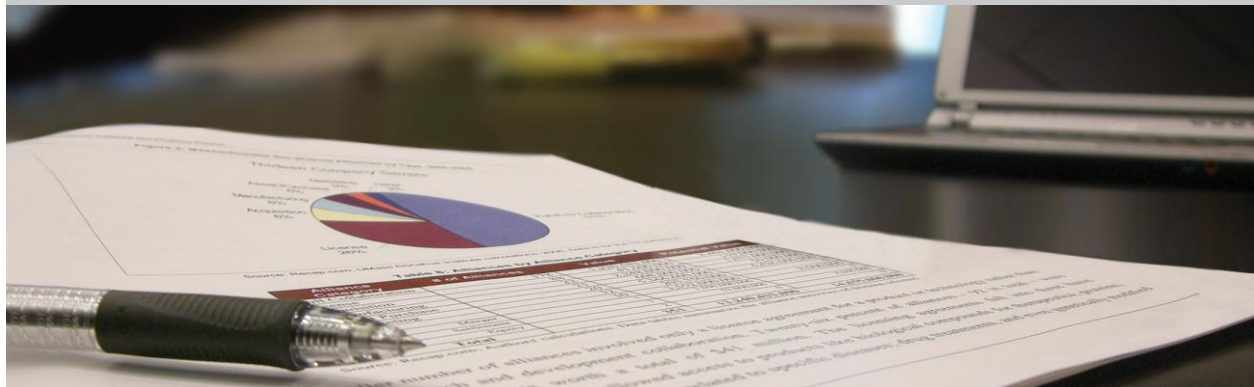


Massachusetts Economic Due Diligence

Quarterly Report for the Massachusetts State
Treasurer's Office of Debt Management

First Quarter, FY2019



UMASS DONAHUE INSTITUTE
Economic & Public
Policy Research

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The information in this section was prepared by the Massachusetts State Data Center (MassSDC) at the University of Massachusetts Donahue Institute Economic and Public Policy Research group. It may be relevant in evaluating the economic and financial condition and prospects of the Commonwealth of Massachusetts. The State Data Center archives data about Massachusetts. The economic and demographic data, which have been obtained by the MassSDC from the sources indicated, do not necessarily present all factors that may have a bearing on the Commonwealth's fiscal and economic affairs.

All information is presented on a calendar-year basis unless otherwise indicated. **Information in the text, tables, charts, and graphs is current as of October 10th, 2018.** Dollars reflect 2017 inflation-adjusted dollars. Sources of information are indicated in the text or immediately following the charts and tables, and also in the *Sources* on the last page of the Exhibit A section. Although the Commonwealth considers the sources to be reliable, it makes no independent verification of the information presented herein and therefore does not warrant its accuracy.

Statistical Overview

Population (p. A-2)

Massachusetts United States

Estimated Percent Change in Population, July 1, 2010 - July 1, 2017	4.5%	5.3%
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Personal Income, Consumer Prices, and Poverty (p. A-8)

Per Capita Personal Income, 2017	\$67,630	\$51,640
Average Annual Pay, All Industries, 2017	\$69,929	\$55,390
Percent Change in CPI-U*, 2016-2017	2.5%	2.1%
Percent Change in CPI-U*, July 2017 - July 2018	3.4%	2.9%
Poverty Rate, 2017	10.5%	13.4%
Average Weekly Earnings, Manufacturing Production Workers: 2017	\$991	\$876
Percent Change from previous year	2.6%	0.2%

Employment (p. A-18)

Percent Change in Nonfarm Payroll Employment, June 2017 - June 2018 (not seasonally adjusted)	1.9%	1.7%
Unemployment Rate, 2017	3.7%	4.4%
Unemployment Rate, August 2018 (not seasonally adjusted)	3.5%	3.9%

Education (p. A-24)

Expenditure Per Pupil K-12 Public, 2016	\$15,925	\$12,012
Percent of Adults with a Bachelor's Degree or Higher, 2016	43.4%	32.0%

Economic Base and Performance (p. A-30)

Percent Change in Gross Domestic Product, 2015-2016	2.6%	2.1%
Percent Change in International Exports, 2016-2017	4.2%	4.3%
Percent Change in Housing Permits Authorized, 2016-2017	8.8%	6.2%

*NOTE: Percent changes in the Consumer Price Index for All Urban Consumers (CPI-U) are for the Boston-Worcester-Lawrence, MA-NH-ME-CT CMSA & the United States.

