JOINT ECONOMIC COMMITTEE
VICE CHAIR AMY KLOBUCHAR
UNITED STATES CONGRESS
DECEMBER 2013 STATE-BY-STATE

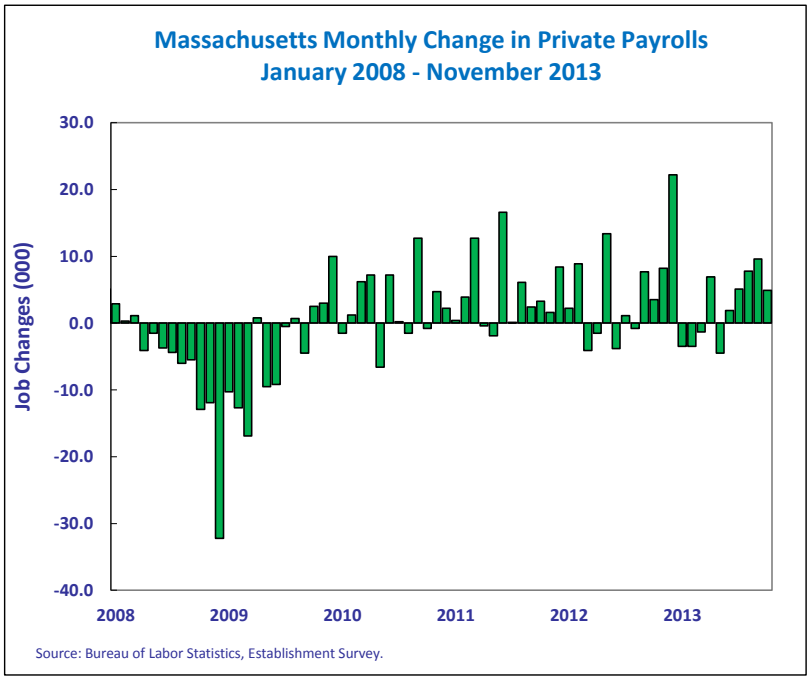
Economic Overview And Outlook: Massachusetts

Jobs

- Including November, the private sector has gained jobs nationwide for 45 consecutive months.
- In Massachusetts, private sector employment fell by 4.4 percent from January 2008 to February 2010. Since February 2010, private sector employment has grown by 6.1 percent.
- In Massachusetts, employees in the construction, mining, and manufacturing sectors faced the largest job losses (as a percent of employment within an industry) over the recession. Since the beginning of 2010, the following sectors in Massachusetts have experienced the greatest employment increases: construction; professional and business services; and information services.*
- As the economy continues its emergence from the Great Recession, service-providing industries are projected to add the most jobs between 2010 and 2020. The largest gains over this period are expected to occur in the healthcare and social assistance, professional and business services, and retail trade sectors. Job gains in the goods-producing sector of the economy will be led by the construction and mining industries.

Employment

- The unemployment rate in Massachusetts was 7.1 percent in November 2013, up 2.6 percentage points from December 2007, but down from its most recent peak of 8.7 percent in January 2010.
- 246,000 residents were counted among the unemployed in Massachusetts during November 2013.
- In Massachusetts, initial claims for unemployment insurance benefits totaled 34,347 during November, up 10.9 percent from the previous month. Since peaking at 59,443 in March 2009, initial claims for unemployment insurance benefits have declined by 42.2 percent.



Earnings

- Between the start of the recession in the 4th quarter of 2007 and the 3rd quarter of 2009, inflation-adjusted total personal income in the United States declined 3.0 percent. Most recently, in the 3rd quarter of 2013, total personal income is 6.6 percent above its 4th quarter of 2007 level.
- Real per capita personal income (in 2009 $) in Massachusetts was $53,263.80 in the 3rd quarter of 2013, up from $52,031.60 in the 3rd quarter of 2011.

Housing

- After peaking in the first quarter of 2007, national home prices declined by 18.1 percent over 17 quarters. Between the second quarter of 2011 and the third quarter of 2013, the most recent quarter, national home prices rose by 5.9 percent.
- In Massachusetts, home prices fell by 16.6 percent over 21 quarters from their peak in the first quarter of 2006. Since the second quarter of 2011, home prices in Massachusetts have risen by 3.9 percent.
- As of the 3rd quarter of 2013, 2.5 percent of all mortgages, including 11.5 percent of subprime mortgages, were in foreclosure in Massachusetts.
- Housing starts in Massachusetts totaled 9,710 units (seasonally adjusted annual rate) in August 2013, a decrease of 49.1 percent from July.
- Within the Northeast census region, which includes Massachusetts, sales of new single-family homes totaled 31,000 units in October 2013, an increase of 19.2 percent from September. Sales of existing single-family homes decreased 1.9 percent to 530,000 units (at seasonally adjusted annual rates) from October to November 2013.

