New Hampshire's Manufacturing Sector

Manufacturing was the 3rd largest industry sector in New Hampshire in 2019, employing an average of 71,500 workers. While *total nonfarm* employment in New Hampshire increased in 2019, *manufacturing* employment decreased during the second half of the year. *Manufacturing* employment fell by 1,400 jobs between June 2019 and November 2019, a decline of two percent. This was part of a nationwide trend, as *manufacturing* employment throughout the U.S. fell 1.4 percent over that period.

Manufacturing employment in New Hampshire increased slightly from December 2019 through February 2020 but efforts to contain the coronavirus derailed the industry's recovery. Between February and April, *manufacturing* employment in New Hampshire declined by 5,800 jobs, roughly eight percent of the pre-pandemic workforce. This decline was not as severe as the decrease in New Hampshire's *total nonfarm* workforce, which decreased 16.7 percent. However, *total nonfarm* employment increased by 11.3 percent from May through October, while *manufacturing* employment was flat, increasing by less than one percent.

Earnings and Hours Worked

Manufacturing sector workers worked longer hours on average than private sector workers as a whole. Workers in the private sector (including part-time workers) worked an average of 33.4 hours per week in 2019, while *manufacturing* workers averaged 41.7 hours per week. Hours worked by *manufacturing* workers decreased during the pandemic; the average worker worked only 40.1 hours per week between April and October.

Average hourly wages for *manufacturing* workers increased over the same time period, from $28.22 in April 2020 to $28.75 in October 2020, meaning the average weekly wage remained roughly the same. The increase in average wages

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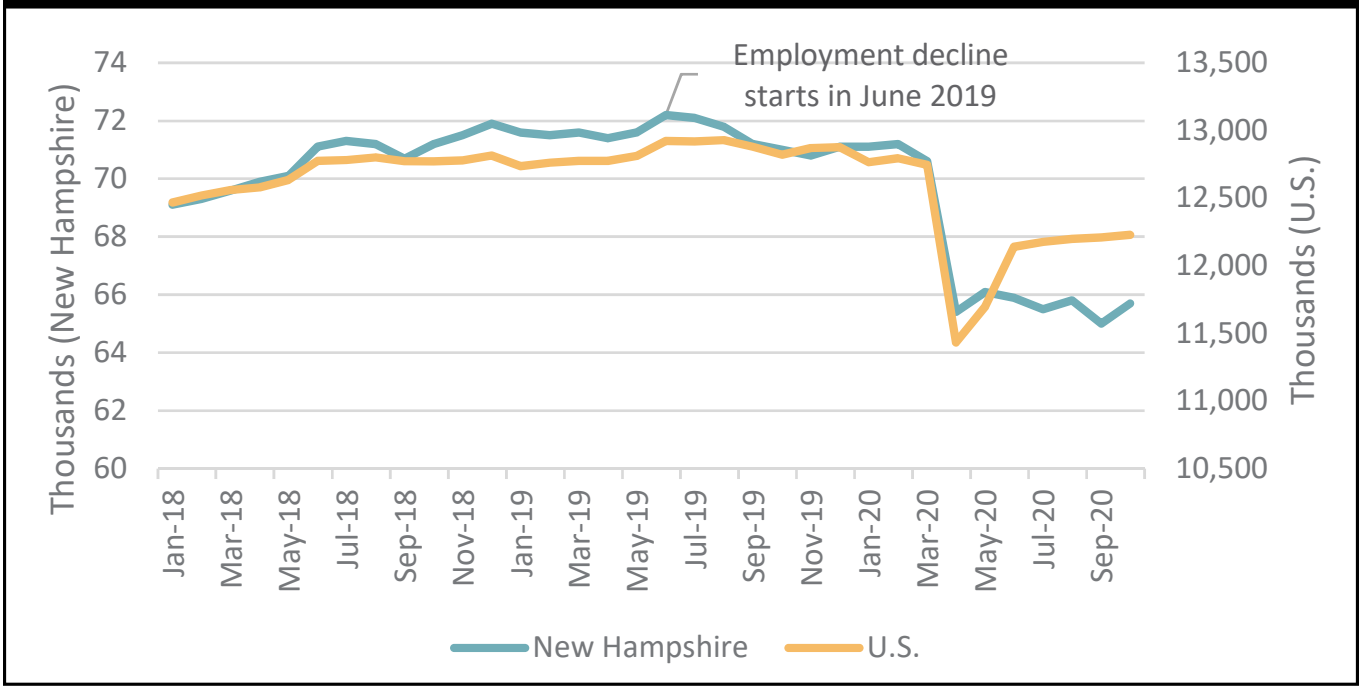
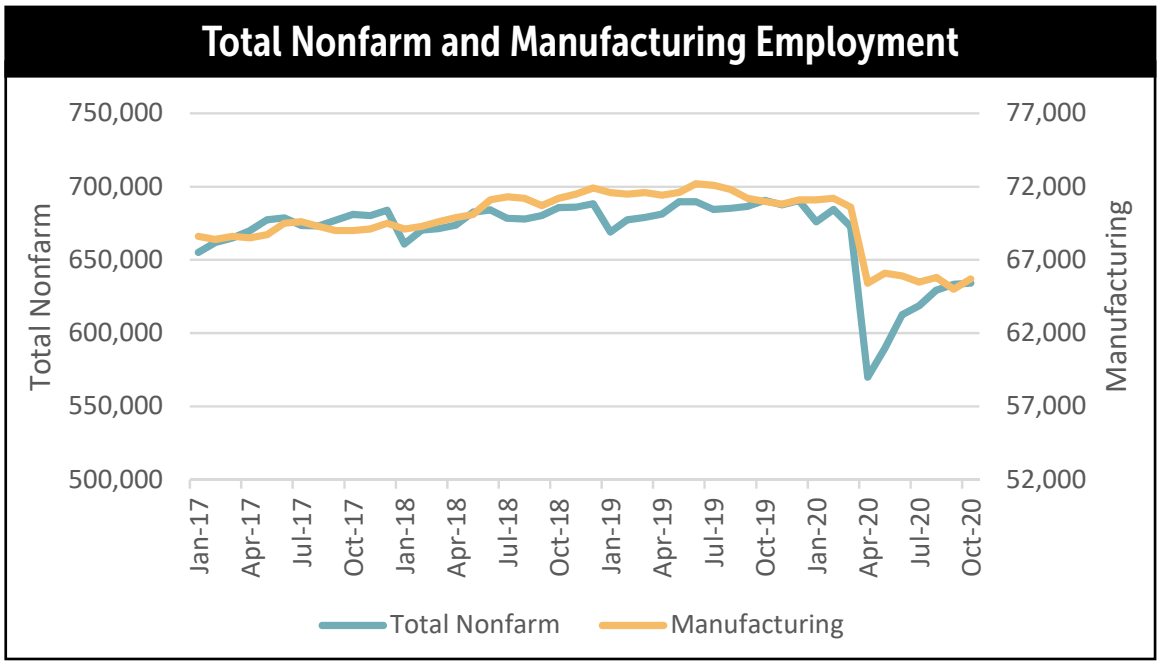
Manufacturing Employment