Massachusetts is a densely populated state with a well-educated population, comparatively high income levels, and a relatively diversified economy. While the total population of Massachusetts has remained fairly stable in the last 25 years, significant changes have occurred in the age distribution of the population. Dramatic growth in residents between the ages of 20 and 44 since 1980 is expected to lead to a population distributed more heavily in the 65 and over age group in the next 25 years. Just as the working-age population has increased, income levels in Massachusetts since 1980 have grown significantly more than the national average, and a variety of measures of income show that Massachusetts residents have significantly higher amounts of annual income than the national average. These higher levels of income have been accompanied by a consistently lower poverty rate. State unemployment rates have typically remained below the national average with the exception of a slight increase during the recession of the early 1990s and a seventeen-month stretch between 2006 and 2007. More recently, Massachusetts unemployment has tracked faster than the national average and currently stands at 3.5 percent, compared to the national rate of 3.9 percent. In 2014, Massachusetts was ranked second in the U.S. according to the American Human Development Index, modeled after the United Nations Human Development Index, which compares health, income and education outcomes.

The following five sections provide detailed information on population characteristics, personal income, employment, human resources, economic base and performance, and infrastructure.

POPULATION CHARACTERISTICS

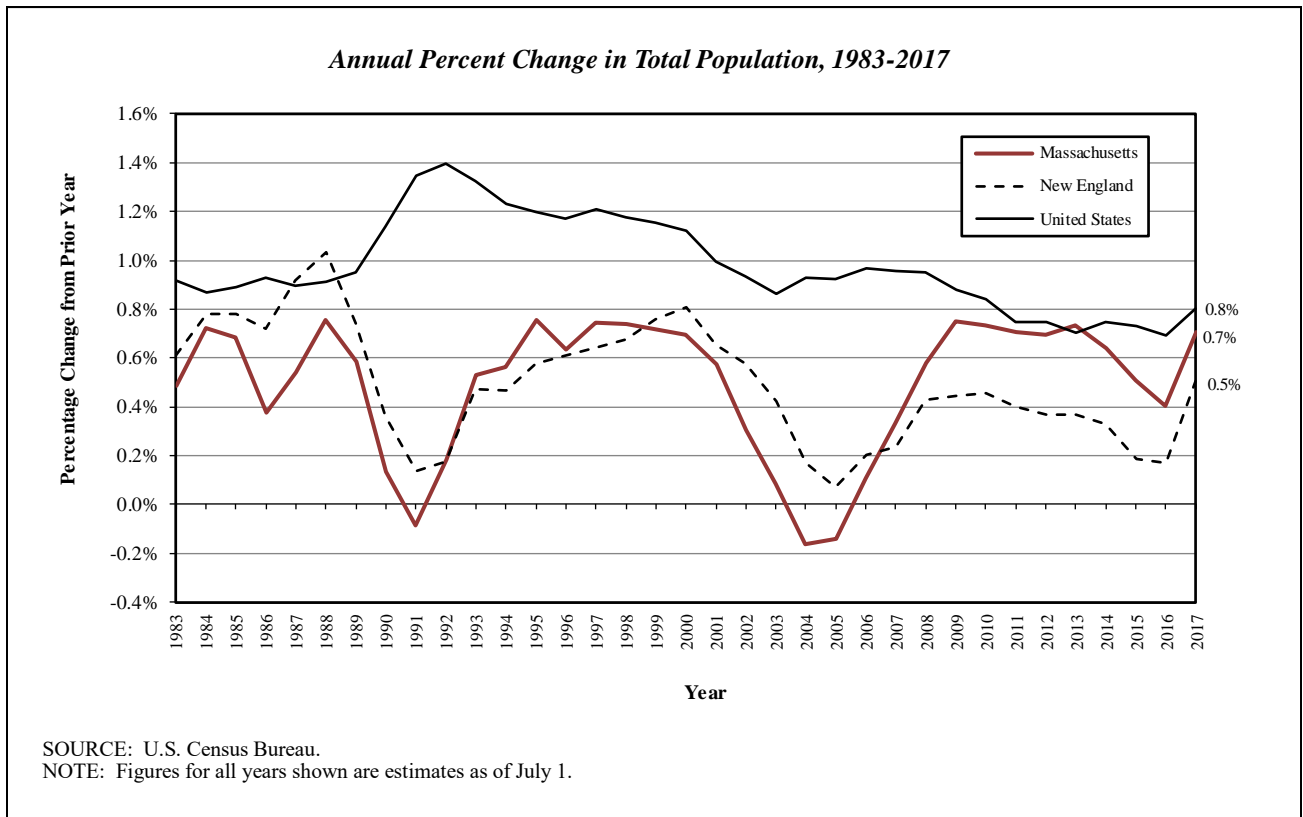
Massachusetts is a relatively slow growing but densely populated state with a comparatively large percentage of its residents living in metropolitan areas. The population density of Massachusetts was estimated as of July 1, 2017 to be 879.5 persons per square mile, as compared to 92.2 for the United States as a whole. Among the 50 states, only Rhode Island and New Jersey have a greater population density. Massachusetts also ranked just behind New Jersey and Rhode Island, as well as Delaware, in percentage of residents living in metropolitan areas. According to the current county-based definition, 98.6 percent of the state's population live in metropolitan areas.

