

LABOR FORCE & UNEMPLOYMENT

Private sector employment recovered from the pandemic at a faster rate in New Hampshire than in most of the northeastern U.S. New Hampshire's average 2023 private sector employment increased 3.4 percent over 2019 employment; New Jersey was the only state in the northeast with faster growth over that time, growing 3.9 percent.

Compared to the U.S. overall, employment growth in New Hampshire was roughly average, as employment growth was fastest among southern, southwestern, and western states. Much of the disparity in employment growth across regions was the result of population migration; the U.S. population has moved west and south in recent decades, and this has fueled employment growth in those regions. Since the pandemic, New Hampshire and Maine have experienced faster population growth than most of the Northeast, and this has contributed to recent employment growth in these states as well.

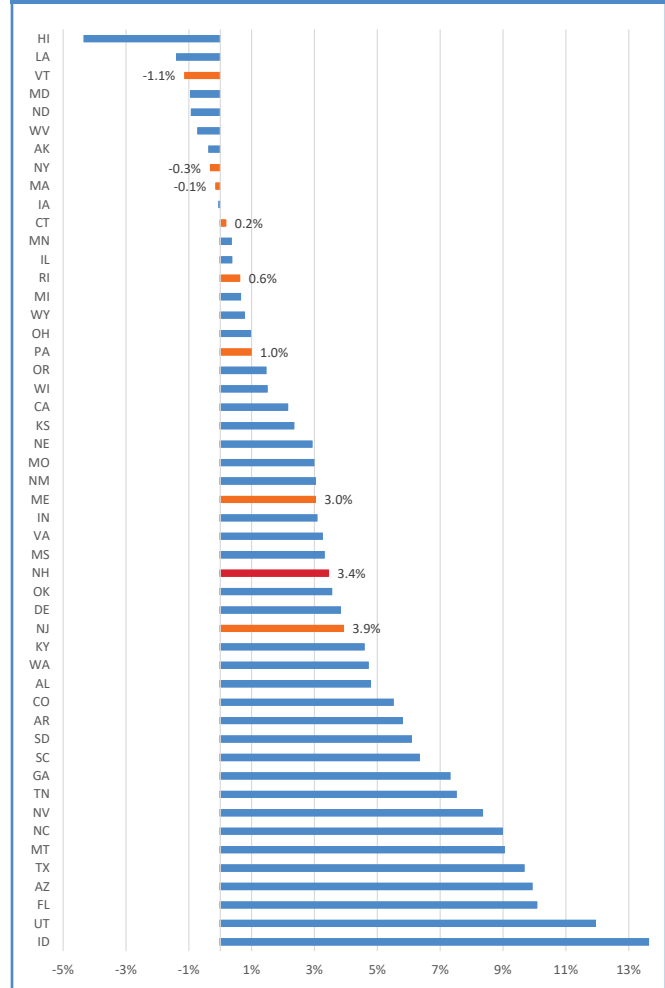
Private sector employment growth slowed, both nationwide and in New Hampshire, over the second half of 2023 and into early 2024. This slowing was not due to a large increase in layoffs, but primarily because of a decline in hiring.

Unemployment

The number of unemployed New Hampshire residents fell to 13,550 in April 2023, the lowest number since the late 1980s.¹ By June 2024, the number of unemployed residents increased by approximately 5,600 individuals, and the unemployment rate increased from 1.8 percent to 2.5 percent. Although a 0.7 percent increase in unemployment in just over a year seems large, this increase was largely due to residents entering or re-entering the labor force, and not an increase in businesses laying off employees.

Claims for unemployment benefits averaged approximately 3,600 claims per week in the first half of 2024. This was an increase of approximately 700 claims over the first half of 2023, well below

2023 EMPLOYMENT GROWTH OVER 2019 EMPLOYMENT



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wage

the increase in unemployed individuals. Although trending upwards, the increase in claims has been gradual, and 2024 claims are low by historical standards, at roughly 2019 levels.

