

Massachusetts Business Hiring Expectations for the 3rd Quarter 2009

As collected in April, May and June 2009 as part of
the semi-annual 2009 2nd Quarter Job Vacancy Survey



Commonwealth of Massachusetts

Deval L. Patrick, Governor
Timothy P. Murray, Lt. Governor

Executive Office of Labor and Workforce Development
Suzanne M. Bump, Secretary
Department of Workforce Development
Michael Taylor, Director
Division of Career Services
Rosemary Chandler, Director

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Hiring Expectations for 3rd Quarter 2009

Hiring expectations have continued to decline because of the uncertain state of the economy, but the downward trend has leveled off over the last six months.

With 15 percent of employers planning to increase hiring and 8 percent planning to decrease it, the projected net hiring increase for the 3rd quarter of 2009 is 7 percent – down 13 percentage points from 20 percent one year ago but down only 2 percentage points from 9 percent in the previous survey.

The majority of respondents – 66 percent – plan to maintain their current level of employment over the next two quarters. Eleven percent are undecided.

Projected net hiring has declined over the past 6 months for 12 of the industries not affected by seasonality. But after being battered by the recession, finance and insurance has stabilized with a projected net hiring increase of 3 percent.

Boosted by their seasonal hiring spike, the Berkshires and the Cape & Islands have the most optimistic hiring expectations in the state. The Central and Northeast regions have the least optimistic expectations while Greater Boston mirrors the statewide average with a projected net hiring increase of 7 percent.

Hiring Expectations by Industry

Projected net hiring is positive for 16 industries and negative for 4. The industries projecting employment declines are mining, information, educational services and public administration.

Employers in accommodation & food services and in arts, entertainment & recreation – both highly seasonal – are the most likely to add staff. The projected net hiring increases for these two industries are 21 and 16 percent, respectively.

Healthcare and social assistance, the largest industry in Massachusetts, continues to have a favorable hiring outlook, but its projected net hiring increase of 8 percent is off from 15 percent one year ago and 24 percent in the previous survey. Healthcare and social services ranks 8th among the state's major industries in hiring expectations, down from 2nd place in the prior survey.

Retail trade, which is closely tied to consumer spending, has a projected net hiring increase of 18 percent – the second highest of any industry in the state.

The job outlook for public and private education – the second-largest employer in Massachusetts – is very weak. With a projected net hiring decrease of 13 percent – down from a projected increase of 2 percent 6 months ago – public and private education has the least favorable hiring outlook of any of the state's major industries.

Manufacturing has a projected net hiring increase of 2 percent – down from 5 percent 6 months ago. Twelve percent of manufacturers say they plan to increase hiring versus 9 percent who anticipate layoffs. Sixty-seven percent of manufacturers say that their hiring will remain the same.

Construction - which had a projected net hiring increase of 18 percent one year ago - is weaker than usual at this time of the year but still has a positive hiring outlook with a projected net hiring increase of 7 percent.

Although finance and insurance was the focal point of the economic crisis that erupted in the 4th quarter of 2008, it is holding firm with a projected net hiring increase of 3 percent, which in view of recent events compares favorably with the 5 percent increase forecast 6 months ago.

Hiring Expectations by Region

Hiring expectations declined significantly over the past year in every region, but in each case the downward trend is leveling off.

Greater Boston has a projected net hiring increase of 7 percent for the 3rd quarter of 2009 – down from 12 percent last year and 22 percent 6 months ago.

Hiring expectations are lower – but still positive – for the Central, Northeast and Pioneer Valley regions, which have projected net hiring increases of 3, 3 and 5 percent, respectively.

The Berkshires and Cape & Islands, which benefit from seasonal hiring during the summer, have projected net hiring increases of 14 and 17 percent, respectively, compared to 22 and 25 percent one year ago.

Bolstered by healthcare and construction, the Southeast region has a projected net hiring increase of 11 percent – down from 20 percent one year ago but up from 7 percent in the previous survey and the 3rd highest projected net hiring increase of any region for 3rd quarter of 2009.

About the Data

This report is based on the semiannual Massachusetts Job Vacancy Survey, which tracks labor demand by industry, occupation and level of education. More than 7,857 businesses answered the hiring expectations question for the Spring 2009 survey round.

Table 1: Industry Hiring Expectations

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook
Agriculture	34%	47%	17%	2%	17%
Mining	4%	78%	11%	7%	-7%
Utilities	9%	67%	6%	18%	2%
Construction	19%	56%	12%	13%	7%
Manufacturing	12%	67%	9%	12%	2%
Wholesale Trade	11%	71%	7%	11%	5%
Retail Trade	23%	60%	5%	12%	18%
Transportation & Warehousing	14%	54%	8%	23%	6%
Information	7%	76%	10%	7%	-2%
Finance & Insurance	9%	65%	6%	21%	3%
Real Estate, Rental & Leasing	12%	77%	6%	5%	6%
Professional & Technical Services	13%	72%	5%	10%	8%
Management	13%	71%	4%	12%	9%
Administrative & Support & Waste Services	17%	64%	10%	9%	8%
Educational Services	5%	66%	18%	12%	-13%
Healthcare	13%	73%	5%	9%	8%
Arts, Entertainment & Recreation	25%	61%	9%	5%	16%
Accommodation & Food Services	26%	61%	5%	8%	21%
Other Services	16%	71%	7%	6%	8%
Public Administration	7%	69%	11%	14%	-4%
Total, All Industries	15%	66%	8%	11%	7%

