



Greater Marlborough Region Enters Recovery

By: Nathan Jordan—MERC Intern II

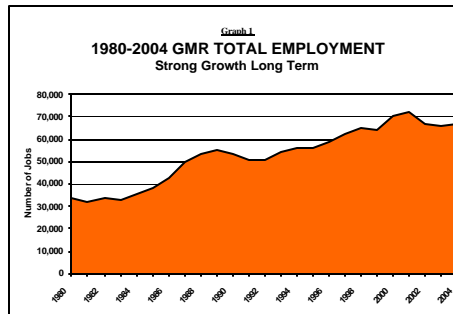
During this two year recession all four communities in the region, Hudson, Marlborough, Northborough,

and Westborough, experienced a cumulative job loss. However, the decrease in jobs was not spread equally throughout the region. Between 2001 and 2003 Marlborough lost the most, 4,560 jobs, or 71.2% of all jobs lost in the Greater Marlborough Region. During this two year period Westborough and Hudson each lost 900 jobs or 14% of the total Greater Marlborough Region's job loss. Northborough lost the

fewest jobs, 35, during this two year span. See *graph 2*. Marlborough, which experienced the largest job loss from 2001 through 2003, gained the most jobs in 2004. Marlborough gained 930 jobs or 70% of the total 1,300 jobs gained in 2004.

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Prior to 2001 the Greater Marlborough Region experienced high growth in employment. Between 1980 and 2001 total employment for the Greater Marlborough Region rose from 33,600 to a historical peak of 72,200 jobs, a gain of 115%. However, in 2002 the region entered a recession and employment fell sharply to 67,200, a loss of 5,000 jobs; employment fell again in 2003 to 65,800, an additional loss of 1,400 jobs. Over this two year span, employment for the Greater Marlborough Region fell by 6,400 jobs or 8.9% from its 2001 peak. In 2004 a recovery began with total regional employment increasing to approximately 67,100, a gain of 1,300 jobs. See *graph 1*.



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“[a] leading example of economic development assistance among the state colleges...that directly benefits employers, Chambers of Commerce, nonprofit organizations, school districts, municipal governments, legislators, residents, and community groups” - State Senate Task Force Report on Public Higher Education, commending MERC on its program.

Calendar of Events

- ACCRA Cost of Living Survey: April 6-8, 2006
- MERC Conference on MW/GMR: May 5, 2006
- 495/MW Business Expo: May 25, 2006

Contact MERC @ (508) 626-4033 for more information on these events.

Unemployment Rates and Labor Force

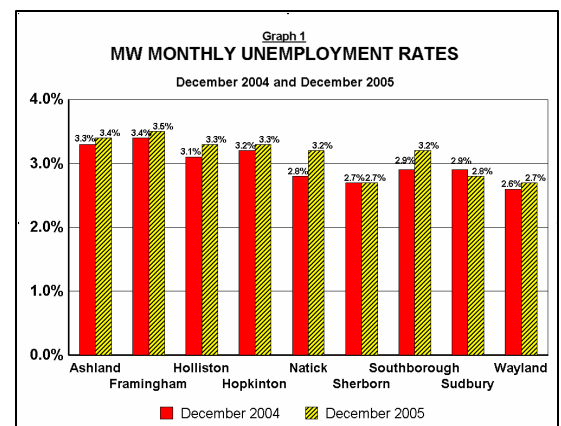
MetroWest

By: Tunde Cser—MERC Intern II

The MetroWest Cohesive Commercial Statistical Area (CCSA) includes nine towns: Ashland, Framingham, Holliston, Hopkinton, Natick, Sherborn, Southborough, Sudbury, and Wayland. As shown in *graph 1*, the unemployment rates in the nine MetroWest towns ranged from 2.7% to 3.5% in December 2005. Sherborn and Wayland had the lowest unemployment rates at 2.7%, followed by Sudbury at 2.8%. Framingham had the highest rate at 3.5%.

