



Economic Overview And Outlook: Massachusetts

JOBS

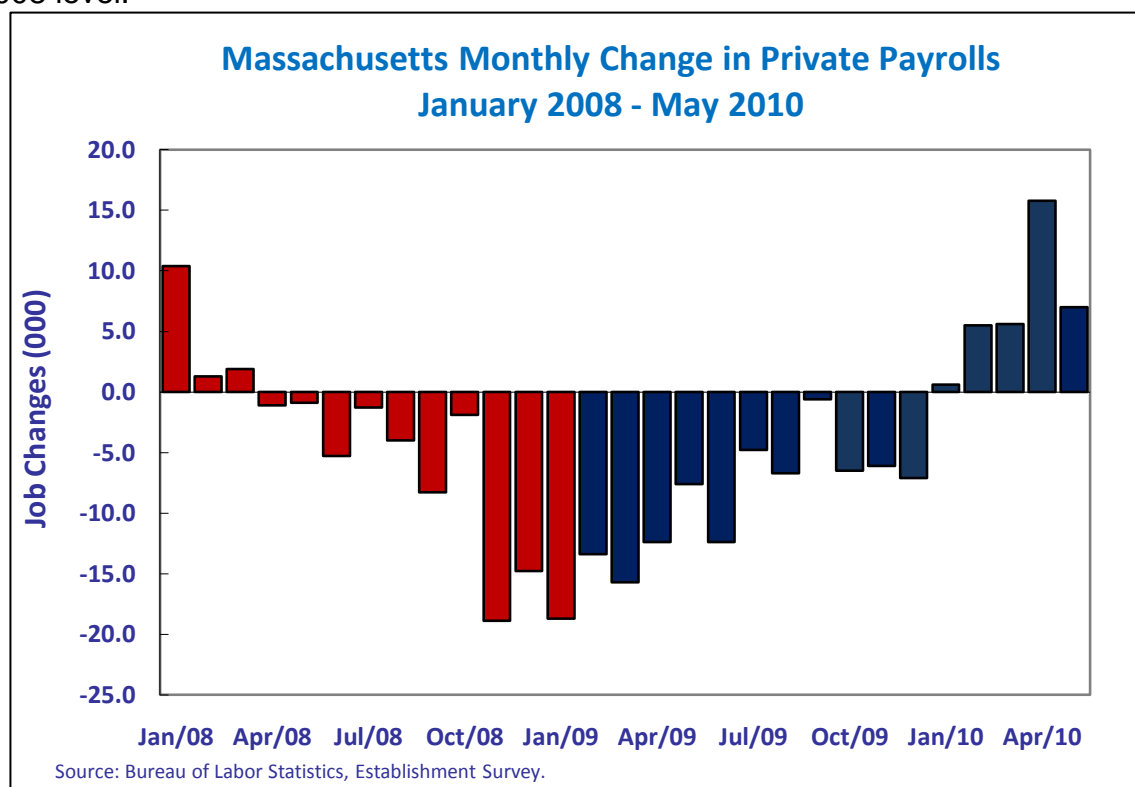
- Across the country, job losses have slowed dramatically since President Obama took office, nearly coming to a halt. Congress and the Administration worked swiftly to pass the American Recovery and Reinvestment Act, which has boosted employment by an estimated 2.8 million jobs since it was enacted.
- The President's Council of Economic Advisers estimates that investments made through the Recovery Act have boosted employment in Massachusetts by 73,000 jobs through the 1st quarter of 2010.
- In Massachusetts, employees in the construction, manufacturing, and financial activities sectors faced the largest job losses (as a percent of employment within an industry) over the recession. In 2010, the following sectors in Massachusetts experienced the greatest employment increases: government; professional and business services; and education and health services.
- While job losses nationwide have dissipated, the weakness in the labor market has been compounded by lackluster job creation in the private sector during the previous administration's eight-year tenure.
- As the economy recovers from the Great Recession, service-providing industries are projected to add the most jobs between 2008 and 2018, with the largest gains in professional and business services, education, health care and social assistance, and State and local government. Within the goods-producing sector of the economy, only the construction industry is projected to add jobs above its 2008 level.

EMPLOYMENT

- The unemployment rate in Massachusetts was 9.2 percent in May 2010, up 4.8 percentage points from December 2007, but down from its most recent peak of 9.5 percent reached in February 2010.
- 320,000 Massachusetts residents were counted among the unemployed in Massachusetts during May 2010.

EARNINGS

- Between the start of the recession in the 4th quarter of 2007 and the 1st quarter of 2009, inflation-adjusted total personal income in the United States declined 2.5 percent. Most recently, in the 1st quarter of 2010, total personal income remained 2.6 percent below the 4th quarter 2007 peak.



- Real per capita personal income (in 2005 \$) in Massachusetts was \$45,459.00 in the 1st quarter of 2010, down from \$46,865.50 in the 1st quarter of 2008.

