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May 7, 2010
18th Annual MERC Conference

Issue 21

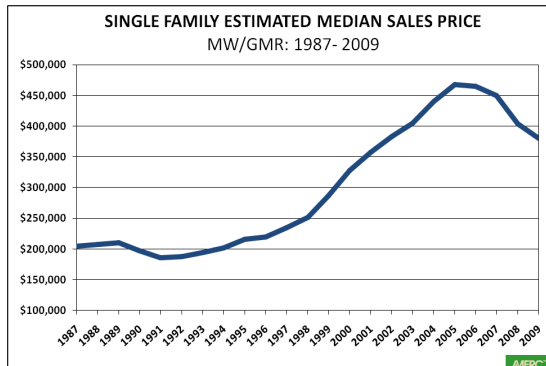
Spring 2010

MetroWest / GMR Home Sales 1987-2009

The MetroWest Economic Research Center (MERC) at Framingham State College collects and analyzes data on existing home sales for the combined MetroWest and Greater Marlborough Region (MW/GMR). MetroWest includes Ashland, Framingham, Holliston, Hopkinton, Natick, Sherborn, Southborough, Sudbury, and Wayland while GMR includes Hudson, Marlborough,

Northborough, and Westborough. MERC gathers housing data for these thirteen communities from The Warren Group.

In the graph to the left, the estimated median sales price for existing single family homes is shown for MW/GMR over a 23-year period, from 1987 to 2009. These sales consist of a mix of homes sold each year, and do not reflect changes in the values of individual homes. In 1987, the estimated median price in MW/GMR was about \$204,800. The median price then rose slightly before decreasing to a value of \$186,100 in 1991, which was the lowest price shown on the graph. After 1991, the median sales price of a single family home surged to over \$467,700 in 2005. From 2005 to 2009, the region experienced a decrease in the estimated median home price for the first time since 1991. After peaking in 2005, the median home price for MW/GMR then dropped to nearly \$380,800 in 2009.



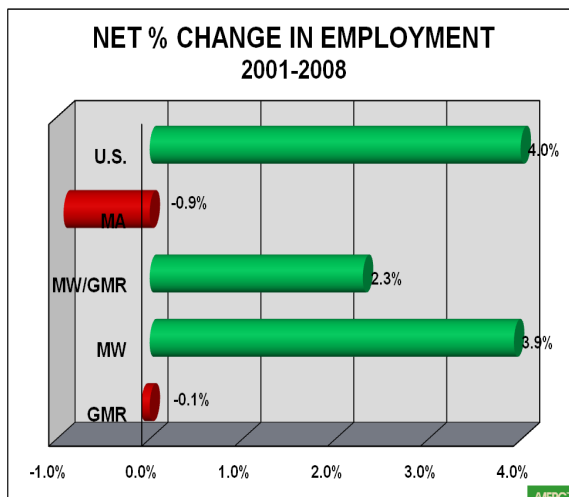
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MetroWest Drives Record Peak in Employment

Although employment in Massachusetts decreased by -0.9% from its historical peak in 2001 to 2008, the combined MetroWest/Greater Marlborough Region (MW/GMR) increased employment over this same period. In 2008 MW/GMR employment reached a record peak of 182,300 jobs, an increase of

2,200 jobs or 1.2% from 2007. This new peak in employment surpassed the previous historical peak in 2001 of 178,200 jobs, by 4,100 jobs or 2.3%. The graph to the left analyzes the change in employment from 2001 to 2008, by region, state, and country. The increase in MW/GMR's total employment from 2001 to 2008 resulted entirely from the gain in employment in the MetroWest CCSA. MetroWest employment rose by 4,200 jobs or 3.9% in employment from 2001 to 2008, from 106,000 jobs in 2001 to 110,100 jobs in 2008. This growth in MetroWest mirrored the nation's 4.0% increase in employment from 2001 to 2008. In contrast, Greater Marlborough employment decreased very slightly from 2001 to 2008, falling by -0.1% or -70 jobs, from 72,230 in 2001 to 72,160 in 2008.

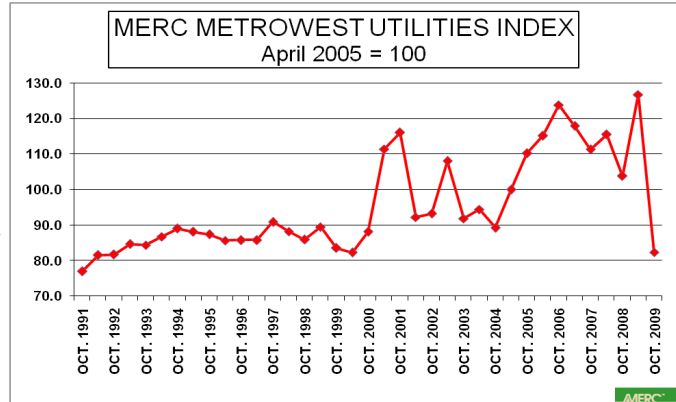
The reason for the differences in employment growth may lie in the different composition of each regional economy. The graphs on page 5 and page 11 separate



(Continued on page 5)

Cost of Living Up Slightly in October 2009

The MetroWest Economic Research Center (MERC) participates in the ACCRA Cost of Living Survey twice each year, once in April and again in October. MERC interns collect prices of 57 different goods and services offered by over 100 different businesses in the nine communities that comprise the MetroWest Cohesive Commercial Statistical Area (CCSA). The 57 goods and services were selected by the Council for Community and Economic Research (C2ER) and are representative of the items that professional and executive households would typically purchase. These 57 goods and services are sorted into six sub-categories: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services. Each item in the sub category was given a weight that reflects the good or service's importance within the sub-category. An average price for each of the goods and services was calculated in order to determine the Cost of Living Index. A sub-index is calculated for each group of goods and services using a weighted average of the prices of the items in the category, and then an Overall Index is created as a



weighted average of the six sub-indexes. MERC sends the collected data to C2ER to be included in their national survey. Based on these survey results, C2ER calculates a national average, which is always set to 100, in order to compare living costs of different cities. MERC also uses the data for a MERC Cost of Living Index, which tracks the changes in the price of the mar-