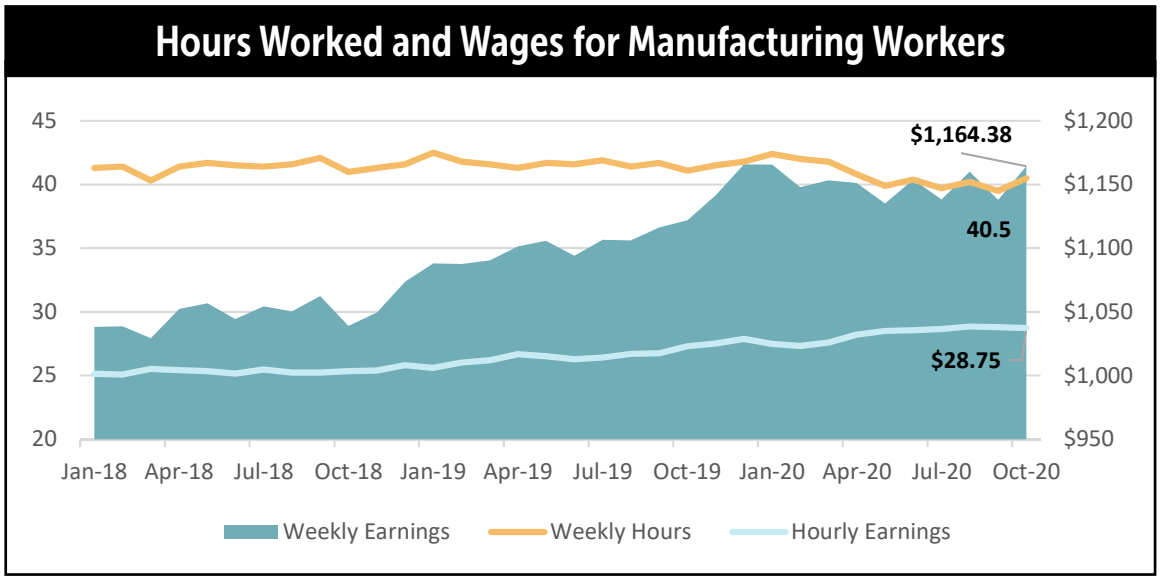
Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

is likely a result of layoffs – typically, businesses lay off new hires before they lay off more experienced staff. The increase in average hourly wages likely reflects the layoff of lower-paid, newly-hired workers, and not an increase in the wages of individual workers in *manufacturing* during the time period.



Source: New Hampshire Employment Security, Current Employment Statistics

Half of workers in the *manufacturing* sector are employed in production occupations – occupations that are responsible for producing the goods sold by New Hampshire's *manufacturing* sector. Production workers worked slightly longer hours than *manufacturing* sector workers overall, working 42.5 hours per week in 2019, compared to 41.7 hours for all workers in the sector, but were paid roughly four dollars per hour less, $22.48, compared to $26.65 for all *manufacturing* workers. During the Covid-19 pandemic, since April 2020, production workers have worked an average of just 40.9 hours per week, similar to the decline in hours for all *manufacturing* workers. Hourly wages for production workers decreased in April, May and June 2020, before increasing again in July, surpassing the average pre-pandemic wage. Increased wages were not enough to offset the decrease in hours, however, and production worker earnings were slightly less than before the pandemic.



Source: New Hampshire Employment Security, Current Employment Statistics

Characteristics of Manufacturing Workers

The *manufacturing* industry sector offers opportunities to workers of all education levels to earn a wage near or above the statewide average. *Manufacturing* workers age 25 or older[1] who were in stable employment (workers who were employed at the same firm for a full quarter) and had not attained a high school diploma earned average annual wages of $57,120 in 2019, just below the statewide average for all workers in stable employment, $59,352.[2] Average earnings for *manufacturing* workers with either a high school diploma or postsecondary education were greater than the statewide average.

Among *manufacturing* workers age 25 or older, 32 percent had attained either some college education or an associate's

[1] Workers age 24 or younger are excluded from this count, since many of them have not yet completed their education.

[2] High-earning individuals significantly increase the average wage. A median wage – the value "in the middle" that separates the higher half from the lower half of the data values – would be lower than the average wage, and be more representative of what a typical worker earns. This data set also excludes workers age 24 or younger, who typically earn less than their more experienced colleagues.

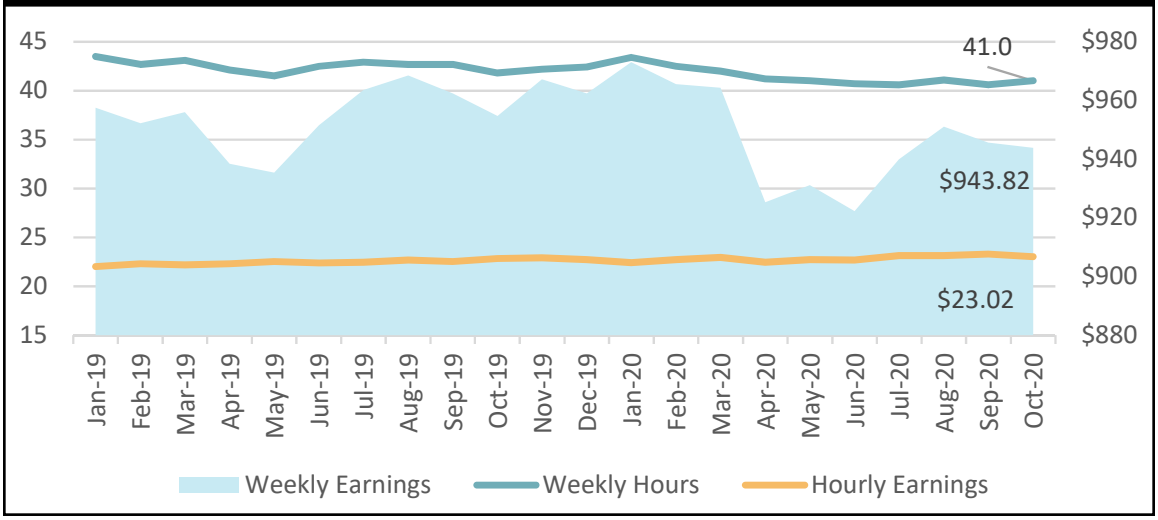
degree, a larger share of the workforce than any other level of educational attainment. This cohort surpassed workers with a high school diploma in 2012, as *manufacturing* employers increasingly look to hire skilled labor.

