

# Research Note

V1N16

East Boston Economics

December 21, 2017

## Ma Employment Situation November 2017

**U-Rate: 3.6%; Jobs: 65,200 YoY**

### OVERVIEW

- According to the Executive Office of Labor and Workforce Development, the **state's total unemployment rate dropped to 3.6 percent** in November from 3.7 percent in October.
- From November 2016 to November 2017, the U.S. Bureau of Labor Statistics estimates Massachusetts has added 65,200 jobs.
- In November, the **Leisure and Hospitality** sector lead the way in job creation by adding 4,200 jobs over the month.
- The **Education and Health Services** sector the **Construction** sector each added 2,800 jobs.
- The **Professional, Scientific and Business Services**, which has gained the most jobs year over year (+19,500), gained 2,400 jobs in the past month.
- **Manufacturing** added 1,600 jobs while the **Information, Financial Activities, Other Services and Trade Transportation and Utilities** sectors lost jobs. Of the private sector categories, only the **Information** sector lost jobs year over year.
- Government (Federal, state and local) which has shed 3,500 jobs since last November lost 600 jobs.
- The EOLWD noted that the state's **labor force participation rate** decreased one-tenth of a percentage point to 65.4 percent over the month. However, the LFP rate increased by 0.7 percentage point since November 2016.

### ANALYSIS

The state's unemployment rate 3.6 percent continued to remain lower than the national rate (4.1 percent). "Year-to-date the jobs and labor force estimates indicate a strong and stable economy in the Commonwealth. November also marks the 13th consecutive month of private sector job growth," remarked Labor and Workforce Development Secretary Rosalin Acosta. The **labor force participation rate**, the share of working age population employed and unemployed, was 65.4 percent with 63,300 residents entering the work pool. Only 18,300 of those were unable to find work. The state's long-suffering manufacturing sector employment picture improved in November adding 1,600 jobs which represent an increase of 2,600 year over year. The growth is significant since the state specializes in high tech, rather than mass-production manufacturing. The state's largest sectors **Professional, Scientific and Business Services** and **Education and Health Services** rose 3.5 percent and 2.1 percent, respectively. The lower-wage **Leisure and Hospitality** sector, however, is up 3.1 percent. Economists agree the state is at full-employment. The number of workers ages 55 and over declined less in the Bay State than the nation. In other words, the demographic drag is offset by the number of older workers who are postponing retirement. Perhaps due to seasonality, the **Other Services** sector lost 1,900 jobs in the month but is up 3,900 since last November.