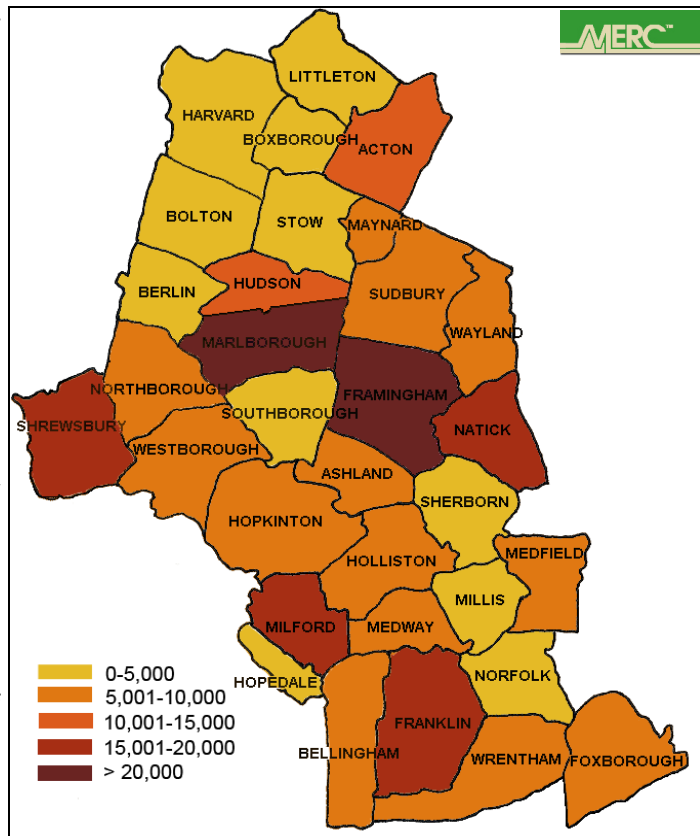
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The 495/MetroWest Corridor Labor Force and Unemployment

The 495/MetroWest Corridor region consists of thirty two communities along Interstate Route 495 west of Boston. Every month, the MetroWest Economic Research Center (MERC) at Framingham State College collects and records unemployment and labor force data for this particular region. The map to the right illustrates the distribution of the labor force among communities in the 495/MetroWest region in December 2009, when the total number of persons in the labor force in the region was 291,644 individuals. Framingham contributed the largest portion of the regional labor force with 12.7%, or 37,178 individuals, followed by Marlborough with 7.9%, or 23,067 individuals. These two communities provided over 20% of the total labor force in the 495/MetroWest. Berlin was the smallest contributor to the labor force, contributing only 0.5%, or 1,547 individuals of the labor force in the region.

As shown in the top graph on page 6, in December 2009 the average unemployment rate in the 495/MetroWest region was 7.3%, while the Massachusetts and national unemployment rates were 9.1% and 9.7% respectively. Among the communities in the region, Acton posted the lowest unemployment rate of 5.8%, followed by Sherborn with the rate of 6.0%. Conversely, Bellingham was the community with the high-

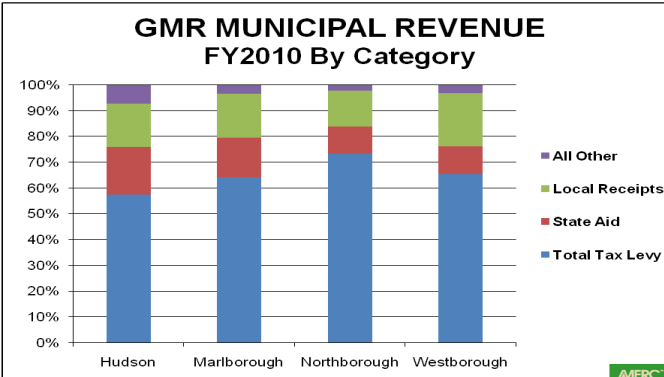
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Municipal Revenue and Expenditures in GMR

The MetroWest Economic Research Center (MERC) at Framingham State College tracks data on municipal revenue annually. This data pertains to the Greater Marlborough Region (GMR), which consists of the four communities of Hudson, Marlborough, Northborough, and Westborough. Total municipal revenue is comprised of four main categories: tax levy, state aid, local receipts, and an 'all other' category. The total tax levy is further broken down into five sub-categories: residential, open space, commercial, industrial, and personal property. State aid includes aid for both education and general government. Local receipts include motor vehicle excise taxes, licenses, and charges for services. The 'all other' category includes free cash as well as other available funds.

Municipal revenue in each of the four communities in GMR is broken down by the four categories previously mentioned and can be seen in the top right graph. In each community, the total tax levy makes up the majority of revenue, ranging from



57.4% in Hudson to 73.2% in Northborough. The 'all other' category is the smallest contributor to municipal revenue; it is less than 3.5% in each community except for Hudson where it is 7.3%. State aid and local receipts range from as low as 10.0% and as high as 20.0%. In the communities of Hudson, Marlborough, and Northborough are within just a couple of percent-

(Continued on page 9)

An Analysis of The Greater Franklin Region K-12 Student Enrollment

The MetroWest Economics Research Center (MERC) at Framingham State College annually collects data on K-12 public school enrollments for several substate regions. The Greater Franklin Region public school enrollments are calculated for kindergarten through grade 12 using the annual state student census conducted each year. Included in the data are all public school students in regular education, regional charter schools and regional vocational schools.

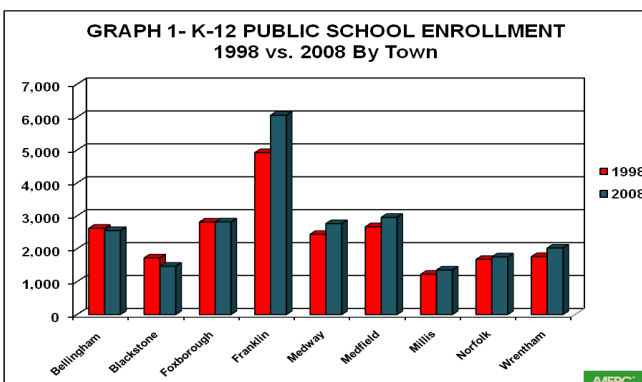
There are nine communities in Greater Franklin: Bellingham, Blackstone, Foxborough, Franklin, Medway, Medfield, Millis, Norfolk, and Wrentham. In October 2008 Greater Franklin K-12 public schools, not including charter and vocational schools, reported total enrollment of 24,405 students,

a slight decrease of 0.1% compared to October 2007. Franklin reported the highest enrollment at 6,057 students, representing 25.5% of the Greater Franklin student enrollment; followed by Medfield with 2,954 students or 12.4%, Foxborough with 2,815 students or 11.9%, Medway at 2,764 students or 11.6%, Bellingham at 2,552 students or 10.8%, and Wrentham at 2,022 students or 8.5% of the overall enrollment. The other towns all had enrollments between 1,000 and 2,000 students, together contributing 19.3% of total enrollment.

