

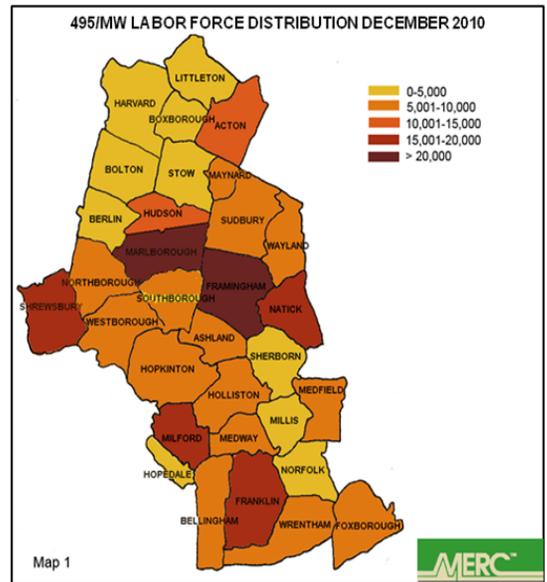
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495/MetroWest Corridor Unemployment Rates Stay High Through 2010

By Shawn Johnson

The 495/MetroWest Corridor (495/MW) region consists of thirty two communities along Interstate 495 and the Mass Turnpike in Massachusetts. See map 1 on right. In December 2010, the total labor force in the 495/MW region was 295,711 individuals and accounted for 8.5% of Massachusetts' labor force. Among the communities in the region, Framingham was the largest contributor to the region's labor force with 37,809 workers, followed by Marlborough with 23,245 workers. Combined, these two communities provided about 20.6% of the labor force in the region, implying that one out of every five workers in 495/MW resided in one of these two communities. Among the thirty two communities, Berlin had the smallest labor



force in the region with 1,637 workers, which made up less than one percent of the total labor force in the region.

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ACS Examines Household Income in MetroWest and South Shore

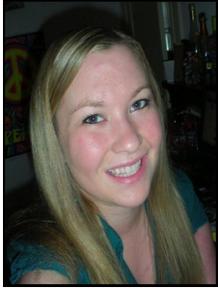
By Ashley Backholm

In 2010 the US Census Bureau released the first-ever five year estimates for small geographies in the American Community Survey (ACS). "The American Community Survey (ACS) is a nationwide survey designed to provide communities a fresh look at how they are changing. It is a critical element in the Census Bureau's decennial census program. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data." With the release of this data the public no longer has to wait a decade

to obtain detailed characters on smaller regions. It is important to note that this data is not the 2010 Census data and it is based on a random sample of the population. Therefore there is a margin of error associated with these estimates.

MetroWest, with a total estimated population of 186,131 individuals, includes nine towns west of Boston: Ashland, Framingham, Holliston, Hopkinton, Natick, Sherborn, Southborough, Sudbury and Wayland. The South Shore region with a total population of 322,869 individuals is comprised

Continued on page 6



Britlin Chapman
 Intern IV, Cost of Living
 International Business
 and Spanish
 YOG 2011
 Likes: Traveling,
 Dance, Flute

Health Care costs in Boston ranked the 7th highest in the nation.



Courtney Blute
 Intern II, Unemployment
 Business Administration
 YOG 2011
 Resident Assistant

Health Care Costs Elevated In New England Communities

By Britlin Chapman

Twice a year the MetroWest Economic Research Center (MERC) at Framingham State University participates in the ACCRA Cost of Living Survey. MERC interns obtain prices for a market basket of 57 goods and services from over 100 businesses located in MetroWest. For a detailed description of where the survey's numbers come from please visit the MERC website; <http://www.merc-online.org/costofliving.php>.

The ACCRA Cost of Living report reveals that in April 2010, health care costs in Boston, MA were approximately 23.5% higher than the

national average, which has an index value of 100.0. Boston's Health Care Index of 123.5 ranked the 7th highest in the nation among 338 urban areas. The only other areas in the nation that posted higher health care costs than Boston were Fairbanks, AK (144.9), Juneau, AK (144.5), Anchorage, AK (136.1), Manhattan, NY (132.3), Everett, WA (130.6), and Kodiak, AK (128.6). It is very interesting to note that four of the six communities with the highest health care costs were located in Alaska; the highest occurring in Fairbanks, AK with health care costs approximately 45% higher than the national average.

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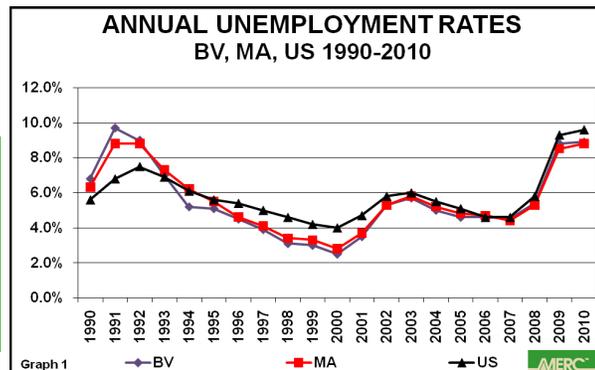
Unemployment and Labor Force in the Blackstone Valley Region

By Courtney Blute

The Blackstone Valley Region includes eleven communities: Blackstone, Douglas, Grafton, Hopedale, Mendon, Millbury, Millville, Northbridge, Sutton, Upton, and Uxbridge. Graph 1 below compares annual unemployment rates in the Blackstone Valley Region, Massachusetts, and the United States from 1990 to 2010. Throughout the twenty-one year period, unemployment rates in the region were relatively volatile, with several impactful changes taking place. In 1990, the Blackstone Valley regional annual unemployment rate was 6.8%, compared to the state and the nation's

rates of 6.3% and 5.6%, respectively. The unemployment rate in the Blackstone Valley Region peaked in 1991 at 9.7%. After 1991, the regional unemployment rate consistently decreased, and reached its lowest rate in 2000 at 2.5%. The state and the nation also posted their lowest rates in 2000 when they reached 2.8% and 4.0%, respectively. After 2000, unemployment rates in the Blackstone Valley Region steadily increased for several years until they decreased again from 2004 to 2007. From 2008 to 2009, the unemployment rate in the Blackstone Valley Region experienced a sharp increase of 3.4% from 5.4% to 8.8%, and reached 8.9% in 2010. From 1990 to

1993, the nation's unemployment rates were lower than the Blackstone Valley Region's unemployment rates, but from 1994 to 2010, the national rates were higher than regional rates, except in 2006 when both the nation and the region reached the same unemployment rate of 4.6%.