There are still many opportunities in *manufacturing* for workers with lower levels of educational attainment. Workers with a high school diploma account for 31 percent of the *manufacturing* workforce in 2019. Workers with less than a high school diploma represented the smallest share among *manufacturing* workers, accounting for 11 percent of workers. While there are still opportunties for workers with lower levels of educational attainment, increasingly those opportunties require some training or education beyond high school.

One third of *manufacturing* workers are age 55 or older. As these workers reach retirement age and leave the labor force, employers will need to hire to replace them. New Hampshire Employment Security's long-term employment projections estimated a 3.8 percent decline for *manufacturing* employment from 2018 to 2028.[3] Although the total number of jobs in this industry is likely to decrease, replacement of retiring workers will still result in many opportunities for workers to find employment in the *manufacturing* sector.

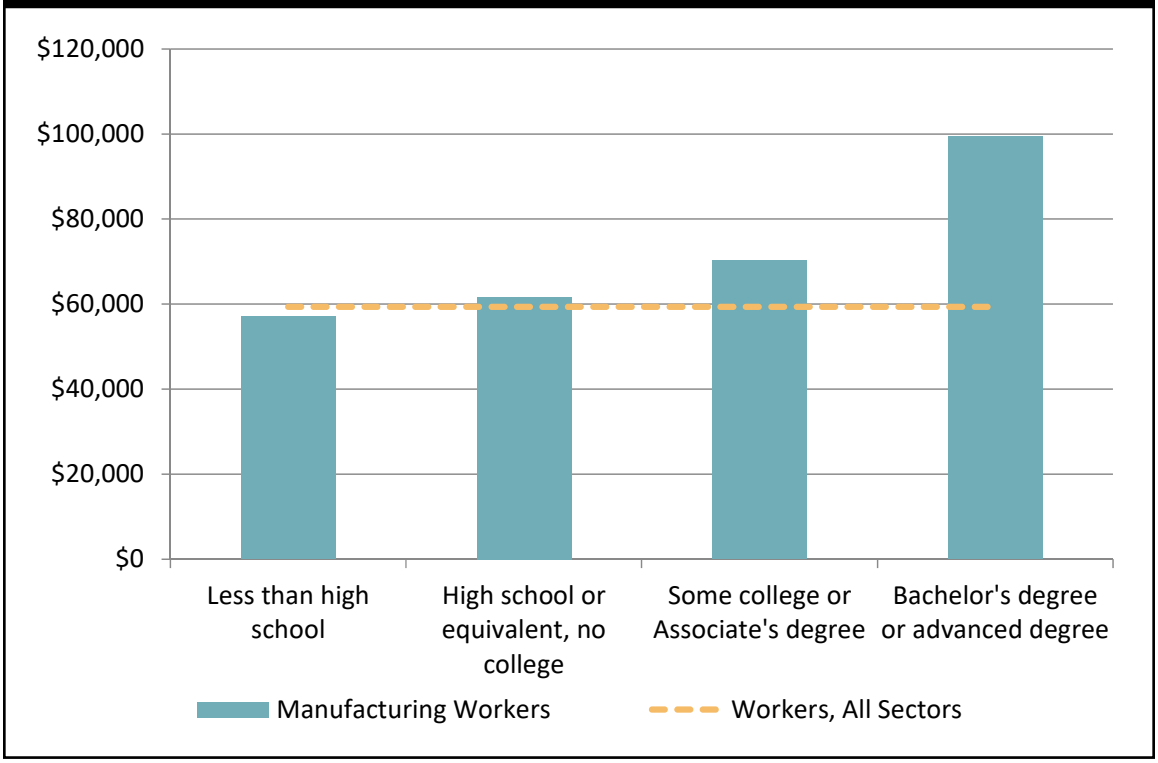
- Greg David, Economist

Earnings and Hours Worked for Production Workers in *Manufacturing* Sector



Source: New Hampshire Employment Security, Current Employment Statistics

Average Annual Earnings for Workers in Stable Employment



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

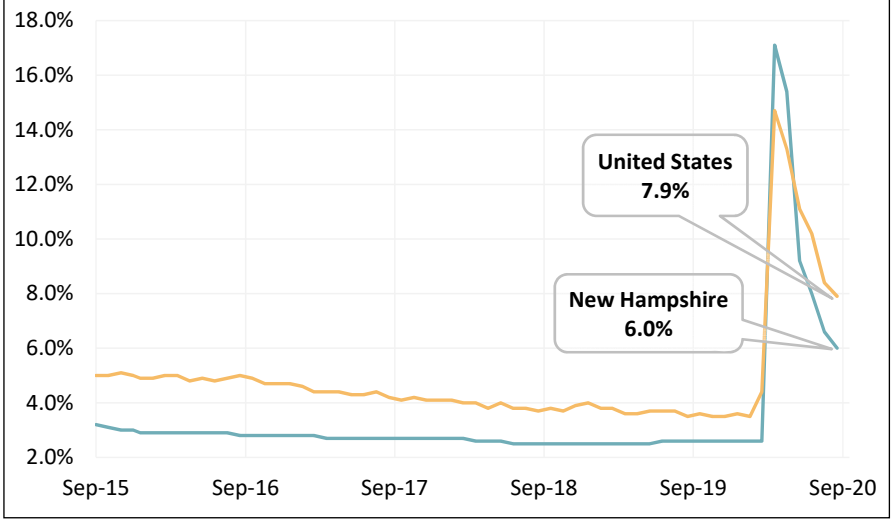
[3] Employment projections make no assumptions about business cycle fluctuations, natural disasters, or other catastrophic events. 2018 - 2028 projections were developed before the pandemic, and do not account for any impacts the pandemic will have on employment trends.

