



# ECONOMIC UPDATE

Issue 42

Fall 2020

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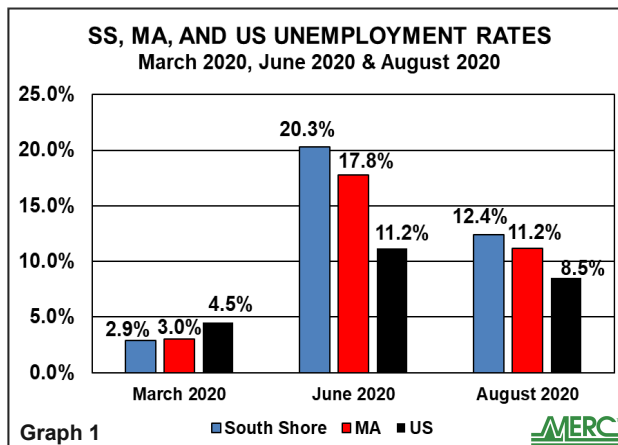
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## South Shore: Highest Unemployment Rates Ever Amid COVID-19

By: Aline Dropsy

The MetroWest Economic Research Center (MERC) collects unemployment and labor force data for different sub-state regions in Massachusetts including the South Shore region. South Shore (SS) is comprised of eleven communities: Abington, Braintree, Cohasset, Hanover, Hingham, Milton, Norwell, Quincy, Randolph, Rockland, and Weymouth. The region was very affected by the COVID-19 pandemic in 2020, showing a dramatic change in its unemployment rate.

Prior to the pandemic, in March 2020, the unemployment rate in South Shore was posted at 2.9%, lower than the state and the nation's rate of 3% and 4.5%, respectively, as seen in Graph 1. However, after the pandemic hit the region, South Shore unemployment rates rose sharply and remained consistently higher than the state and the national unemployment rates. In June 2020, SS recorded the highest unemployment rate that the region has experienced in the past 30 years, 20.3% — much higher than the state and the nation's rates of 17.8% and 11.2%, respectively. By the end of the sum-



Continued on page 2

## Greater Franklin Region Municipal Revenue: FY2020

By: Gregory Bowe

The MetroWest Economic Research Center (MERC) is an organization comprised of faculty, economic data analysts, and interns. Interns learn how to properly analyze and depict important economic data by working with MERC'S experienced economic analysts. After collecting and analyzing economic data (such as unemployment rates or cost of living indexes), members of MERC provide detailed reports on many Massachusetts communities surrounding Framingham. These reports allow firms, policy makers, and many other people to gain critical information pertaining to the economy of various Massachusetts communities. Municipal Revenue data is important information when analyzing any com-

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**Aline Dropsy**

Intern II

**Focus**

Unemployment

**Major**

Accounting

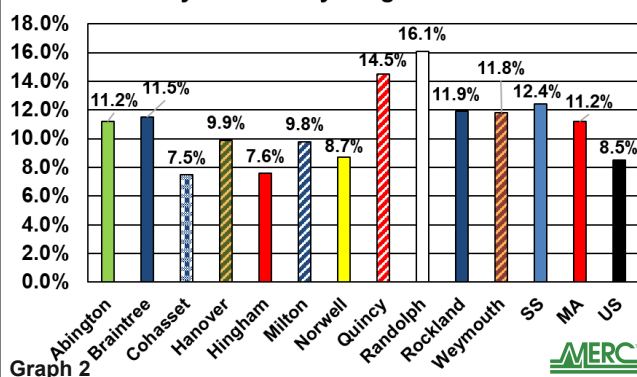
YOG 2021

mer, the unemployment rate in the region began to decline and reached the rate of 12.4% in August 2020 as seen in Graph 1 on page 1 — still higher than the state and the nation.

Looking at South Shore communities individually, Randolph and Quincy posted the highest unemployment rates in August 2020 at 16.1% and 14.5%, respectively, while Cohasset posted the lowest unemployment rate at 7.5%, followed by Hingham at 7.6%, as seen in Graph 2 below.

During August 2020, all SS communities posted higher unemployment rates than the nation's rate of 8.5%, except for Cohasset and Hingham. The remaining nine communities' unemployment rates ranged from 8.7% up to 16.1%.

