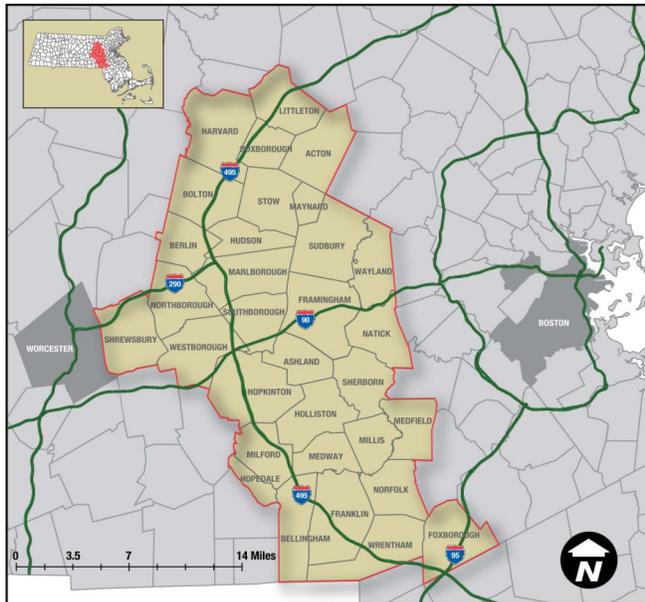




495/METROWEST REGIONAL ECONOMIC SUMMARY FOR 2010

from 2010 Economic, Demographic and Housing Trends in 495/MetroWest Region

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The 495/MetroWest region of Massachusetts

ABOUT THE 495/METROWEST PARTNERSHIP

THE 495/METROWEST PARTNERSHIP IS A PUBLIC-PRIVATE ADVOCACY AND DEVELOPMENT ORGANIZATION THAT FOSTERS OUR REGION'S CONTINUED ECONOMIC SUCCESS AND SUSTAINABLE GROWTH BY ADVOCATING FOR NEEDED INFRASTRUCTURE INVESTMENTS AND POLICIES ON TRANSPORTATION INFRASTRUCTURE AND TRANSIT SERVICES; WATER SUPPLY, WASTEWATER TREATMENT, AND STORMWATER RUNOFF; WORKFORCE HOUSING; EMPLOYER RETENTION, EXPANSION, AND ATTRACTION; AND A HOST OF OTHER ISSUES.

For more information and the full report, go online to www.495partnership.org

PAYROLL EARNINGS:

- The average annual earnings in the 495/MetroWest region were \$60,671 in 2009—roughly \$4,000 higher than the state average and \$15,000 higher than the nation.
- Part of this is due to industry mix effects since the region has a high concentration of workers in well-paying sectors such as management of companies, professional services, and information services.
- Between 2002 and 2009, the fastest earnings growth has been in management of companies and enterprises (44%), followed by professional and technical services (11%), and construction (8%). In addition to these three sectors, regional wage growth exceeded the U.S. in manufacturing and wholesale trade.

POPULATION:

- Between 2008 and 2009, the 495/MetroWest region's population grew at a rate of 1.7%, outpacing both the Commonwealth and the nation.

HOUSING:

- Sales of existing single family homes in 2009 were up by roughly 200 units from the previous year, reversing a pattern of steady decline since 2004 while condominium sales rose slightly in 2009 to 1,357 units.
- The price of new home sales continues to decline; the median single family home sold for \$365,000 in 2009.

UNEMPLOYMENT:

- Regional unemployment was still 2.3 percentage points below the national average, and 1.4 below the state average, though it reached a 17 year high of 7.0% in 2009, up from 4.2% in 2008.

495/MetroWest Regional Economic Summary for 2010

EMPLOYMENT, ESTABLISHMENTS:

- Employment in the 495/MetroWest region declined by 4.6% from 2008 to 2009, to 218,204 full and part-time jobs.
- Twelve municipalities added net jobs in 2009.
- The region has roughly 466 businesses that hired more than 100 employees.

INDUSTRY SECTORS:

- Manufacturing remains the regions largest employing sector– 14% of the employment base in 2009, followed by retail (13%), health care (11%), and professional and technical services (11%).
- Since 2002, the fastest job growth has been in arts, entertainment and recreation sector (33%), health care (21%), and professional services (20%), all of which have notably higher payroll earnings than U.S. sector averages.

TECHNOLOGY-BASED INDUSTRY CLUSTERS:

- The region has an exceptionally high concentration of employment in the computer & electronic equipment, precision instruments, pharmaceuticals, medical instruments, and information services technology clusters.
- Of the eight technology clusters examined, the fastest employment growth has been in pharmaceuticals and information services.

495/METROWEST AS A HUB FOR INFORMATION TECHNOLOGIES AND ADVANCED MANUFACTURING:

The analysis of technology clusters reveals the region's strength in information technologies and advanced manufacturing. As of 2009, the largest of the eight selected technology clusters was information services followed immediately by the closely-related computer and electronic equipment cluster – both with over 17,000 employees (Table 1). The location quotients for both clusters are well above two, meaning that the region has more than twice the concentration of workers in these clusters than the nation at-large. The region also has high concentrations of workers in several other technology clusters, namely precision instruments, pharmaceuticals, and medical instruments and optics.

Apart from their position as the dominant employers in the region, the computer and electronic equipment and information clusters also pay the highest wages of the eight tech-clusters. In fact, wages in all eight technology clusters were higher than the 3rd quarter annual equivalent of \$58,000 per worker. Earnings within each cluster also exceed their corresponding national averages. The largest wage differential is in medical instruments and optics, where workers in the region earned, on average, \$30,000 more than their national counterparts.

Table 1: Summary Table, Employment and Payroll Earnings by Selected Tech-based clusters, 2009

Sector	2009 Employment					2009 Payroll per Worker	
	Number of jobs	Employment share	Location Quotient	Average Establishment Size	% Change from 2002	Average Payroll Earnings	Real Wage Growth from 2002
Architectural & Engineering Services	14,254	5.2%	2.04	9.6	-1%	\$ 98,492	17%
Computer & Electronic Equipment	17,031	6.2%	8.88	163.8	-12%	\$ 112,613	4%
Engine Equipment	1,183	0.4%	0.71	49.3	0%	\$ 64,974	0%
Information Services	17,234	6.3%	2.95	17.2	5%	\$ 103,102	12%
Medical Instruments & Optics	2,783	1.0%	3.26	103.1	-37%	\$ 90,285	-6%
Pharmaceuticals	3,220	1.2%	3.79	146.4	36%	\$ 85,769	55%
Precision Instruments	3,572	1.3%	6.41	55.0	-27%	\$ 71,935	1%
Technical & Research Services	15,416	5.6%	1.66	9.9	-5%	\$ 93,538	17%