HOUSING

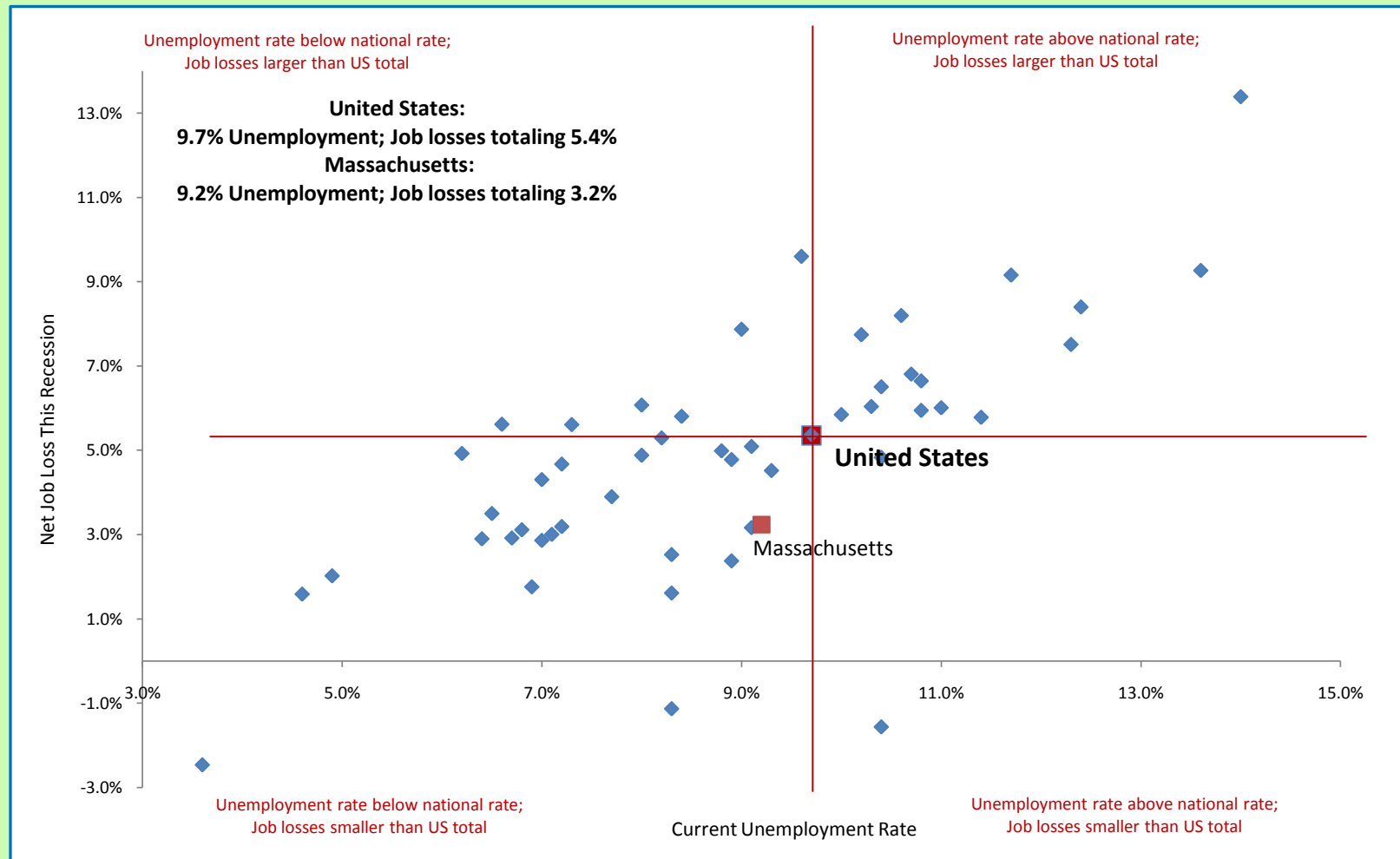
- National home prices, including distressed sales, increased 2.6 percent in April 2010 from April 2009 compared to 2.3 in March. In Massachusetts, home prices experienced a sharp improvement of 7.4 percent in April 2010 from April 2009 compared with March's year over year increase of 8.4 percent.
- The median price of single-family homes in Massachusetts was \$302,000 in 2008, compared to \$250,000 nationwide.
- As of the 1st quarter of 2010, 3.4 percent of all mortgages, including 15.4 percent of subprime mortgages, were in foreclosure in Massachusetts.
- Housing starts in Massachusetts totaled 9,570 units (seasonally adjusted annual rate) in April 2010, an increase of 50.7 percent from March.
- Within the Northeast census region, which includes Massachusetts, sales of new single-family homes totaled 39,000 units in April 2010, remaining steady from March. Sales of existing single-family homes increased 21.5 percent to 790,000 units (at seasonally adjusted annual rates) from March to April 2010.

How Does Massachusetts Compare To Other States?

Workers across the country have been hard hit by the Great Recession. This chart allows you to compare Massachusetts to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within Massachusetts over the course of the recession (shown along the vertical axis) measures the toll the recession has taken on the job supply in Massachusetts.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant have unemployment rates lower than the national average and smaller job losses over the recession.



STATE QUICK FACTS

	Massachusetts	United States
Unemployment Rates		
..... May 2008	4.9%	5.4%
..... May 2009	8.2%	9.4%
..... May 2010	9.2%	9.7%
Percent of Population Who Are Veterans		
..... 2008	8.3%	9.8%
Veterans' Unemployment Rate		
..... 2009	8.7%	8.1%
Median Household Income		
..... 2000	\$ 57,646	\$ 52,532
(2008 \$)		
..... 2008	\$ 60,515	\$ 51,233
Poverty Rate		
..... 2000	10.8%	11.6%
..... 2008	11.2%	12.9%
No Health Insurance		
..... 2000	8.7%	13.9%
..... 2008	5.4%	15.3%

For more Massachusetts specific labor statistics or additional information, please refer to the Massachusetts office:
<http://www.mass.gov/?pageID=elwdagencylanding&L=4&L0=Home&L1=Government&L2=EOLWD+Data+and+Statistics&L3=Labor+Market+Information&sid=Elwd>