There were 651 students attending vocational schools in 2008; a decrease of 3.5% in enrollment compared to 2007. The Greater Franklin Region has the Benjamin Franklin Charter School and the Foxborough Regional Charter School. The Benjamin Franklin Charter School reported an increase of 5.6% from 2007 (394) to 2008 (416). Enrollment at Foxborough Regional also increased 2.0% from 2007 (1,062) to 2008 (1,083). The following graphs will provide a closer look at the K-12 public school enrollment of the Greater Franklin Region.

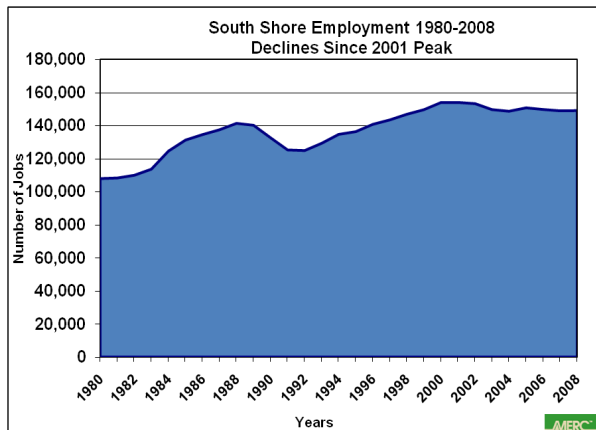
The graph to the left displays the K-12 public school enrollment by communities of the Greater Franklin Region in 1998 and 2008, excluding vocational and charter schools. Most communities experienced increases in enrollment; but two communities showed decreases.

(Continued on page 7)



South Shore Economy Growth Flat: Limited Growth Throughout Region

In 2008, total employment in the South Shore Cohesive Commercial Statistical Area (CCSA), stood at 149,200, an increase of 100 jobs, or 0.1% from the 2007 total of 149,100. Total payroll was \$7.3 billion, an increase of \$160 million, or 2.2% from the 2007 total of \$7.1 billion. The average wage for the South Shore rose to \$49,000 in 2008 from \$48,000 in 2007, a gain of 2.2%. Total establishments, or separate places of work, rose to a record 12,170 in 2008, an increase of 1,570 or 14.8% from 2007.



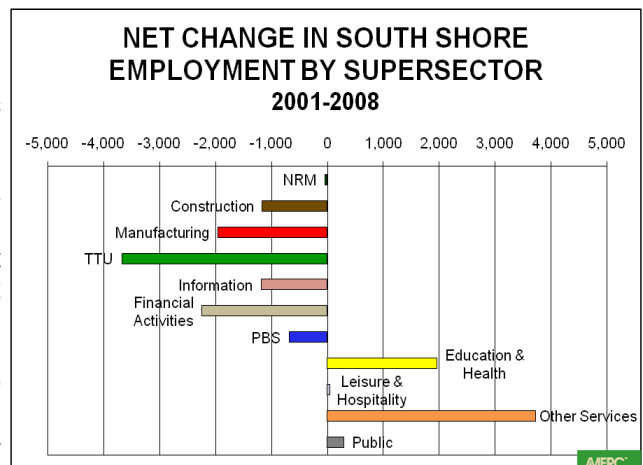
The previous cyclical peak in South Shore employment of 154,100 occurred in 2001. An examination of changes in employment by supersector and real wage from 2001-2008 reveal major changes in the South Shore economy.

The MetroWest Economic Research Center at Framingham State College (MERC) conducted a time series analysis of employment from 1980-2008 for the South Shore CCSA, which is depicted in the graph to the left. Since the historical peak of employment in 2001, employment declined to 148,800 in 2004, then rose to 150,900 in

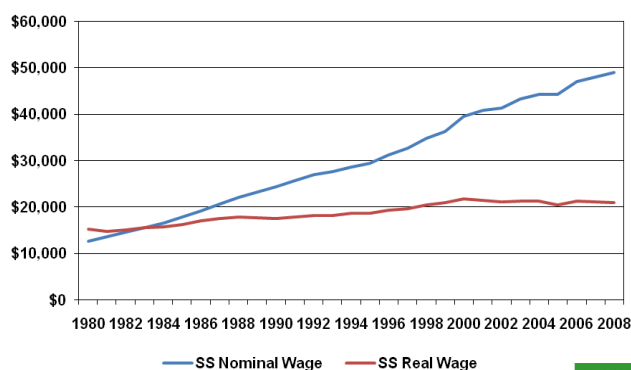
2005 and has remained steady since. From 1980 to 2001, employment in the South Shore grew at an average annual rate of change of 1.7%. However, since this historical peak, the average annual rate of growth in the region is -0.4%.

The South Shore also experienced dramatic changes in employment by supersector. From 2001-2008, seven supersectors, Trade, Transportation, & Utilities, Financial Activities, Manufacturing, Information, Construction, Business & Professional Services, and Natural Resources & Mining, experienced declines in employment totaling 11,000 jobs.. Trade, Transportation, & Utilities lost the greatest number of jobs, 3,700 jobs or -11.5% followed by Financial Activities (2,200 jobs or -10%), Manufacturing (2,000 jobs or -21.9%), Information (1,200 jobs or -24.2%) and Construction (1,200 jobs or -11.9%).

Among the four supersectors that increased employment, Other Services, which had the largest gain, increased by 3,700 jobs or 68%. Education & Health gained 2,000 jobs, an increase of 8.8%. As shown in the graph above to the right, the other two supersectors, Public and Leisure & Hospitality, gained 300 (2.3%) and 40 (0.3%) jobs, respectively. These changes help explain the lack of growth of total employment in the South Shore during the 2001-2008 period.