SEASONALLY ADJUSTED ESTIMATES

Unemployment Estimates by Region

Seasonally Adjusted	Sep-20	Aug-20	Sep-19
United States	7.9%	8.4%	3.5%
Northeast	8.5%	11.0%	3.8%
New England	8.4%	9.5%	3.0%
Connecticut	7.8%	8.1%	3.7%
Maine	6.1%	7.0%	2.9%
Massachusetts	9.6%	11.4%	2.8%
New Hampshire	6.0%	6.6%	2.6%
Rhode Island	10.5%	12.9%	3.5%
Vermont	4.2%	4.8%	2.4%
Mid Atlantic	8.5%	11.5%	4.0%
New Jersey	6.7%	11.1%	3.6%
New York	9.7%	12.5%	3.9%
Pennsylvania	8.1%	10.4%	4.6%

Local Area Unemployment Statistics (LAUS) Unemployment Rate, NH and US



Current Employment Statistics (CES) by Place of Establishment

	Number of Jobs			Change From Previous	
	Sep-20	Aug-20	Sep-19	Month	Year
Total Nonfarm	632,800	630,500	685,600	2,300	-52,800
Total Private	548,200	542,500	595,200	5,700	-47,000
Mining and Logging	900	900	900	0	0
Construction	27,400	26,600	28,100	800	-700
Manufacturing	64,700	65,200	71,600	-500	-6,900
Durable Goods	48,900	49,400	53,500	-500	-4,600
Non-Durable Goods	15,800	15,800	18,100	0	-2,300
Trade, Transportation, and Utilities	125,700	125,100	139,000	600	-13,300
Wholesale Trade	25,600	25,400	28,300	200	-2,700
Retail Trade	84,500	83,900	93,600	600	-9,100
Transportation, Warehousing, and Utilities	15,600	15,800	17,100	-200	-1,500
Information	11,400	11,700	12,300	-300	-900
Financial Activities	35,600	35,200	34,900	400	700
Financial and Insurance	28,000	27,700	27,900	300	100
Real Estate and Rental and Leasing	7,600	7,500	7,000	100	600
Professional and Business Services	78,200	76,900	84,200	1,300	-6,000
Professional, Scientific, and Technical Services	37,800	36,900	39,300	900	-1,500
Management of Companies and Enterprises	8,800	8,900	9,300	-100	-500
Administrative and Support and Waste Management and Remediation Services	31,600	31,100	35,600	500	-4,000
Education and Health Services	120,600	122,100	125,500	-1,500	-4,900
Educational Services	30,600	32,800	31,000	-2,200	-400
Health Care and Social Assistance	90,000	89,300	94,500	700	-4,500
Leisure and Hospitality	56,500	52,300	73,000	4,200	-16,500
Arts, Entertainment, and Recreation	10,500	9,000	13,000	1,500	-2,500
Accommodation and Food Services	46,000	43,300	60,000	2,700	-14,000
Other Services	27,200	26,500	25,700	700	1,500
Government	84,600	88,000	90,400	-3,400	-5,800
Federal Government	9,200	9,400	8,100	-200	1,100
State Government	20,600	22,300	24,500	-1,700	-3,900
Local Government	54,800	56,300	57,800	-1,500	-3,000

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	Sep-20	Aug-20	Sep-19
Total Civilian Labor Force	737,010	745,380	772,690
Employed	695,700	697,550	754,860
Unemployed	41,310	47,830	17,830
Unemployment Rate	5.6%	6.4%	2.3%

United States (# in thousands)	Sep-20	Aug-20	Sep-19
Total Civilian Labor Force	160,073	160,966	163,943
Employed	147,796	147,224	158,478
Unemployed	12,277	13,742	5,465
Unemployment Rate	7.7%	8.5%	3.3%

Unemployment Rates by Area

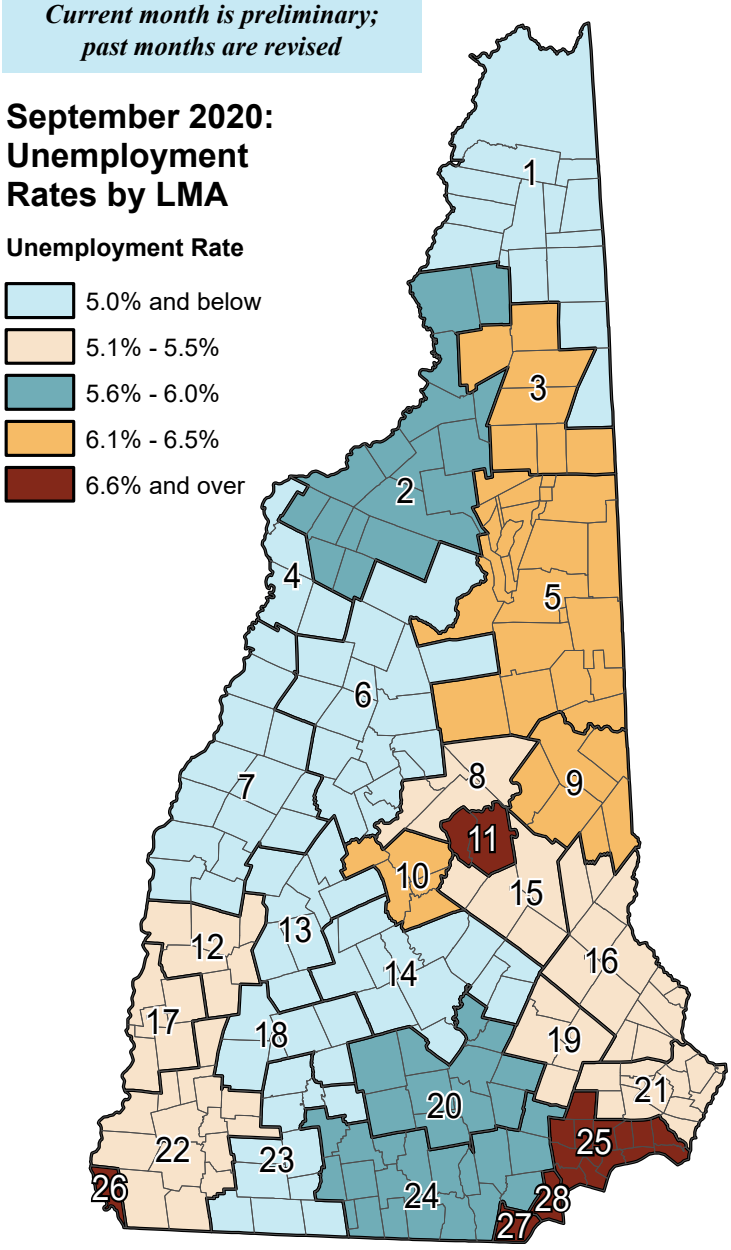
Counties	Sep-20	Aug-20	Sep-19
Belknap	5.9%	6.5%	2.2%
Carroll	6.2%	6.9%	2.2%
Cheshire	5.3%	5.9%	2.4%
Coös	5.8%	6.8%	2.4%
Grafton	4.5%	5.2%	2.1%
Hillsborough	5.9%	6.8%	2.4%
Merrimack	4.8%	5.6%	2.1%
Rockingham	6.0%	6.8%	2.4%
Strafford	5.3%	6.1%	2.2%
Sullivan	4.8%	5.4%	2.2%

