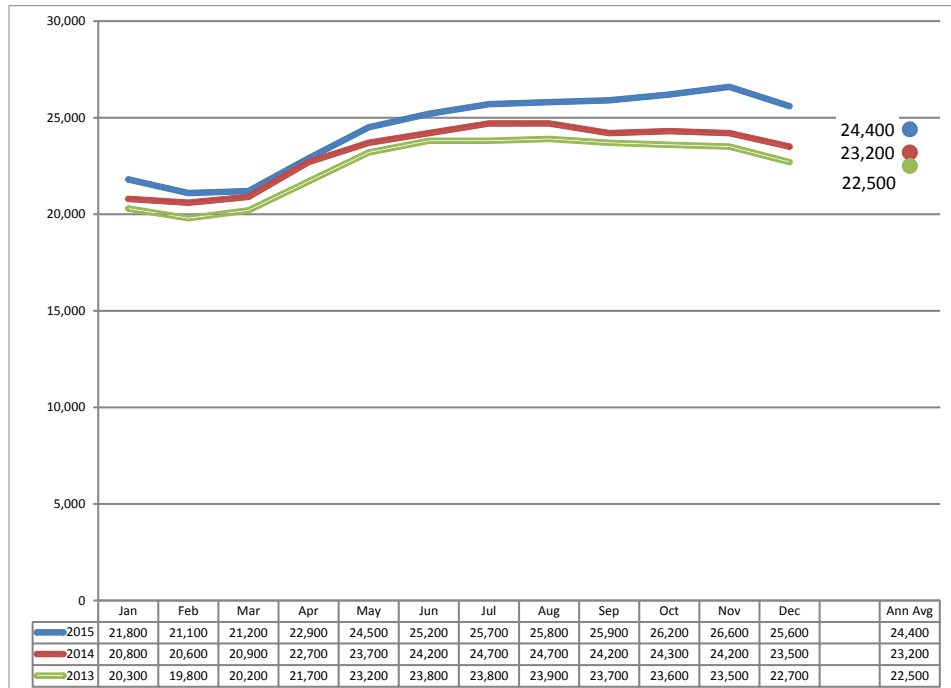
Private Goods Producing Industries continued to add jobs in 2015

- About 1,700 Private goods producing jobs were added to the economy in 2015, compared with 1,100 in 2014.
- Goods producing jobs, buoyed by the Construction sector, expanded a little faster than all private jobs in 2015, 1.9 percent versus 1.8 percent.
- Goods producing jobs averaged 92,300 in 2015, up from 90,600 in 2014.



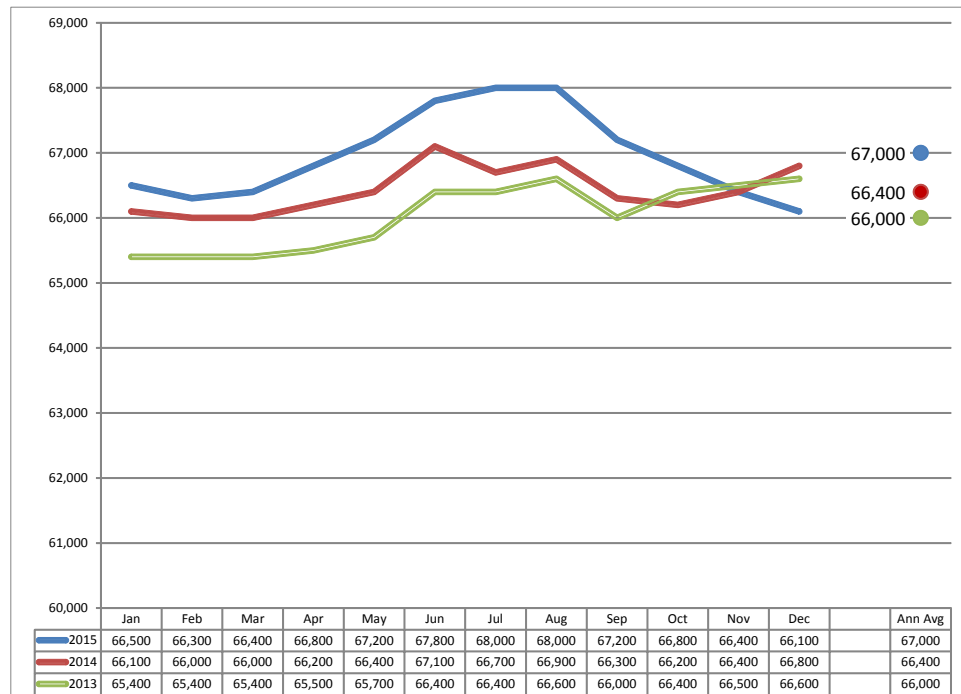
Construction jobs benefited from favorable weather in 2015

- With favorable weather deep into 2015, Construction employment did not enter its seasonal decline as early as normal during the latter part of the year.
- Construction jobs averaged 24,400 during 2015, about 1,200 above the 23,200 average for 2014.
- The 5.2 percent growth rate from 2014 to 2015 for the Construction industry was the highest for any major industry sector.