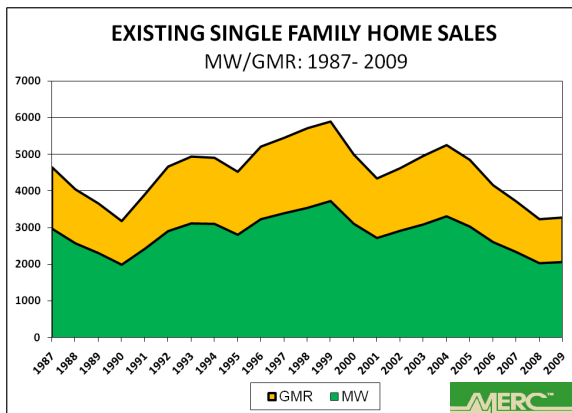
SS NOMINAL VS. REAL WAGE 1980-2008
Nominal Wage Peaks; Real Wage Stagnates



MERC also conducted a time-series analysis of nominal wages versus real wage from 1980-2008. Nominal wage is not corrected for inflation. Real wage is the average annual nominal wage corrected for inflation using the Consumer Price Index (CPI) Boston for Urban Wage Earners and Clerical Workers. Although the nominal wage for the South Shore CCSA reached a historical high in 2008, the real wage peaked in 2000 and has since stagnated for nearly a decade. While the real wage has increased 37% since 1980, in the past decade, the real wage has only increased by 2%, as is shown in the graph to the left.

By: Jonathan Murphy– Intern III

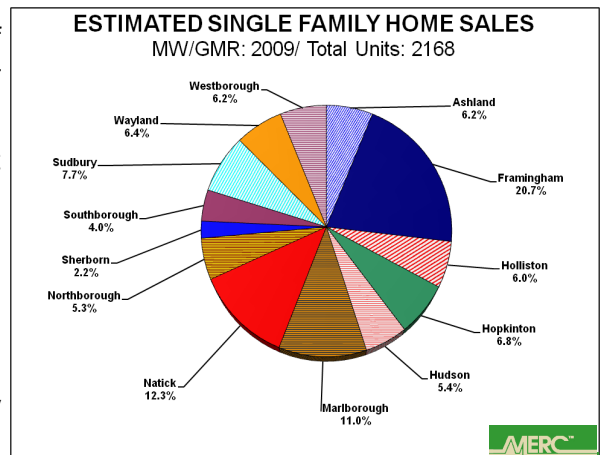
MetroWest / GMR Home Sales 1987-2009



(Continued from page 1)

Looking at the graph to the left, existing single-family home sales for MW/GMR are shown from 1987 to 2009. The green area in the graph shows the total sales of existing family home sales in the nine towns of MW while the orange area refers to the four communities of GMR. In 2009 there were 2,201 single-family homes sold in the combined MetroWest/Greater Marlborough Region an increase of 26 units sold or about 1.2% from 2008. Existing single-family homes sold in MW/GMR started at 3,131 units sold in 1987. By 1990 existing single-family home sales had declined to 2,099 units, a decrease of 1,032 units a decline of 33% compared to 1987. After 1990, sales gradually increased taking about a decade to regain ground. During the nineties, there was substantial growth, which ended up peaking in 1999 at 3,986 homes sold which represents an increase of about 90% from 1990. After the growth, there was a substantial decline in existing single-family homes sold to 2,918 homes sold in 2001. In 2008, sales reached a low of 2,175 homes sold, the lowest since 1990. In 2009, the last full year with data, the number of homes sold grew by 26 units, the first growth since 2004.

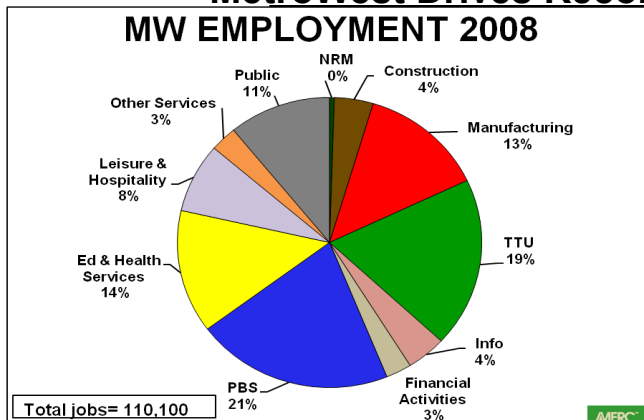
The graph to the right shows existing single-family home sales in 2009 for MetroWest and the Greater Marlborough Region by community. There were 2,201 existing single-family homes sold in 2009 in MW/GMR. Framingham contributed the highest percentage of single-family home sales in the region at 20.7%, whereas Sherborn contributed the lowest percentage of single-family homes sales at 2.2%. Sherborn's single-family median sales price is the highest in the MW and the GMR at \$629,000. Framingham's single-family median sales price is one of the lowest at \$300,000. Within the combined region, about half of the total single-family sales occurred in four communities: Framingham (20.7%), Natick (12.3%), Marlborough (11%), and Sudbury (7.7%). The remaining half is contributed by the other nine communities, which each accounted for between 2.2% and 6.8% of the total.



MW/GMR housing prices weakened through 2009, which is indicated in Figure 1, while sales of single-family homes were weak through 2008. Starting in 2009 however there has been a slight increase in MW/GMR in single-family home sales shown in Figure 2. This could be a good sign that the housing market will start on a period of growth in the near term.

By: T.J. Shannon– Intern II

MetroWest Drives Record Peak in Employment



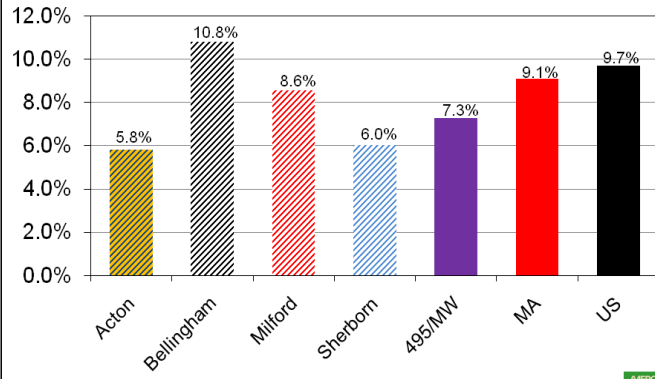
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MetroWest and Greater Marlborough to show employment by supersector in both regions. The MetroWest economy differs from the Greater Marlborough economy. MetroWest's largest shares of regional employment come from Professional and Business Services (PBS) (21%), Trade, Transportation, and Utilities (TTU) (19%), and Education and Health Services (14%), which combined provided 54% of the region's total employment. Greater Marlborough's largest share of regional employment comes from PBS (22%), TTU (21%), and Manufacturing

