

The New England Labor Market: Recent Improvements, Remaining Challenges

Whole Family Approach to Jobs Symposium
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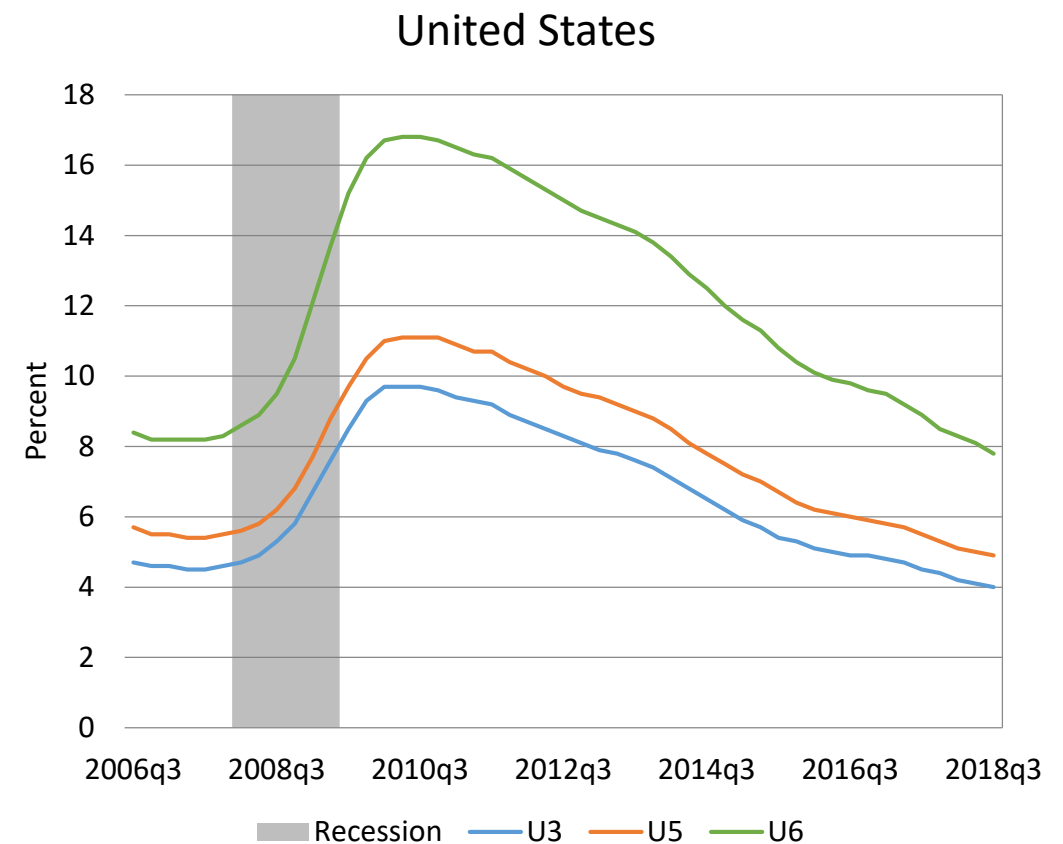
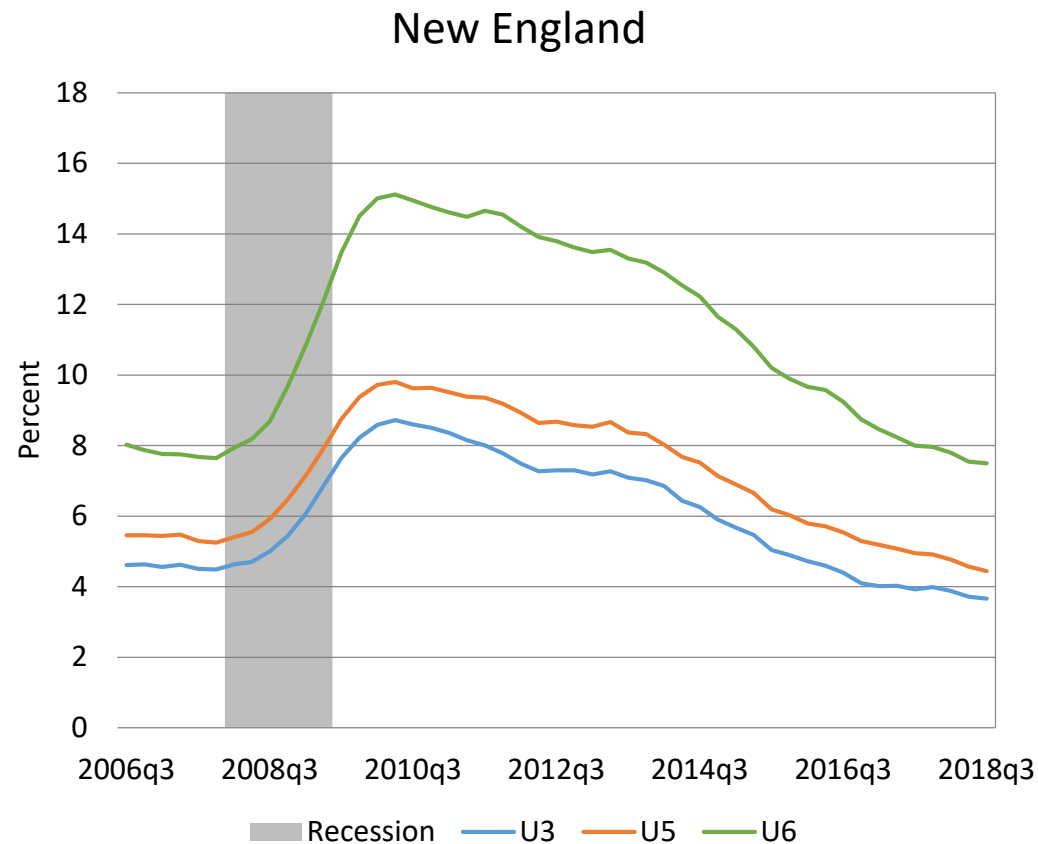
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Preview of Key Takeaways

- Compared with 2007, fewer New Englanders are unemployed
 - *But the unemployed are more likely to be poor than in 2007*
- Labor market is tight across most industries
 - *But New England labor force grew by 5 percent since 2014*
- Those still out of work face diverse barriers to employment



