

ECONOMIC REVIEW

Recovering From Recession in Blackstone Valley



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The Blackstone Valley region is comprised of eleven communities: Blackstone, Douglas, Grafton, Hopedale, Mendon, Millbury, Millville, Northbridge, Sutton, Upton, and Uxbridge. Shown in Figure 1, over the course of the past twenty-three years, 2000-2023, the Blackstone Valley region has had three major recessions during 2001, 2009, and 2020.

**January 2020-2023 Unemployment Rates
Blackstone Valley**

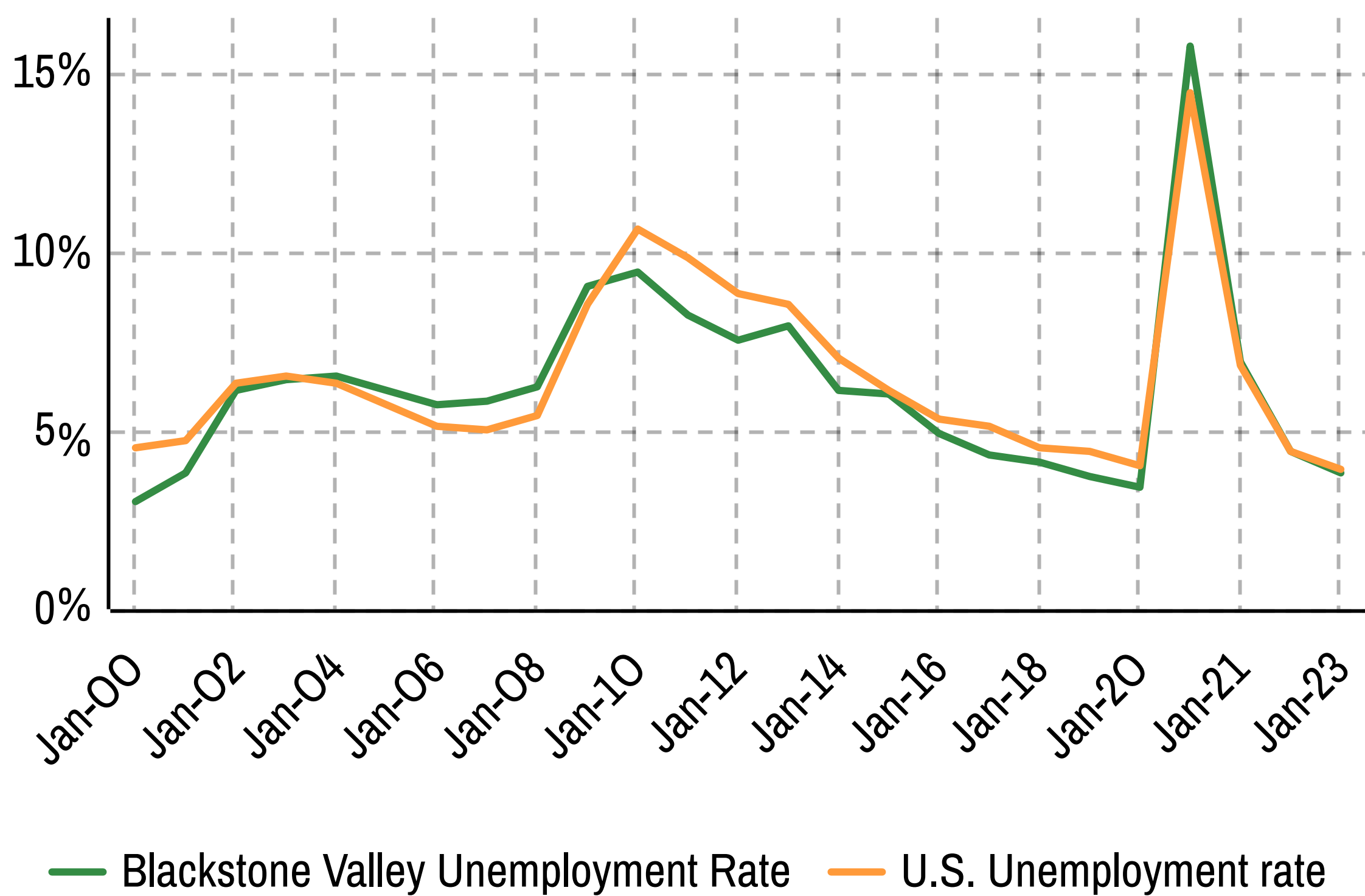


Figure 1

A recession, as defined by the National Bureau of Economic Research (NBER), is the period between a peak of economic activity and its subsequent trough, or downturn. The biggest spike in unemployment rates occurred in 2020, due in part to the stay-at-home directive ordered by the government following the surges of COVID-19. It is, however, important to note that the 2020 recession was also followed by the quickest recovery in recent history. While the 2001 recession may have had the lowest spike in unemployment rates among the three major recessions in the past, it resulted in a noticeable long-term impact, as the Blackstone Valley unemployment rate peak was roughly sustained for several years to follow. The 2009 recession exacerbated the increase in unemployment in 2001, and its impact lasted for two years before dying down. The 2020 recession led the biggest peak of the region's unemployment rate, but lasted relatively short compared to the other two recessions. Moreover, by 2021, The Blackstone Valley was already on its way to recovery.

The unemployment rate during the respective peaks of each recession in the various communities are shown in Figure 2. The unemployment rates in all the communities reached their highest peak in 2020 following the COVID-19 pandemic. In 2020, Blackstone posted the highest unemployment rate of 19.7% followed by Millville at 18.8%. During the same period, Upton registered the lowest unemployment rate at 12.9%. Among the three recessions, the 2001 recession had a relatively smaller impact on the Blackstone Valley unemployment rates, with the communities recording a 6% average unemployment rate during its peak.