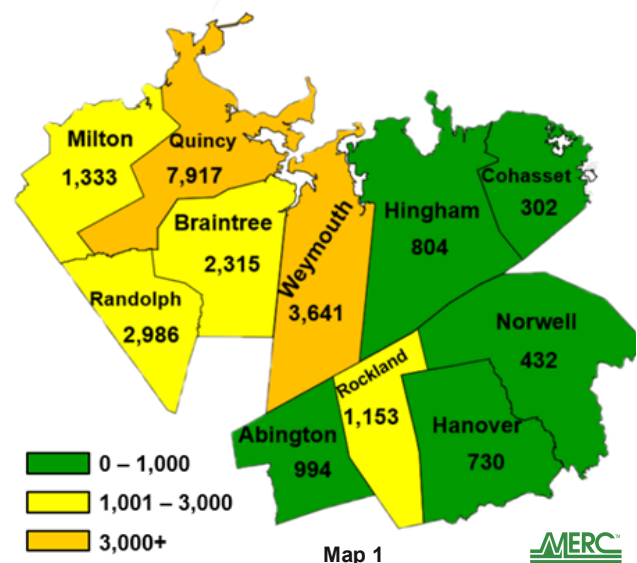
**SS, MA, AND US UNEMPLOYMENT RATES**  
By Community: August 2020



Map 1 above depicts the total number of unemployed individuals by community in August 2020. During this month, there was a regional total of 22,607 unemployed individuals. Quincy recorded the highest number of unemployed in the region at 7,917, followed by Weymouth at 3,641. Combined, these two

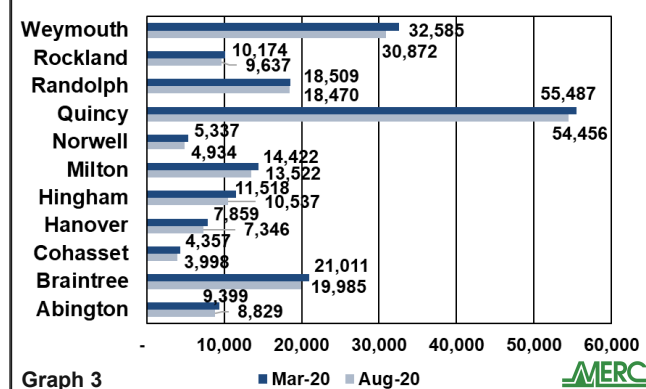
communities were home to 51.1% of the total unemployed in South Shore. This implies that one out of two individuals who did not have a job on the South Shore resided within these two communities. The communities with the lowest number of unemployed were Cohasset with 302 individuals and Norwell with 432; together these two communities accounted for about 3.2% of the total unemployed individuals in the region.

**SS NUMBER OF UNEMPLOYED**  
August 2020 Total: 22,607



Graph 3 below shows that the labor force in SS for the month of August 2020 decreased by 8,072 individuals, 190,658 to 182,586, compared to March 2020, a decline of 4.2%. Additionally, the communities

**SOUTH SHORE LABOR FORCE**  
By Community: March 2020 & August 2020



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### Gregory Bowe

Intern II

### Focus

Municipal Revenue

### Major

Economics

YOG 2020

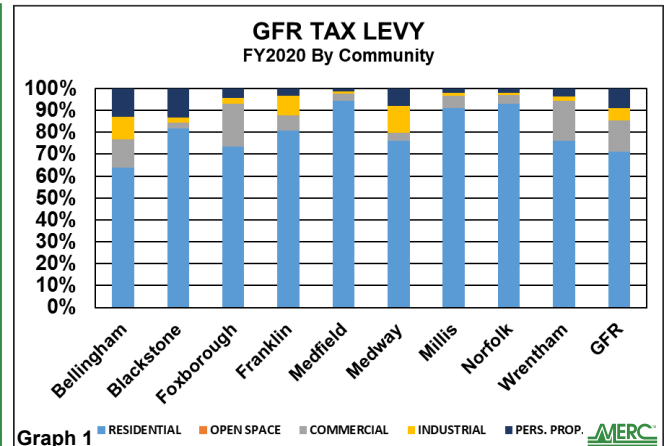
munity's economy.