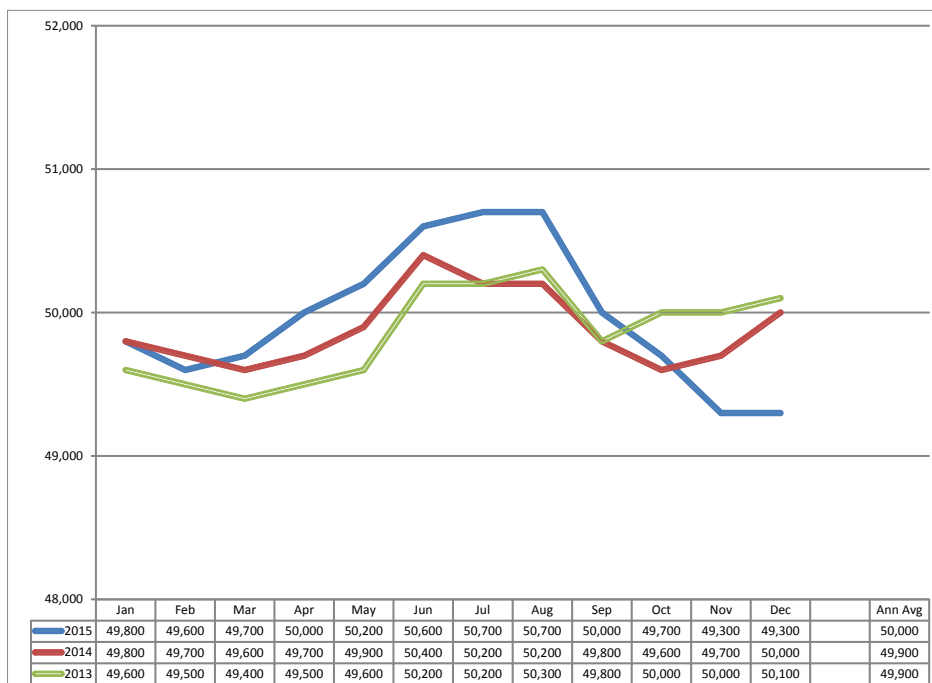
Manufacturing added jobs for the third straight year

- Manufacturing employment averaged 67,000 during 2015. This was up about 600 from 2014 and 1,000 from 2013.
- Although estimates tailed off during the last four months of the year, it was still good news that the average monthly employment had grown.
- Even though the annual average increase was small, 2015 was the third year in a row, and the fourth year in the last ten, in which the average number of Manufacturing jobs increased from the previous year.



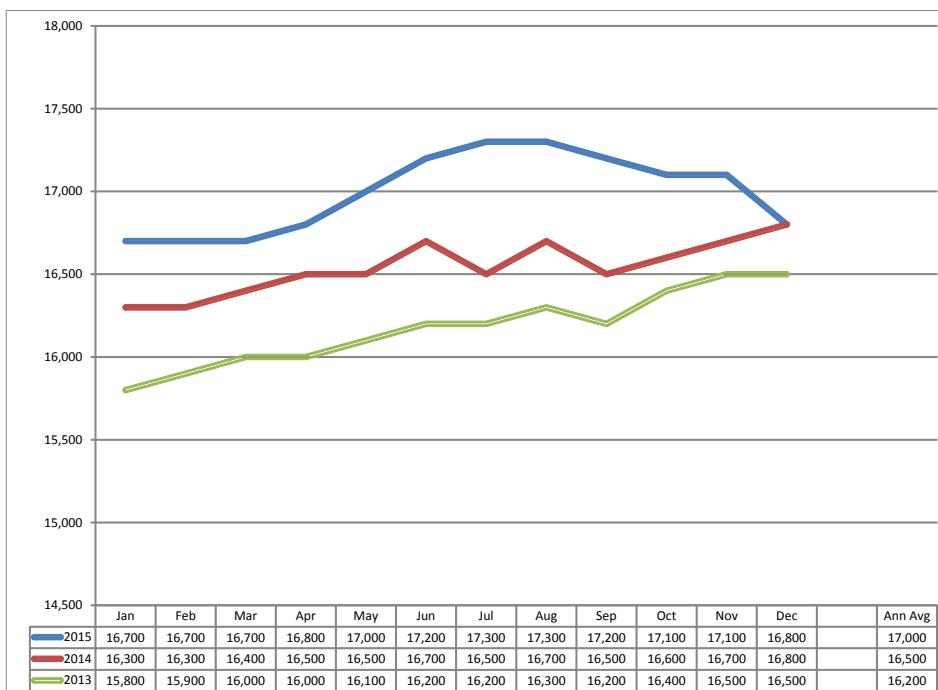
Durable Goods average employment estimates up slightly in 2015

- The estimated number of Durable goods manufacturing jobs, the source of about three-quarters of Manufacturing jobs, averaged 50,000 during 2015, a very slight increase of 100 jobs over the 2014 level of 49,900 jobs. The sector also averaged 49,900 in 2013.
- Small increases in Computer and electronic product manufacturing and electrical equipment, appliance, and component manufacturing were mostly offset by small declines in other durable goods industries.