Unemployment and Underemployment Below Pre-Recession Levels

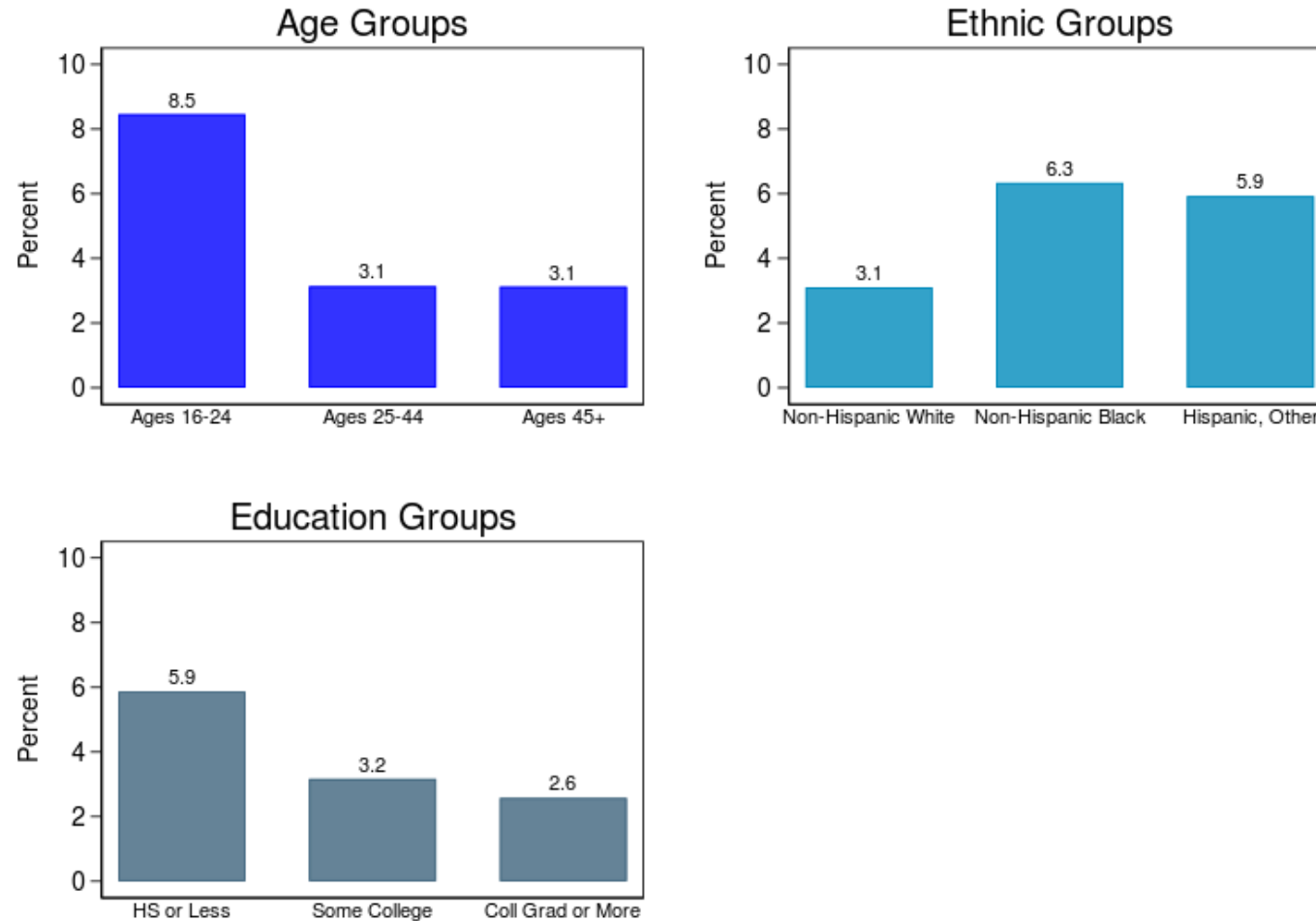


U-3: searched past 4 weeks; U-5: searched past year; U-6: adds involuntary part-time employment

Source: Bureau of Labor Statistics/Haver Analytics

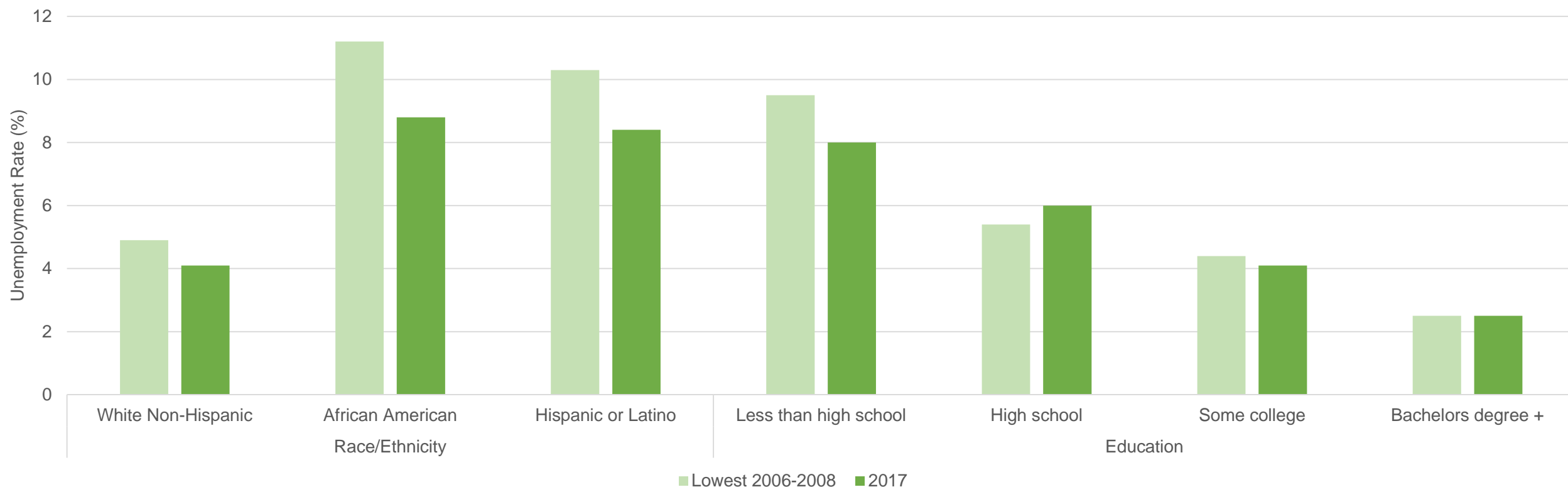
New England's Unemployed are Disproportionately Young, Non-White, Less Educated

(2018 YTD Averages)



Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)

Unemployment Rates Below Pre-Recession Levels for Most, Except High School Graduates (as of 2017)

