

Through February 2022, both the New England region and the United States experienced substantial improvements in economic conditions relative to February 2021. Payroll employment increased and unemployment rates fell relative to one year prior, although these indicators continued to differ from their pre-pandemic levels. Leisure & hospitality employment experienced the largest gains among supersectors in the nation and region. Through the fourth quarter of 2021, wage and salary income was higher nationally and across all New England states compared to the same period in 2020.

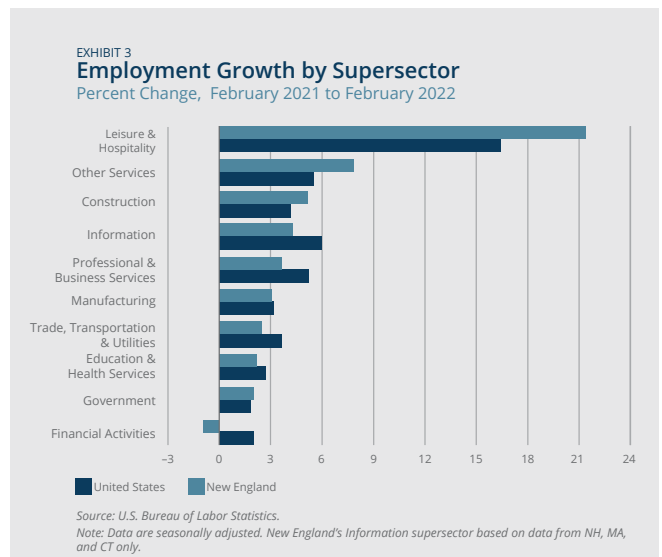
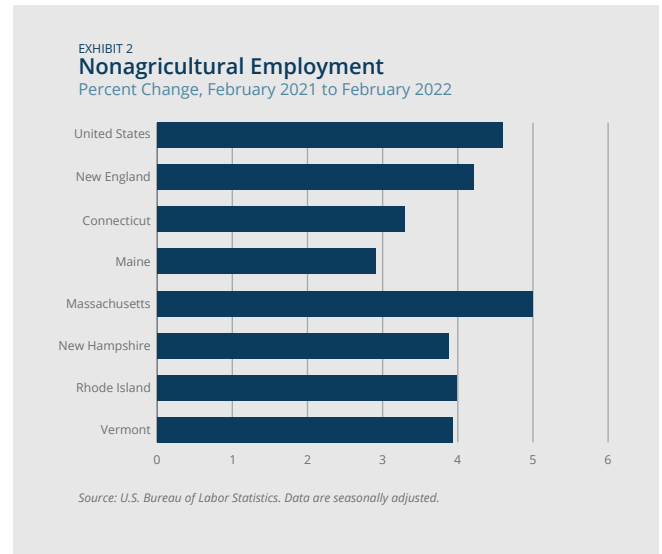
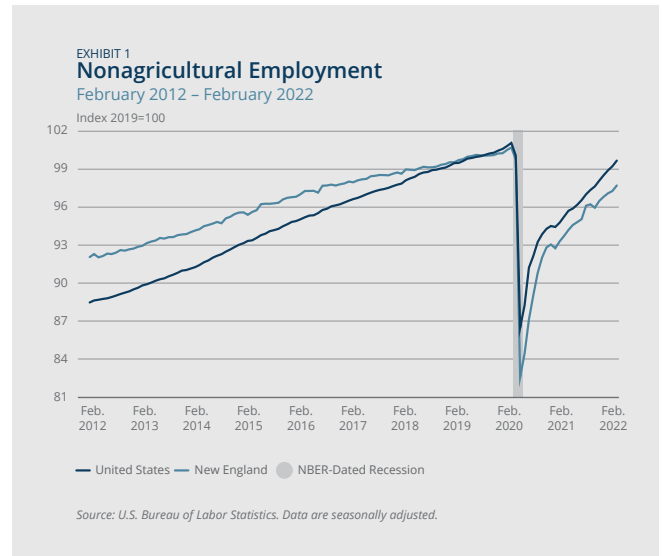
## Payroll Employment

### Employment growth lagged the national pace in five of the six New England States

The United States and New England experienced large gains in payroll employment through February 2022 relative to February 2021, but payrolls continued to lag pre-pandemic levels (Exhibit 1). Jobs increased 4.6 percent nationally and 4.2 percent regionally over the year to February 2022 (Exhibit 2). Within New England, Massachusetts was the lone state to post a job growth rate that exceeded the national average (5.0 percent). Payroll employment in each of the New England states remains below its pre-pandemic level in February 2020, with the gaps ranging from -0.8 percent in New Hampshire to -5.3 percent in Vermont.

