

## COMPARING VACANCY RATES AND EDUCATIONAL ATTAINMENT: PEAK LABOR MARKET

Before the Great Recession, there was a positive correlation between educational attainment and job vacancies in Massachusetts. That is, occupations with workers who had higher levels of educational attainment had higher vacancy rates. This is not surprising, as some occupations that have larger shares of employees with a High School Degree or less can sometimes be filled by a number of individuals with little training and at low cost to employers. In contrast, jobs in highly specialized occupations that require specific educational requirements face competition both regionally and globally for the limited number of individuals who can fill such positions. Further, strong growth in industries that employ large shares of individuals with high levels of educational attainment, such as Health Care & Social Assistance and Professional & Technical Services, can lead to increased vacancies and demand for employees that can fill such positions. However, the relationship between post-secondary educational attainment and vacancies was fairly weak in the Cape & Islands entering the Great Recession, as the region experienced strong employment growth in industries with large concentrations of employees with lower levels of educational attainment (such as Construction and Other Services), resulting in higher vacancy rates in the low-educational-attainment occupations that are in such industries.

**Source:** Massachusetts Executive Office of Labor and Workforce Development Job Vacancy Survey and US Census Bureau 2005–2007 American Community Survey.

**Note:** Occupational vacancy rates for the Cape & Islands in Q4 2007 proxy vacancy rates in a peak labor market and educational attainment data by occupation in the Cape & Islands from the 2005–2007 American Community Survey proxy share of employees with a post-secondary education in a peak labor market. Workers have attained a post-secondary education if they have attended Some College or obtained an Associate's Degree, Bachelor's Degree, or Master's Degree or higher.