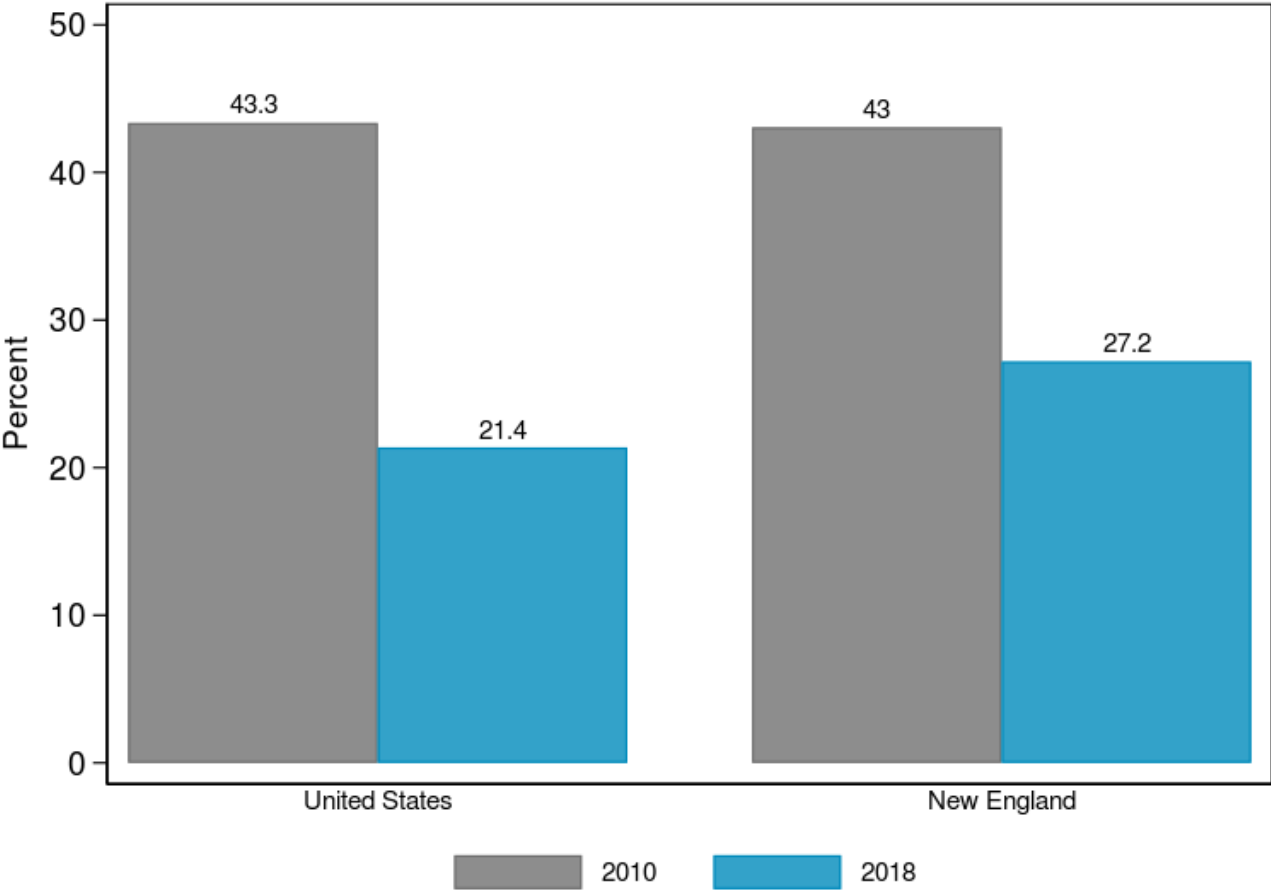


Source: 1-Year ACS Estimates for the New England Census Division



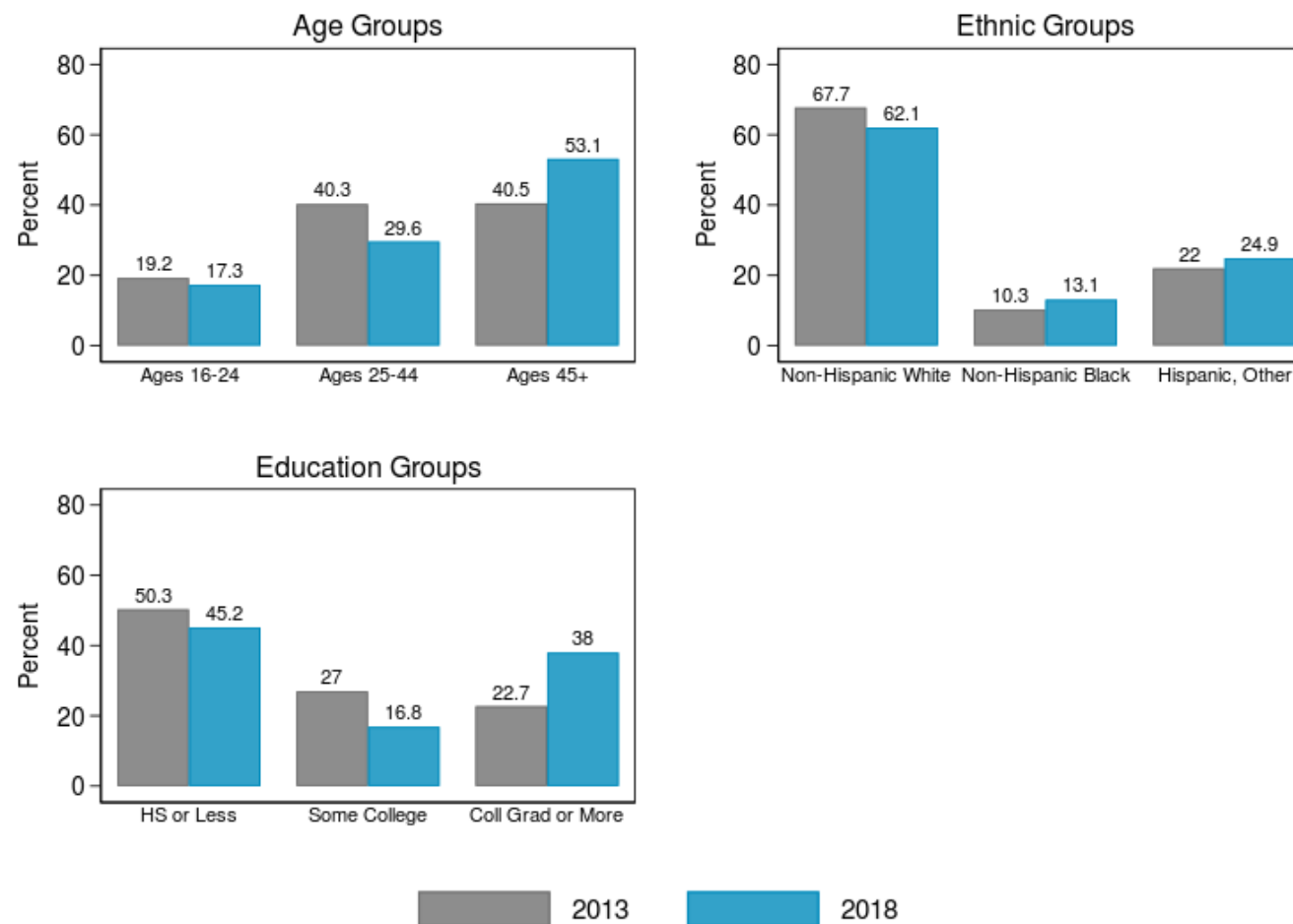
Long-Term Unemployment Down Since 2010, but Still High in New England

(unemployed 27 weeks or more, as share of all unemployment)