The state's population is concentrated in its eastern portion. The city of Boston is the largest city in New England, with a July 1, 2017 population estimated at 685,094, or 10.0 percent of the total state population. Boston is the hub of the seven-county Boston-Cambridge-Newton, MA-NH Metropolitan Statistical Area (MSA), which includes the two southeastern New Hampshire counties, and had a total population as of July 1, 2017 estimated at 4,836,531, or 32.7 percent of the total New England population. The Cambridge-Newton-Framingham, MA Metropolitan Division is the largest component of that MSA, with a total population as of July 1, 2017 estimated at 2,388,152, while the Boston, MA Metropolitan division is the second largest component, with a total population estimated at 2,013,403.

The second largest MSA in the state is the Worcester, MA MSA, with a July 1, 2017 population estimated at 942,475. The city of Worcester, situated approximately 40 miles west of Boston with a July 1, 2017 estimated population of 185,677, is the second largest city, both in New England and the state. As a major medical and education center, the Worcester area is home to 18 patient care facilities and 13 colleges and universities, including the University of Massachusetts Medical School.

The third largest MSA in Massachusetts is the three-county Springfield, MA MSA, with a July 1, 2017 population estimated at 631,652. Springfield, the third largest city in the Commonwealth with a July 1, 2017 estimated population of 154,758, is located in the Connecticut River Valley in Western Massachusetts and enjoys a diverse body of corporate employers, including Baystate Health Systems, General Dynamics, and MassMutual Financial Group. In addition, Springfield is home to three independent colleges.

As the following graph and table (on the next page) indicate, the population in Massachusetts has generally grown at a rate similar to the population of New England and more slowly than the nation as a whole. From 2009 to 2016, Massachusetts' growth has more closely resembled that of the U.S. as a whole than that of New England, although growth began to increase again in 2016. According to the Census Bureau's latest revised estimates released in July 2017, the Massachusetts population has grown only by 7.8 percent since Census 2000, while the U.S. has grown 15.4 percent in that span.



The following table compares the population level and percentage change in the population of Massachusetts to the six-state New England region and to the United States.