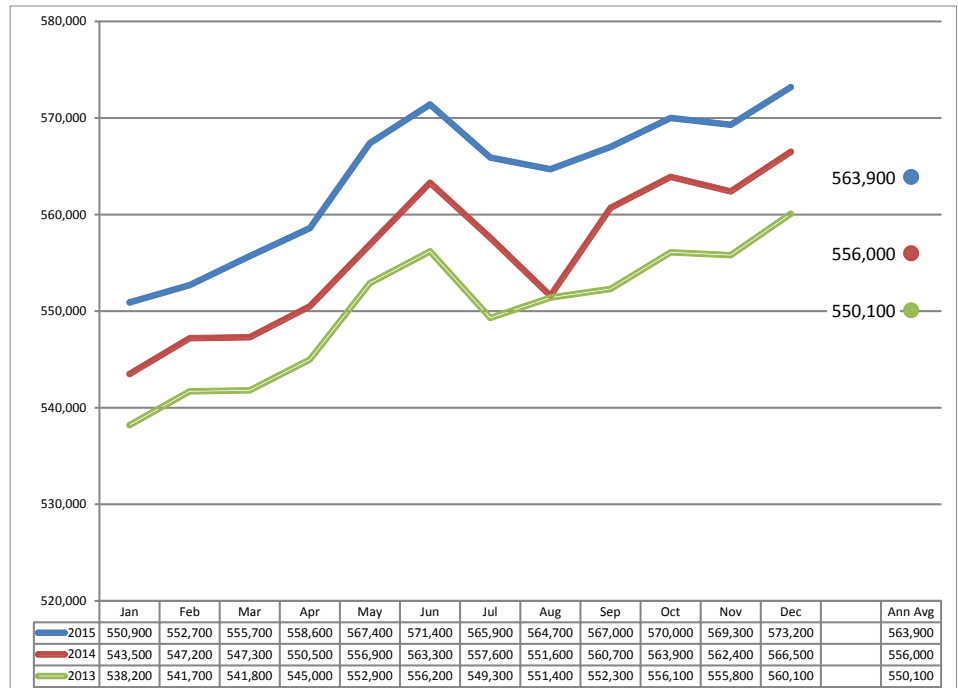
Non-Durable Goods Manufacturing added 500 jobs in 2015

- Non-durable goods manufacturing industries added an average of 500 jobs during 2015. Employment in this sector averaged 17,000 in 2015, compared with 16,500 in 2014.
- 2015 marked the fourth year in a row that average Non-durable goods manufacturing employment showed an increase over the previous year.
- The 3.0 percent growth rate in 2015 outpaced the growth rate in total employment.



Total Service-Providing industries added 7,900 jobs in 2015

- Service-providing industries, including Government, added an estimated 7,900 jobs in 2015. Average employment reached 563,900.
- This is the highest number of jobs New Hampshire has ever recorded in the Service-providing industries, and the fifth straight year of post-recession jobs growth in the sector.
- The 1.4 percent growth rate in Total Service-providing employment lagged the overall jobs growth rate, in part because of a small drop in Government jobs, which are included in Total Service-providing employment.



Total Private Service-Providing jobs drove growth in Service-providing sector

- Jobs in Private Service-providing industries grew by 1.8 percent in 2015, driving the overall growth in the total number of nonfarm Service-providing jobs. Overall job growth in services industries, affected by a small drop in Government employment, was 1.4 percent in comparison.
- Since reaching a recessionary low point in 2009, Private Service-providing jobs have increased each year since. The addition of 8,500 jobs in 2015 marks the largest increase in the sector grouping since 2004.
- By 2012, New Hampshire had regained the Private Service-producing jobs lost during the recession; each year since has resulted in consecutive record numbers of Private Service-providing jobs.



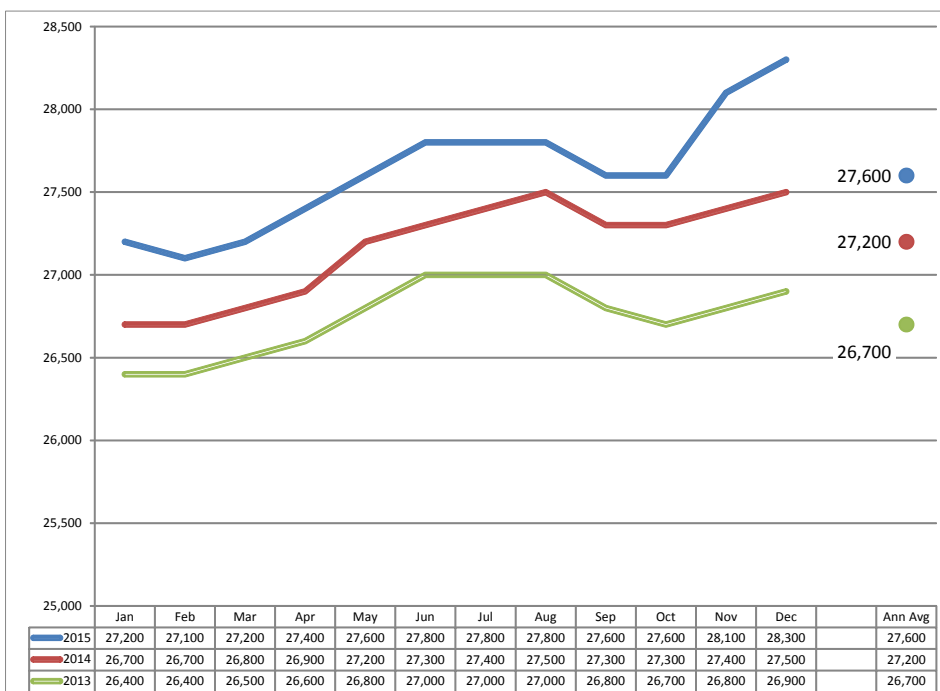
Trade, Transportation, and Utilities grew modestly in 2015

- Nonfarm jobs reached 137,800 in the Trade, transportation, and utilities sector in 2015, up about 1,100 from 2014. Over two-thirds of the jobs in this sector are in Retail trade.
- The 0.8 percent growth rate in 2015 was notably less than the 1.5 percent growth in the total number of nonfarm jobs. Likewise, the 0.1 percent growth in 2014 lagged the 1.1 percent growth in total nonfarm jobs.
- The 2014 average was affected by employment disruptions in the retail grocery industry.