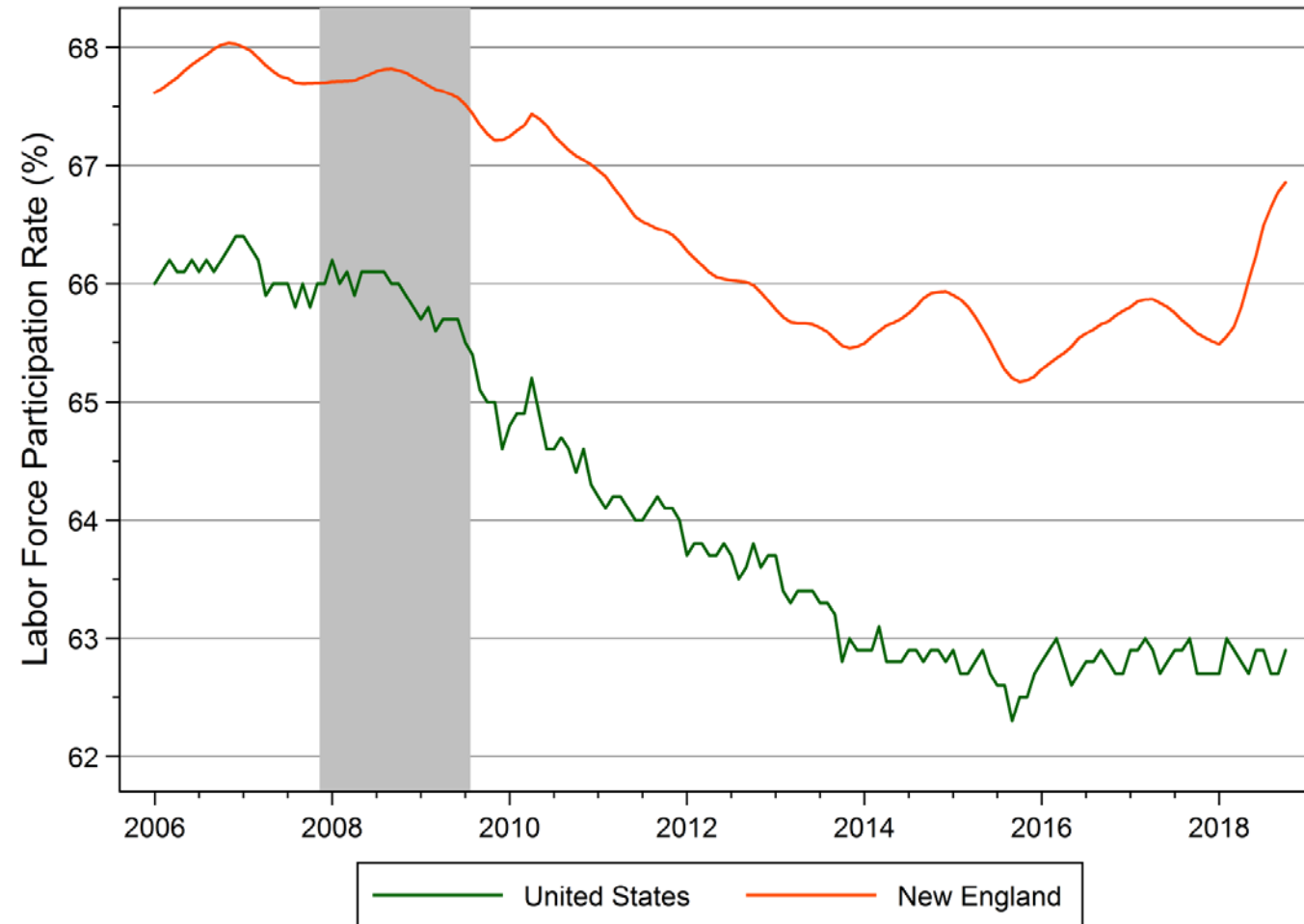
Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)

Since 2013, Long-Term Unemployed in Region are Increasingly Older, Non-White, More Educated



Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)

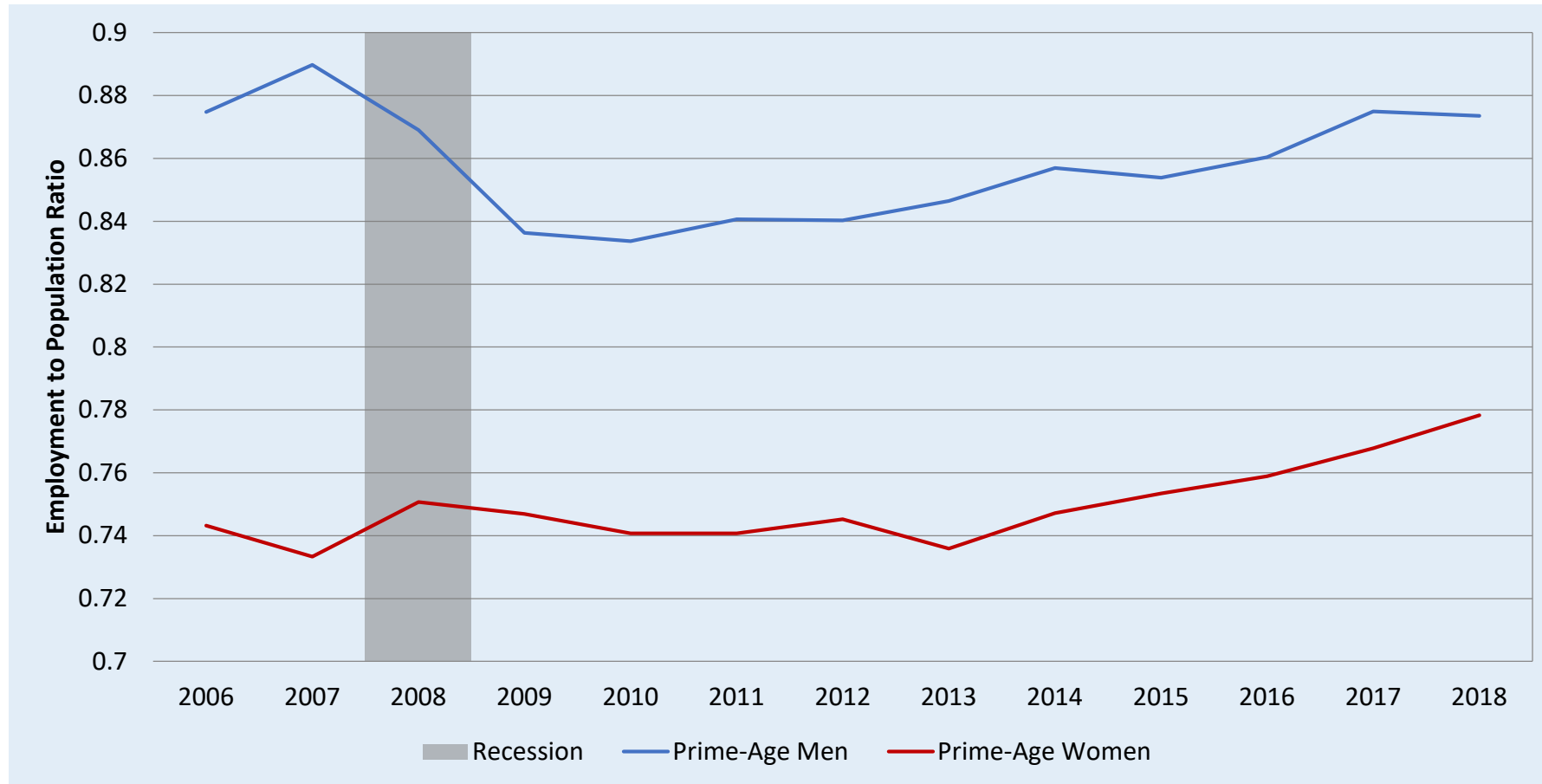
Labor Force Participation Rate Surged in New England in 2018; Still Below Pre-Recession