*** For Massachusetts-specific labor sector statistics, please refer to the Massachusetts office: http://www.mass.gov/lwd/economic-data/**

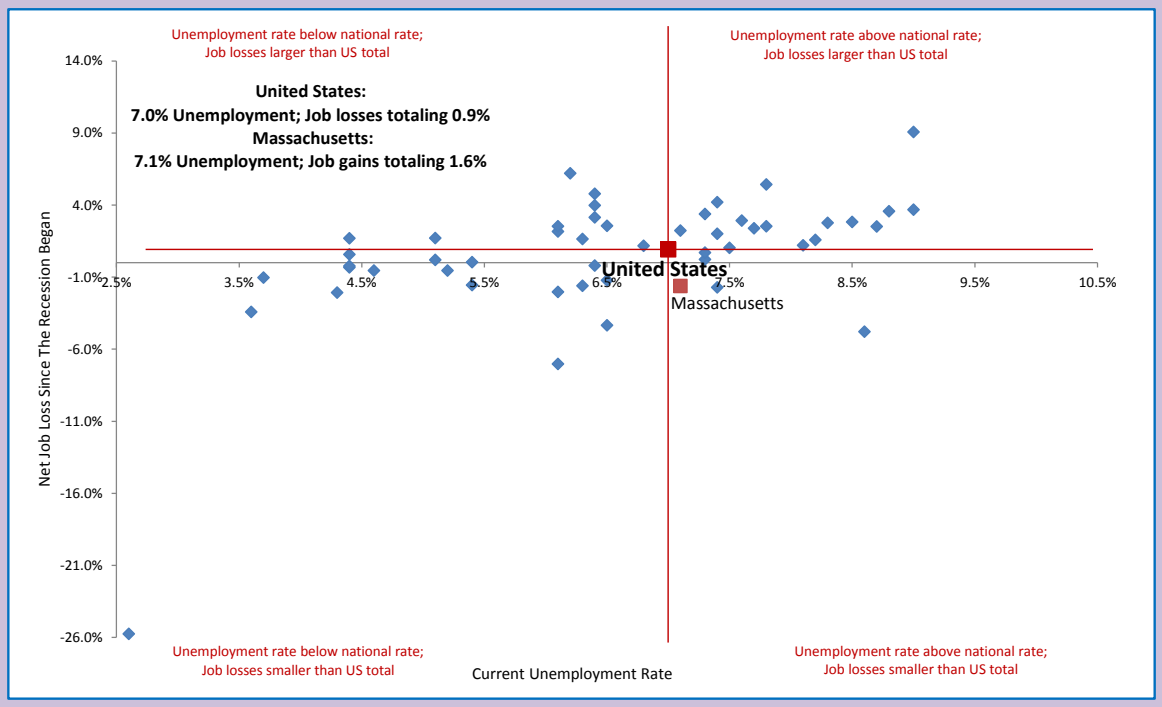
Prepared by the Vice Chair's Staff of the Joint Economic Committee

How Does Massachusetts Compare To Other States?

Workers across the country were hard hit during the Great Recession. Although labor markets in many states have started recovering, employment in most states still remains below pre-recession levels. The chart below allows you to compare Massachusetts to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within Massachusetts since the start of the recession (shown along the vertical axis) measures the toll the recession took on the job supply in Massachusetts.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant are experiencing lower unemployment rates and smaller job losses than the national average.



State Quick Facts

		Massachusetts	United States
Unemployment Rates	November 2010	8.0%	9.8%
	November 2011	7.0%	8.6%
	November 2012	6.7%	7.8%
	November 2013	7.1%	7.0%
Percent of Population Who Are Veterans	2012	7.2%	9.0%
All Veterans' Unemployment Rate	2012	9.9%	7.0%
Post-9/11 Veterans' Unemployment Rate	2012	23.4%	9.9%
Median Household Income	2007	$ 64,741	$ 55,627
(2012 $)	2012	$ 63,656	$ 51,017
Poverty Rate	2007	11.2%	12.5%
	2012	11.3%	15.0%
No Health Insurance	2007	4.9%	14.7%
	2012	4.1%	15.4%

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