Municipal Revenue is money collected by communities and spent providing services to its respective residents. Major services provided include Education and Public Safety. Municipal Revenue consists of Tax Levy, State Aid, Local Receipts and an "All Other" category. This article focuses on the Tax Levy component of municipal revenue for FY2020, related tax rates, single family tax bills for FY2020, and the average single family tax bill and average single family assessed value for the Greater Franklin Region (GFR) from FY2000-FY2020.

The Greater Franklin Region is comprised of nine Massachusetts communities: Bellingham, Blackstone, Franklin, Foxborough, Medfield, Medway, Millis, Norfolk, and Wrentham. Each year, MERC collects data on Municipal Revenue and Municipal Expenditures. This article analyzes Municipal Revenue data pertaining to GFR during FY2020. Each of the four graphs in this article depict different Municipal Revenue data.

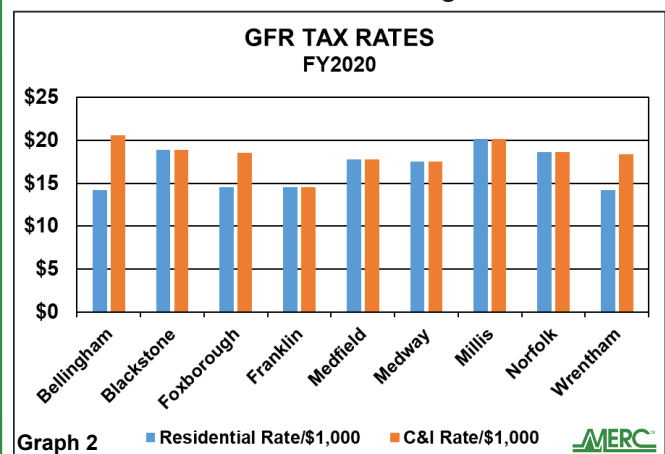
Graph 1 above depicts the Tax Levy for each GFR community during FY2020. This Tax Levy consists of five categories: Residential, Open Space, Commercial and Industrial Real Estate, as well as Personal Property. These five categories total one hundred percent of the Tax Levy, as shown by each community's total bar height equaling one hundred percent. Each bar is slightly different in color with each color representing each of the five sources of the Tax Levy and the respective proportion they comprise. Graph 1 allows for comparison of the composition of total Tax Levy by community.

In Graph 1, the category Open Space does not appear for any community. Open Space tax revenue did not contribute to the



total Tax Levy for eight out of nine GFR communities during FY2020. The only community that received any of its revenue from Open Space was Norfolk. The amount was so insignificant, (0.03%), and is not visible in Graph 1. In contrast to the lack of tax revenue contribution from Open Space, the Residential Tax Levy ranged from 63.9% (Bellingham) to 94.4% (Medfield). The percent of Tax Levy by community varies greatly among Industrial, Commercial, and Personal Property tax revenue. Residential tax revenue is the primary contribution to total tax revenue across all communities.

Graph 2 below reflects the Residential, and Commercial and Industrial tax rates for each of the nine communities. Bellingham, Foxborough, and Wrentham have split rates, while the remaining communities have a single rate for all classes of property. Residential rates for FY2020 ranged from \$14.22 per \$1,000 of assessed value in Bellingham to a high of \$20.14 in Millis. Commercial and Industrial rates were: Bellingham, \$20.58;



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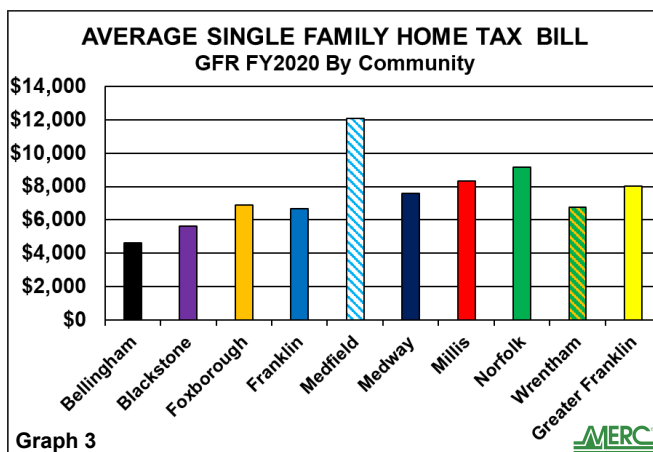
of Braintree, Quincy and Weymouth each had a decline of more than 1,000 individuals in its labor force. In contrast, Randolph and Cohasset registered the lowest labor force declines of 39 and 359 individuals, respectively.

