

COMPARING VACANCY RATES AND EDUCATIONAL ATTAINMENT: PEAK LABOR MARKET

Before entering 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 necessarily surprising, as occupations that have larger shares of employees with a High School Degree or less can sometimes be filled by a number of individuals with less training and at lower costs to employers. In contrast, jobs in highly specialized occupations that require specific educational requirements face competition both regionally and globally for a limited number of individuals who can fill such positions. Further, statewide 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, has led to increased vacancies and demand for employees that can fill such positions. This relationship was fairly weak in Central Mass due to its occupations tending to have lower shares of employees with post-secondary education and stronger employment concentrations in sectors with lower educational attainment, such as Manufacturing and Trade, Transportation, & Utilities.

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 Central Mass in Q4 2007 proxy vacancy rates in a peak labor market and educational attainment data by occupation in Central Mass 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.