Map Key	Labor Market Areas	Sep-20	Aug-20	Sep-19
1	Colebrook, NH-VT LMA, NH Portion	4.4%	5.0%	2.2%
2	Littleton, NH-VT LMA, NH Portion	5.8%	6.6%	2.0%
3	Berlin NH Micropolitan NECTA	6.3%	7.6%	2.8%
4	Haverhill, NH LMA	4.8%	5.4%	2.2%
5	Conway, NH-ME LMA, NH Portion	6.1%	6.9%	2.1%
6	Plymouth, NH LMA	4.6%	5.3%	2.2%
7	Lebanon, NH-VT Micropolitan NECTA, NH Portion	3.8%	4.4%	2.0%
8	Meredith, NH LMA	5.2%	5.9%	2.0%
9	Wolfeboro, NH LMA	6.3%	7.0%	2.4%
10	Franklin, NH LMA	6.4%	7.2%	2.3%
11	Laconia, NH Micropolitan NECTA	6.7%	7.3%	2.4%
12	Expanded Claremont, NH estimating area	5.1%	5.7%	2.3%
13	New London, NH LMA	4.1%	4.9%	2.2%
14	Concord, NH Micropolitan NECTA	4.7%	5.4%	2.0%
15	Belmont, NH LMA	5.4%	6.0%	2.2%
16	Dover-Durham, NH-ME Metropolitan NECTA, NH Portion	5.3%	6.1%	2.2%
17	Charlestown, NH LMA	5.4%	5.7%	2.0%
18	Hillsborough, NH LMA	4.9%	5.6%	2.4%
19	Raymond, NH LMA	5.2%	5.9%	2.2%
20	Manchester, NH Metropolitan NECTA	5.7%	6.5%	2.2%
21	Portsmouth, NH-ME Metropolitan NECTA, NH Portion	5.3%	6.0%	2.1%
22	Keene, NH Micropolitan NECTA	5.3%	6.0%	2.4%
23	Peterborough, NH LMA	4.9%	5.6%	2.3%
24	Nashua, NH-MA NECTA Division, NH Portion	6.0%	6.9%	2.5%
25	Seabrook-Hampstead Area, NH Portion, Haverhill-Newburyport-Amesbury MA-NH NECTA Division	6.7%	7.8%	2.7%
26	Hinsdale Town, NH Portion, Brattleboro, VT-NH LMA	6.9%	7.7%	3.0%
27	Pelham Town, NH Portion, Lowell-Billerica-Chelmsford, MA-NH NECTA Division	7.3%	8.5%	2.8%
28	Salem Town, NH Portion, Lawrence-Methuen-Salem, MA-NH NECTA Division	7.5%	8.7%	2.9%

Unemployment Rates by Region

Not Seasonally Adjusted	Sep-20	Aug-20	Sep-19
United States	7.7%	8.5%	3.3%
Northeast	8.2%	11.0%	3.5%
New England	8.2%	9.4%	2.8%
Connecticut	7.5%	8.2%	3.5%
Maine	5.4%	6.2%	2.3%
Massachusetts	9.5%	11.2%	2.7%
New Hampshire	5.6%	6.4%	2.3%
Rhode Island	10.1%	13.0%	3.1%
Vermont	4.1%	4.6%	2.3%
Mid Atlantic	8.2%	11.6%	3.7%
New Jersey	6.5%	11.1%	3.4%
New York	9.4%	12.5%	3.6%
Pennsylvania	7.7%	10.6%	4.2%

Current month is preliminary; past months are revised



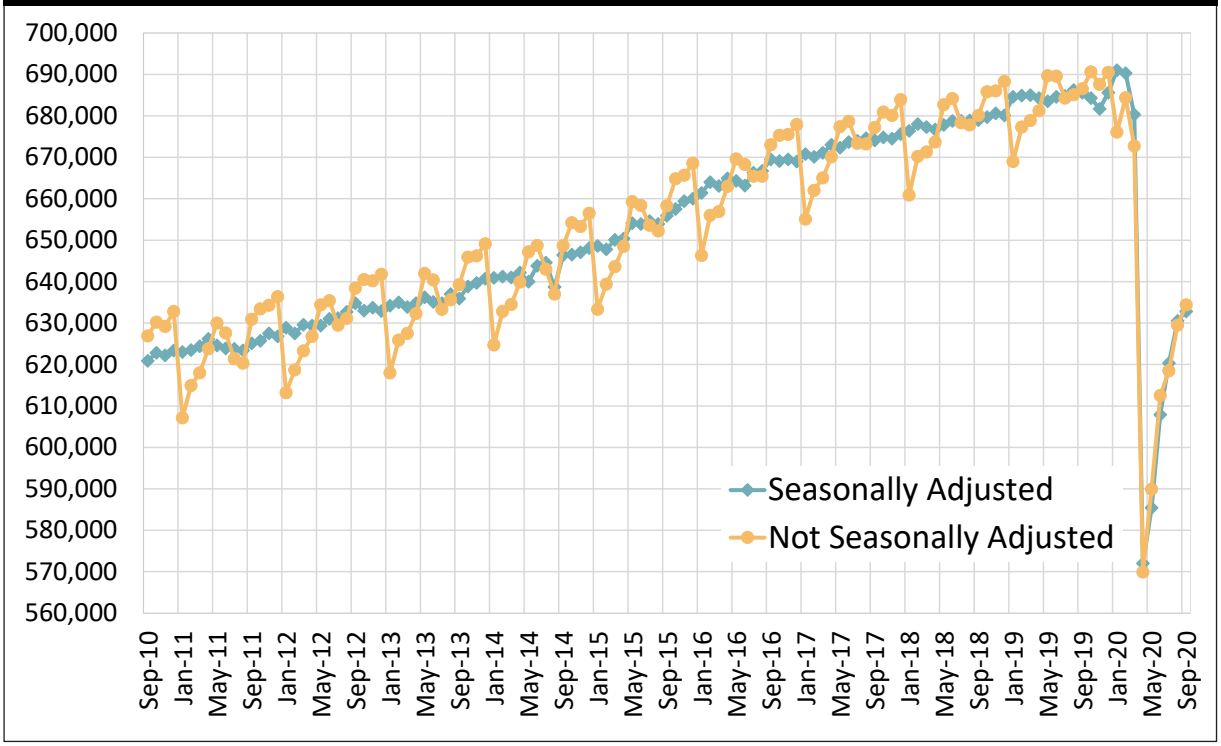
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Current month is preliminary; past months are revised