In conclusion, following the COVID-19 pandemic, South Shore experienced a dramatic increase in the number of unemployed individuals and reached the highest unemployment rate for the past 30 years. At the same time, the region also experienced a significant decline in the size of its labor force. This decline could account for the increasing number of discouraged workers, those who do not have jobs and stopped looking because they are so convinced that there will not be any employment opportunities, and workers who dropped out of the labor force for other reasons. ■

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Blackstone, \$18.86; Foxborough, \$18.53; Franklin, \$14.51; Medfield, \$17.83, Medway, \$17.50; Millis, \$20.14; Norfolk, \$18.64, and Wrentham, \$18.39. Three GFR communities had split rates, while the other six did not.

Graph 3 below portrays GFR average single-family tax bill in FY2020, illustrating how much money each single-family was required to pay on their tax bill, on average, by community. The average single-family tax bill in GFR was \$8,041. Of the GFR communities, Bellingham experienced the lowest average single-family tax bill, and Medfield had the highest average single-family tax bill.



Continued on page 5

## How MERC Handled the COVID-19 Pandemic

MERC has continued to conduct its internship online providing a safe learning environment to our students. As we proceed with most of our activities remotely during these pandemic months, our commitment to providing accurate and necessary information to many of the Massachusetts communities has not been affected. Since the beginning of the COVID-19 pandemic, MERC has published the following: *MERC Economic Update Issue 41*, *Greater MetroWest Economic Profile 2020*, and two COVID-19 reports detailing the impact of the pandemic on employment, unemployment, state revenue, housing and education within the state of Massachusetts. These reports are part of a new series of reports entitled "*MERC Insights*". MERC also prepared the *Framingham Employment Report 2020* for the Framingham Economic Development and Industrial Corporation (EDIC) and the Framingham Planning and Community Development Division.

On October 23<sup>rd</sup>, MERC held its Advisory Board meeting virtually. Drs. Rosero and Sjuib presented highlights from a report entitled *MERC Insights: Greater MetroWest Economy in the Times of COVID-19*. The Advisory Board meeting tackled important aspects such as Employment and Unemployment in the state, and provided a Q&A space where guests could raise questions on the subject being addressed.

MERC's faculty and interns participated in the 125th Annual MetroWest Chamber of Commerce meeting on November 17th, and the Annual Marlborough Regional Chamber of Commerce meeting on November 19th. Although both chamber meetings occurred virtually, interns were able to participate, to make connections, and to learn how businesses in our region are coping with this COVID-19 economic crisis. ■

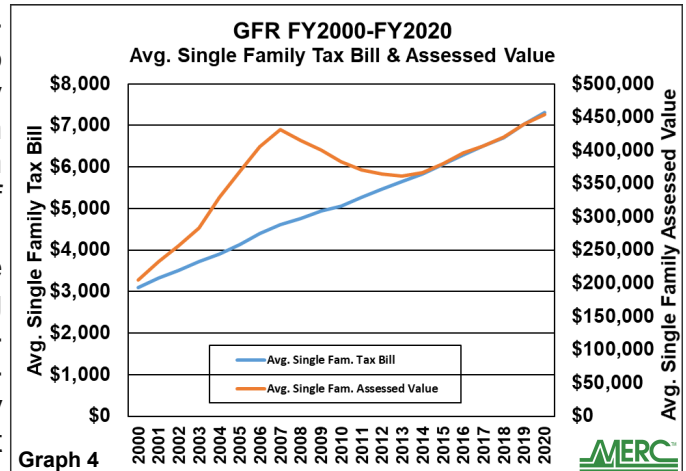


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Bellingham's average single-family tax bill was \$4,612. Meanwhile, Medfield's average single-family tax bill was \$12,062. Medfield's average single-family tax bill was over 2.5 times higher than Bellingham's. Average single-family tax bills varied across all GFR communities, with a range of \$7,450.