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The 495/MetroWest Corridor Labor Force and Unemployment

495/MW MONTHLY UNEMPLOYMENT RATES
Selected Communities: December 2009

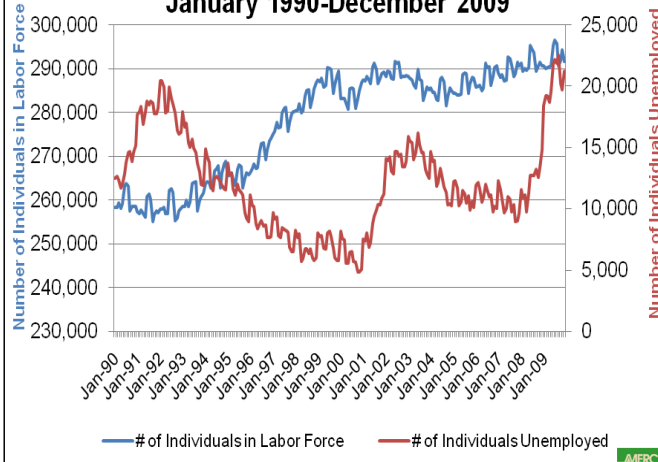


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est unemployment rate in the region at 10.8%, followed by Milford with 8.6%. With the exception of Bellingham, all of the communities in the 495/MetroWest region posted lower unemployment rates than the state and the nation in December 2009.

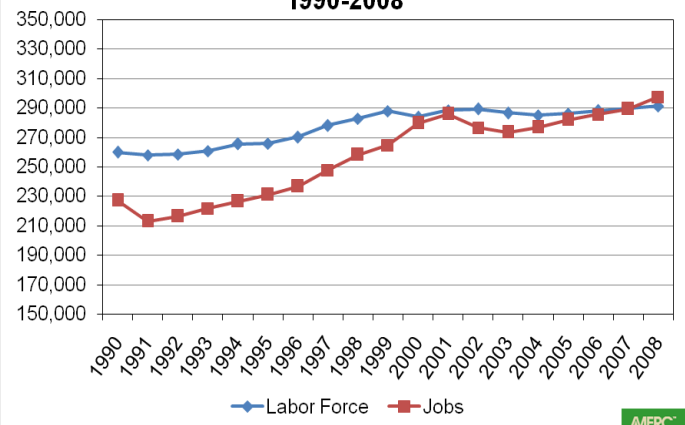
The graph below illustrates the number of individuals in the labor force, measured by the left axis of the graph, and the number of individuals that were unemployed, measured by the right axis of the graph, from January 1990 to December 2009 in the 495/MetroWest region. The number of individuals in the labor force was at its lowest of 255,125 in September 1991, while the number of individuals unemployed reached its lowest of 4,083 in November 2000. For the

495/MW LABOR FORCE VS. UNEMPLOYED
January 1990-December 2009



last two decades, the number of individuals in the labor force has experienced an upward trend and reached its peak of 296,425 individuals in July 2009, the same month when the number of individuals unemployed reached its peak of 22,137 individuals. Notably, the number of individuals unemployed showed the sharpest increase from 14,825 in December 2008 to 18,432 in January 2009, an increase of 3,607 individuals un-

495/MW LABOR FORCE VS. JOBS
1990-2008



employed in a one month period.

The graph above shows the number of jobs and the number of individuals in the labor force in the 495/MetroWest region from 1990 to 2008. With the exception of 2008, the number of individuals in the labor force has been greater than the number of jobs in the region, indicating that the region has been a net exporter of labor. In 2008, the region became a net importer of labor when there were more jobs than the number of individuals in the labor force. In this particular year, the number of jobs in the region was 297,384 and there were 291,948 individuals in the labor force, a difference of 6,136. In 1991, both the number of jobs and the individuals in the labor force were at their lowest at 212,980 jobs and 257,807 individuals, respectively. This difference of 44,287 was the greatest difference between the total number of jobs and the total number of individuals in the labor force over the period in the 495/MetroWest region.

By: James Woodmaska– Intern II

See Page 10 for unemployment rates by town, by state, as well as alternative measures for national unemployment.

An Appreciation of Ted Welte



A. Theodore (Ted) Welte, after serving the MetroWest Chamber of Commerce (MWCC) loyally for twenty years, retired in February. MERC recently reviewed with Ted his impressive and important achievements, both during and before his time with the MWCC. Ted's journey began at Mankato State University in Minnesota, where he received his Bachelor of Arts in Sociology and Psychology and a Master's degree in Economics. Prior to his Chamber career, Ted worked on economic development projects in West Virginia and Brockton, where he was influential in the creation of the Brockton Area Transit Authority. Ted also was a Peace Corps Volunteer in Africa, where he met his wife Kathy, and he worked for the Peace Corps in Washington, D.C.

Ted was honored in 1992 as a Certified Chamber Executive (CCE) by the American Chamber of Commerce Executives. Since then Ted has been president of the Framingham Rotary Club, president of the New England Association of Chamber of Commerce (NEACCE), and president of the Massachusetts Association of Chamber of Commerce Executives. Ted has been a board member of the Knox Trail Council BSA, the 495/MetroWest Corridor Partnership, and United Way of Tri-County. Ted is also an original member of MERC's Advisory Board, for which he served as chairperson for many years; Ted's support for MERC has been crucial to MERC's success. He served on the U.S. Chamber of Commerce Committee of 100 and, in 2008, was named as the Chamber Executive of the Year by the NEACC Executives.

The list of accomplishments of Mr. Ted Welte is impressive, yet it does not do justice to the influence and importance of Ted. Ted's leadership will be missed by MERC, the MetroWest Chamber, and the entire MetroWest community he has helped to shape. We at MERC wish Ted all the very best.

