

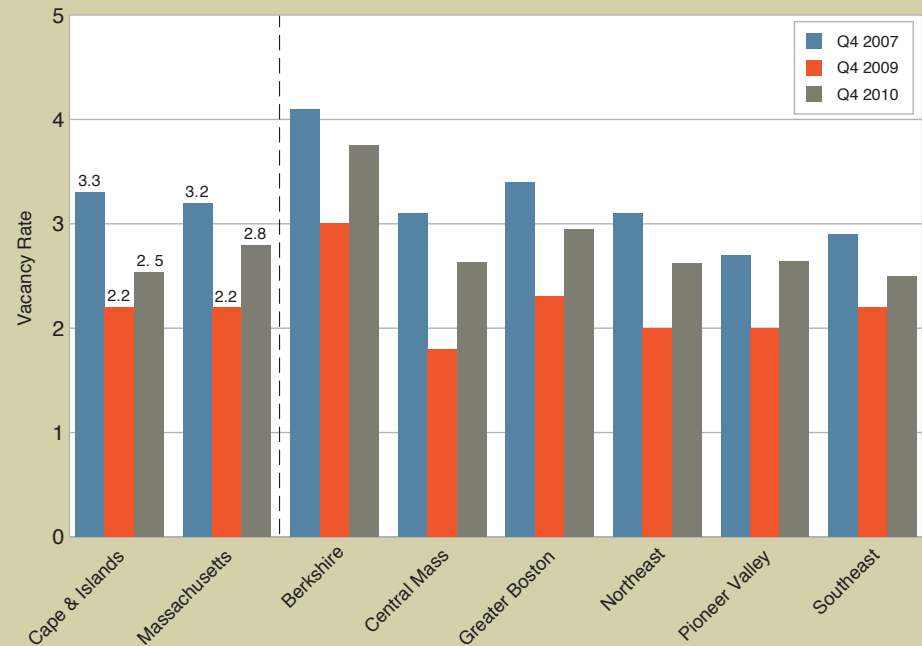
JOB VACANCIES IN THE GREAT RECESSION AND RECOVERY

Job vacancies exist even in a healthy labor market due to turnover and constant flux in the labor market. As businesses expand, they need to hire individuals who meet specific skill requirements, and employees with skills that are in demand leave jobs for better positions. As the economy enters a downturn, job vacancies decline due to an overall decline in labor demand, there is an increase in the number of applicants available to fill positions, and there is lower turnover as employees stay longer in jobs. At the end of 2007, the job vacancy rate in the Cape & Islands was 3.3 percent, the third highest of all regional labor markets. Because of the Great Recession, the rate dropped by more than a full percentage point, hitting 2.2 percent by the end of 2009. As the economy started to recover, the vacancy rate rose slightly to reach 2.5 percent by the end of 2010, but this was the second lowest rate among all regional labor markets. As of the fourth quarter of 2010, the Cape & Islands accounted for 3.1 percent of the state's employment but just 2.7 percent of the job vacancies.

Source: Massachusetts Executive Office of Labor and Workforce Development Job Vacancy Survey.

Note: The Massachusetts Job Vacancy Survey is collected for seven regions in the state. Vacancy rates are calculated by taking the total number of job vacancies and dividing by the total number employed in the region. The Greater Boston region covers portions of the Northeast, Metro South/West, Central Mass, and Southeast regions of the regional labor market profiles. The vacancy information for the Greater Boston region is used as an approximation of the vacancies trends experienced in the Metro South/West and Boston/Metro North regions. The use of Q4 data understates the number of vacancies and vacancy rates in the Cape & Islands due to the seasonal nature of the region's sizable employment related to summer tourism activities.

Job Vacancy Rates



Distribution of Job Vacancies Across Regional Labor Markets, Q4 2010