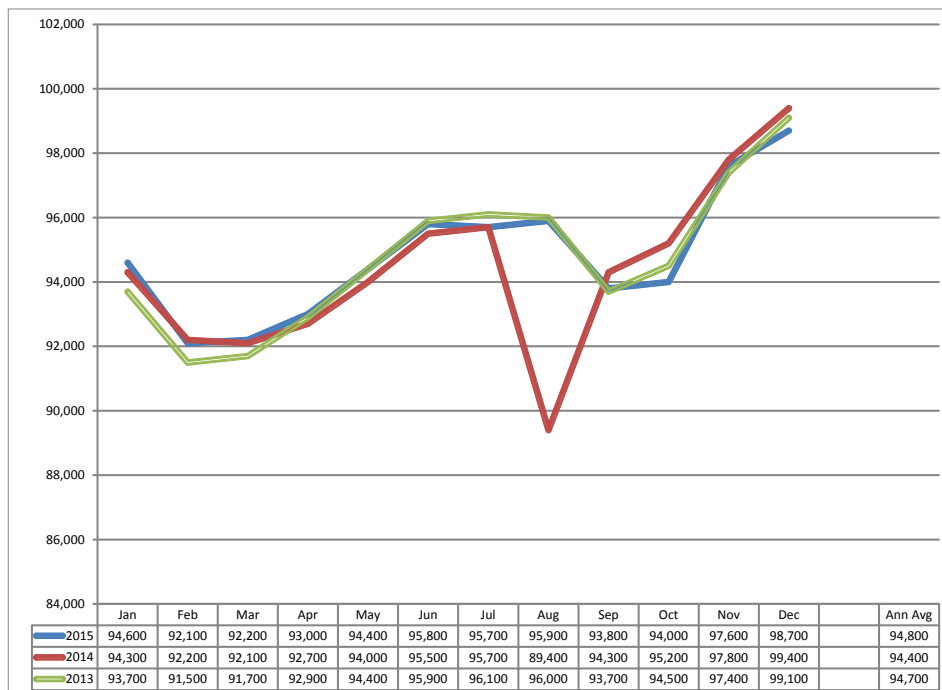
Wholesale Trade shows steady increases in jobs

- Wholesale trade jobs increased by 400 in 2015, reaching an average 27,600 jobs. The growth rate of 1.5 percent equaled that of all nonfarm jobs.
- The average number of jobs in Wholesale trade has increased each year since 2011, and is inching closer to the high pre-recession average of 28,300 jobs in 2007.



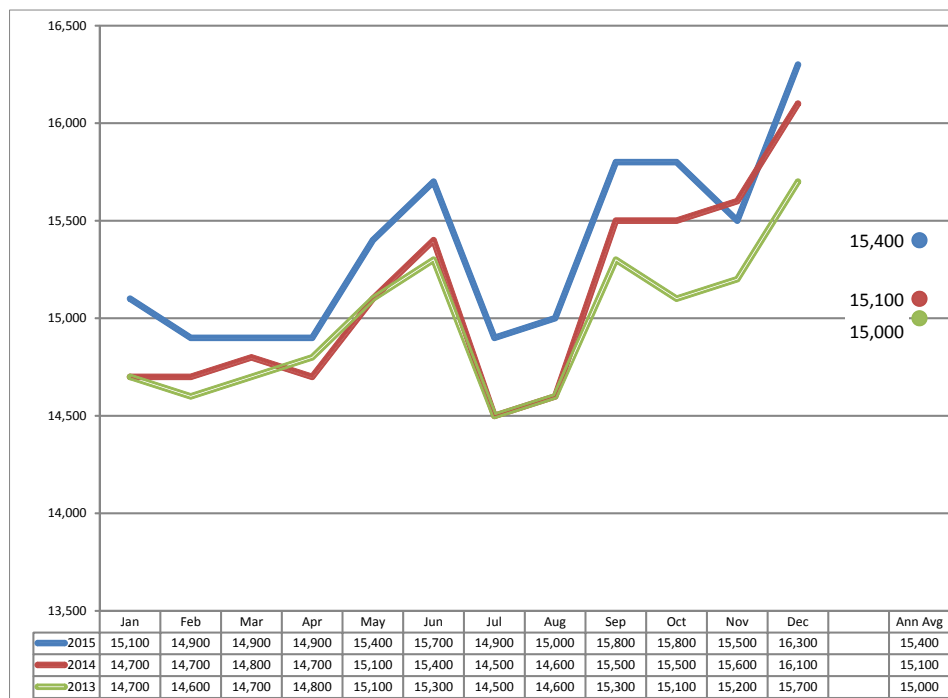
Retail Trade shows small job changes in recent years

- Retail trade averaged 94,800 jobs in 2015, an increase of only 400 over 2014.
- Retail trade jobs peaked in 2006, and experienced four years of declines before beginning to grow again in 2011. The average number of jobs in 2015 was still about 3,200 below the 2006 level of 98,000 jobs.
- The 2014 employment disruptions in the retail grocery industry are most vividly seen in the graph specifically displaying the trend in Retail trade jobs.



