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STATE COLLEGE

MetroWest Economic  
Research Center

# ***495/MetroWest Partnership 2009 Economic Forum***

**Dr. Robert Martin**  
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***2009 Economic Indicators  
for the  
495/MetroWest Region***

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# **SUMMARY OF FINDINGS**

**UNEMPLOYMENT**

**EMPLOYMENT**

**JOB CREATION AND DESTRUCTION**



## **495/MetroWest Unemployment**

- **Since 1992 the 495/MW Corridor has experienced a lower annual unemployment rate than Massachusetts and the United States.**
- **After declining since 2003 the 495/MW unemployment rate climbed to reach 6.3% in January 2009, the highest rate since 1993.**



## **495/MetroWest Unemployment**

- **The gap between the number of people in the 495/MW labor force and the number of jobs located with the 495/MW Corridor, which had widened in the 2001-03 recession, narrowed as the number of jobs grew faster than the labor force between 2003 and 2007.**



## **495/MetroWest Employment**

- In 2007 the 495/MW Corridor recorded a new historical high of 289,200 jobs, a record payroll of \$17.7 billion, and a record average annual wage of \$61,300. In 2007 the 495/MW Corridor generated one out of every 11 jobs, one out of every 10 payroll dollars and one out of every 12 establishments in Massachusetts.**



## **495/MetroWest Employment**

- **The 495/MW average annual wage of \$61,300 in 2007 exceeded the state's average wage by 13.3% and the U.S. average wage by 42.2%.**
- **Three supersectors, Trade, Transportation & Utilities (TTU), Professional & Business Services (PBS), Manufacturing, produced over half of regional employment.**



## **495/MetroWest Employment**

- **Two supersectors, PBS with \$4.6 billion in payroll, and Manufacturing with \$4.3 billion in payroll, together produced half of the 495/MW Corridor's total payroll in 2007.**
- **Manufacturing led all supersectors in 2007 with an average wage of \$97,000, followed by Information (\$95,900) and PBS (\$84,000).**





## **495/MetroWest Employment**

- **Three high wage supersectors, Manufacturing, Information, and PBS, with 37% to 43% higher concentrations of employment than existed nationally, fueled the region's economic power.**
- **The Management of Companies and Professional, Scientific and Technical sectors offered the highest average annual wages, \$112,400 and \$100,700, respectively.**



## **495/MetroWest Job Creation and Destruction**

- **From 2004 to 2007 the 495/MW Corridor added 12,500 jobs or an increase of 4.5%. Over this period the region averaged an annual net gain of 1.5% in employment.**
- **Over the three years, nearly 40,000 jobs were newly created with the annual rate of job creation averaging 4.7% annually.**



# **495/MetroWest Job Creation and Destruction**

- **Over the same three years, nearly 27,000 jobs were destroyed with the annual rate of job destruction averaging -3.2% annually.**



## **495/MetroWest Job Creation and Destruction**

- **Job churning is the sum of job creation and job destruction.**
- **Between 2004 and 2007, the rate of job churning in the 495/MW Corridor averaged 7.9% annually with at least one out of every 12 jobs being created or lost each year.**



## **495/MetroWest Job Creation and Destruction**

- **Between 2004 and 2007 the greatest amount of job churning occurred in the region's three largest supersectors: PBS, TTU and Manufacturing.**



## **495/MetroWest Job Creation and Destruction**

- **The largest net change in employment among the region's supersectors occurred in PBS. While over 11,000 new jobs were created, 6,400 jobs were lost resulting in a net increase of more than 4,800 jobs.**



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# THANK YOU

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**or on the web:**

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