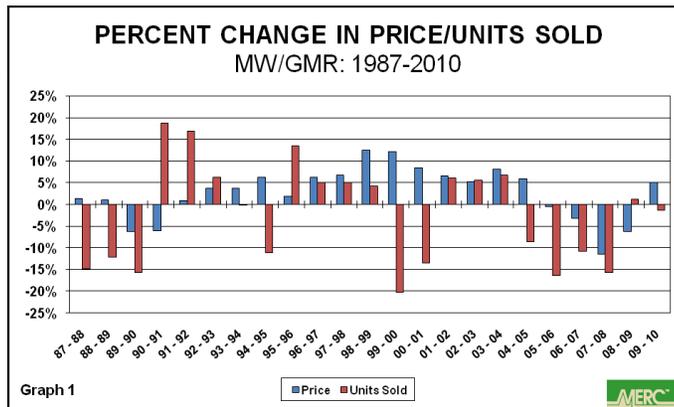
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Median Sales Price for Existing Homes Up in 2010

By Daniel McGrew

The MetroWest Economic Research Center (MERC) collects and analyzes data on existing home sales for the combined MetroWest and Greater Marlborough Region (MW/GMR). MetroWest (MW) is made up of nine communities: Ashland, Framingham, Holliston, Hopkinton, Natick, Sherborn, Southborough, Sudbury, and Wayland. Greater Marlborough Region (GMR) is made up of four communities: Hudson, Marlborough, Northborough, and Westborough. MERC gathers the data for these thirteen communities from The Warren Group. It should be noted that these figures do not track the same homes every year; each year's figures come from a different mix of homes.

Graph 1 above compares the year to year percent change of units sold (in red) and estimated median sales price (in blue) for single family homes in the MW/GMR. Over the 23 year period, 1987-2010, the number



of units sold fell in twelve of those years. The greatest single year to year percentage decline occurred from 1999 to 2000 when the number of units sold fell -20.4%. The estimated median sales price, on the other hand, has only had six years of negative percent change. The greatest percentage decline in median price occurred recently from 2007-2008 with a decrease of -11.4%. After four years of decline, in 2009-2010 estimated median price increased by 5.1%. During the same 2009-2010 period, the number of units sold decreased slightly, by -1.4%. The greatest single year to year percentage

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Daniel McGrew
Intern III, Housing, K-12
Business Administration
YOG 2011
Likes: Exercising,
Watching movies,
Volunteering

The estimated median price of existing homes in the combined MetroWest Greater Marlborough Region up 5.1% in 2010.

Municipal Revenue for 495/MetroWest

By Walter Burke

The MetroWest Economic Research Center (MERC) at Framingham State University collects and analyzes data on municipal revenue on an annual basis. The 495/MetroWest Region consists of 32 communities located along Route 495 from Route 2 in the north to Route 1 in the south. Route 495 is the major north-south thoroughfare, while east-west travel in the region is convenient via several arteries including the Massachusetts Turnpike and Route 9. The region is bordered to the north by Littleton, to the south

by Foxborough, to the west by Shrewsbury and to the east by Natick. The estimated population for the 495/MetroWest Region in 2010 was 492,374. For a detailed map of the region please visit <http://merc-online.org/regions/495m.php>.

Sources of municipal revenue include: the total tax levy, state aid, local receipts, and an "all other" category. The tax levy consists of assessments on personal property, industrial, commercial, open space, and residential real estate. State aid is earmarked as state aid for education and state aid for general government.

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Walter Burke
Intern II, Municipal
Revenue
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MW/GMR Job Losses in 2009

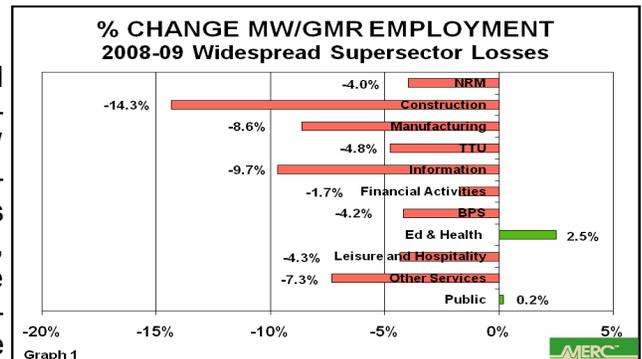
By Kelly Farrell



Kelly Farrell
Intern III, Employment Business Administration
YOG 2012
Likes: Exercising, Spending time with family and friends

From 2008-2009 the MW/GMR region suffered major job losses as employment fell to 174,100, down 8,200 jobs or -4.5%.

The combined MetroWest Cohesive Commercial Statistical Area (MW CCSA) and Greater Marlborough Region (GMR) consists of 13 communities. Separately, MetroWest includes nine towns centered on Framingham and Natick whereas the Greater Marlborough Region includes four municipalities centered on Marlborough. In 2009 the combined MW/GMR region suffered major job losses as employment fell to 174,100, down 8,200 jobs or -4.5% since 2008. Employment in nine of the eleven NAICS supersectors decreased between 2008 and 2009. Five of these supersectors lost more than 700 jobs each. Construction suffered the largest percentage decline



among all supersectors, -14.3% or -1,000 jobs. See graph 1 above. Information followed, with a decrease of -9.7% or -700 jobs. Manufacturing fell by -8.6% and suffered the greatest absolute loss of jobs, -2,500, followed by TTU with a loss of -1700 jobs and Business and Professional Services (BPS) down -1600 jobs. The only two supersectors to gain employment were

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Major Losses throughout the South Shore Region

By Anisa Torozzi



Anisa Torozzi
Intern III, Employment Business Administration
YOG 2011
Speaks 5 languages
Likes: Photography, Traveling

The recent recession caused losses in jobs, payroll, wages, and establishments across the South Shore Cohesive Commercial Statistical Area (CCSA). In 2009, the South Shore (SS) employment fell to 143,800, a decrease of -3.6%, or -5,400 jobs from 2008. Total 2009 payroll also declined to \$7 billion, a loss of -4%, or -\$300 million. In 2009, the average wage of \$48,800 decreased slightly by -0.4%, or -\$200.

Total establishments fell to 11,530, a drop of -5.3% or -640 establishments. In contrast, in 2008 12,200 establishments had produced 149,200 jobs and a payroll of \$7.3 billion.