**Annual Peak Unemployment Rates
By Community**

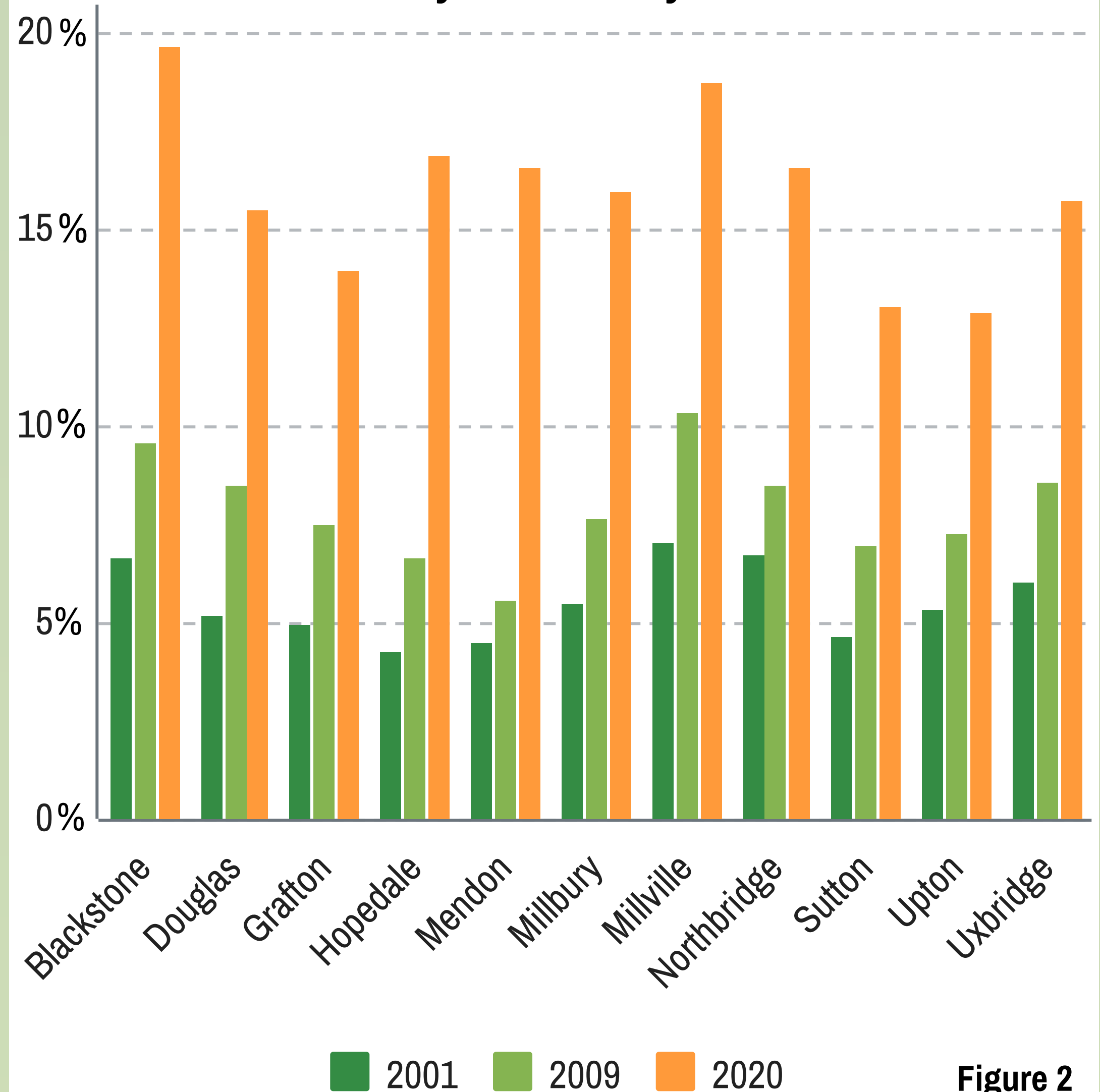


Figure 2

In August 2023, unemployment rates in the Blackstone Valley region returned to their pre-pandemic rates, as shown in Figure 3. Also in August 2023, all Blackstone Valley communities posted unemployment rates at 3% or lower, with the exception of Blackstone with 3.1%. Douglas posted the lowest unemployment rate at this time with 2.3%.