Employment-to-Population

“Full employment” is an economic situation in which there is no cyclical unemployment (low demand for workers) or deficient-demand unemployment (low supply of workers). New Hampshire is considered at full employment when the employment-to-population ratio among

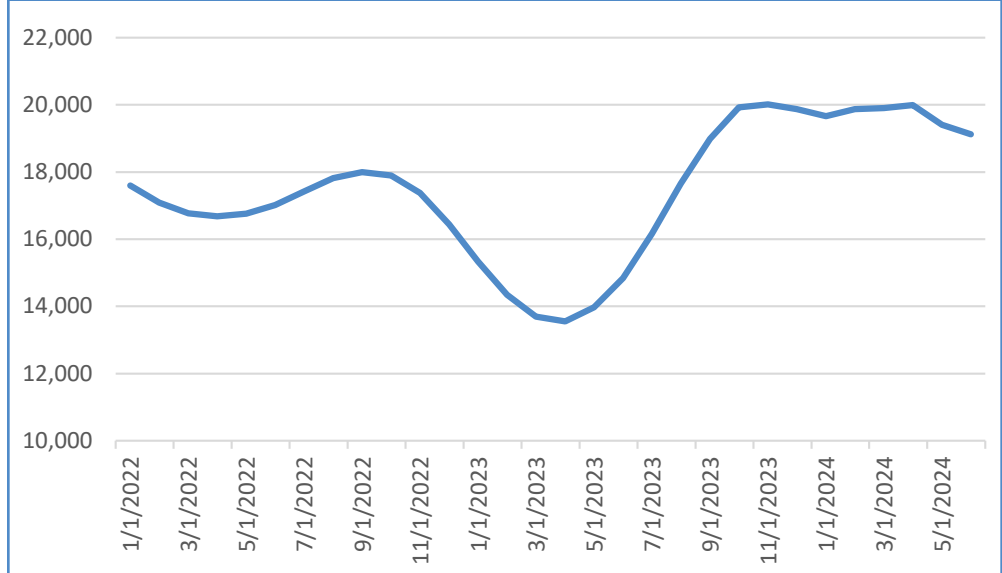
¹ Data are seasonally adjusted.

prime working age residents (residents age 25 to 54 years old) reaches 85 percent. New Hampshire last exceeded this threshold before the pandemic, peaking at 86.7 percent during the 12-month period ending October 2019.

While employment exceeded pre-pandemic levels in early 2022, the employment-to-population ratio for New Hampshire's prime-age population remained below 85 percent until the 12-month period ending May 2024. Reaching full employment means New Hampshire's economy is currently performing well, it also means future growth will likely be limited, as the pool of potential new workers is fairly small.

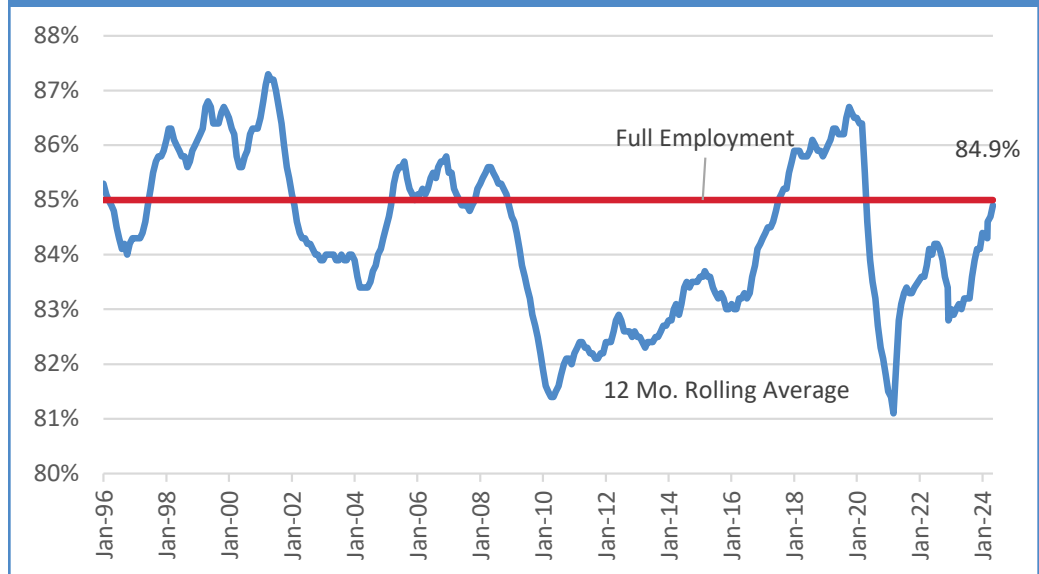
Without increased population growth, potential future employment growth in New Hampshire will likely be slowed by a small pool of available talent. New Hampshire has relied entirely on migration (both domestic and international) to grow its population and labor force in recent years, and migration will be critical for New Hampshire's future population and labor force growth as well.