### Leisure & hospitality jobs rebounded more rapidly in New England than in the U.S.

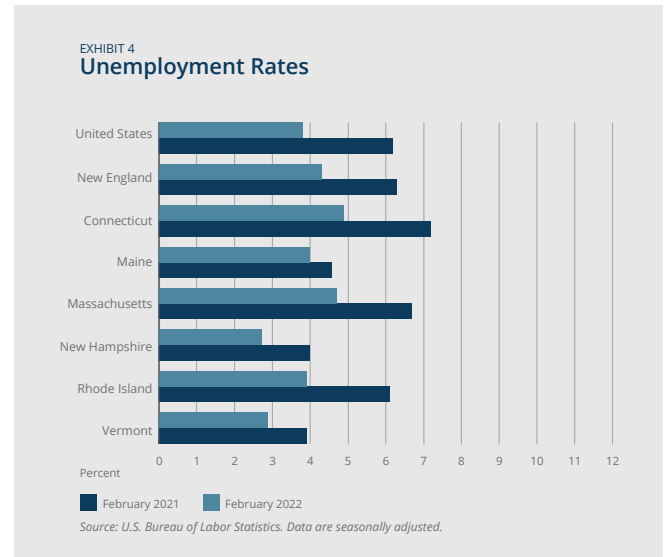
In February 2022, employment increased year-over-year in every supersector in the United States and all but the financial activities supersector in New England (Exhibit 3). The leisure & hospitality supersector had the largest increases both regionally (21.4 percent) and nationally (16.4 percent). New England had larger year-over-year gains in leisure & hospitality jobs than the nation partly because it experiences greater losses in the supersector in the previous year (-26.6% vs. -21.9%), however employment in the leisure & hospitality supersector remains below February 2020 levels in each of the six New England states, ranging from -3.7 percent in Maine to -13.2 percent in Vermont. In addition to leisure & hospitality, year-over-year regional gains in government, construction, and other services exceed the corresponding national gains.



## Unemployment

### Unemployment rates continued to drop in all six New England states

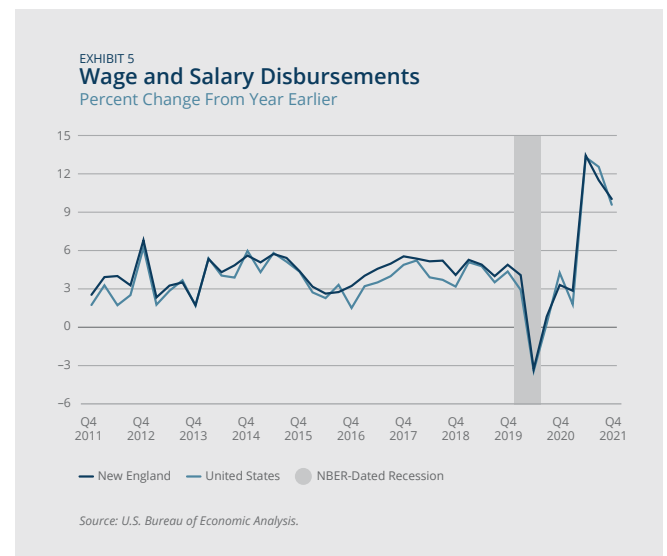
In February 2022, the unemployment rate was 3.8 percent in the United States and 4.3 percent in the region. All six New England states saw unemployment rate declines between February 2021 and February 2022. Connecticut posted the largest year-over-year decline of 2.3 percentage points, landing at 4.9 percent, the highest in the region (Exhibit 4). The unemployment rate in Maine (4.0 percent), Massachusetts (4.7 percent), and Rhode Island (3.9 percent) also exceeded the national average. New Hampshire (2.7 percent) and Vermont (2.9 percent) posted rates among the 11 lowest in the country.



## Income

### Wage and salary income continues to rise

Incomes in New England and the United States grew in the fourth quarter of 2021 relative to a year earlier. Wage and salary disbursements, the largest component of income, increased year-over-year by 10.0 percent nationally and 9.6 percent regionally in the fourth quarter of 2021 (Exhibit 5). Wage and salary growth in the New England states ranged from 7.9 percent in Connecticut to 13.3 percent in New Hampshire.



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New England Economic Indicators aggregates data released prior to March 30, 2022.

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