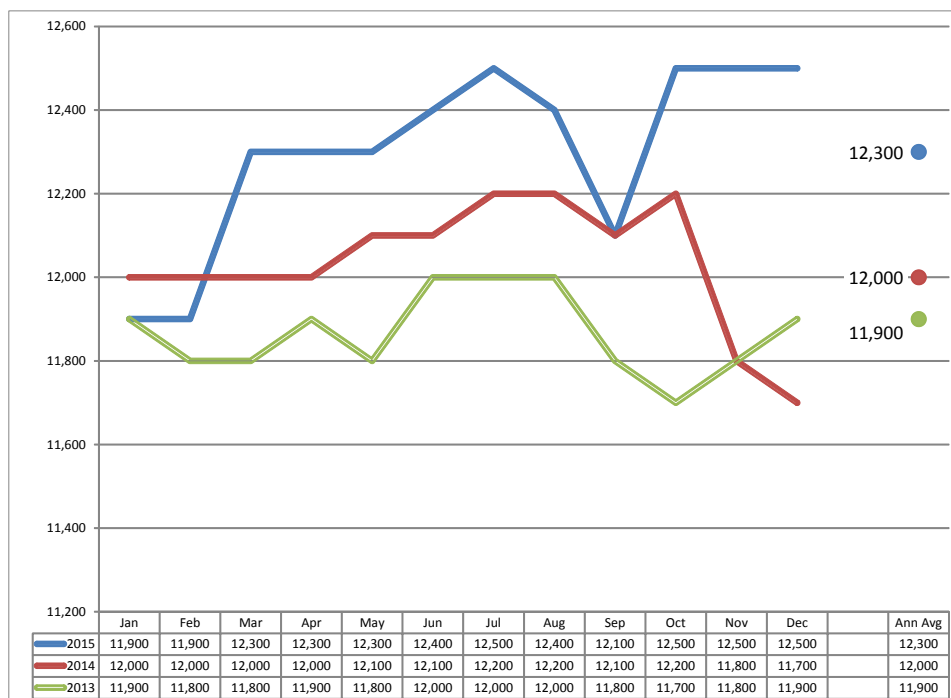
Transportation, Warehousing, and Utilities jobs continue notching upward

- Jobs in Transportation, warehousing, and utilities inched upward by 300 in 2015, which translated into a 2.0 percent growth rate.
- 2015 was the sixth consecutive year with an increase in the number of Transportation, warehousing, and utilities jobs. The 300 jobs added was also the largest increase during those six years.
- The increase in jobs was concentrated in Transportation and warehousing industry components, up 400, while Utilities declined by 100 jobs.



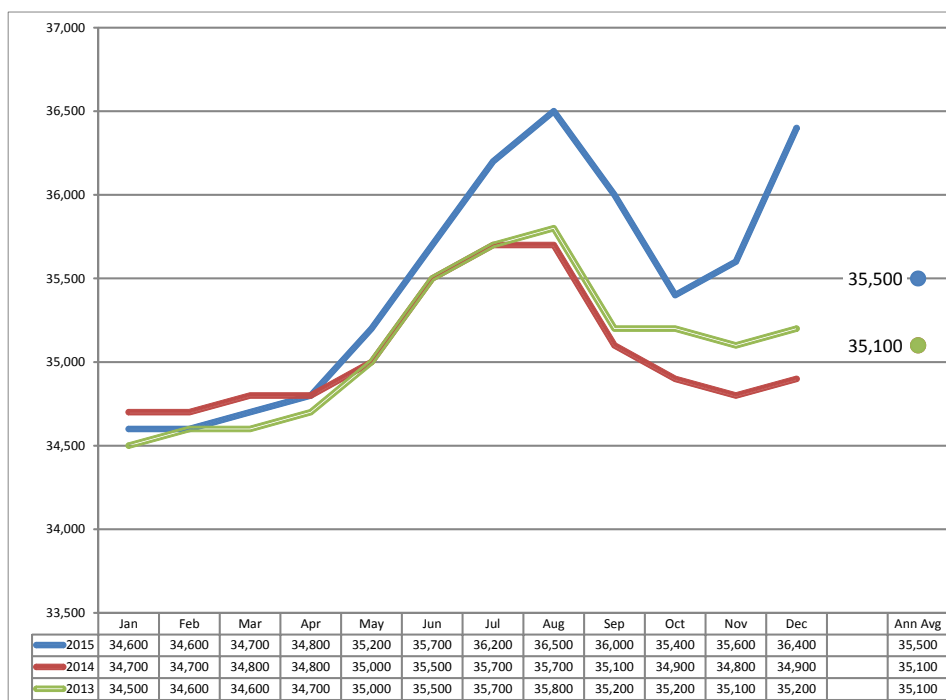
Information maintains pattern of little year-to-year change in jobs numbers

- Jobs in the Information sector averaged 12,300 in 2015, up about 300 from 2014. This represented about a 2.5 percent increase.
- Information sector jobs in 2015 returned to the 2009 level. Employment had dropped by about 900 in 2010, and began to recover in 2012.



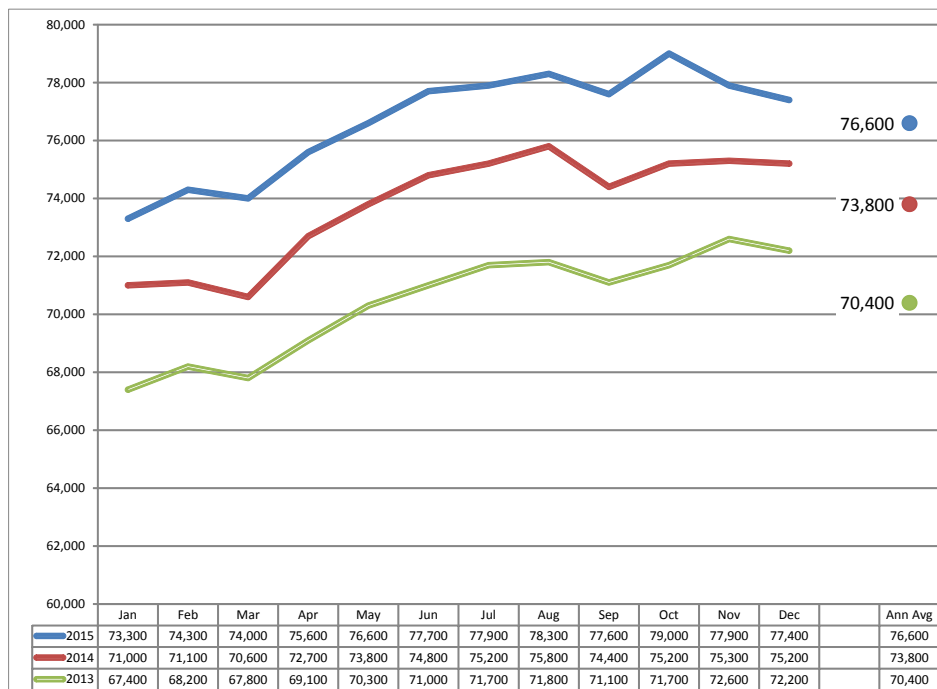
Financial Activities added 400 New Hampshire jobs in 2015