During 2009, individual communities in the South Shore recorded different gains and losses in employment. Graph 1 on the bottom left shows that among the eleven communities, only Hingham and Milton increased employment. Total employment in Hingham rose by 5.7%, or 700 jobs, while Milton experienced a smaller gain of 0.8% or 40 jobs. The remaining nine communities suffered losses in employment. Rockland recorded the highest percentage loss in employment with -12.9%, followed by Cohasset with -8.7%, and Hanover with -7.2%. In absolute numbers Quincy suf-

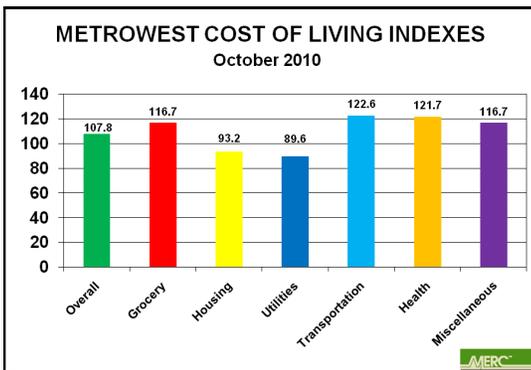


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Cost of Living in the MetroWest down from October 2010

By Tanya Butler

The MetroWest Economic Research Center (MERC) at Framingham State University participates in the ACCRA Cost of Living Survey twice a year, once in October and again in April. MERC collects price data on 57 different goods and services from the nine MetroWest communities to track the Cost of Living in the area over time. MERC uses these values to calculate an Overall Cost of Living Index and indexes for the following six categories of goods

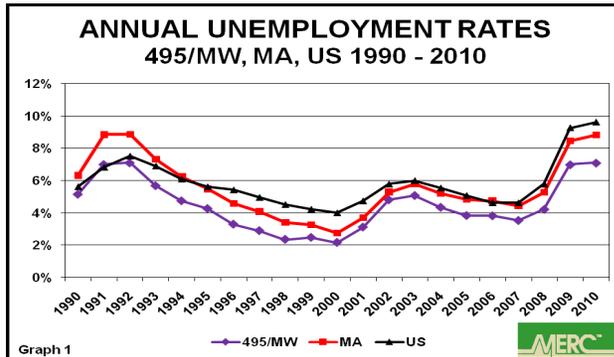


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495/MetroWest Corridor Unemployment Rates Stay High Through 2010

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Annual unemployment rates in the 495/MW region varied moderately over the twenty one year period from 1990 to 2010. The region reached its highest annual unemployment rate of 7.1% in 1992 and again in 2010. See graph 1 on right. After peaking in 1992, unemployment rates in 495/MW showed a decreasing pattern until bottoming out at 2.2% in 2000, the lowest rate the region posted during this period. After 2000, unemployment rates in the region started to increase, and reached 5.1% in 2003. Rates continued to fluctuate before rising sharply from 4.2% in 2008 to 7.0% in 2009. The unemployment



rate in 495/MW stayed high in 2010 as it increased by 0.1%, from 7.0% in 2009 to 7.1% in 2010. Historically, annual unemployment rates in 495/MW were always lower than those of the state and the nation from 1990 to 2010, except in 1991 when 495/MW posted higher a unemployment rate than the nation's.

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Tanya Butler
Intern II, Cost of Living
Economics-Finance
YOG 2012
Likes: Cooking,
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The unemployment rate in 495/MW stayed high in 2010 as it increased by 0.1%, from 7.0% in 2009 to 7.1% in 2010.



Shawn Johnson
Intern III, Unemployment
Business Administration
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ACS Examines Household Income in MetroWest and South Shore

Continued from page 1



Ashley Backholm
Intern II, Census
Economics-Finance
YOG 2011
Likes: Yoga, traveling

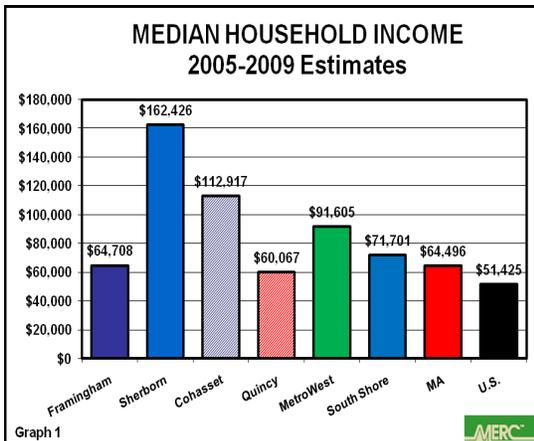
of 11 towns south of Boston: Abington, Braintree, Cohasset, Hanover, Hingham, Milton, Norwell, Quincy, Randolph, Rockland and Weymouth.

As shown in the graph below, estimated median household income for the South Shore was \$71,701. Out of all of the communities in the region, Cohasset had the highest median income, \$112,917, while Quincy's median income of \$60,067 was the lowest. Quincy was the only community within either region with a lower median household income than Massachusetts' median income of about \$64,500. MetroWest's median household income was \$91,605. Within MetroWest, Framingham's median income of \$64,708 was the lowest in the region. Sherborn

with a median income of \$162,426 had the highest median income among the communities within both regions. The United States median household income was about \$51,400. All of the communities or regions discussed

in this article reported median incomes higher than that of the United States.

Household data can be further broken down into types of households; family households which includes married couples, male householders with no wife present and female householders with no husband present; and non-family households which includes householders living alone and householders not living alone. The majority of householders in all four regions are families; mainly married couple families. The income distribution of family households follows the same pattern as the income distribution of total households. In MetroWest, 19% of family households reported median incomes above \$200,000. The highest percentages of family households in the South Shore and Massachusetts had median incomes between \$50,000 and 75,000 while the highest percentage of family households in the United States at 23% fell in the \$25,000 to \$50,000 bracket. The income distribution of non-family households differs greatly from those of both family households and total households. All four regions follow the same pattern for non-family households with the highest percentages of households within the less \$25,000 bracket and



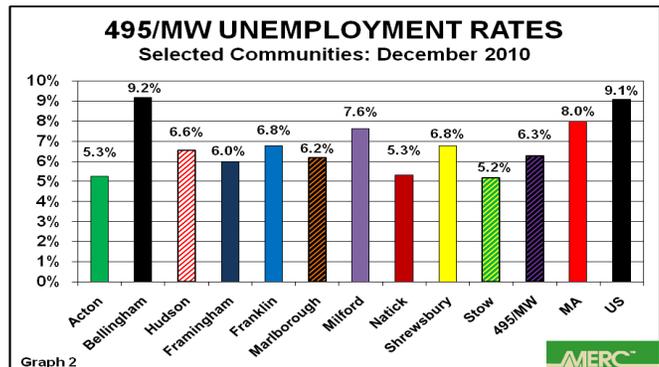
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495/MetroWest Corridor Unemployment Rates Stay High Through 2010

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In December 2010, the unemployment rate in 495/MW was 6.3%, which was lower than both the state's and the nation's rates of 8.0% and 9.1% respectively. Among the thirty two communities, Bellingham had the highest unemployment rate in the region of 9.2%. See graph 2 on right. Bellingham was the only community in 495/MW that posted a higher unemployment rate than the state and the nation. Milford had the second highest unemployment rate in the region of 7.6%. Among all communities in 495/MW, Stow had the lowest unemployment

rate in the region of 5.2%, followed by Acton and Natick, both at 5.3%.