<i>Population, 1977-2017</i> (in thousands)						
Year	Massachusetts		New England		United States	
	Total	Percent Change	Total	Percent Change	Total	Percent Change
1977	5,738	-0.1%	12,239	0.4%	219,760	1.0%
1978	5,736	0.0%	12,283	0.4%	222,095	1.1%
1979	5,738	0.0%	12,322	0.3%	224,567	1.1%
1980	5,737	0.0%	12,348	0.2%	226,546	0.9%
1981	5,769	0.6%	12,436	0.7%	229,466	1.3%
1982	5,771	0.0%	12,468	0.3%	231,664	1.0%
1983	5,799	0.5%	12,544	0.6%	233,792	0.9%
1984	5,841	0.7%	12,642	0.8%	235,825	0.9%
1985	5,881	0.7%	12,741	0.8%	237,924	0.9%
1986	5,903	0.4%	12,833	0.7%	240,133	0.9%
1987	5,935	0.5%	12,951	0.9%	242,289	0.9%
1988	5,980	0.8%	13,085	1.0%	244,499	0.9%
1989	6,015	0.6%	13,182	0.7%	246,819	0.9%
1990	6,023	0.1%	13,230	0.4%	249,623	1.1%
1991	6,018	-0.1%	13,248	0.1%	252,981	1.3%
1992	6,029	0.2%	13,271	0.2%	256,514	1.4%
1993	6,061	0.5%	13,334	0.5%	259,919	1.3%
1994	6,095	0.6%	13,396	0.5%	263,126	1.2%
1995	6,141	0.8%	13,473	0.6%	266,278	1.2%
1996	6,180	0.6%	13,555	0.6%	269,394	1.2%
1997	6,226	0.7%	13,642	0.6%	272,647	1.2%
1998	6,272	0.7%	13,734	0.7%	275,854	1.2%
1999	6,317	0.7%	13,838	0.8%	279,040	1.2%
2000	6,361	0.7%	13,950	0.8%	282,162	1.1%
2001	6,398	0.6%	14,041	0.7%	284,969	1.0%
2002	6,417	0.3%	14,122	0.6%	287,625	0.9%
2003	6,423	0.1%	14,182	0.4%	290,108	0.9%
2004	6,412	-0.2%	14,207	0.2%	292,805	0.9%
2005	6,403	-0.1%	14,217	0.1%	295,517	0.9%
2006	6,410	0.1%	14,246	0.2%	298,380	1.0%
2007	6,432	0.3%	14,279	0.2%	301,231	1.0%
2008	6,469	0.6%	14,340	0.4%	304,094	1.0%
2009	6,518	0.8%	14,404	0.4%	306,772	0.9%
2010	6,566	0.7%	14,469	0.5%	309,348	0.8%
2011	6,612	0.7%	14,528	0.4%	311,663	0.7%
2012	6,658	0.7%	14,581	0.4%	313,998	0.7%
2013	6,707	0.7%	14,635	0.4%	316,205	0.7%
2014	6,750	0.6%	14,683	0.3%	318,563	0.7%
2015	6,784	0.5%	14,710	0.2%	320,897	0.7%
2016	6,812	0.4%	14,736	0.2%	323,128	0.7%
2017	6,860	0.7%	14,810	0.5%	325,719	0.8%