Source: Bureau of Labor Statistics/Haver Analytics

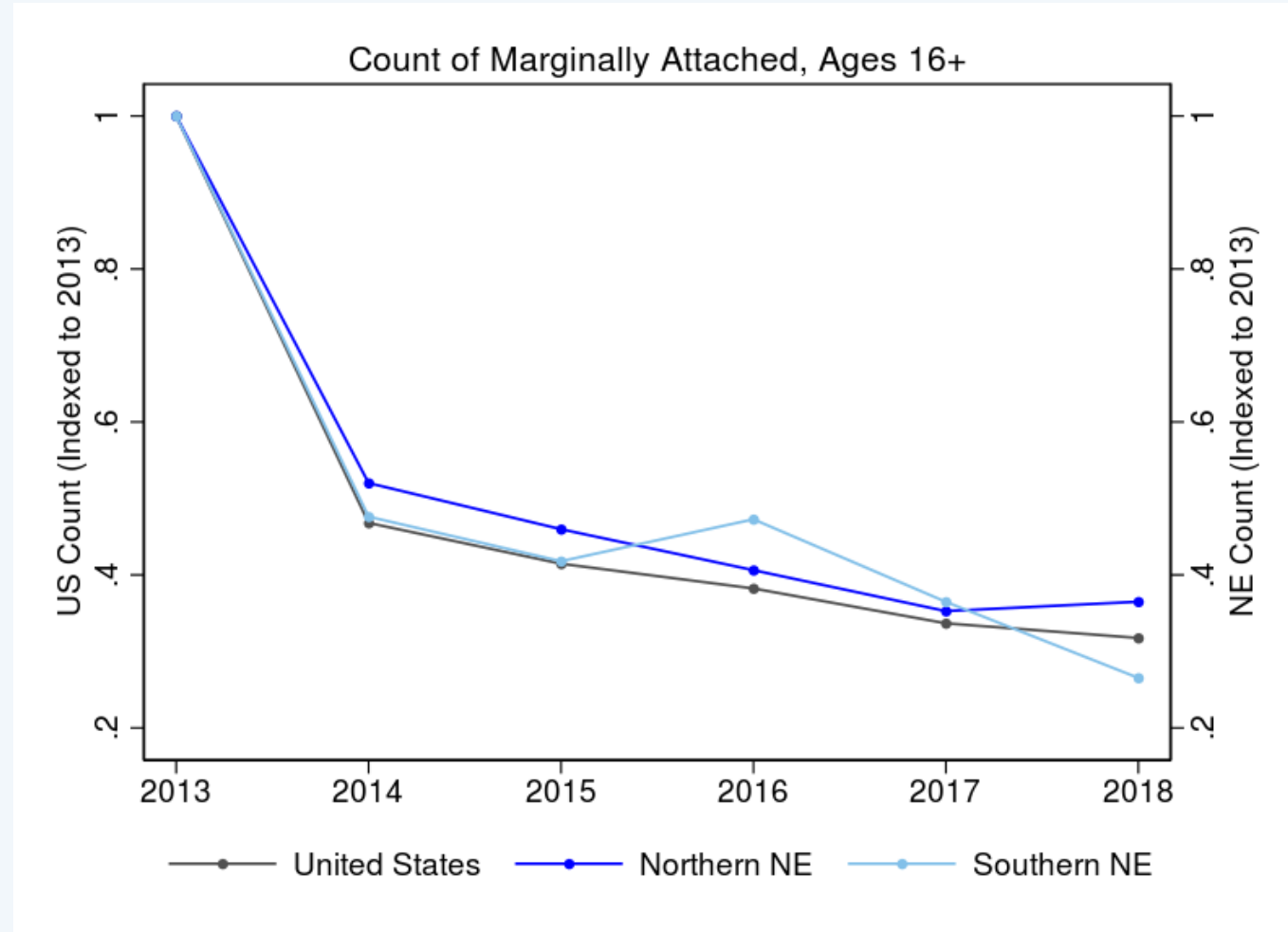
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Among 25-54 Year Olds, Male Employment Rate Down Since 2007, Female Employment Rate Up



Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)

Number of People Not in Labor Force Who Want a Job Down More than Half Since 2013