- Financial activities jobs increased by 400 in 2015, to a monthly average of 35,500 for the year. Jobs in the Financial activities sector had been estimated at 35,100 in both 2013 and 2014.
- The growth was due to increases in the Finance and insurance industry, which added 500 jobs.
- The Real estate and rental and leasing industry actually declined by about 100 jobs, partly offsetting the Finance and insurance gains.



Professional and Business Services added the most jobs of any sector

- Professional and business services jobs increased 3.8 percent in 2015, adding 2,800 to reach 76,600.
- This capped six straight years of employment growth in the sector, and the twelfth year of added jobs in the last thirteen; 2009 was the only year since 2002 that saw jobs in this sector drop.
- Within this sector, Administrative and support and waste management and remediation services added 1,800 jobs in 2015. This industry does include Employment services and Business support services, among others.
- The Professional, scientific and technical services within this sector added 800 jobs in 2015.



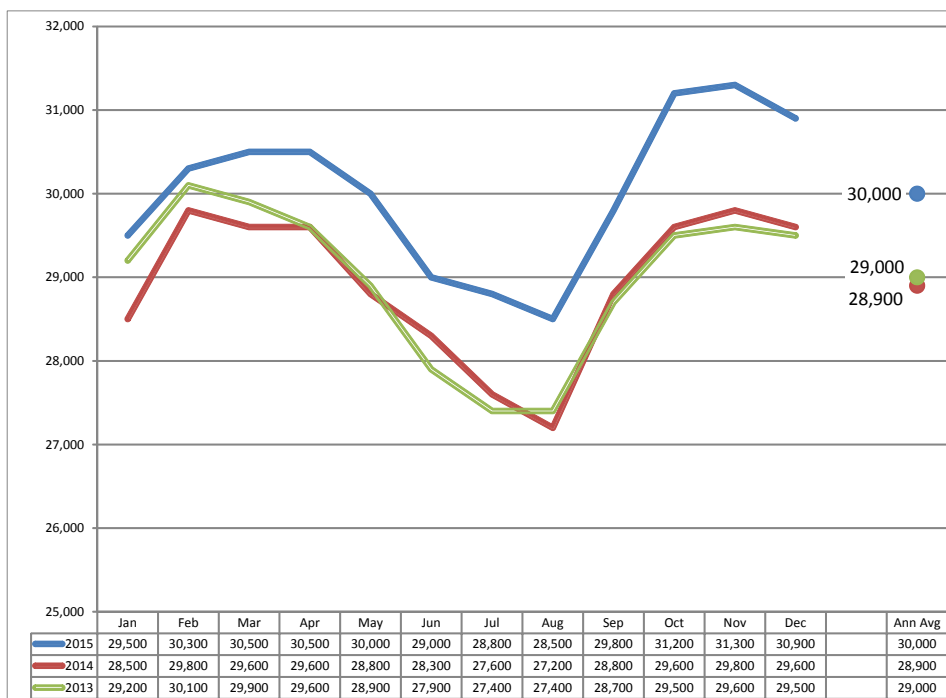
Together, Education and Health Services jobs were up 2,000 in 2015

- The combined Education and health services supersector added 2,000 jobs in 2015, reaching an average of 117,900 jobs. This was about a 1.7 percent growth rate, slightly higher than the rate for all nonfarm employment.
- Education and health services jobs did not drop during the recent recession, and have added jobs each year since at least 2000.
- About three-quarters of jobs in this supersector are in Health care and social assistance industries.