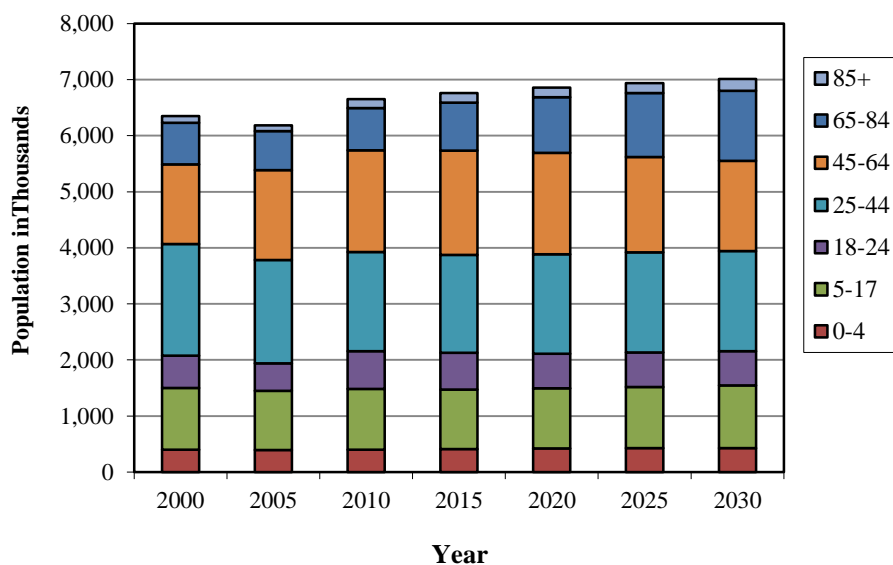
SOURCE: U.S. Department of Commerce, Census Bureau.

NOTE: The Census count in 1980 is as of April 1; estimates for all other years are as of July 1.

The next 12 years are expected to bring about a continued change in the age distribution of the Massachusetts population. As the following table and chart show, the share of the 65 and over age group and especially the 85 and over age group will continue to grow. The chart, table, and population pyramids (below, and on the following page) show the projected population by age for Massachusetts for 2000 through 2030. The Census has not updated these projections to reflect the 2010 Census.

<i>Projected Massachusetts Population by Age Group 2000-2030 (in thousands)</i>									
Year	0-4	5-17	18-24	25-44	45-64	65-84	85+	All Ages	Median Age
2000	397.3	1,102.8	579.3	1,989.8	1,419.8	743.5	116.7	6,349.1	36.5
2005	395.1	1,055.6	488.9	1,844.0	1,602.5	693.1	103.7	6,182.9	38.2
2010	400.7	1,083.1	670.2	1,769.7	1,817.1	750.6	158.0	6,649.4	38.8
2015	409.7	1,064.2	656.0	1,746.1	1,857.1	856.5	168.9	6,758.6	39.2
2020	422.3	1,070.9	617.5	1,775.8	1,809.3	987.8	172.0	6,855.5	39.5
2025	431.0	1,087.7	616.2	1,782.5	1,703.3	1,137.8	180.1	6,938.6	39.7
2030	430.6	1,115.0	610.7	1,783.9	1,608.7	1,251.2	211.9	7,012.0	40.2

***Projected Massachusetts Population by Age Group
2000-2030***



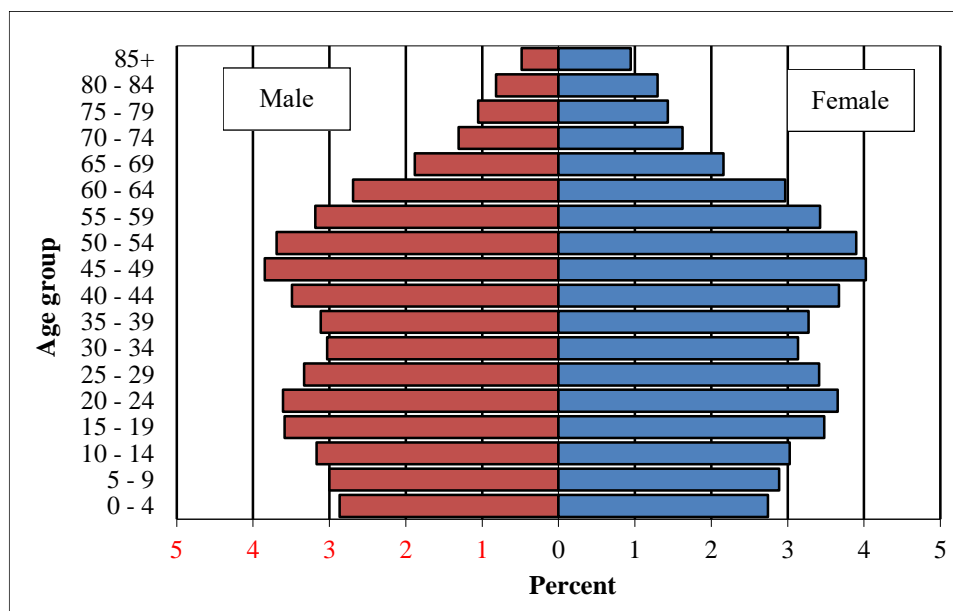
SOURCE: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005.