Blackstone Valley Unemployment Rates August 2023

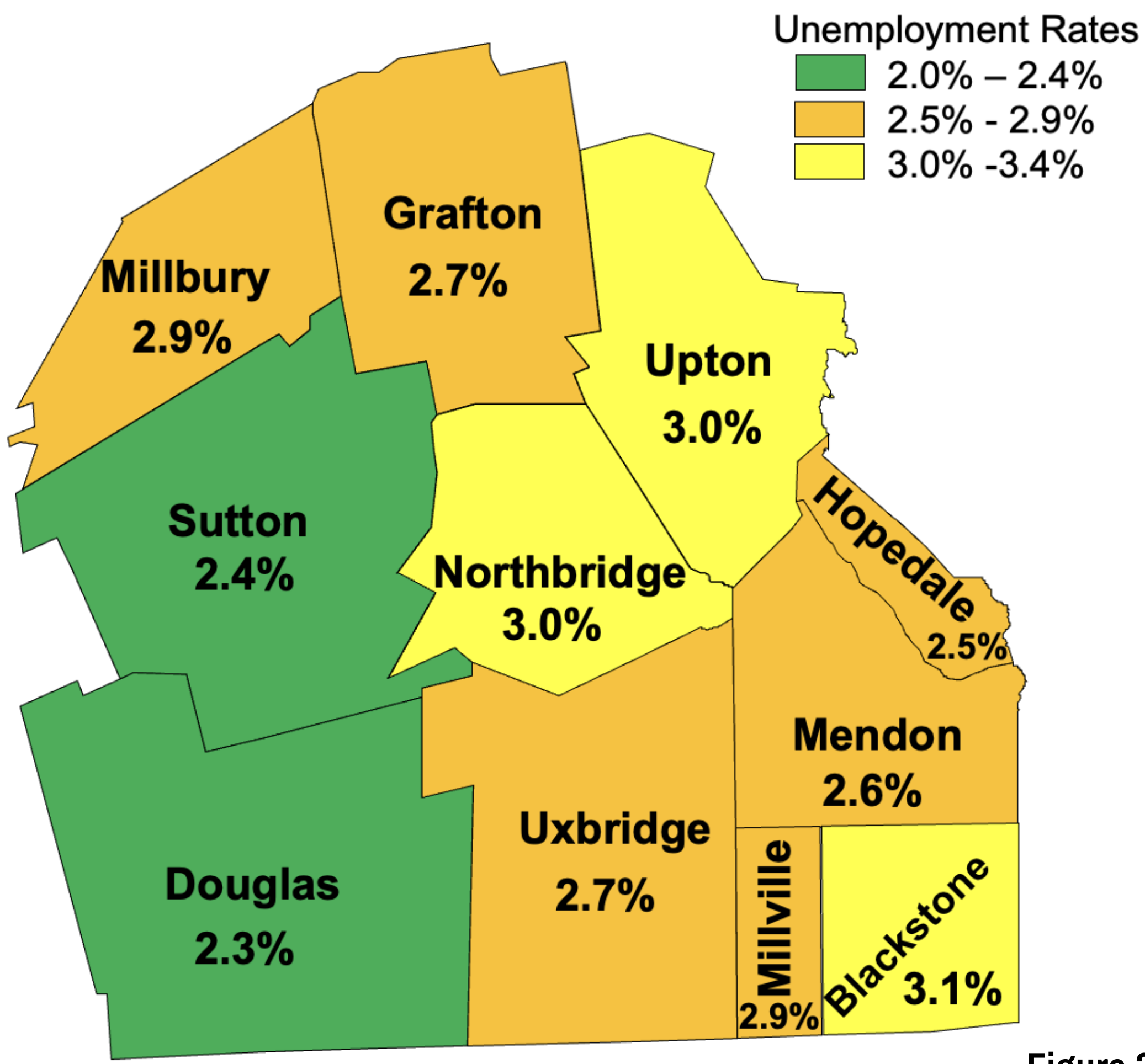


Figure 3

The composition of the labor force in the Blackstone Valley is shown in Figure 4. The labor force reached a total of 64,551 individuals in August 2023. Grafton was the largest contributor

