

COMPARING VACANCY RATES AND EDUCATIONAL ATTAINMENT: PEAK LABOR MARKET

Before the Great Recession, there was a 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 was not surprising, as jobs in occupations that have larger shares of employees with a High School Degree or less can sometimes be filled by number of individuals with little training, and can be done at lower costs to employers. In contrast, jobs in highly specialized occupations that require specific educational requirements faced 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. But the correlation between educational attainment and job vacancies was fairly weak in Pioneer Valley even during the peak labor market; this was due to occupations tending to having low shares of employees with post-secondary education in the region, as well as the region's stronger employment concentrations in certain 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 Pioneer Valley in Q4 2007 proxy vacancy rates in a peak labor market, and educational attainment data by occupation in Pioneer Valley 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.