Special Projects

Jonathan Murphy
Jennifer Sanches

Intern IV

Britlin Chapman

Intern III

Anisa Torози
Shawn Johnson
Daniel McGrew

MERC Interns: Spring 2011



Intern II

Ashley Backholm
Courtney Blute
Walter Burke
Tanya Butler
Kelly Farrell

Intern I

Kevin Aguirre
Sherren Doyle
Rachel Drywa
Alexander Lepage

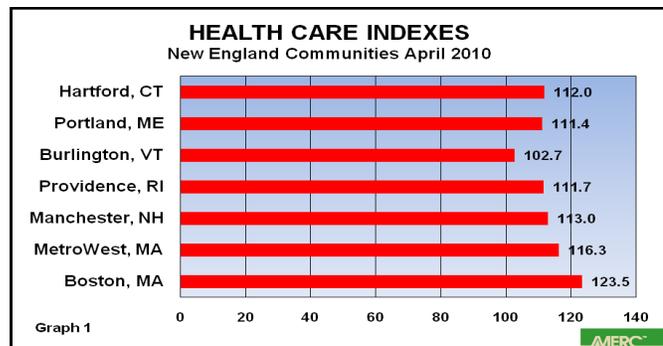
Health Care Costs Elevated In New England Communities

Continued from page 2

Are these high health costs unique to Boston, MA or are costs elevated throughout New England? To determine if they are, health care costs were analyzed in six New England communities: MetroWest, Manchester, NH, Providence, RI, Hartford, CT, Portland, ME, and Burlington, VT. See graph 1 on right. While Boston, MA reported the highest health care costs out of these areas, all of these communities had Health Care Indexes above the national average (100.0) and significantly higher than most of the nation. MetroWest (116.3) and Manchester, NH (113.0) posted Health Care Indexes that represented the 22nd and 31st highest health care costs in the nation, respectively. Hartford, CT (112.0), Providence, RI (111.7), and Portland, ME (111.4) followed closely with the 38th, 40th, and 42nd highest health care costs out of the 338 urban areas surveyed in the nation.

The remaining New England community, Burlington, VT, did not have health care costs as high as the others, with a Health Care Index of 102.7. This was the 102nd highest health care cost in the nation, approximately 2.7% higher than the national average. However, since this index value is within the 3% margin of error, the actual health care costs in Burlington may not differ from the national average.

In order to determine why health care costs are elevated throughout New England, it is important to analyze the costs of the individ-



ual items that make up the Health Care Index. This particular index is calculated from the prices of ibuprofen, Lipitor, optometrist visits, doctor visits, and dentist visits. These prices reported in the New England communities used for the analysis will be compared to the nationwide average prices of these items. In addition to prices, the weights of the individual items are crucial to determining how they contribute to the overall index. Weights for individual items are proportionate to how much they contribute to the Health Care Index.

In these New England areas the costs of medicines, such as ibuprofen and Lipitor, did not differ much from the national average. Upon closer analysis, it is clear that ibuprofen was not responsible for high health care costs. With a weight of 8.85% in the Health Care Index, ibuprofen costs only represented a small portion of total cost and the actual cost of the product was low, as well. The national average price of \$9.39

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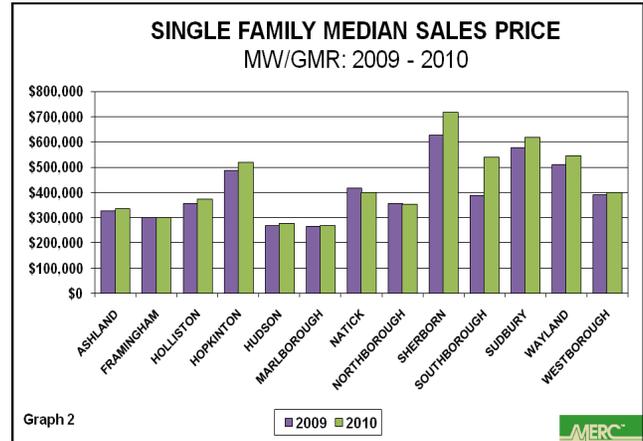
Median Sales Price for Existing Homes Up in 2010

Continued from page 3

gain in units sold occurred from 1990-1991 with an increase of 18.7%. Median price had its largest year to year percentage gain from 1998-1999 with an increase 12.5% followed by an increase 12.2% the following year.

The single family median sales price for existing single family homes in the thirteen communities of MW/GMR in 2010 compared to 2009 is shown in graph 2 on the right. Ashland, Holliston, Hopkinton, Hudson, Marlborough, Sherborn, Southborough, Sudbury, Wayland and Westborough all experienced an increase in median price from 2009 to 2010. Southborough had the greatest increase, increasing by \$150,000 from \$390,000 to \$540,000. Sherborn also had a large increase from \$629,000 to \$717,000, an \$88,000 gain. Natick and Northborough were the only two communities that experienced decreases, with declines of \$17,750 and \$1,000, respectively. Framingham recorded no change, maintaining a \$300,000 median sales price in both years. In 2010 Sherborn and Sudbury had the highest median sales price with \$717,000 and \$619,600, respectively. In 2010 Marlborough had the lowest median sales price of \$268,000, followed closely by Hudson with \$277,000.

In total the combined MW/GMR region had 2170 homes sold in 2010, down 31 units from 2009. Framingham led all the communities with 21% of regional sales, or 446 homes sold. After Framingham, Natick had 13% of the total or 275 homes sold, closely followed by Marlborough with 11% or 241 homes sold. Together these three communities made up 45% of the total number of homes sold in MW/GMR in



2010. Eight of the 13 communities each contributed 5-10% of the combined region's total. Sudbury contributed 9%, Wayland and Hopkinton contributed 7%, Hudson contributed 6%, and Ashland, Westborough, Holliston, and Northborough contributed 5% each. Southborough and Sherborn recorded the smallest proportions with 4% and 2%, respectively. In Sherborn only 43 existing single family homes were sold in 2010. Sudbury and Sherborn had the highest median sales price of the region but combined only contributed 11% or 243 of the regional number of homes sold, which is only two homes more than Marlborough, which recorded the region's lowest median sales price.

As shown on graph 1 on page 3, the estimated median price of existing homes in MW/GMR combined region rose 5.1%, from \$380,778 to \$401,240 in 2009-2010. As shown on graph 2 above, all but three of the communities experienced median price increases last year which is why the region's median price was up for the first time since 2005. •