New Hampshire Nonfarm Employment Statewide Not Seasonally Adjusted

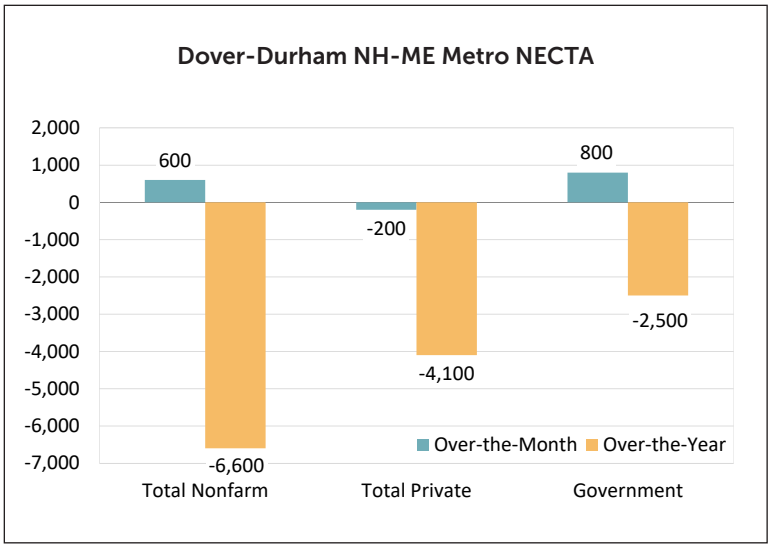
	Number of Jobs			Change From Previous	
	Sep-20	Aug-20	Sep-19	Month	Year
Total Nonfarm	634,400	629,500	686,500	4,900	-52,100
Total Private	548,800	552,700	595,400	-3,900	-46,600
Mining and Logging	1,000	1,000	1,000	0	0
Construction	28,400	28,000	29,100	400	-700
Manufacturing	64,900	65,800	71,200	-900	-6,300
Durable Goods	49,100	50,000	53,200	-900	-4,100
Non-Durable Goods	15,800	15,800	18,000	0	-2,200
Trade, Transportation, and Utilities	124,400	126,700	138,200	-2,300	-13,800
Wholesale Trade	25,600	25,700	28,200	-100	-2,600
Retail Trade	83,000	85,200	92,700	-2,200	-9,700
Transportation, Warehousing, and Utilities	15,800	15,800	17,300	0	-1,500
Information	11,400	11,700	12,200	-300	-800
Financial Activities	35,900	35,900	34,800	0	1,100
Professional and Business Services	78,600	79,300	84,600	-700	-6,000
Education and Health Services	120,100	115,600	124,700	4,500	-4,600
Leisure and Hospitality	57,600	62,000	74,100	-4,400	-16,500
Other Services	26,500	26,700	25,500	-200	1,000
Government	85,600	76,800	91,100	8,800	-5,500
Federal Government	9,200	9,400	8,100	-200	1,100
State Government	20,800	19,700	24,700	1,100	-3,900
Local Government	55,600	47,700	58,300	7,900	-2,700

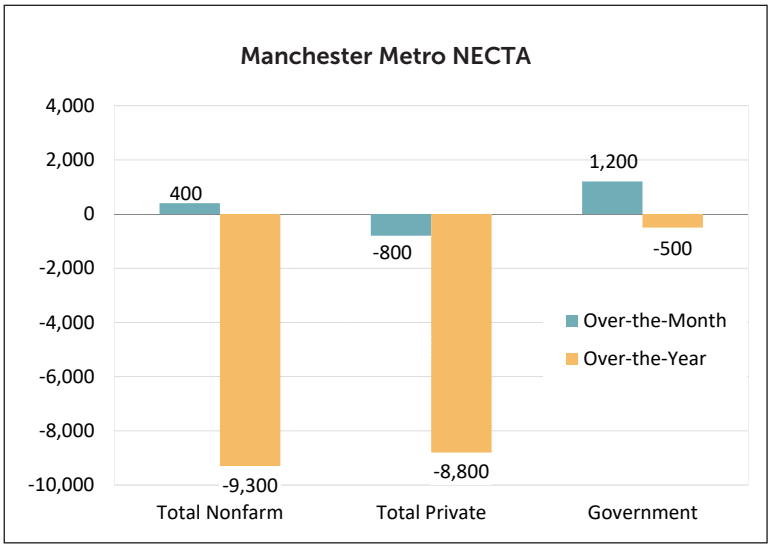
Total Nonfarm Employment Trend Through September 2020

