

COMPARING VACANCY RATES AND EDUCATIONAL ATTAINMENT: RECOVERING LABOR MARKET

During the Great Recession, the relationship between post-secondary educational attainment and vacancies weakened somewhat statewide while strengthening in the Cape & Islands. In Massachusetts, the relationship weakened as vacancy rates for occupations with large shares of post-secondary-educated workers bounced back modestly in the early stages of the recovery. However, a number of the occupations that employ a lower share of post-secondary-educated labor have continued to see vacancy rates at about 2.0 percent pre- and post-recession, indicating that the statewide labor market is continuing to demand more post-secondary educated labor in the recovery. In the Cape & Islands, a slow recovery has resulted in only limited demand for labor across industries. In particular, industries that employ a large share of employees with less-than a post-secondary education, such as Construction and Manufacturing, have continued to shed jobs as other industries have recovered. As a result, the vacancy rates for occupations closely associated with such industries (e.g., Construction & Extraction and Production) have remained extremely low. In fact, the five largest occupations by share of employees with a High School Degree or less had vacancy rates near 1.0 percent at the end of 2010. So while the vacancy rates started to rise in some of the occupations that employ larger shares of employees with a post-secondary education, the strengthening relationship between vacancies and education in the region has largely occurred due to weakening demand for less educated labor.

Source: Massachusetts Executive Office of Labor and Workforce Development Job Vacancy Survey and US Census Bureau 2008–2010 American Community Survey.

Note: Occupational vacancy rates for the Cape & Islands in Q4 2010 proxy vacancy rates in a recovering labor market, and educational attainment data by occupation in the Cape & Islands from the 2008–2010 American Community Survey proxy share of employees with a post-secondary education in a recovering labor market.