*Percentage of Employers Projecting an Increase Minus the Percent Projecting a Decrease

Table 2: Regional Hiring Expectations

Area	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Berkshire	21%	64%	7%	9%	14%
Cape & Islands	25%	59%	8%	7%	17%
Central	13%	67%	9%	11%	3%
Greater Boston	14%	66%	7%	13%	7%
Northeast	12%	68%	9%	10%	3%
Pioneer Valley	14%	63%	9%	13%	5%
Southeast	17%	67%	6%	10%	11%
Total, All Regions	15%	66%	8%	11%	7%

*Percentage of Employers Projecting an Increase Minus the Percent Projecting a Decrease

Table 3: Hiring Expectations by Size of Firm

Size of Firm	Size Description	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Small	5-49	13%	70%	7%	9%	6%
Medium	50-249	17%	63%	8%	12%	10%
Large	250-499	15%	57%	10%	18%	5%
Total	All Firm Sizes	15%	66%	8%	11%	7%

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Table 4: Hiring Expectations in the Berkshires

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	21%	64%	7%	9%	14%
Utilities	29%	43%	14%	14%	14%
Construction	38%	25%		38%	
Manufacturing	19%	67%	6%	8%	13%
Wholesale Trade	25%	63%	6%	6%	19%
Retail Trade	33%	46%	8%	13%	26%
Transportation & Warehousing	11%	70%		19%	
Information	7%	79%	14%		-7%
Finance & Insurance	6%	94%			
Real Estate, Rental & Leasing	20%	67%	7%	7%	13%
Professional & Technical Services	13%	80%	7%		7%
Management	18%	64%	9%	9%	9%
Administrative & Support & Waste Services	24%	59%	6%	12%	18%
Educational Services	14%	69%	10%	7%	3%
Healthcare	10%	76%	3%	10%	7%
Arts, Entertainment & Recreation	38%	38%	14%	10%	24%
Accommodation & Food Services	43%	57%			
Other Services	26%	58%	16%		11%
Public Administration		81%	6%	13%	

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Table 5: Hiring Expectations in the Cape and Islands

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All industries	25%	59%	8%	7%	17%
Utilities	7%	79%		14%	
Construction	14%	71%	14%		0%
Manufacturing	25%	64%	5%	7%	20%
Wholesale Trade	13%	67%	13%	7%	0%
Retail Trade	41%	49%	2%	8%	40%
Transportation & Warehousing	30%	41%	16%	14%	14%
Information	7%	73%	13%	7%	-7%
Finance & Insurance		93%		7%	
Real Estate, Rental & Leasing	29%	71%			
Professional & Technical Services	29%	65%	6%		24%
Management	11%	89%			
Administrative & Support & Waste Services	18%	65%	18%		0%
Educational Services		67%	27%	7%	
Healthcare	8%	74%	5%	13%	3%
Arts, Entertainment & Recreation	48%	38%	14%		33%
Accommodation & Food Services	51%	34%	2%	14%	49%
Other Services	6%	76%	18%		-12%
Public Administration	19%	76%		5%	

*Percentage of Employers Projecting an Increase Minus the Percent Projecting a Decrease

Table 6: Hiring Expectations in the Central Region

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	13%	67%	9%	11%	3%
Utilities	5%	75%	5%	15%	0%
Construction	21%	64%	6%	9%	15%
Manufacturing	11%	62%	9%	18%	3%
Wholesale Trade	12%	52%	20%	16%	-8%
Retail Trade	15%	72%	5%	8%	10%
Transportation & Warehousing	16%	61%	9%	14%	7%
Information		89%	11%		
Finance & Insurance	13%	54%	13%	21%	0%
Real Estate, Rental & Leasing	7%	79%	7%	7%	0%
Professional & Technical Services	13%	74%	9%	4%	4%
Management	19%	57%	5%	19%	14%
Administrative & Support & Waste Services	19%	52%	14%	14%	5%
Educational Services	2%	65%	15%	18%	-14%
Healthcare	14%	74%	4%	8%	10%
Arts, Entertainment & Recreation	14%	55%	27%	5%	-14%
Accommodation & Food Services	22%	62%	7%	10%	15%
Other Services	10%	76%	10%	5%	0%
Public Administration		81%	14%	5%	

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Table 7: Hiring Expectations in Greater Boston