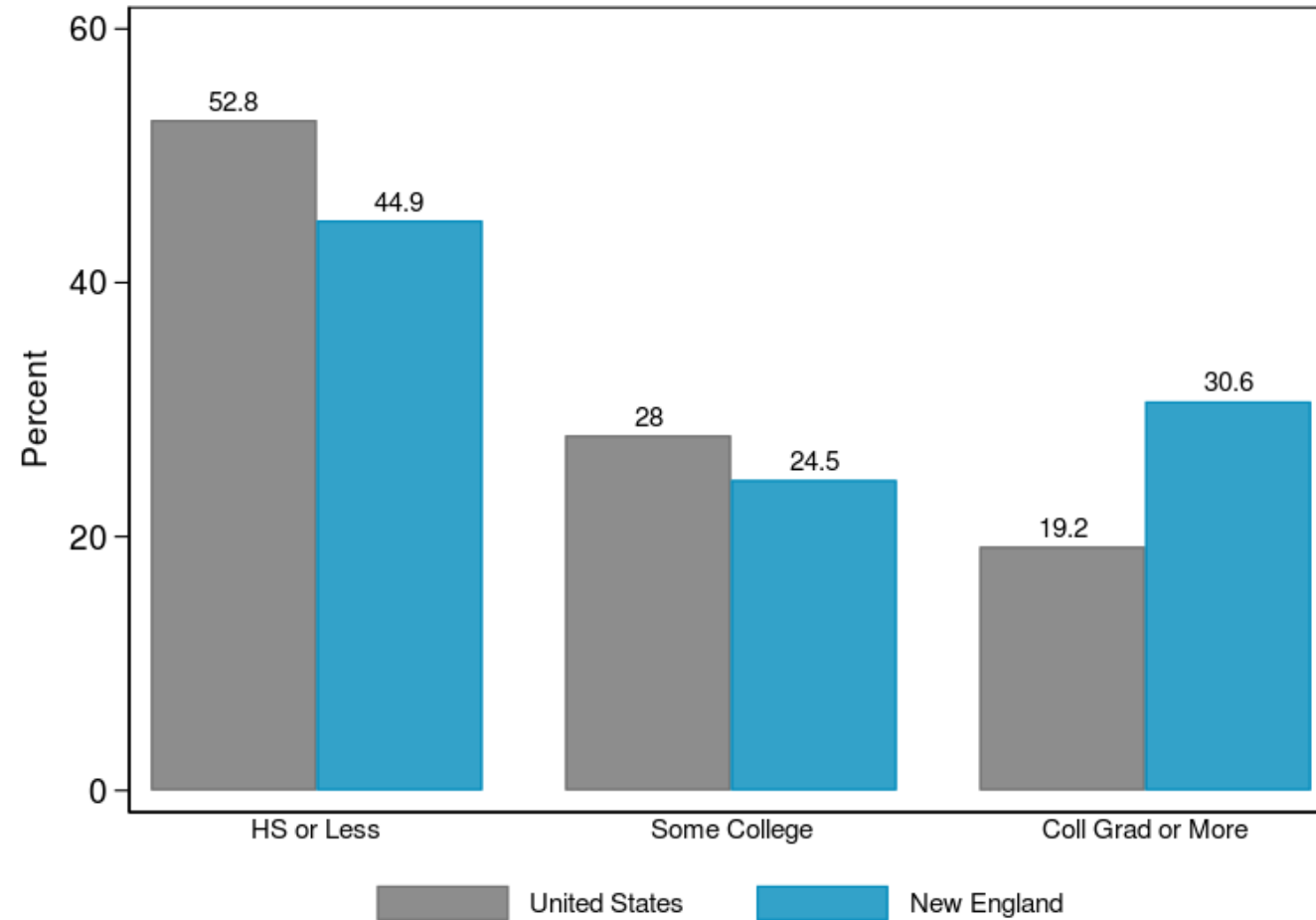


Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)



More than Half of Marginally Attached Workers in New England Have at Least Some College

(2018 YTD Averages)



Source: Current Population Survey Integrated Public Use Microdata Series (IPUMS-CPS)

Less Than Half of Those who Want Jobs Searched in Past 12 Months

(Source: Current Population Survey, U.S. Data, 2017)

Share Not in Labor Force Who:	Male	Female
Want Job	7%	5%
Searched in Past Year (of those who want a job)	43%	37%
<i>Reason for not searching recently (of those who want job, searched in past year, and were available to work):</i>		
Discouraged	36%	24%
In School/Training	12%	11%
Family Responsibilities	6%	18%
Ill Health	8%	9%
Other	37%	38%

Two Industries Accounted for More than Half of Job Gains in Region, 2016-2018

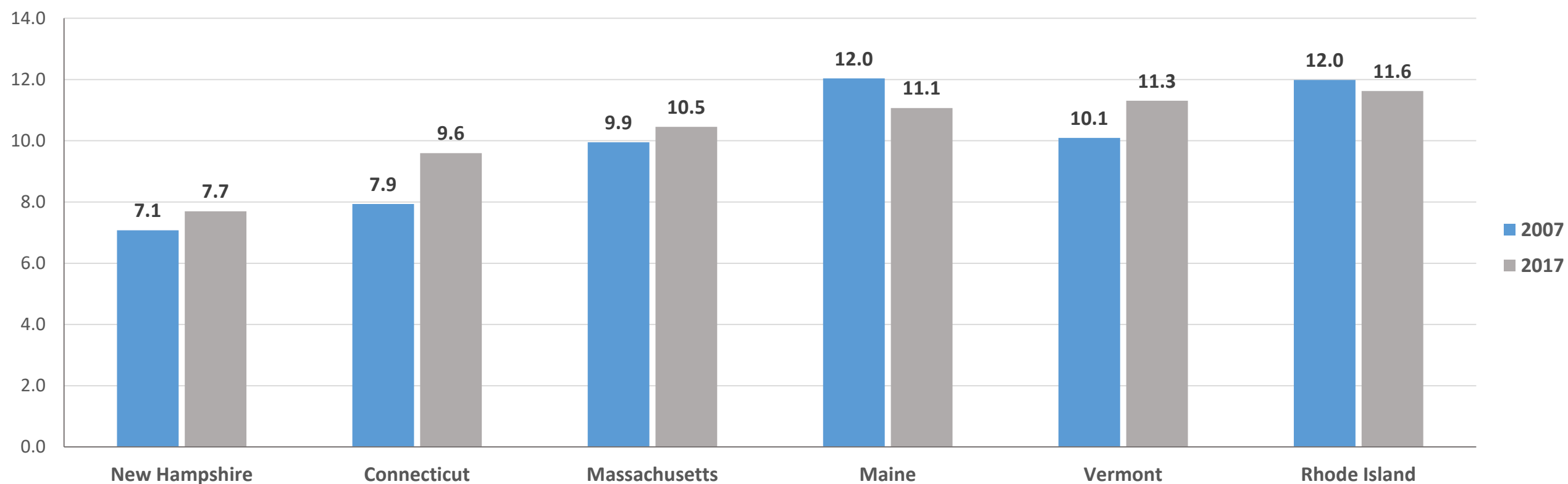
Net Change Payroll Jobs, October 2016 – October 2018, New England	
<u>Industry</u>	<u>Net Job Gains/Losses</u>
Professional & Business Services	52,400
Education & Health Services	49,800
Construction	28,200
Leisure & Hospitality	19,100
Manufacturing	16,300
Other Services	9,200
Trade, Transportation, and Utilities	7,100
Finance	5,100
Information	-1,800
Government	-6,100
Total Net Job Gains	179,300

Source: Bureau of Labor Statistics/Haver Analytics

Has Poverty Declined in the Recovery?