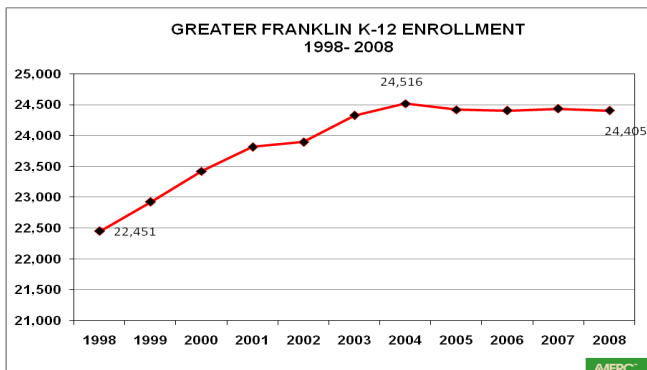
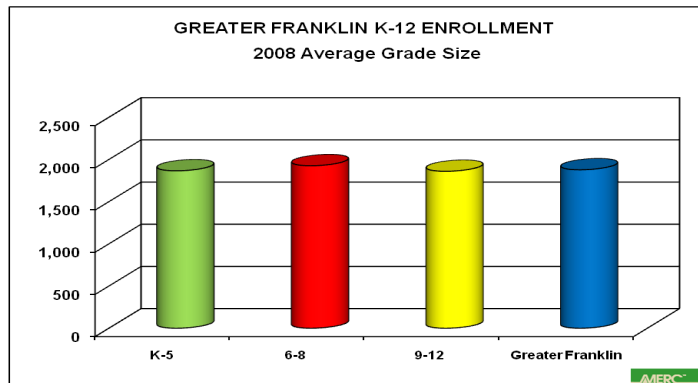
By: Jonathan Murphy– MERC Intern III

THANK YOU TED WELTE,
Former President and CEO, MetroWest Chamber of Commerce
FOR YOUR VALUABLE SUPPORT OF MERC SINCE THE BEGINNING.

An Analysis of The Greater Franklin Region K-12 Student Enrollment

(Continued from page 3)

Bellingham experienced a decrease from 2,623 students to 2,552 students, a decline of 2.7% in enrollment. Blackstone experienced the biggest drop from 1,721 students to 1,468 students, decreasing 14.7%. Foxborough had the same enrollment in 1998 as in 2008. The rest of the towns in the Greater Franklin Region experienced increases in student enrollments. Comparing 1998 and 2008, Franklin experienced the largest increase from 4,921 students to 6,057 students, a 23% increase; follow by Wrentham, from 1,761 students to 2,022 students or a 14.8% increase. Enrollments in Millis, Medfield, and



Medway increased by 10% to 14% over the decade. Norfolk reported the smallest increase in enrollment, from 1,675 students to 1,751 students or 4.5%.

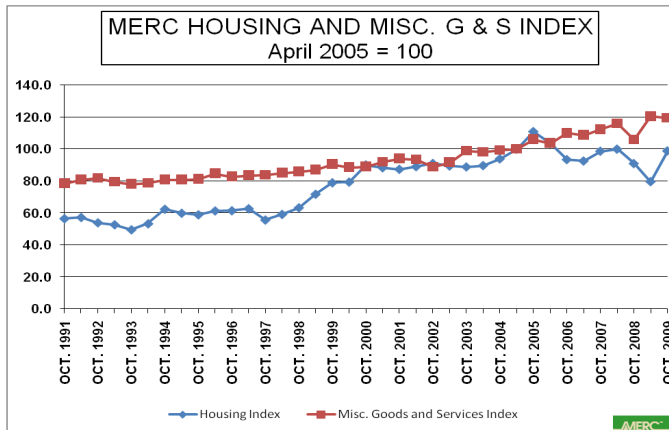
The overall K-12 enrollment of the Greater Franklin Region from 1998 to 2008 including vocational schools is shown in the graph to the left. The enrollment increased from 1998 to a peak in 2004 and then slightly decreased from 2004 to 2008.

From 1998 to 2004, the Greater Franklin K-12 enrollment increased by 9.2%, from 22,451 students to 24,516 students. From 2004 to 2008, enrollment de-

(Continued on page 10)

Cost of Living Up Slightly in October 2009

(Continued from page 2)



ket basket over time. The focus of this article will be on the MERC Cost of Living Index; the base used is April 2005, which is set to 100.

The graph on page 2 shows the history of the Utilities Index over time since MERC started collecting this data in October 1991. In the past six months, the Utilities Index has experienced both the greatest percentage change and absolute change that any of the MERC indexes have ever experienced. The Utilities Index fell from 126.7 in April 2009 to 82.3 in October 2009. This means the utility costs in MetroWest went from being roughly 26.7% more expensive to being roughly 17.7% less expensive, when compared to the base year of April 2005. This overall change in absolute value of 44.4 represents the largest change between any two periods that any MERC sub index has experienced.

The only other change that was even close was the 41.4 decrease in the Transportation Index from October 2008 to April 2009. The April 2009 survey was also the fifth lowest value of the Utilities Index since MERC has been collecting this data. At the beginning of the survey, from October 1991 to October 1992, the index had a lower value. It also had a lower value in April 2000 when the index had a value of 82.2.

The two sub categories that comprise more than half of the weight in the calculation of the Overall Index are the Housing Index and the Miscellaneous Goods and Services Index. The Housing Index accounts for 29.19% and the Miscellaneous Goods and Services Index accounts for 33.19% of the total weight. After seeing

(Continued on page 12)

MERC is proud to announce that SHAUN DALY, standing second from right, is this year's MIDDLESEX SAVINGS BANK INTERN. Shaun is the intern coordinator of MERC's cost of living project, is the editor of the newsletter, and mentors all other interns.

THANK YOU MIDDLESEX SAVINGS BANK!