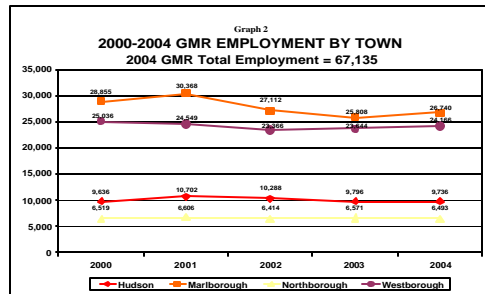
As we compare the December 2004 unemployment data to the December 2005 in the nine MetroWest communities, we observe that unemployment rates in all towns increased, except for Sherborn and Sudbury. Sherborn's unemployment rate stayed at 2.7% while Sudbury

experienced a slight decrease in its unemployment rate from 2.9% to 2.8%. See *graph 1*.



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Greater Marlborough Region Enters Recovery

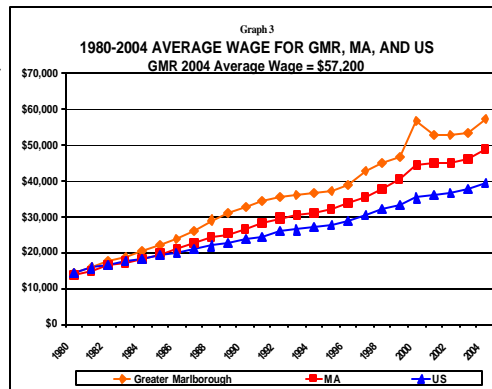


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During the period of 1980 through 2000 the Greater Marlborough Region's total payroll rose from \$485 million to its peak of almost \$4 billion, an eight-fold increase in payroll. However in 2001 this growth trend reversed itself with a decrease of \$156 million in total payroll followed by losses of \$271 million in 2002 and \$22 million in 2003. As the region entered recovery in 2004, payroll increased along with employment. After three years of decline, total payroll for Greater Marlborough increased by \$311 million or 8.8% in 2004.

From 1980 through 2004 the nation as a whole and Massachusetts both enjoyed steady growth rates in average wage. The Greater Marlborough Region's average wage rose as well through 2000, but then declined in 2001 and 2002. However, the Greater Marlborough Region's average wage then rebounded in 2003 and reached \$57,200 in 2004. The 2004 average wage for Greater Marlborough, \$57,200, exceeded the Massachusetts average wage of \$48,900, and the U.S average wage of \$39,300. Therefore the Greater Marlborough Region's average wage was 16.9% higher than the Massachusetts' average wage in 2004 and 45.4% higher than the 2004 U.S average wage. See graph 3.

During the period from 1980 through 2004 the number of establishments in the Greater Marlborough Region increased steadily with the exception of three years. During this twenty four year period the number of establishments nearly tripled from 1,300 in 1980 to 3,600 in 2004. From 2000 through 2004 the Greater Marlborough Region gradually increased its establishments adding 370 units. The majority of these establishments were gained from 2001 to 2002 with an increase of 130 units, and from 2003 to 2004 with an increase of 140 units. Further data and analysis on employment, wages, and establishments will be presented at MERC's May 5th Annual Conference on the combined MetroWest and Greater Marlborough economies.



DECEMBER 2005 UNEMPLOYMENT RATES

Not Seasonally Adjusted
(Preliminary Data)