combined with the labor force in Uxbridge and Millbury, these four communities supplied more than 50% of total labor force in Blackstone Valley. The smallest contributor of labor force in Blackstone Valley was Millville with just under 3% of the total labor force.

Blackstone Valley Total Labor Force August 2023; Total: 64,551

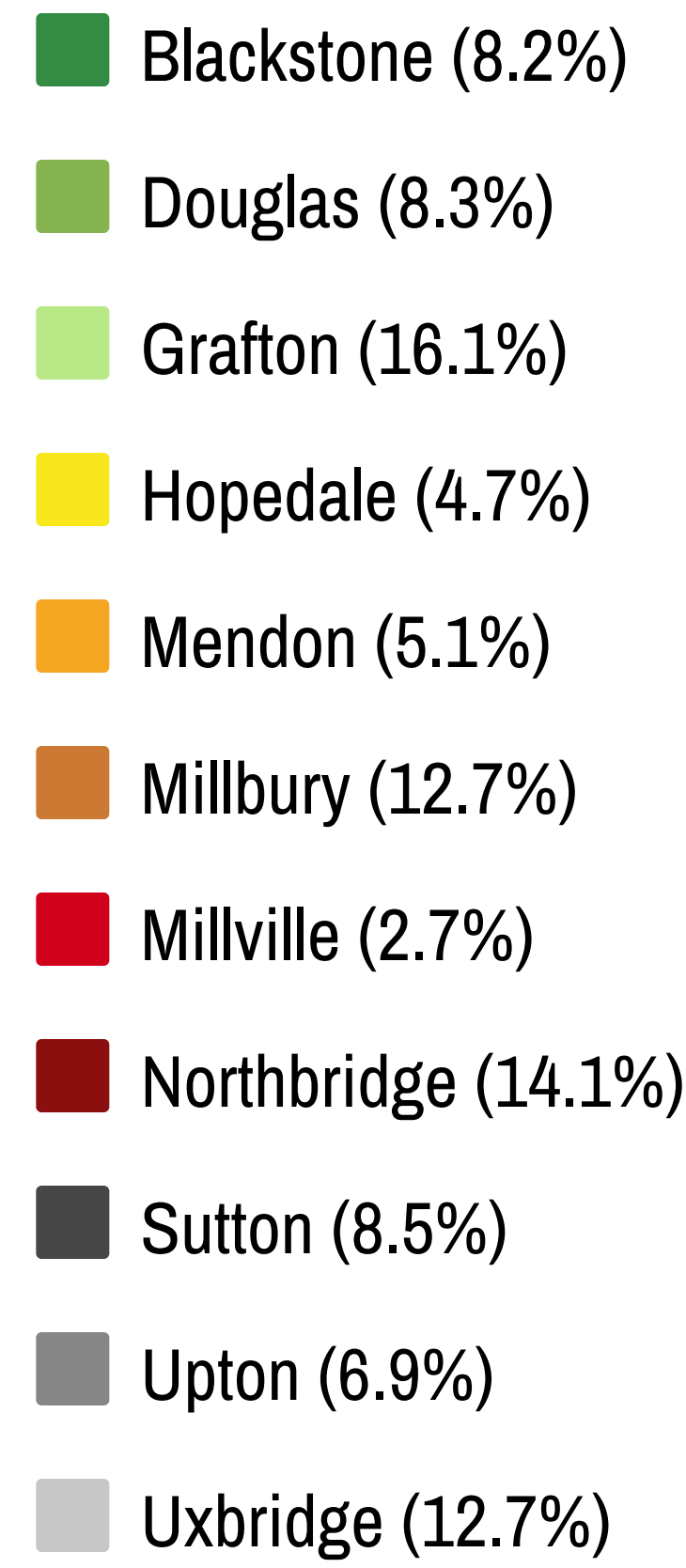


Figure 4