MERC Interns - Spring 2010

Intern IV

Shaun Daly

Intern III

Jonathan Murphy

Intern II

Britlin Chapman
Huyen Nguyen
Michael Pittman
T.J. Shannon
James Woodmaska

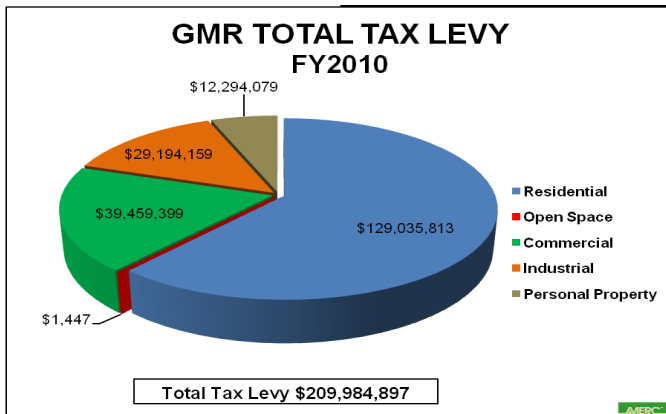


Intern I

Shawn Johnson
Daniel McGrew
Alejandro Rodriguez
Jennifer Sanches
Anisa Torozi

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

Municipal Revenue and Expenditures in GMR



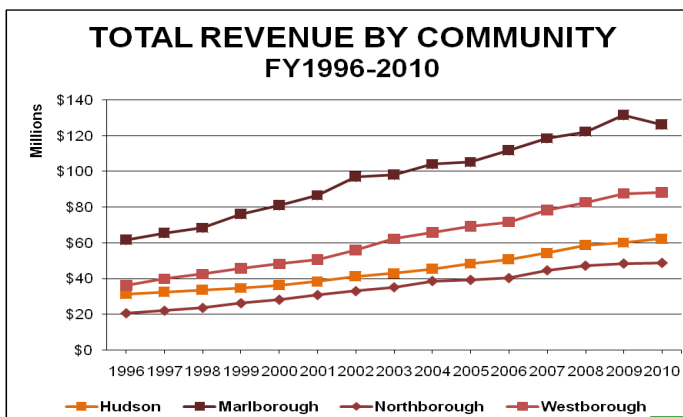
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age points of each other. However, in Westborough the contribution of local receipts is nearly twice that of state aid.

In GMR for FY2010 the total tax levy is more than \$209 million. The top left graph shows how each component of the tax levy contributes to the total tax levy in GMR. It is dominated by the residential property component, which makes up more than sixty percent of the total tax levy, or about \$129 million. The components of commercial, industrial, and personal property follow representing 18.8%, 13.9%, and 5.9% respectively. The open space component contributes a minimal amount of the total tax levy in GMR with a mere one thousandth of a percent (.001%) and just \$1,447.

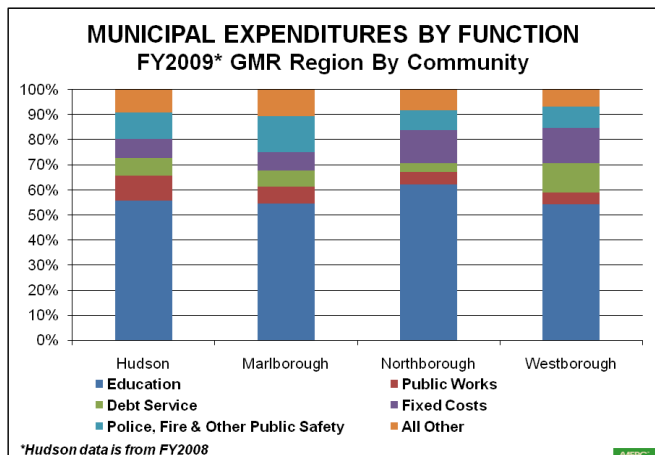
All of the communities in GMR have followed a similar increasing trend in respect to total revenues as can be seen in the bottom left graph. Total revenue increased in each community every year from FY1996-2010, with just one exception in Marlborough from 2009 to 2010 when it decreased by about \$5 million. This decrease was large enough to make the total revenue of the GMR region decrease in FY2010, but only by 0.66%. However, total revenue more than doubled from FY1996 to FY2010 in GMR, increasing from \$149 million to over \$325 million.

As total revenues increased in GMR, there was a



similar pattern for municipal revenue per capita. In GMR total revenue per capita in FY1996-2010 decreased only two times; the first occasion was from FY1999-2000 and the most recent just occurred from FY2009-2010. Of the four communities in GMR, Westborough had the highest revenue per capita in FY2010 with \$4,779. The smallest revenue per capita in FY2010 was \$3,179 in Hudson. In FY2010, Marlborough and Northborough had almost identical revenue per capita figures with \$3,329 and \$3,323, respectively.

Total expenditures for FY2008 in GMR as a whole equal more than \$256.6 million. Education accounts for approximately 55.9% of that. Fixed Costs along with the Police, Fire, and Other Public Safety category each represent more than 10% of total expenditures with 10.2% and 10.9% respec-



tively. The rest of the functions, All Other, Debt Service, and Public Works are respectively 8.9%, 7.5%, and 6.7% of municipal expenditures in the region.

Expenditures in GMR are tracked at MERC using data from the Division of Local Services. The most recent complete data set is from 2008. However, all of the communities in GMR, except Hudson, have reported expenditures from 2009 so the graph above contains data from 2008 for Hudson. Total Expenditures can be classified into six main functions. These functions are Education, Public Works, Debt Service, Fixed Costs, All Other, as well as the Police, Fire, and Other Public Safety function. In all of the communities in GMR, the education function makes up a majority of total expenditure. In Westborough 54.1% of total expenditure comes from education, this is followed by 54.5%, 55.7%, and 62.0% in Marlborough, Hudson, and Northborough, respectively. The total breakdown of these functions in each of the four communities of GMR can be seen in the middle graph on the right.

By: Michael Pittman- Intern II

Greater Franklin Region K-12 Student Enrollment

(Continued from page 7)

creased from 24,516 students to 24,405 or 0.5%. In Greater Franklin, there are two charter schools for which annual enrollment information was not available.

The graph on the right on page 7 shows the average grade size of the region. In 2008, Greater Franklin Region K-12 public school enrollment averaged approximately 1,877 students per grade. At the elementary school level, the average number of students per grade was 1,865 students. The highest average enrollment per grade was at the middle school level at 1,925 students. The average number of students per grade at the high school level was 1,860 students. The average number of students per grade includes students enrolled in the vocational school system. Charter school enrollment is not included in the average grade size.

By: Huyen Nguyen– Intern II

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 March 2010. MERC uses the U-3 rate, which is the official unemployment rate.