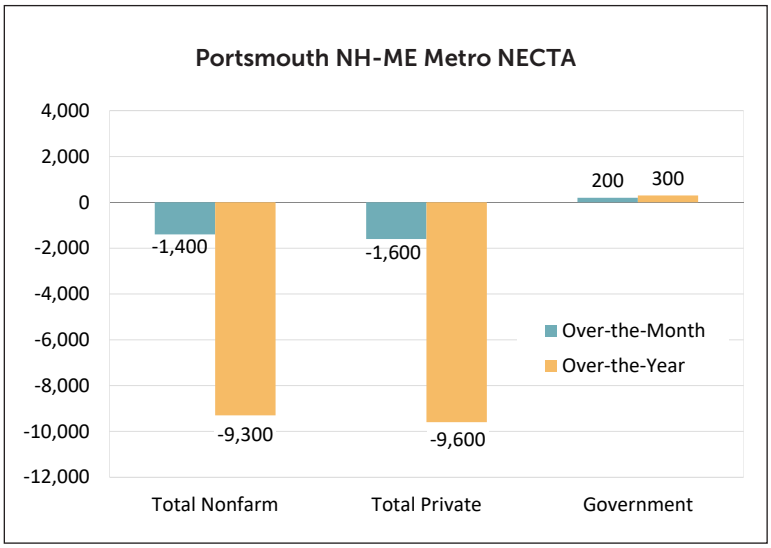


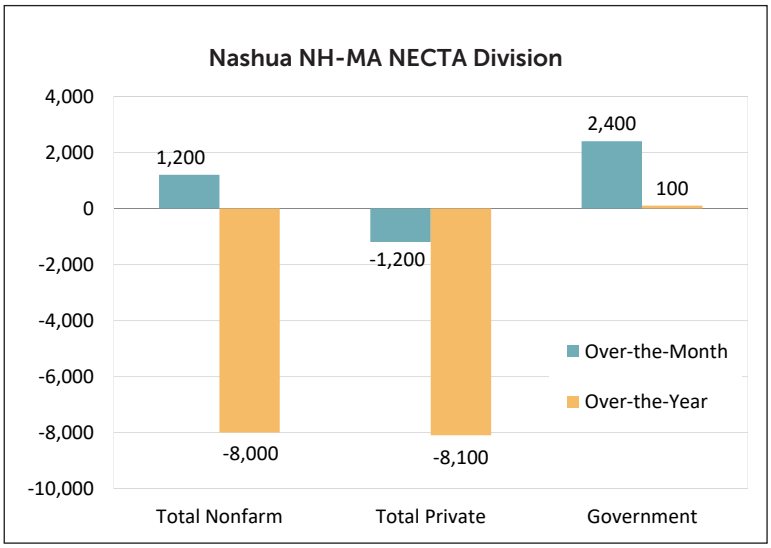
MONTHLY ESTIMATES BY PLACE OF ESTABLISHMENT

Nonfarm Employment by Metropolitan Statistical Areas - September 2020

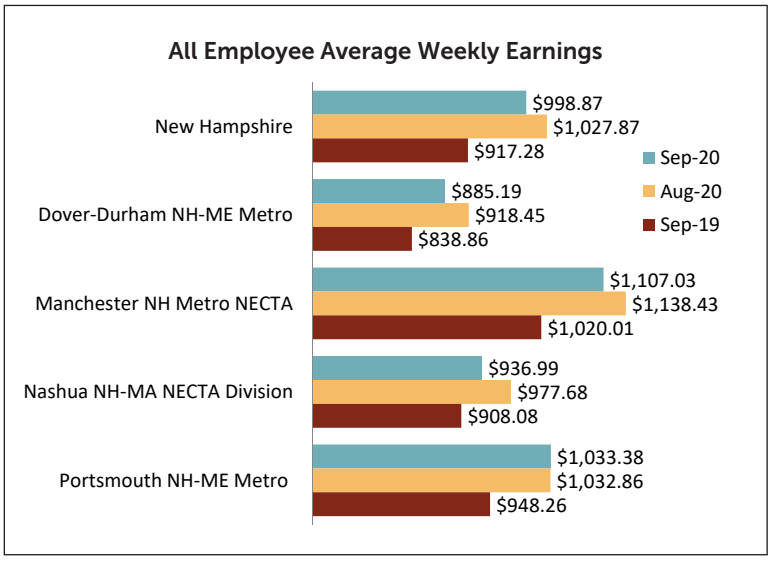


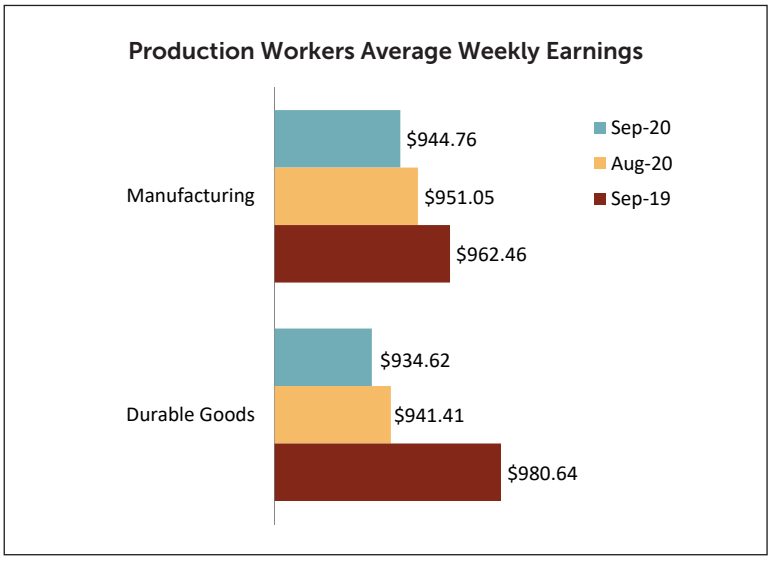






Total Private Average Weekly Earnings Data





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 by 2,300 jobs in September, according to preliminary seasonally adjusted estimates. Employment decreased from 691,000 in January 2020 to 572,000 in April, for a loss of 119,000 jobs, due to the coronavirus (COVID-19) pandemic and efforts to contain it. Through September, a total of 60,800 jobs have been recovered.

Five private industry supersectors also experienced their lowest level of employment in April. *Construction* employment decreased by 3,000 from January to April, but gained 800 jobs over the month and had recovered 1,200 jobs compared to the level in April. *Financial activities* suffered a loss of only 700 positions as of April, and the September level was 900 jobs higher than it was in January. Private *education and health services* lost 1,500 jobs from August to September, but had recovered 11,600 of the jobs lost in April. The *leisure and hospitality* supersector was the industry hardest hit by the pandemic, with 46,000 jobs lost as of April. In September, employment was up by 4,200 over the month and the supersector had recovered 28,300 jobs. *Other services* lost about one-quarter of its employment as of April, with 7,100 jobs lost. This supersector rebounded quickly, recovering 6,700 jobs as of September.

Several other supersectors experienced their lowest level of employment after April, as secondary effects of the coronavirus impacted these industries in subsequent months. *Manufacturing* employment reached a low in July and experienced a loss of 500 over the most recent month, resulting in a loss of 6,700 jobs since January. *Trade, transportation, and utilities* hit a low of 115,300 employed in May. The recovery has been slow and steady with an increase of 600 jobs in September. *Information* lost 300 jobs over the month and the employment level was 1,000 lower than it was in January. *Professional and business services* lost 9,700 positions by June. In September, employment in this industry remained 6,500 below the January level. *Mining and logging* was essentially unchanged throughout the year, dropping from a level of 1,000 to 900 in May, where it remained in September. *Government* employment decreased by 3,400 in September, but it was 2,600 above the low of 82,000 jobs in May.