Blackstone Valley	4.2%
Blackstone	5.0%
Douglas	3.8%
Grafton	4.0%
Hopedale	3.8%
Mendon	3.5%
Millbury	4.3%
Millville	4.7%
Northbridge	4.8%
Sutton	3.4%
Upton	4.4%
Uxbridge	4.3%
Greater Franklin	3.8%
Bellingham	4.4%
Blackstone	5.0%
Foxborough	3.9%
Franklin	3.6%
Medfield	2.8%
Medway	3.7%
Millis	3.5%
Norfolk	3.7%
Wrentham	3.7%
Greater Marlborough	3.7%
Hudson	4.6%
Marlborough	3.7%
Northborough	3.1%
Westborough	2.9%
MetroWest	3.3%
Ashland	3.4%
Frammingham	3.5%
Holliston	3.3%
Hopkinton	3.3%
Natick	3.2%
Sherborn	2.7%
Southborough	3.2%
Sudbury	2.8%
Wayland	2.7%
Millford	4.2%
South Shore	4.2%
Abington	4.3%
Braintree	4.2%
Cohasset	2.9%
Hanover	4.0%
Hingham	3.2%
Milton	3.4%
Norwell	3.2%
Quincy	4.5%
Randolph	4.9%
Rockland	4.7%
Weymouth	4.5%
Massachusetts	4.5%

MERC Interns - Spring 2006

Senior Interns

Stephanie Lampila

Daniel Messier

Charles Schumacher



Interns I

Matthew Buchanan, Jennifer Powell, Adam Watkins

Interns II

Paul Augustine

Tunde Cser

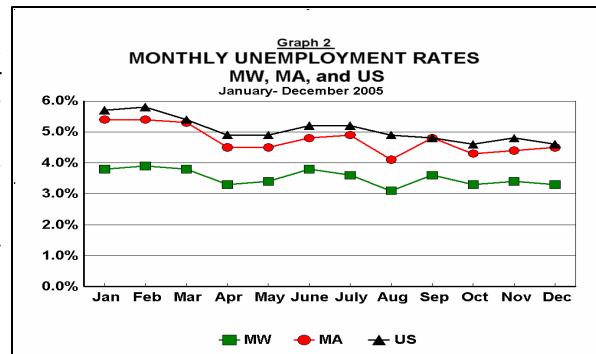
Nathan Jordan

Michelle Lattari

Unemployment Rates and Labor Force

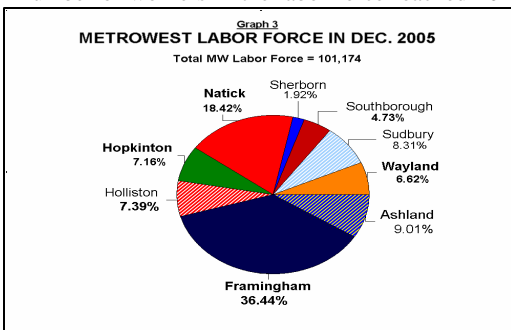
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MetroWest's December 2005 unemployment rate reached 3.3%. It was 1.2% lower than the Massachusetts rate of 4.5% and 1.3% lower than the nation's rate of 4.6%. During 2005, unemployment rates for all three areas peaked in February. The nation's rate peaked at 5.8%, the Massachusetts rate hit 5.4%, and MetroWest's rate reached 3.9%. The lowest unemployment rate was observed in August 2005 for MetroWest and also for Massachusetts; MetroWest's rate was 3.1% whereas Massachusetts' rate was 4.1%. On the other hand, the nation's unemployment rate reached its lowest rate of 4.6% in October and again in December. See *graph 2*.



MetroWest experienced a half-percentage point decrease in the unemployment rate from 3.6% in July 2005 to 3.1% in August 2005.

This was due to a decrease in the size of the labor force. The unemployment rate is calculated by dividing the number of unemployed (which is the difference between the labor force and the number employed) by the labor force. When the labor force decreases and the number of employed workers stays the same or increases, then the unemployment rate will decline. In July, the number of workers in the labor force reached 102,214 compared to 101,733 in August. This decrease of 481 participants in the labor force and the slight increase (34) in employment caused a decline in the unemployment rate from July to August in the MetroWest region.