**On October 26, 2010,
Framingham State officially became**



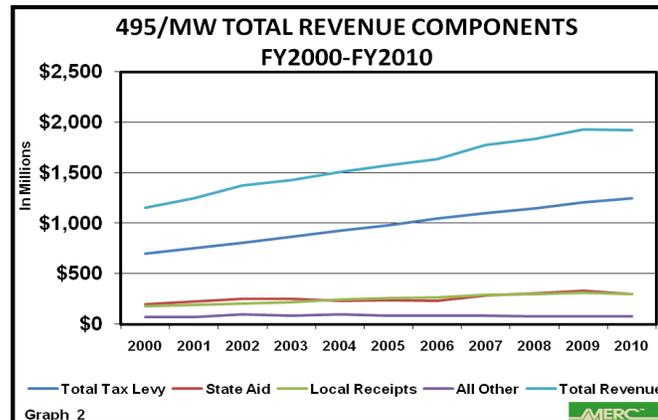
Framingham
State University

Municipal Revenue for 495/MetroWest

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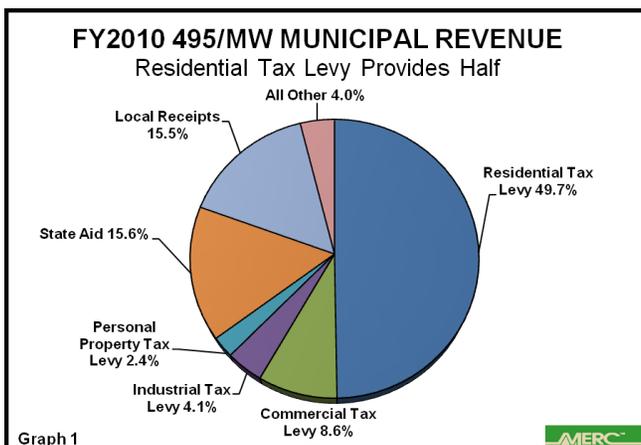
Local receipts are locally generated revenues other than those from real and personal property; they include motor vehicle excise taxes, licenses and charges for services. The “all other” category includes free cash and other available funds.

In FY2010, total municipal revenue for the 495/MetroWest Region amounted to \$1,924.5 million. See graph 1 below. The total tax levy generated 64.9% of total municipal revenue or \$1,249 million for the 32 communities combined. The total tax levy includes residential real estate taxes, commercial real estate taxes, industrial real estate taxes and personal property taxes. Residential real estate produced the largest share of municipal revenue with 49.7% or \$957 million. The commercial tax levy, industrial tax levy and personal property tax levy made up 8.6%, 4.1%, and 2.4% of regional municipal revenue. State aid generated 15.6% of municipal revenue or \$300.9 million. Local receipts provided 15.5% of municipal revenue or \$298.9 million. The “all other” category made up 4.0% of municipal revenue or \$76.1 million. Therefore state aid, local receipts, and the “all



other” categories made up 35.1% of total municipal revenue. Meanwhile the open space tax levy generated only \$17,540 or .0001% of municipal revenue.

Total municipal revenue climbed 66.4% from \$1,157 million in FY2000 to \$1,925 million in FY2010. See graph 2 above. Total municipal revenue increased steadily from FY2000 to FY 2009. In FY2010 it decreased 0.2% when it went from \$1.93 billion in FY 2009 to \$1.92 billion in FY2010. Over the same time period the tax levy increased 78% rising from \$702 million to \$1,248 million. The total tax levy increased the most among four categories of municipal revenue. State aid climbed from \$202 million in FY2000 to its peak of \$332 million in FY2009, before declining to \$301 million in FY2010. The increase for the period was 49.0%. Local receipts rose from \$182 million in FY2000 to a peak of \$313 million in FY2009. In FY2010 local receipts declined to \$299 million. The percent increase for the period FY2000-FY2010 was 64.3%. The “all other” category varied widely in the period as it ranged from \$71 million in 2000 to \$101 million in 2002. The “all other” category produced the smallest percent increase out of any of the categories, rising only 10.7% for the FY2000-FY2010 period. •



Total municipal revenue for the 495/MW region climbed 66.4% from FY2000-FY2010.

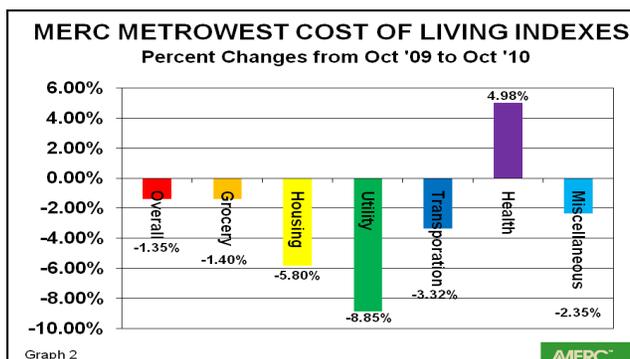
Cost of Living in the MetroWest down from October 2010

Continued from page 5

93.2 and 89.6, respectively. These values suggest that housing and utility costs were lower in October 2010 than were in April 2005, just over 5 years earlier.

The percentage changes in the indexes between the October 2009 and the October 2010 surveys are shown in graph 2 on the right. All of the indexes had a negative percentage change, except for the Health Care Index, which would indicate that the costs of the items in the other five categories have, on average, fallen. The index that changed the most in the 12 month period was the Utilities Index, which had a -8.85% change from October 2009 to October 2010. The only index that increased was the Health Care Index, up 4.98% from the year before. The Transportation, Miscellaneous Goods and Services, Grocery Items, and Overall Cost of Living Indexes had declines of -3.32%, -2.35%, -1.40%, and -1.35% respectively. The Housing Index had a -5.80% change over the 12 month period.

Over the nineteen year period MERC has been gathering this data from October 1991 to October 2010, we have seen an increase in all six sub-indexes, as well as the Overall Cost of Living Index. The Grocery Items Index, Health Care Index, and the Miscellaneous Goods and Services Index all had a similar,



steady increase over that time. These 3 Indexes had average annual rates of change from October 1991 to October 2010 of 2.8%, 2.7%, and 2.1%, respectively. The Transportation and Housing Indexes were relatively stable up until October 2005, when they became much more volatile. The average annual rate of change for Transportation was 3.1% and it was 2.7% for Housing. The Utilities Index was the most volatile over the 20 year period. This index started at a value of 77.0 in October 1991 and ended with a value of 82.3 in October 2009, but had values within the 19 year period as high as 126.7 in October 2008. The average annual rate of change for Utilities was .8%, significantly lower than the others. The Overall Cost of Living had an average rate of change of 2.4%. •

MW/GMR Job Losses in 2009

Continued from page 4

Education and Health Services, up 2.5% or 500 jobs and Public, up 0.2% or 30 jobs.

In 2009 the Business and Professional Services supersector provided the most jobs with 37,600 or 21.6% of regional employment, followed by Trade, Transportation, and Utilities with 34,200 jobs (19.7%). Despite the major job losses in Manufacturing, this supersector still contributed the third highest number of jobs in MW/GMR, 26,900, (15.4%).

Although these three supersectors provided 57% of all employment in MW/GMR, all suffered losses in establishments. Establishments are not the same as businesses or companies they are economic units that produce goods or services at a single location and are

engaged in one type of economic activity. This means a firm can have one or more establishments where work is produced. BPS lost -0.6% of establishments, TTU -1.7% and Manufacturing suffered a -4.1% loss in the number of establishments.

Regional payroll fell from \$11.8 billion in 2008 to \$11.3 billion in 2009, with nine out of the eleven supersectors losing payroll. Three of these supersectors suffered payroll losses in the double digits: Information (-13.3%), Other Services (-11.6%) and Construction (-10.7%). Only two supersectors, Public and Education and Health Services, increased payroll, up 4.1% and 2.6%, respectively.