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	14%	66%	7%	13%	7%
Utilities	15%	62%		23%	
Construction	16%	58%	13%	13%	3%
Manufacturing	11%	69%	10%	11%	1%
Wholesale Trade	9%	74%	3%	14%	6%
Retail Trade	20%	62%	4%	13%	16%
Transportation & Warehousing	9%	52%	9%	30%	0%
Information	10%	74%	8%	8%	3%
Finance & Insurance	11%	57%	7%	25%	3%
Real Estate, Rental & Leasing	5%	81%	5%	10%	0%
Professional & Technical Services	13%	72%	4%	11%	9%
Management	11%	69%	3%	17%	8%
Administrative & Support & Waste Services	20%	60%	9%	11%	11%
Educational Services	4%	66%	20%	11%	-16%
Healthcare	12%	74%	5%	9%	7%
Arts, Entertainment & Recreation	21%	74%	1%	4%	19%
Accommodation & Food Services	24%	63%	5%	8%	18%
Other Services	16%	67%	7%	10%	10%
Public Administration	8%	63%	9%	20%	-1%

*Percentage of Employers Projecting an Increase Minus the Percent Projecting a Decrease

Table 8: Hiring Expectations in the Northeast

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	12%	68%	9%	10%	3%
Utilities	6%	72%	11%	11%	-6%
Construction	18%	47%	18%	16%	0%
Manufacturing	9%	73%	10%	8%	-1%
Wholesale Trade	7%	73%	12%	7%	-5%
Retail Trade	21%	55%	6%	19%	15%
Transportation & Warehousing	15%	51%	9%	26%	6%
Information	4%	77%	12%	8%	-8%
Finance & Insurance		88%		13%	
Real Estate, Rental & Leasing	11%	78%	11%		0%
Professional & Technical Services	9%	73%	5%	13%	4%
Management	4%	78%	7%	11%	-4%
Administrative & Support & Waste Services	5%	76%	8%	11%	-3%
Educational Services	3%	62%	23%	12%	-20%
Healthcare	13%	78%	3%	6%	10%
Arts, Entertainment & Recreation	18%	61%	14%	7%	4%
Accommodation & Food Services	20%	71%	7%	2%	12%
Other Services	27%	67%	3%	3%	24%
Public Administration		70%	20%	11%	

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Table 9 : Hiring Expectations in the Pioneer Valley

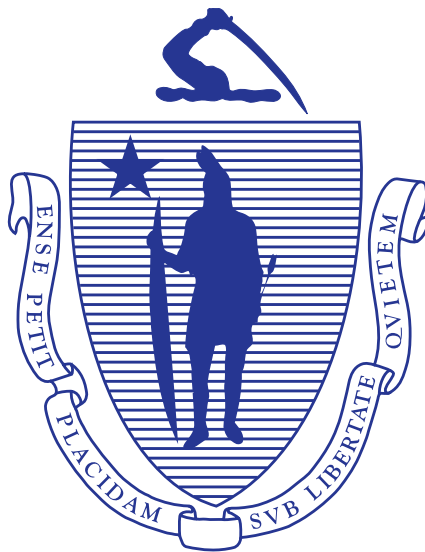
Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	14%	63%	9%	13%	5%
Utilities	11%	63%	5%	21%	5%
Construction	13%	67%	13%	7%	0%
Manufacturing	8%	67%	11%	14%	-3%
Wholesale Trade	12%	77%	8%	4%	4%
Retail Trade	22%	59%	7%	13%	15%
Transportation & Warehousing	16%	55%	8%	22%	8%
Information		72%	22%	6%	
Finance & Insurance	13%	48%		39%	
Real Estate, Rental & Leasing	19%	75%	6%		13%
Professional & Technical Services	13%	57%	13%	17%	0%
Management	17%	70%	9%	4%	9%
Administrative & Support & Waste Services	17%	78%	4%		13%
Educational Services	6%	68%	15%	11%	-9%
Healthcare	10%	59%	10%	21%	1%
Arts, Entertainment & Recreation	32%	48%	8%	12%	24%
Accommodation & Food Services	21%	66%	4%	9%	16%
Other Services	10%	72%	10%	7%	0%
Public Administration	11%	67%	11%	11%	0%

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Table 10: Hiring Expectations in the Southeast

Industry Name	Increase	Same	Decrease	Not Sure or Don't Know	Net Hiring Outlook*
Total, All Industries	17%	67%	6%	10%	11%
Utilities		65%	13%	22%	
Construction	26%	51%	11%	11%	15%
Manufacturing	11%	62%	10%	17%	1%
Wholesale Trade	16%	68%	5%	11%	11%
Retail Trade	25%	61%	5%	9%	19%
Transportation & Warehousing	13%	58%	6%	23%	6%
Information	10%	76%		14%	
Finance & Insurance	4%	84%	4%	8%	0%
Real Estate, Rental & Leasing	16%	74%	5%	5%	11%
Professional & Technical Services	12%	73%	6%	9%	6%
Management	16%	77%		6%	
Administrative & Support & Waste Services	14%	69%	10%	7%	3%
Educational Services	10%	68%	8%	14%	2%
Healthcare	18%	74%	3%	5%	15%
Arts, Entertainment & Recreation	21%	75%	4%		18%
Accommodation & Food Services	26%	61%	6%	7%	19%
Other Services	9%	88%		3%	
Public Administration	9%	69%	9%	13%	0%

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