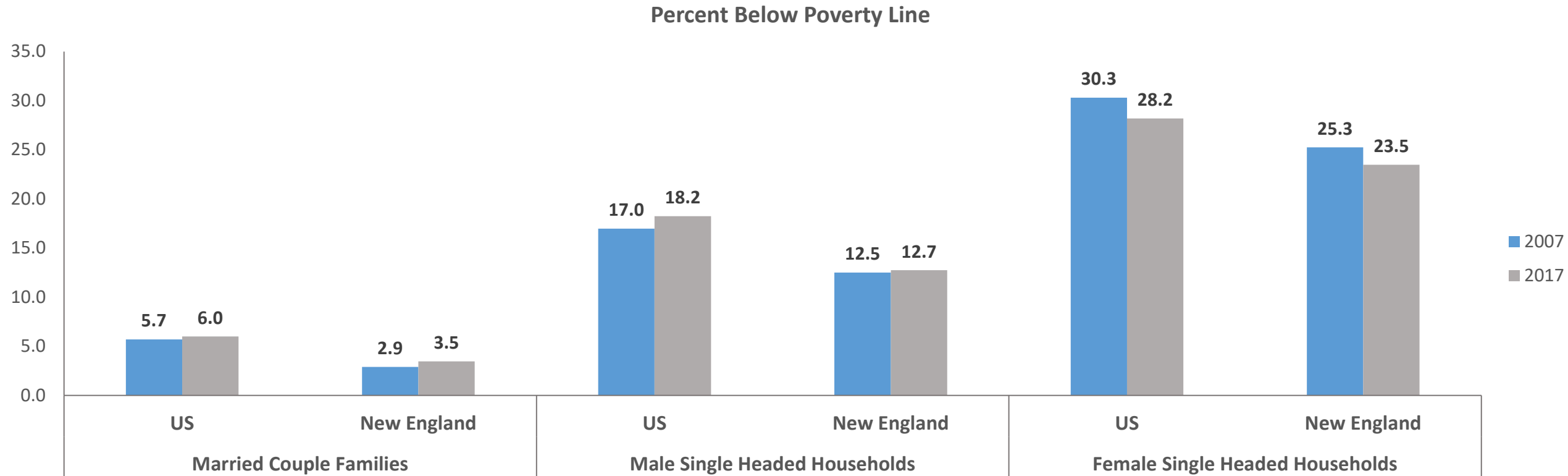
- ▶ In 2017, examples of official poverty income thresholds:
 - ▶ \$24,858 for family of 2 adults and 2 children.
 - ▶ \$19,749 for family of 1 adult and 2 children.
- ▶ Source: U.S. Census Bureau