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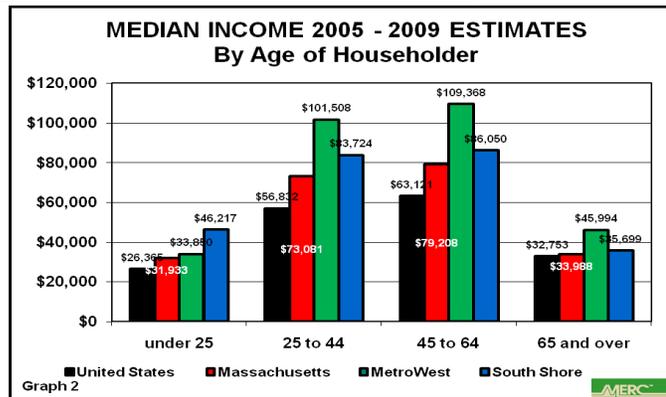
ACS Examines Household Income in MetroWest and South Shore

Continued from page 6

the lowest percentages within the \$200,000 or more brackets.

Households can also be broken down by the age of the householder. The age group with the lowest median income in MetroWest, Massachusetts and the United States was householders under 25 with median incomes of \$33,050, \$31,933, and \$26,365, respectively. In the South Shore region households headed by age over 65 years old had the lowest median income, \$35,699. All four regions reported the highest median incomes for households headed by individuals between the ages of 45 to 64. Within the 45 to 64 age group, MetroWest with a median income of \$109,368, exceeded the South Shore's median income of \$86,050, which was the second highest. The United States median income for this age category was \$63,121 and Massachusetts' was \$79,208. See Graph 2 above right.

In conclusion, the median incomes for family and non-family households for MetroW-

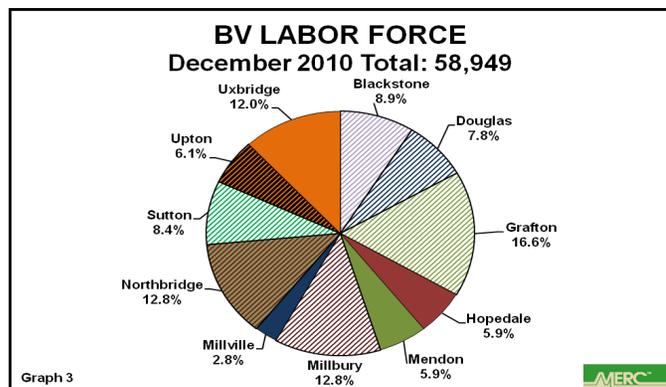


est, South Shore and Massachusetts are greater than that of the United States. Households headed by individuals that are between 45 and 64 years old have the highest median household incomes compared to other age groups in all four regions while households headed by individuals under 25 years of age in three regions and over 65 years of age in the fourth reported the lowest. It is evident that there is a connection between the age of the household head and median income as well as between geographical region and median income. •

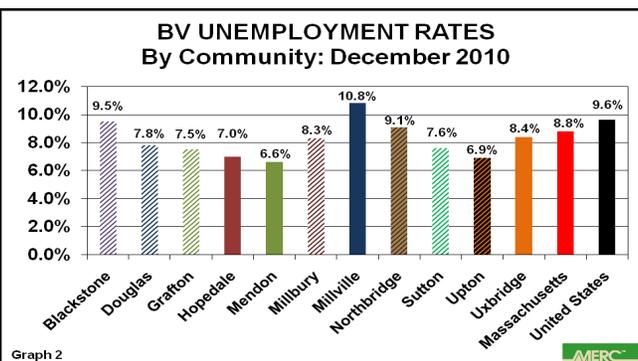
Unemployment and Labor Force in the Blackstone Valley Region

Continued from page 2

As graph 2 below shows, in December 2010 Millville had the highest unemployment rate of 10.8%, and was the only community in Blackstone Valley that had an unemployment rate higher than the nation's rate of 9.6%. The second highest unemployment rate was posted by Blackstone at 9.5%, followed by Northbridge at 9.1%. Millville, Blackstone, and Northbridge were the only communities that posted higher unemployment rates than the state rate of 8.8% in December 2010. Mendon had the lowest unemployment rate in the region at 6.6%.



In December 2010, the total labor force in Blackstone Valley was 58,949 individuals. As shown in graph 3 above, the labor force was most heavily concentrated in Grafton, which had 16.6% of the total. Millbury, Northbridge, and Uxbridge followed, each contributing about 12% of the region's labor force, and the combined labor force of these four communities makes up over half of the labor force in the Blackstone Valley Region. The smallest amount of available labor was in Millville with 2.8%. •



Major Losses throughout the South Shore Region

Continued from page 4

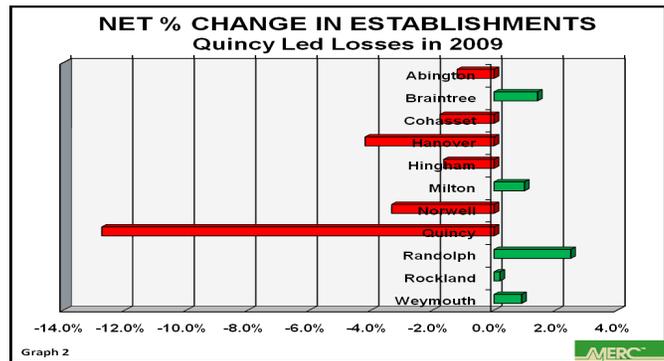
ferred the largest job loss of -1,600, followed by Braintree with -1,300, and Rockland with -1,100 jobs.

Total payroll in 2009 showed similar losses among the communities. Quincy led the communities with the highest loss in payroll (-\$106 million), followed by Braintree (-\$39 million), and Norwell (-\$39 million). While Hingham and Milton experienced an increase in employment in 2009, only Hingham recorded a gain in payroll of \$10 million. Milton lost the smallest amount in payroll among the communities, -\$1.6 million. In terms of percentage declines, Cohasset recorded the greatest payroll loss with -20.5%, followed by Norwell (-8.5%), and Hanover (-7.7%).

Finally, six of the eleven South Shore communities experienced a decrease in total establishments in 2009. See graph 2 on right. Quincy suffered the greatest percentage loss in establishments with -12.7% or -600 establishments, followed by Hanover (-4.2% or -30 establishments), and Norwell (-3.3% or -20 establishments). The community that posted the larg-

est increase in establishments was Randolph with 2.5% or 20 establishments, followed by Braintree (1.4% or 20 establishments), and Milton (1.0% or 5 establishments).