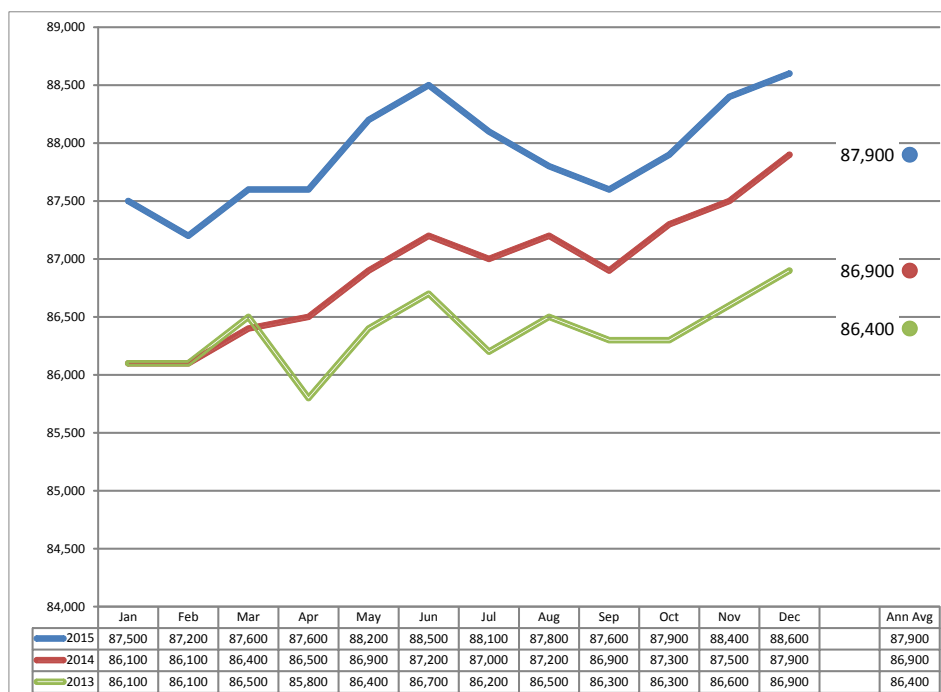
Educational Services grew by 1,100 jobs last year

- Educational services industries had an estimated average 30,000 jobs in 2015.
- This was approximately 1,100 more jobs than in 2014.
- Private sector Colleges, universities, and professional schools provide about two-thirds of jobs in Educational services, and added about 800 of the 1,100 jobs.



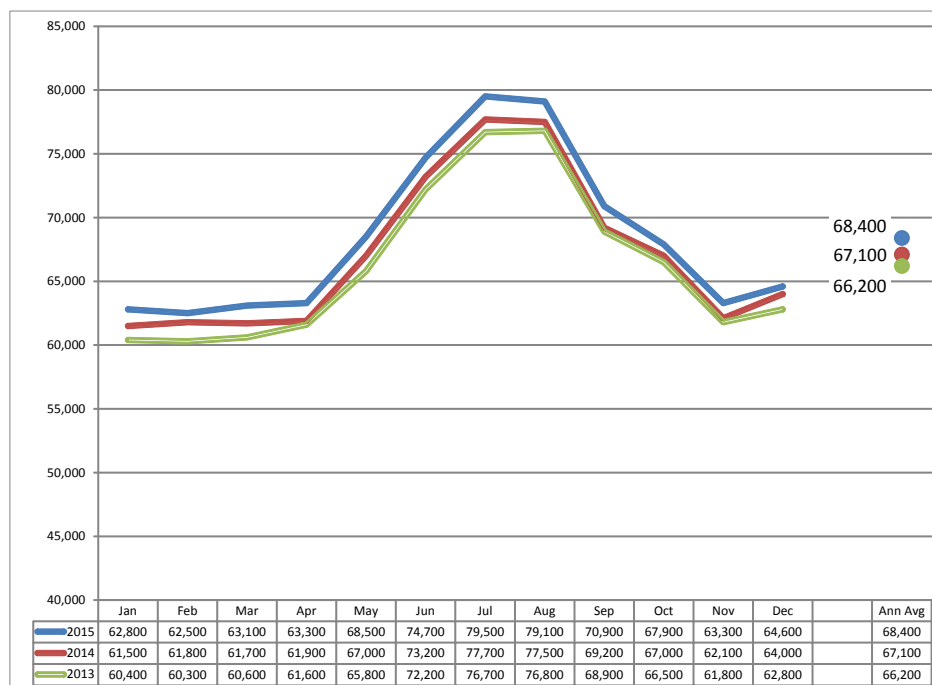
Health Care and Social Assistance provided almost 88,000 jobs in 2015

- Healthcare and social assistance jobs continued to increase. The industries did not experience any annual average declines during the last recession, and have grown steadily since at least 2000.
- The industries added about 1,000 jobs in 2015, reaching a level of 87,900. The annual growth rate was about 1.2 percent, a little below the total nonfarm jobs growth rate. In fact, this was the fourth straight year when Healthcare and social assistance jobs grew at a slightly slower pace than total nonfarm jobs.
- The added 1,000 jobs were almost evenly distributed between Ambulatory health care services and Hospitals.



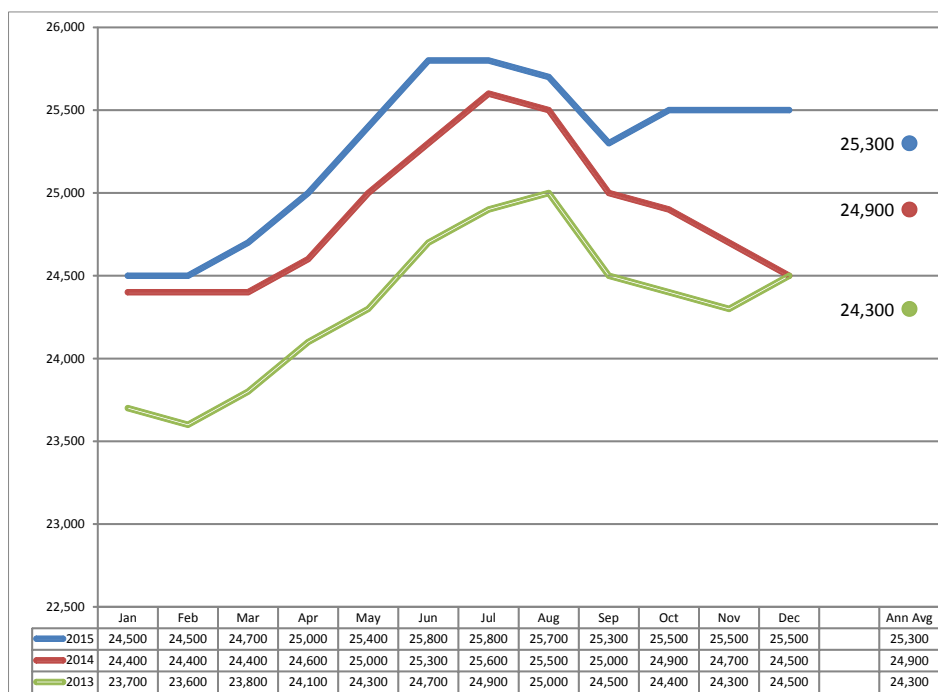
Leisure and Hospitality added about 1,300 jobs in 2015