Internet Release Date: 04/21/05.

NOTE: Actual Census 2000 counts as of April 1; Population Estimates for 2005 as of July 1; all other figures are projections as of July 1 of the indicated year.

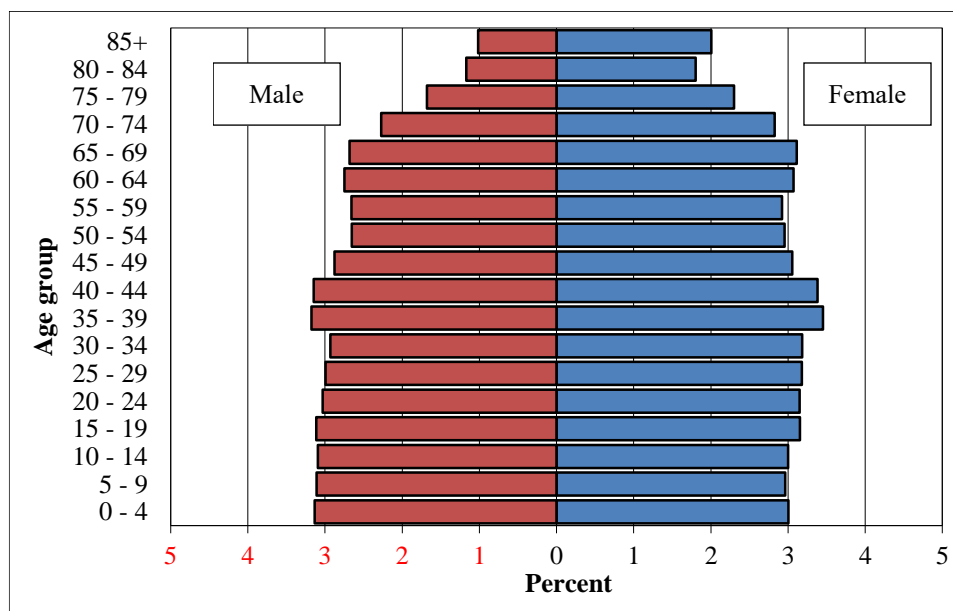
Population Pyramids of Massachusetts *Percent of Total Population*

2010



SOURCE: U.S. Census Bureau, 2010 Census.