Graph 4 below shows the relationship between the average single-family tax bill and the average single family assessed value from FY2000 to FY2020 for GFR. The average single-family tax bill, on the left vertical axis, rose over time from \$3,102 in FY2000 to \$7,314 in FY2020. The average single-family tax bill increased at an annual average steady rate of about 4.38% each year. Meanwhile, the single family assessed value, on the right vertical axis, rose each year from \$204,682 in FY2000 to a high of \$430,819 in FY2007. Single family assessed value then fell to \$361,649 in FY2013 and increased again every year from 2014 to 2020, reaching a period high of \$453,915 in FY2020.

In conclusion, residential taxes are the major source of the Tax Levy, comprising 71.3% for GFR for FY2020. Bellingham, Foxborough and Wrentham are the only communities with split rates. The average single-family tax bill for the region has increased steadily at around 4.38% each year. Meanwhile, the average single-family assessed value had substantial highs and lows over the period. Despite these fluctuations, the overall annual average rate of increase of 4.06% from a value of \$204,682 in FY2000 to \$453,915 in FY2020 was somewhat similar to the change in the tax bill over this period from \$3,102 to \$7,314 of 4.38%. All GFR communities rely primarily on tax revenue generated through residential taxes. ■



## Past Interns: Where Are They Now?



**Jonathan Vos**

YOG 2019

*Regional Planner,  
Montachusset  
Regional Planning  
Commission*

"I was a three semester intern at MERC, with a focus on Employment and Cost of Living. Being involved with analyzing data helped strengthen an interest in how to make use of that information in a practical setting, which is exactly what I tend to do a fair amount as Regional Planner. Most of the ground work that goes into applying for grants for projects or on the behalf of communities almost always requires providing proof of need or a summary of their current state, which is where ACS data and my experience with working it at MERC is rather helpful. The roles I held at MERC helped impart the skills that I have made great use of in the professional world." ■



**Bryanah Johnson**

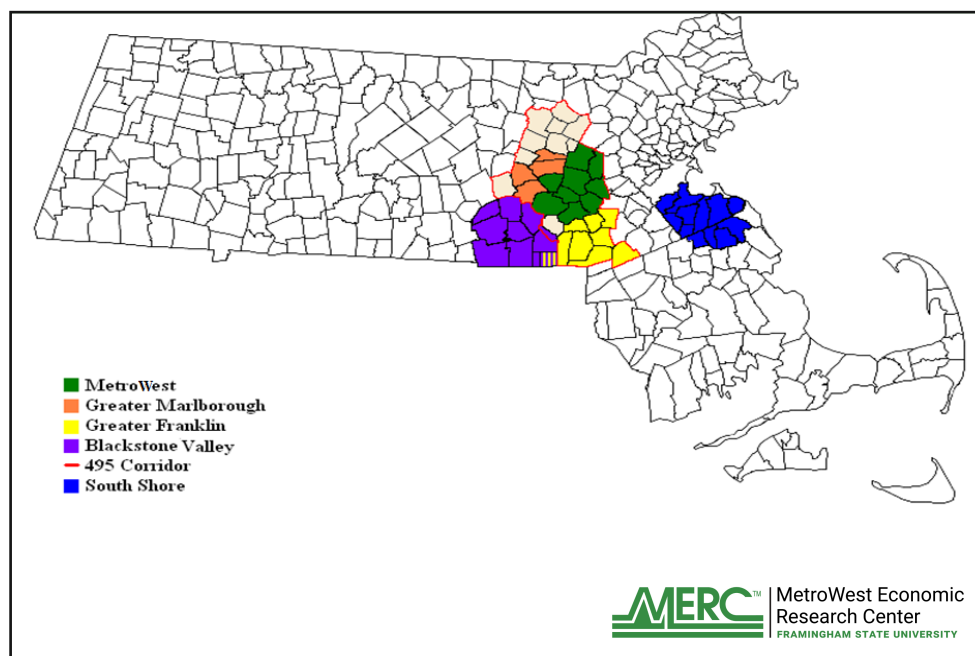
YOG 2019

*Staff Accountant,  
Schofer Dillberg &  
Company, Inc.*

"I was an intern at MERC for three semesters, with a focus on Employment with Professor Dunne. Since graduation, I have worked at a CPA firm in Natick, preparing tax returns and bookkeeping for our clients, as well as assisting with our internship program. I've also enrolled in graduate school at UMass to earn my Master of Science in Accounting. While interning at MERC, I learned various skills that I have used, not only in my undergrad and graduate classes, but at work as well. I also feel that the internship prepared me better for life in an office setting, which has been invaluable." ■

## MERC SUBSTATE REGIONS MAP

MERC provides economic data and analysis for the six sub-state regions shown on the map: MetroWest CCSA™, Greater Marlborough Region, Greater Franklin Region, Blackstone Valley, 495/MetroWest Corridor, and the South Shore CCSA™.