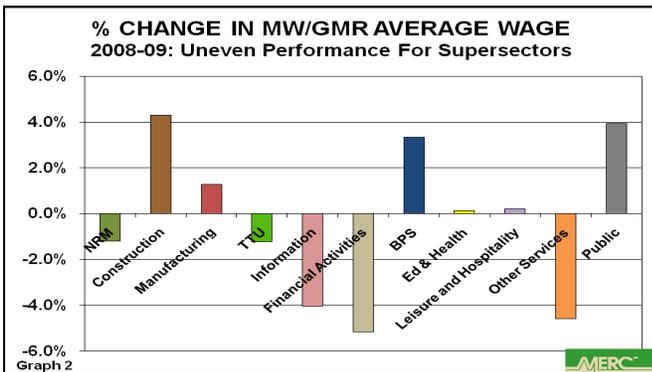
In summary, two of the eleven communities stand out. Among the eleven communities Quincy experienced the greatest loss in employment, payroll, and establishments. In contrast, Hingham was the only community to gain both employment and payroll, although it recorded a loss in establishments. For more information about data sources and definitions, please visit www.merc-online.org.



Quincy experienced the greatest loss in employment, payroll, and establishments.

MW/GMR Job Losses in 2009

Continued from page 10



The 2009 average wage for the region was \$64,900. Six supersectors increased average wages from 2008 to 2009. Construction led all supersectors climbing from \$66,200 in 2008 to \$69,000 in 2009, a 4.3% gain; Public fol-

lowed, up 3.9% increasing from \$54,900 in 2008 to \$57,000 in 2009. See graph 2 on left. The BPS wage rose from \$81,700 in 2008 to \$84,500 in 2009, a gain of 3.4%. Other supersectors recording an increase in average wage included Manufacturing (+1.3%), Leisure and Hospitality (+0.2%), and Education and Health (+0.1%). In five supersectors, the average wage declined in 2008-2009. In Financial Activities the average wage fell by the most, -5.2%, from \$68,900 to \$65,400. Other Services suffered a loss of -4.6%, followed by Information, - 4% and TTU and Natural Resources and Mining, each with a loss of -1.2%. More detailed information about the NAICS supersectors and the sources of the data contained in this article is available at www.merc-online.org.

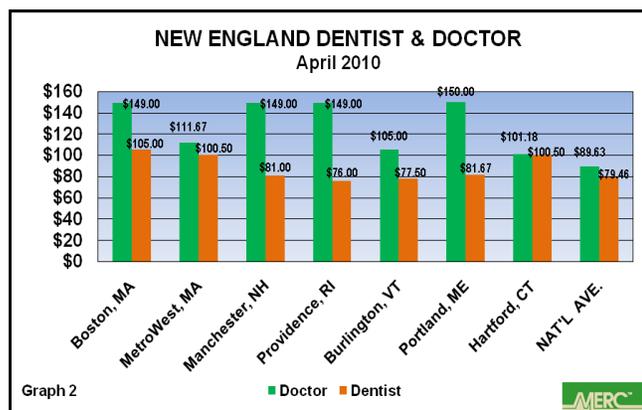
Health Care Costs Elevated In New England Communities

Continued from page 7

was relatively close to actual prices throughout New England, which ranged from \$8.13 in MetroWest to \$10.82 in Burlington, VT. Only Burlington, VT, Portland, ME (\$10.24), and Hartford, CT (\$9.58) posted prices higher than the national average. Burlington, VT posted higher than average ibuprofen costs, but had the lowest Health Care Index among the New England communities. The New England community with the highest Health Care Index, Boston, MA, reported a price of ibuprofen of \$8.19, \$1.20 lower than the national average. This provides important evidence that the cost of ibuprofen did not contribute to the high Health Care Index values in New England.

Similarly, Lipitor is also not responsible for high health care costs in New England. Lipitor prices in New England did not differ much from the national average price of \$146.76, ranging from \$139.37 in Manchester, NH to \$157.18 in MetroWest. Only MetroWest and Portland, ME (\$153.84) posted Lipitor prices higher than the national average. This is significant because Lipitor is the highest costing health care item and carries a weight of 31.91%, yet is not responsible for inflated health care costs in the majority of New England. It may be one of the causes for higher health care costs in MetroWest and Portland, ME, but the Lipitor costs still do not account for the high Health Care Index in most of New England as the majority of communities posted below average prices. Boston, MA, with the highest Health Care Index in New England reported Lipitor costs of \$142.62, \$4.14 below the national average. Following the analysis of Lipitor and ibuprofen, it is apparent that the cost of these medicines does not account for the high Health Care Indexes in New England.

The true story lies in the cost of professional services such as optometrist, doctor, and dentist visits. While optometrist visits only contributed 4.22% to the Health Care Index, four of the six communities in New England reported costs that were higher than the national average price of \$88.02. Prices for optometrist visits ranged from \$84.33 in Burlington, VT to \$150.00 in Portland, ME. The majority of New England



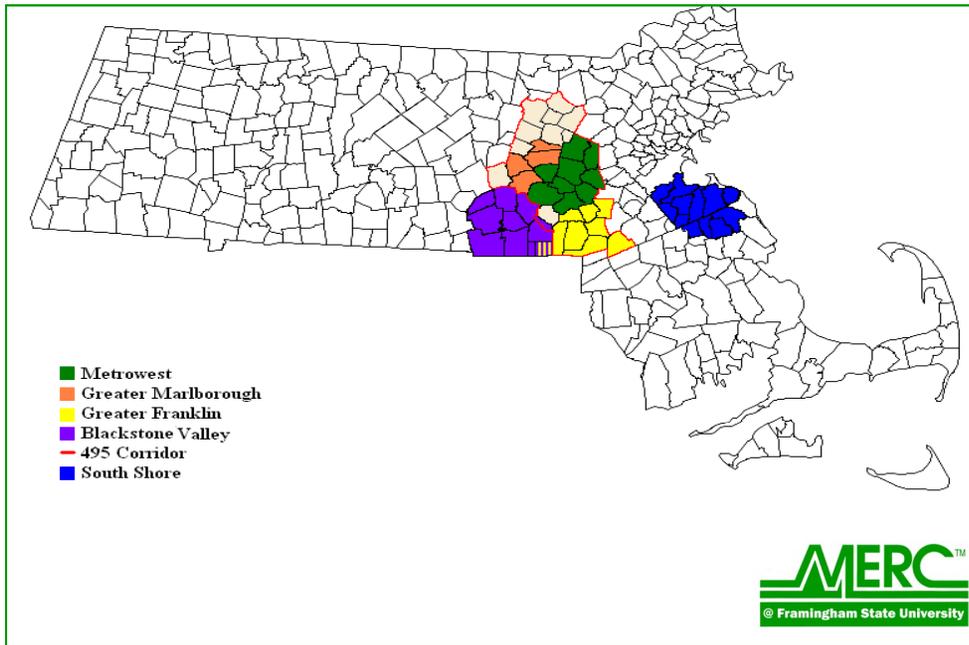
optometrist costs were above the national average, suggesting that they contributed to higher health care costs, but not as much as if optometrist visits were weighted more heavily. The cost of a visit to a doctor's office was weighted much heavier than optometrist costs, with a weight of 22.88%. Doctor's visits were the cost that differed from the national average the most. The cost of doctor visits in all six New England communities surpassed the national average of \$89.63. Prices ranged from \$101.18 in Hartford, CT to \$149.00 in Boston, MA, Manchester, NH, and Providence, RI. Even the lowest cost in New England is \$11.55 higher than the national average. Graph 2 above compares New England doctors and dentist visit costs to the national average.