Poverty Rates Increased in Four New England States 2007-2017



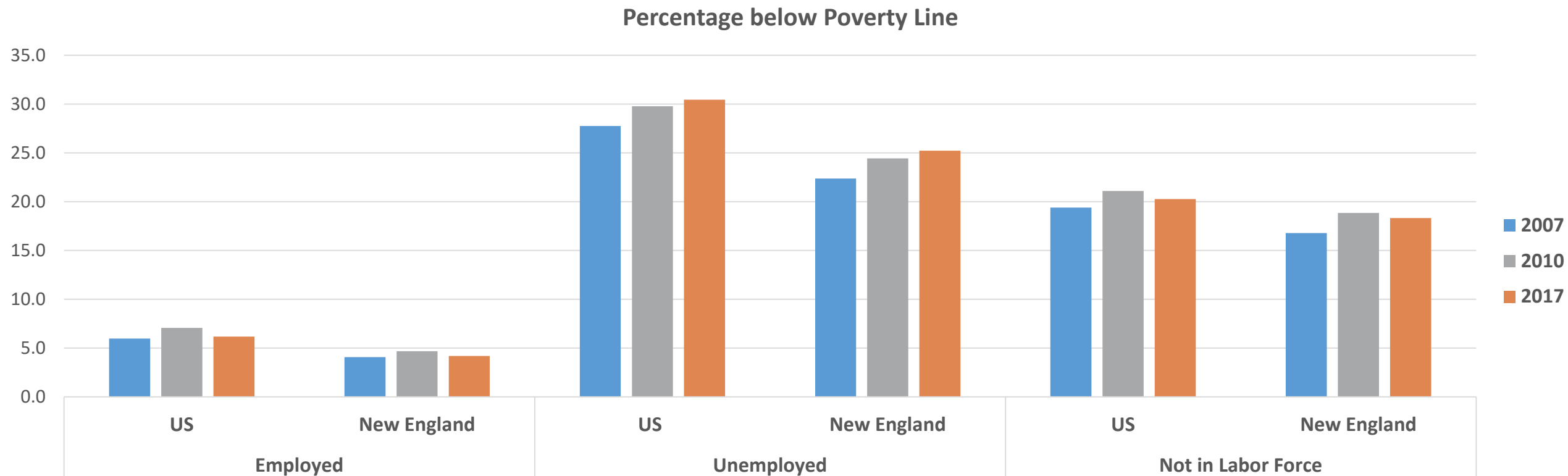
Source: ACS 2017 1-Year Estimates

Poverty Rate Fell Among Households Headed by Single Women, 2007-2017



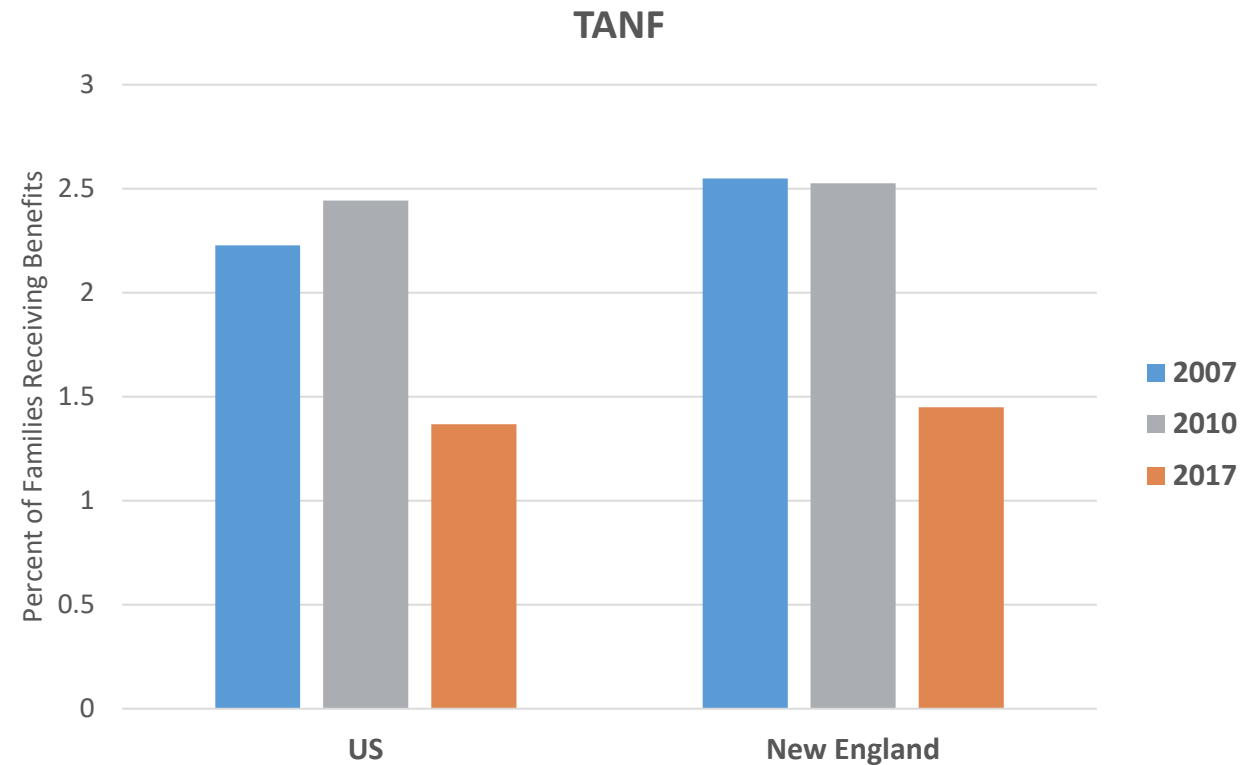
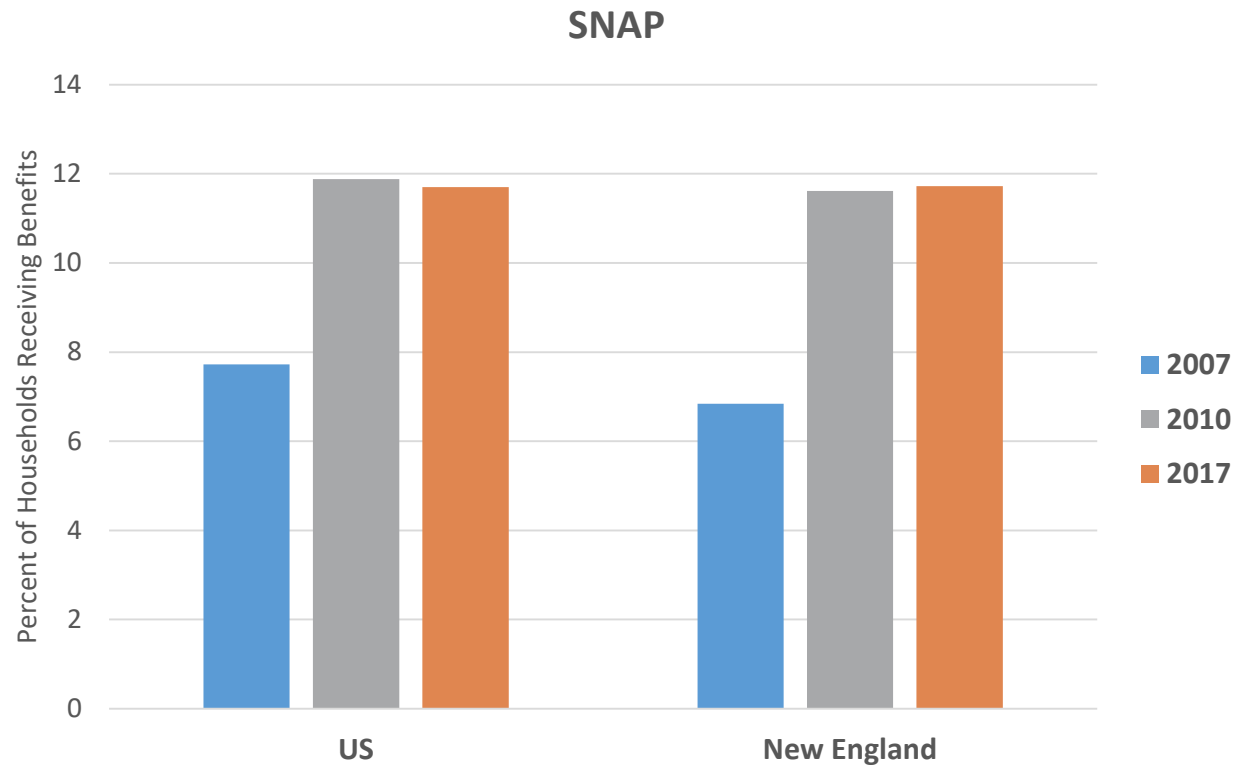
Source: ACS 2017 1-Year Estimates

The Unemployed Increasingly Likely to be Poor, Despite Improving Economy Since 2010



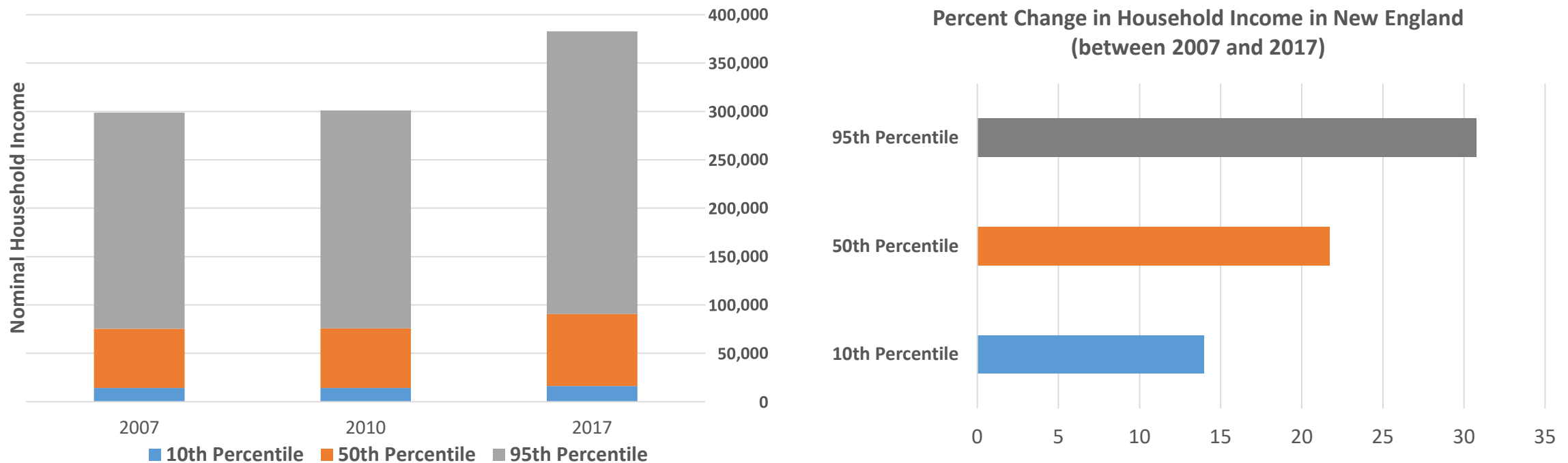
Source: ACS 2007, 2010, and 2017 1-Year Estimates

SNAP Receipts Up Since 2007, TANF Receipts Down



Source: SNAP Benefit data from ACS 1-Year Estimates, TANF Caseload Data from the Office of Family Assistance

Region's Income Growth Since 2007 Much Greater at High End than Low End



Source: ACS 1-Year Estimates for New England Census Division, in Nominal Values

Policy Challenges

- ▶ Non-employment rates down, but non-employed more likely to be poor
 - ▶ No more extended UI benefits
 - ▶ TANF helping fewer families, paying less in real terms
- ▶ Those still not employed face diverse barriers to employment
 - ▶ Obsolete skills, health issues, older age, English proficiency, child care needs
- ▶ Income growth weaker at low end of income scale
 - ▶ More will enter labor force if wage growth accelerates
- ▶ Some would boost EITC and TANF
 - ▶ target work subsidies to low-employment places
 - ▶ Index TANF to inflation, do more to help claimants find work