<u>Measure</u>	<u>March 2010</u>
U-1 Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	6.3%
U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force	6.7%
U-3 Total unemployed persons, as a percent of the civilian labor force (the official unemployment rate)	10.2%
U-4 Total unemployed persons plus discouraged workers, as a percent of the civilian labor force	10.8%
U-5 (U-4) plus all other “marginally attached” workers, as a percent of the civilian labor force	11.5%
U-6 Total unemployed persons, plus all “marginally attached” workers, plus all persons employed part time for economic reasons, as a percent of the civilian labor force plus all “marginally attached” workers	17.5%

Alternative Unemployment Measures for the New England States

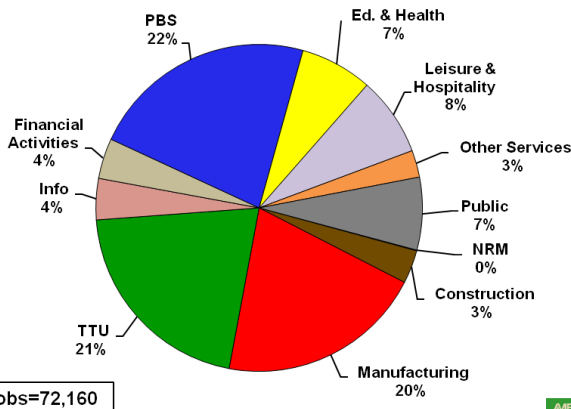
2009 Annual	CT	ME	MA	NH	RI	VT
U-1	4.3%	4.0%	4.2%	3.2%	6.2%	2.9%
U-2	5.2%	4.9%	6.1%	4.5%	7.1%	4.1%
U-3	8.1%	8.1%	8.4%	6.4%	11.2%	6.5%
U-4	8.6%	8.4%	8.7%	6.8%	11.7%	6.8%
U-5	9.4%	9.5%	9.4%	7.6%	12.5%	7.5%
U-6	14.4%	14.7%	14.5%	12.5%	19.1%	11.8%

February, 2010 UNEMPLOYMENT RATES Not Seasonally Adjusted (Preliminary Data)

495/MW	8.0%
Blackstone Valley	10.1%
Blackstone	12.5%
Douglas	9.8%
Grafton	9.9%
Hopedale	7.6%
Mendon	7.7%
Millbury	9.1%
Millville	13.2%
Northbridge	11.4%
Sutton	9.4%
Upton	10.1%
Uxbridge	10.5%
Greater Franklin	9.5%
Bellingham	11.7%
Blackstone	12.5%
Foxborough	9.1%
Franklin	9.0%
Medfield	6.9%
Medway	8.5%
Millis	9.8%
Norfolk	9.4%
Wrentham	8.6%
Greater Marlborough	8.3%
Hudson	9.3%
Marlborough	8.4%
Northborough	7.8%
Westborough	7.0%
MetroWest	7.0%
Ashland	7.0%
Framingham	7.3%
Holliston	7.0%
Hopkinton	6.6%
Natick	6.6%
Sherborn	5.9%
Southborough	7.3%
Sudbury	6.1%
Wayland	7.4%
Milford	9.8%
South Shore	9.4%
Abington	10.5%
Braintree	9.3%
Cohasset	6.3%
Hanover	8.3%
Hingham	6.6%
Milton	7.5%
Norwell	7.6%
Quincy	9.6%
Randolph	10.3%
Rockland	10.9%
Weymouth	10.5%
Massachusetts	10.0%
United States	10.4%

MetroWest Drives Record Peak in Employment

GMR-EMPLOYMENT 2008



(Continued from page 5)

(20%), which together generated 64% of Greater Marlborough's total employment. Both MetroWest and Greater Marlborough's top two supersectors are PBS and TTU, but the third largest supersector varies based on the region. When comparing the two economies, MetroWest has a much larger percentage of Education and Health Services than Greater Marlborough and Greater Marlborough has a significantly larger percentage of Manufacturing than MetroWest. Manufacturing provided 13% of MetroWest employment, but 20% of Greater Marlborough employment. Education and Health Services provided 14% of regional employment in MetroWest, but only 7% in Greater Marlborough.

The structural difference in the economies of these regions led to the differences in MetroWest and Greater Marlborough employment growth between 2001 and 2008. Since 2001 the Manufacturing industry has contracted, negatively affecting Greater Marlborough Region more than MetroWest because of its larger share of employment in Manufacturing. In 2001 employment in the Manufacturing supersector in Greater Marlborough totaled 17,800. By 2008, employment in Manufacturing decreased to 14,700, down 3,100 jobs or -17.5%. While Greater Marlborough has a higher concentration of Manufacturing employment than MetroWest, the MetroWest economy includes a larger percentage of Education and Health Services. This supersector, unlike Manufacturing, has flourished since 2001. In 2001, employment in Education and Health totaled 12,700. By 2008, it grew to 15,100, up 2,400 or 18.9%.

In conclusion, MW/GMR regional employment recorded a new historical peak in 2008, surpassing the previous peak in 2001. The MW/GMR employment increase resulted solely from increases in MetroWest. In comparison, Greater Marlborough experienced a decrease in employment due, in part, to the contracting Manufacturing supersector. For more economic analysis on MetroWest and Greater Marlborough regions, please register for the MERC 18th Annual Conference on the MetroWest and Greater Marlborough Economy, "Road to Recovery?" on May 7th, 2010. See below for conference details.

By: Britlin Chapman— Intern II



Register Now

18th Annual MERC Conference

Road to Recovery?

Combined MetroWest and Greater Marlborough Economies

Friday May 7, 2010

8:00-10:30 AM

Forum, D. Justin McCarthy Center
Framingham State College

Registration Fee \$25. Please contact
MetroWest Chamber of Commerce
www.MetroWest.org— 508-879-5600



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Cost of Living Up Slightly in October 2009

(Continued from page 8)

its largest six month decrease in absolute value from the October 2008 survey to the April 2009 survey, the Housing Index has risen. See graph on page 8. The Housing index increased from 79.7 in April 2008 to 98.9 in October 2009. This means that the Housing Index was 1.1% lower in October 2009 than it was in April 2005. The Miscellaneous Goods and Services Index saw only a slight decrease when it fell from 120.5 in April 2009 to 119.5 in October 2009. This represents a six month

change of just 0.8%. After experiencing the index's largest six month decrease from October 2008 to April 2009, the Transportation Index saw a slight increase as it rose from 104.0 in April 2009 to 118.7 as of October 2009. The two remaining indexes, Grocery Items and Health Care, each saw relatively small percentage decreases. The Grocery Items Index decreased by 3.3% while the Health Care Index decreased by just 0.5% from the April 2009 survey to the October 2009 survey.

As a result of the changes in the sub-indexes, the Overall Index increased from 107.2 in April 2009 to 109.3 as of October 2009; see the graph to left. This increase represents a 1.9% change in the Overall Index in the past six months. A value of 109.3 means that it is roughly 9.3% more expensive to live in MetroWest as of October 2009 than it was to live in MetroWest as of April 2005. This is the first increase in the Overall Cost of Living Index since October 2007. Since April 2005, only one survey, April 2008, has had a higher Overall Index than October 2009. In April 2008 the Overall Index was 112.7.

By: Shaun Daly—Middlesex Savings Bank Intern