Dentist costs, with the highest weight out of all the components of the Health Care Index (32.14%), also contributed to higher than average health care costs. Compared to a national average of \$79.46, prices ranged from \$76.00 in Providence, RI to \$105.00 in Boston, MA. Boston, MA posted dentist costs \$25.54 higher than the national average. MetroWest (\$100.50) also had high dentist costs, posting a price \$21.04 higher than the national average. Both of these examples make it clear that dentist costs also contribute to the high health care costs in New England.

In conclusion, health care costs are elevated throughout New England, primarily due to the costs of professional services. In particular, doctor and dentist visit costs drove up health care costs in New England communities. •

MERC SUBSTATE REGIONS MAP

MERC provides economic data and analysis for the 6 substate 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 February 2011. MERC uses the U-3 rate, which is the official unemployment rate.

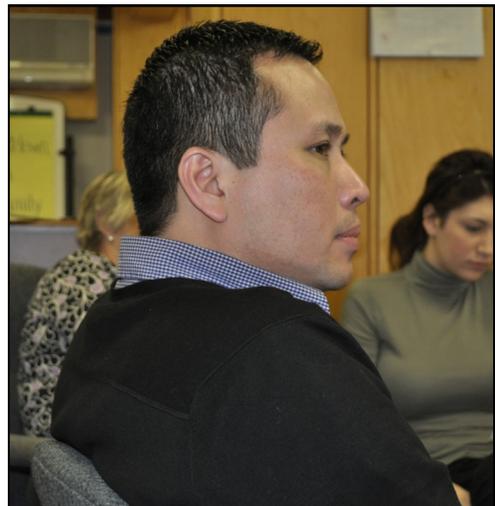
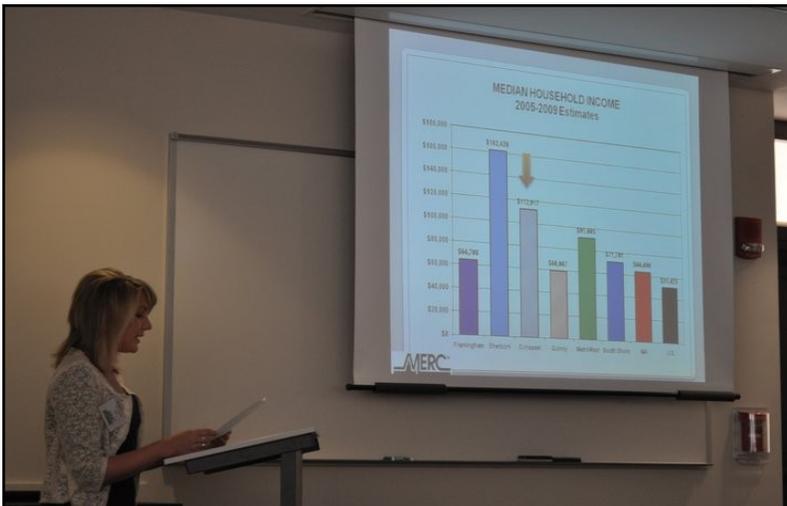
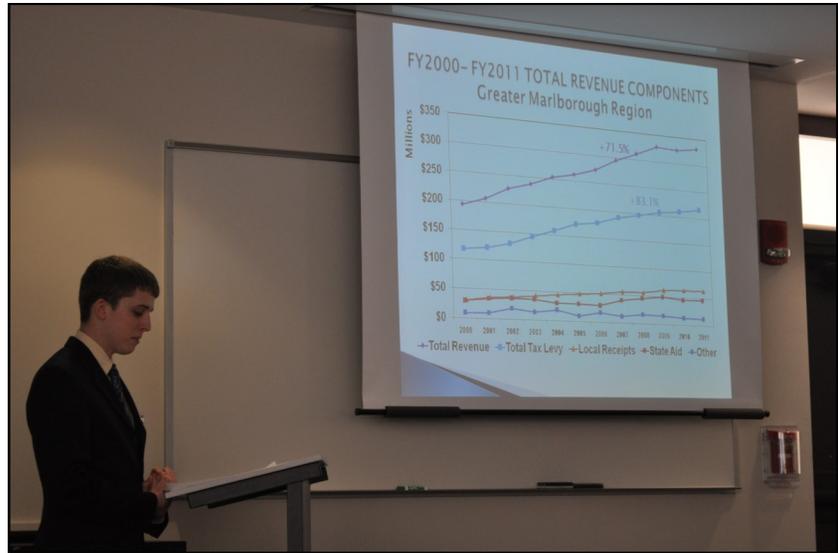
Measures: February 2011

U-1	Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	5.6%
U-2	Job losers and persons who completed temporary jobs, as a percent age of the civilian labor force	6.0%
U-3	Total unemployed persons, as a percent of the civilian labor force (the official unemployment rate)	9.5%
U-4	Total unemployed persons plus discouraged workers, as a percent of the civilian labor force	10.1%
U-5	(U-4) plus all other "marginally attached" workers, as a percent of the civilian labor force	11.1%
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	16.7%

February 2011 UNEMPLOYMENT RATES Not Seasonally Adjusted (Preliminary Data)

495/MW	6.6%
Blackstone Valley	8.9%
Blackstone	10.8%
Douglas	8.9%
Grafton	7.5%
Hopedale	8.1%
Mendon	7.0%
Millbury	9.0%
Millville	11.0%
Northbridge	10.7%
Sutton	8.2%
Upton	7.5%
Uxbridge	9.2%
Greater Franklin	8.2%
Bellingham	10.6%
Blackstone	10.8%
Foxborough	7.6%
Franklin	7.6%
Medfield	5.7%
Medway	7.1%
Millis	8.5%
Norfolk	7.6%
Wrentham	8.0%
Greater Marlborough	6.7%
Hudson	7.8%
Marlborough	6.3%
Northborough	6.8%
Westborough	6.2%
MetroWest	5.6%
Ashland	5.8%
Framingham	5.9%
Holliston	6.3%
Hopkinton	5.7%
Natick	5.1%
Sherborn	5.1%
Southborough	4.8%
Sudbury	5.3%
Wayland	5.2%
Milford	8.5%
South Shore	7.8%
Abington	8.3%
Braintree	7.6%
Cohasset	5.3%
Hanover	7.2%
Hingham	5.7%
Milton	5.8%
Norwell	6.9%
Quincy	8.2%
Randolph	8.5%
Rockland	9.2%
Weymouth	8.5%
Massachusetts	8.7%
United States	9.5%

A Peek Inside MERC



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Friday, May 6, 2011
8:00-10:30 AM

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- or -

www.marlboroughchamber.org (508-485-7746)

*\$20 conference fee includes
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