- The Leisure and hospitality sector, one of the largest employment generators in New Hampshire, added about 1,300 jobs in 2015, reaching an average of 68,400 jobs for the year.
- The Accommodation and food services industries account for five out of every six jobs in the Leisure and hospitality sector, and added 1,000 of the sector growth. Of the 1,000 jobs, Food services and drinking places provided 900, due to more employment at Full-service restaurants. Accommodation industries added about 100 jobs.
- Leisure and hospitality jobs grew by 1.9 percent in 2015, faster than all nonfarm employment, an indication that the economic recovery is maturing.



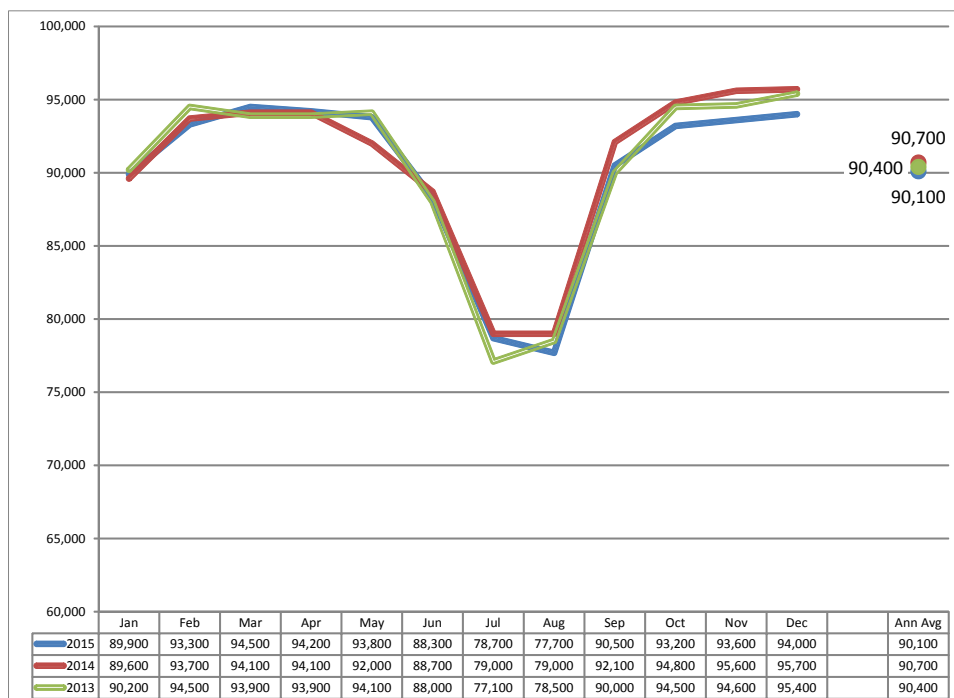
Other Services provided 400 more jobs in 2015

- The Other services (excluding Public administration/ Government) sector covers establishments that provide services not specifically provided for elsewhere in the industry classification system.
- These Other services businesses added 400 jobs in 2015, reaching an average employment of 25,300.
- 2015 was the sixth straight year in which Other services added jobs. The 1.6 percent growth rate was slightly above the rate for Total nonfarm jobs, but slightly below the rate for Total private nonfarm jobs.



Government jobs down 600 over the year; back to level seen in 2003

- The number of Government jobs dropped by 600 on average in 2015.
- State government jobs, including State educational services fell by 100.
- Local government jobs fell by 600, with 400 of those attributed to Local government educational services.
- Government employment at all levels, including educational services, reached a high of 96,500 in 2009. Average employment has declined in five of the six years since 2009, dropping to 90,100 in 2015, the same level as in 2003.
- Local government employment accounts for almost two-thirds of Government employment.



A note about Nonfarm employment:

Nonfarm employment estimates are released every month. The estimates provide a timely indicator of state economic trends and are based on a survey of New Hampshire business establishments. The survey is conducted through the Current Employment Statistics (CES) program, a federal-state cooperative statistical program.

While the CES survey covers a statistically representative sample, not all employers in the state are surveyed. Additionally, the CES nonfarm employment estimates

include some workers not covered by New Hampshire unemployment insurance programs, such as railroad workers, work study students, and religious organizations, to name a few, but do not include agricultural workers or the self-employed.

Because the original monthly estimates of CES employment are based on a sample survey, each March past nonfarm employment estimates are adjusted based on reported employment counts from the Quarterly Census of Employment and Wages (QCEW) program in a process

known as benchmarking. The QCEW employment counts are based on actual data reported each quarter from more than 45,000 New Hampshire establishments whose workers are covered by unemployment compensation laws.

The graphs above display not seasonally adjusted estimates. For the latest benchmarked nonfarm data series, including seasonally adjusted estimates, visit <http://www.nhes.nh.gov/elmi/statistics/ces-data.htm>.