There are several categories of unemployment rates. U-1 through U-6, not seasonally adjusted, are reported below for the U.S. period rates in August 2020. MERC uses the U-3 rate, which is the official unemployment rate.

### Measures: U.S. August 2020

<b>U-1</b>	Persons unemployed 15 weeks or longer, as a percentage of the civilian labor force	<b>5.0%</b>
<b>U-2</b>	Job losers and persons who completed temporary jobs, as a percentage of the civilian labor force	<b>6.4%</b>
<b>U-3</b>	Total unemployed persons, as a percentage of the civilian labor force (the official unemployment rate)	<b>8.5%</b>
<b>U-4</b>	Total unemployed persons plus discouraged workers, as a percentage of the civilian labor force plus discourage workers	<b>8.8%</b>
<b>U-5</b>	(U-4) plus all other "marginally attached" workers, as a percentage of the civilian labor force plus all "marginally attached" workers	<b>9.7%</b>
<b>U-6</b>	Total unemployed persons, plus all "marginally attached" workers, plus all persons employed part time for economic reasons, as a percentage of the civilian labor force plus all "marginally attached" workers	<b>14.3%</b>

### August 2020 UNEMPLOYMENT RATES Not Seasonally Adjusted (Preliminary Data)

<b>495/MW</b>	8.8%
<b>Blackstone Valley</b>	9.3%
Blackstone	10.0%
Douglas	8.7%
Grafton	9.0%
Hopedale	10.6%
Mendon	9.8%
Millbury	9.7%
Millville	10.6%
Northbridge	9.8%
Sutton	8.1%
Upton	8.6%
Uxbridge	9.2%
<b>Greater Franklin</b>	9.4%
Bellingham	9.7%
Blackstone	10.0%
Foxborough	10.4%
Franklin	9.4%
Medfield	7.8%
Medway	8.8%
Millis	10.1%
Norfolk	8.8%
Wrentham	9.4%
<b>Greater Marlborough</b>	9.2%
Hudson	9.9%
Marlborough	9.8%
Northborough	8.8%
Westborough	7.4%
<b>MetroWest</b>	8.6%
Ashland	8.8%
Framingham	9.7%
Holliston	8.3%
Hopkinton	7.9%
Natick	8.5%
Sherborn	6.5%
Southborough	8.0%
Sudbury	6.9%
Wayland	7.0%
<b>South Shore</b>	12.4%
Abington	11.2%
Braintree	11.5%
Cohasset	7.5%
Hanover	9.9%
Hingham	7.6%
Milton	9.8%
Norwell	8.7%
Quincy	14.5%
Randolph	16.1%
Rockland	11.9%
Weymouth	11.8%
<b>MA</b>	11.2%
<b>US</b>	8.5%

## Fall 2020 Advisory Board Meeting

**Weathering the Pandemic  
in Greater MetroWest:  
A COVID-19 Update**  
October 2020

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Framingham, MA 01901



## MERC Interns: Fall 2020



Noelle Bouvier



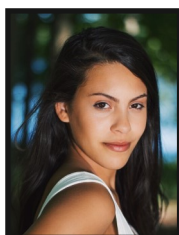
Logan Cochran



Erika Curley



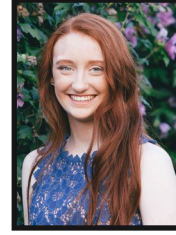
Aline Dropsy



Christine Ortega



David Rabinowitz



Courtney Schleyer

Not Shown:  
Gregory Bowe  
Emmanuel Exilhomme  
Jocelyn Ordoñez  
Joseph Stanton

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Aline Dropsy



## SAVE THE DATE:

### Virtual 28<sup>th</sup> MERC Annual Conference

### Wednesday, May 19<sup>th</sup>, 2021

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