

COMPARING VACANCY RATES AND EDUCATIONAL ATTAINMENT: PEAK LABOR MARKET

Before the Great Recession, there was a correlation between educational attainment and job vacancies in both the Northeast region and Massachusetts. That is, occupations with workers who had higher levels of educational attainment tended to have higher vacancy rates. This is not surprising, as occupations that have larger shares of employees with a High School Degree or less can sometimes be filled by the large 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 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, leads to increased vacancies and demand for employees who can fill such positions.

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 Northeast region in Q4 2007 proxy vacancy rates in a peak labor market and educational attainment data by occupation in the Northeast region 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.