NUMBER OF UNEMPLOYED NEW HAMPSHIRE RESIDENTS



Source: New Hampshire Employment Security, Local Area Unemployment Statistics

EMPLOYMENT-TO-POPULATION RATIO, AGES 25 TO 54



Source: U.S. Bureau of Labor Statistics, Current Population Survey

- Greg David

LABOR FORCE AND UNEMPLOYMENT CIVILIAN LABOR FORCE (RESIDENTS)	2019	2020	2021	2022	2023
Civilian Labor Force (annual average)	778,467	761,429	753,206	760,333	759,604
Annual percent change	1.0%	-2.2%	-1.1%	0.9%	-0.1%
Labor force participation rate	69.3%	66.7%	64.6%	65.9%	64.4%
United States rank	tie 6	10	14	10	19
Male participation rate	74.8%	71.5%	69.4%	71.1%	69.3%
United States rank	5	tie 10	18	12	19
Female participation rate	63.9%	62.1%	59.9%	60.7%	59.6%
United States rank	9	tie 8	tie 16	13	18
Employment (Residents)					
Employed (annual average)	758,463	710,538	727,574	742,975	742,886
Annual percent change	1.1%	-6.3%	2.4%	2.1%	0.0%
Unemployment (Residents)					
Unemployed (annual average)	20,004	50,891	25,632	17,358	16,718
Annual percent change	-0.9%	154.4%	-49.6%	-32.3%	-3.7%
Unemployment rate (annual average)					
New Hampshire	2.6%	6.7%	3.4%	2.3%	2.2%
United States rank (1=lowest)	5	23	6	4	5
New England	3.1%	8.2%	5.3%	3.5%	3.2%
United States	3.7%	8.1%	5.3%	3.6%	3.6%
Men					
New Hampshire	2.7%	6.4%	4.3%	3.2%	2.4%
United States	3.7%	7.8%	5.5%	3.7%	3.8%
Women					
New Hampshire	2.5%	6.7%	3.1%	2.3%	2.4%
United States	3.6%	8.3%	5.2%	3.6%	3.5%
Teens (16-19)					
New Hampshire	12.7%	14.0%	6.0%	7.2%	6.8%
United States	12.7%	17.9%	11.7%	10.8%	11.2%

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics; Current Population Survey; ELM I Analysis. Last Update 3/6/2024

ALTERNATIVE MEASURES OF LABOR UNDERUTILIZATION	2019	2020	2021	2022	2023
U-1: persons unemployed 15 weeks or longer, as a percent of the civilian labor force					
New Hampshire	0.8%	1.8%	1.5%	0.8%	0.7%
United States	1.3%	2.8%	2.8%	1.3%	1.3%
U-2: job losers and persons who completed temporary jobs, as a percent of the civilian labor force					
New Hampshire	1.1%	4.9%	2.1%	1.3%	1.0%
United States	1.7%	6.1%	3.2%	1.7%	1.7%
U-3: total unemployed, as a percent of the civilian labor force (this is the definition used for the official unemployment rate)					
New Hampshire	2.6%	6.6%	3.7%	2.8%	2.4%
United States	3.7%	8.1%	5.3%	3.6%	3.6%
U-4: total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers					
New Hampshire	2.7%	6.7%	3.8%	2.9%	2.5%
United States	3.9%	8.4%	5.6%	3.9%	3.9%
U-5: total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers					
New Hampshire	3.1%	7.4%	4.4%	3.4%	3.0%
United States	4.5%	9.2%	6.4%	4.5%	4.5%
U-6: total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers					
New Hampshire	5.2%	10.3%	6.1%	4.8%	4.5%
United States	7.2%	13.6%	9.4%	6.9%	6.9%
Source: Bureau of Labor Statistics, Current Population Survey; ELMI Analysis. Last Update 3/6/2024					

UNEMPLOYMENT INSURANCE	2019	2020	2021	2022	2023
Weeks compensated for unemployment (UI)	133,805	1,419,228	306,326	77,400	99,644
Benefits paid, unemployment insurance (thousands)	\$43,252	\$349,923	\$81,396	\$25,254	\$35,286
Annual percent change	-9.5%	709.0%	-76.7%	-69.0%	39.7%
Average duration, benefit payments (weeks)	12.1	10.6	16.8	9.4	10.3
United States average	14.8	15.3	17.8	14.2	14.8
United States rank ^a (1=longest duration)	42	45	25	49	44
Average weekly benefit amount					
New Hampshire	\$323.25	\$246.56	\$265.72	\$326.28	\$354.12
United States	\$359.27	\$304.64	\$325.89	\$391.10	\$430.94
^a Ranks include D.C., Virgin Islands, and Puerto Rico					
Source: U.S. Department of Labor, Employment and Training Administration; ELMI Analysis. Last Update 3/6/2024					
Prepared by: New Hampshire Employment Security, Economic and Labor Market Information Bureau					
www.nhes.nh.gov/elmi (603) 228-4124					