The total number of labor force participants was over 101,100 in MetroWest in December 2005. As *graph 3* illustrates, Framingham had the highest percentage of the labor force with 36.44%, followed by Natick with 18.42%. Combined they represented more than 54% of the region's total labor force. Sherborn had the smallest proportion of the labor force in the region, less than 2%. Southborough contributed 4.73% of the total labor force in the region and represented the second lowest percentage of the total labor force in MetroWest. All other towns in the region contributed between 6% and 10% of the total labor force in December 2005.

Note: The unemployment rates for the areas and communities in the MetroWest and South Shore articles are not seasonally adjusted. For purposes of comparison, the rates referred to for the state and the nation are also not seasonally adjusted.

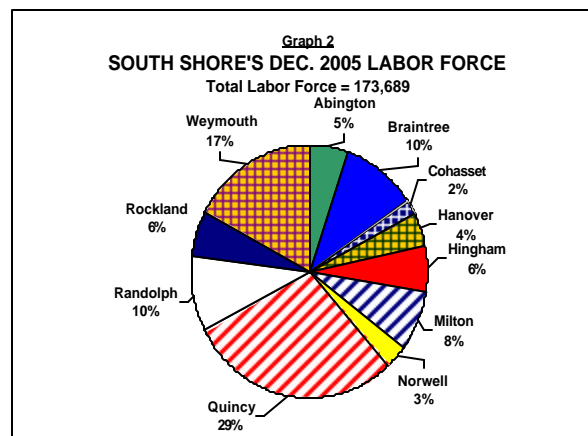
Unemployment in the South Shore for 2005

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The monthly unemployment rates for the South Shore, Massachusetts, and the United States, please refer to *graph 1*.

In December of 2005, the South Shore's labor force was approximately 173,690. Quincy made up the largest portion of the South Shore's labor force with 29%. Second to Quincy was Weymouth which had 17% of the labor force. Weymouth and Quincy together made up 46% of the South Shore's labor force, almost half of the total labor force in the South Shore. Braintree and Randolph each contributed 10% of the labor force. The rest of the towns each

made up less than 10% of the total labor force, with Cohasset making up the smallest share of 2%. For information on South Shore's labor force by community, please see *graph 2*.



MERC TIDBITS

"Revision in Labor Force Data"

Labor force and unemployment data are based on a new methodology and redefined to reflect the 2000 Census-based geographic configurations. Effective February 2006, the previous month's data release of the state and sub-state Labor Force and Total Unemployment Rates will no longer be revised each month. Instead monthly estimates will be revised at the beginning of the following calendar year.

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14th Annual MERC Conference

ECONOMIC ENGINES:
 Combined MetroWest and Greater Marlborough Economies

Friday, May 5, 2006

Sheraton Framingham Hotel, Route 9, Framingham
 8-10:15 AM cost: \$25 per person

TO REGISTER: Please contact the Marlborough Regional Chamber of Commerce
 phone: 508-485-7746 or email: marlcham@marlboroughchamber.org



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Unemployment in the South Shore for 2005

By: Paul Augustine—MERC Intern II

The South Shore Cohesive Commercial Statistical Area (CCSA) consists of eleven communities: Abington, Braintree, Cohasset, Hanover, Hingham, Milton, Norwell, Quincy, Randolph, Rockland, and Weymouth. The South Shore's unemployment rate was constantly lower than Massachusetts and the United

States in 2005. During January and February, the South Shore's unemployment rate peaked at 5%. In August, the South Shore saw its lowest unemployment rate of 3.8% in 2005. After experiencing its lowest unemployment rate for the year, the South Shore's unemployment rate increased to 4.7% in September and became stable at 4.2% from October through December. The South Shore and Massachusetts unemployment rates throughout 2005 followed a similar

pattern. Massachusetts' unemployment rates for 2005 fell in between the South Shores and United States rates. The U.S. unemployment rates were constantly higher than South Shores and Massachusetts, except for September when the Massachusetts rate of 4.8% matched the U.S. rate. For comparison of (Continued on page 3)