Not Seasonally Adjusted

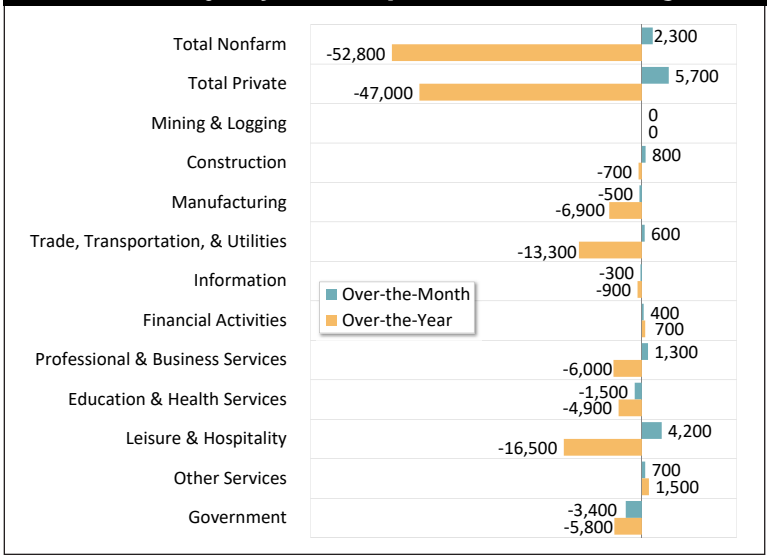
Preliminary unadjusted estimates for September show that *total nonfarm* employment decreased by 52,100 jobs since September 2019, reflecting the impact on employment due to the coronavirus (COVID-19) pandemic and efforts to contain it. Employment losses were experienced in all but three supersectors over-the-year. *Financial activities* had 1,100 more positions than in September 2019 while *other services* had increased by 1,000. *Mining and logging* was unchanged over-the-year. *Leisure and hospitality* experienced the largest decrease, with 16,500 fewer jobs than in September 2019. *Trade, transportation, and utilities* employment decreased by 13,800, while *manufacturing* shed 6,300 jobs.

Professional and business services reduced payrolls by 6,000, while private *education and health services* lost 4,600 positions. *Information* employment declined by 800 and *Construction* cut 700 jobs over-the-year. *Government* employment decreased by 5,500 from September 2019 to September 2020.

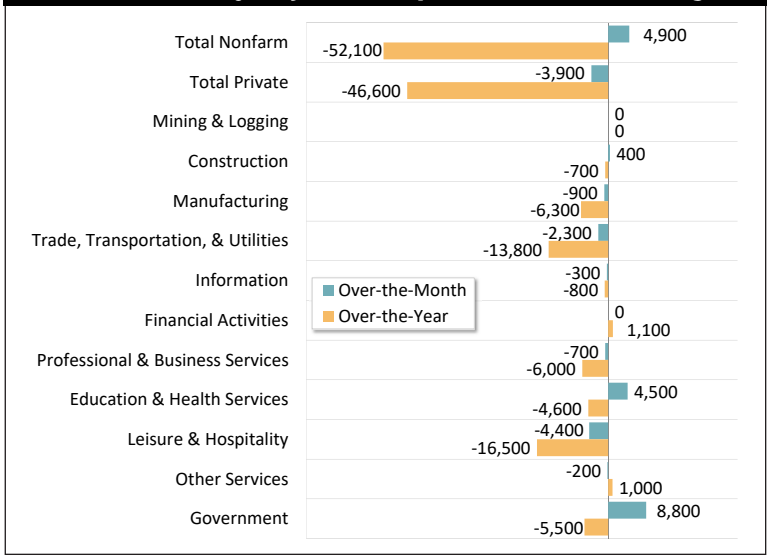
Unadjusted estimates provide a snapshot of the number of New Hampshire jobs by industry in any given month. However, over-the-month changes to unadjusted employment estimates reflect both changes in economic conditions and seasonal patterns of employment growth and decline. All industries experience seasonal changes to some degree, although these patterns tend to be more obvious in *leisure and hospitality*; *trade, transportation, and utilities* and *construction*. Over-the-month changes to unadjusted employment estimates should not be compared without consideration for the normal seasonal pattern of the appropriate industries. The most appropriate method for the comparison of unadjusted monthly data is to compare the estimates for the same month in different years; as this will minimize, but not eliminate, the effect of seasonal employment patterns on observed changes.

– Robert Cote, Research Analyst

Seasonally Adjusted September 2020 Change



Not Seasonally Adjusted September 2020 Change



Consumer Price Index

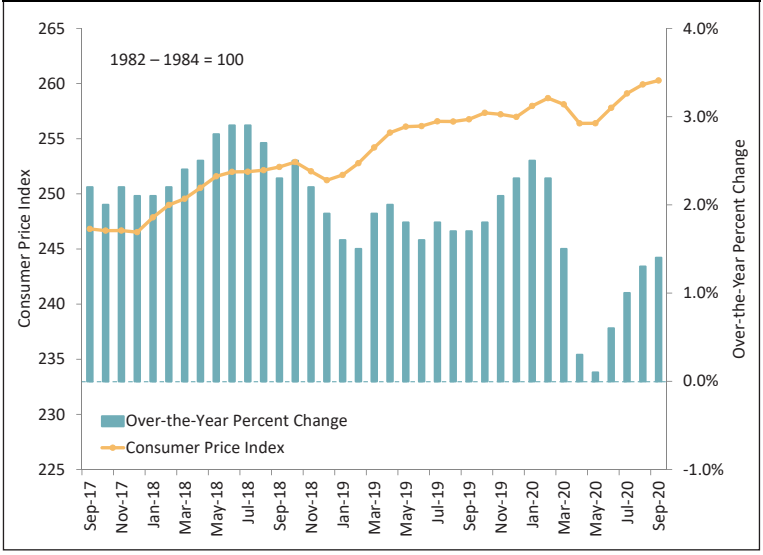
United States, All Urban Consumers
Not Seasonally Adjusted (CPI-U) (1982-1984=100)

			Change From Previous	
Sep-20	Aug-20	Sep-19	Month	Year
260.280	259.918	256.759	0.1%	1.4%

Northeast, All Urban Consumers
Not Seasonally Adjusted (CPI-U) (1982-1984=100)

			Change From Previous	
Sep-20	Aug-20	Sep-19	Month	Year
273.925	273.597	270.563	0.1%	1.2%

Consumer Price Index United States, All Urban Consumers



Unemployment Compensation Claims Activity

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
Initial Claims	90,023	34,031	23,827	26,658	10,369	8,936
Continued Weeks Claimed	352,681	404,164	323,039	162,664	144,029	97,600
Average payment for a week of unemployment	$263.90	$253.57	$239.67	$255.15	$260.52	$272.34

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Claims calls: 1-800-266-2252

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