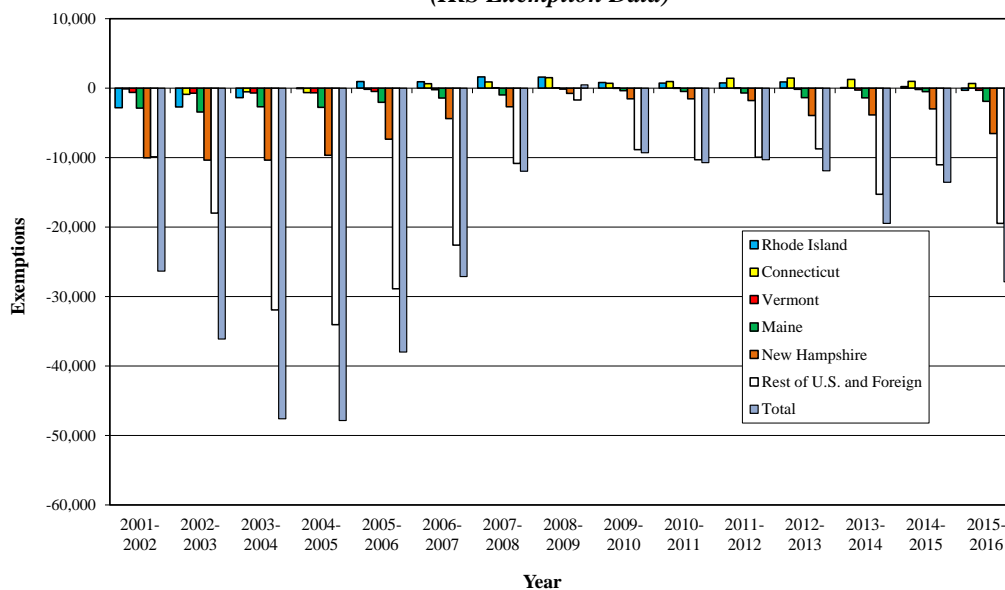
2030



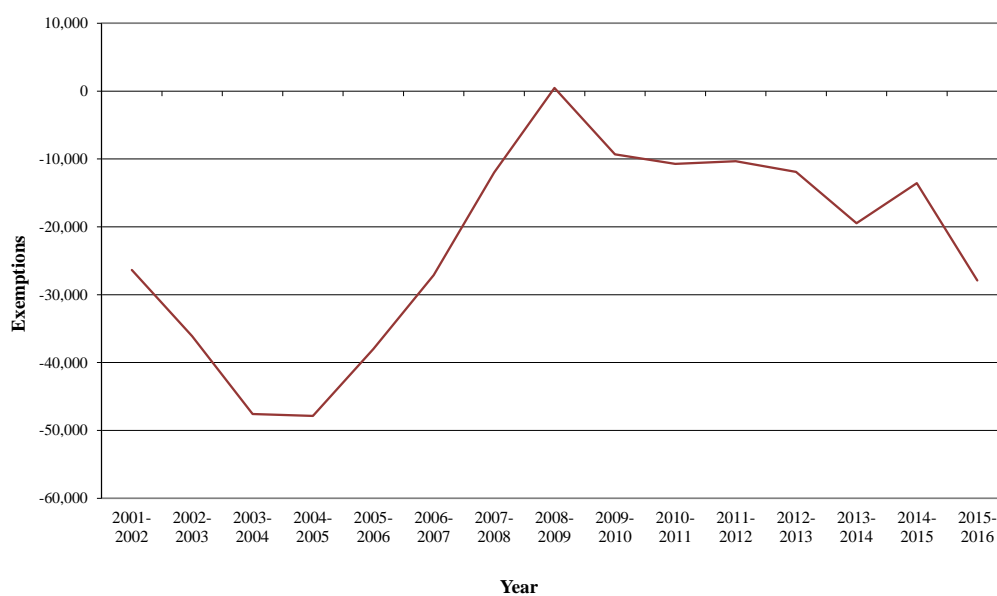
SOURCE: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005.
 Internet Release Date: 04/21/05.

Migration. Migration is one of several components of annual population change in Massachusetts. The movement of people from place to place is often linked to economic opportunities or downturns. These data are derived from the filing addresses and number of exemptions submitted with federal tax returns. A tax filer is considered a migrant when he/she files a tax return with an address different from the previous year's filing address. Of the New England states, New Hampshire was the largest net loss for Massachusetts and Connecticut was the largest net gain for Massachusetts from 2001 through 2016. Massachusetts also sends many more migrants to other U.S. states than it gains. Its largest net losses outside of New England are to Florida, California, North Carolina, and Texas while its largest net gains are from New York, New Jersey, Pennsylvania and Illinois. The charts below illustrate the net migration for Massachusetts to and from the New England states and the rest of the country using IRS data.

**Massachusetts Net Migration to and from New England States, 2001-2016
(IRS Exemption Data)**



Massachusetts Net Migration from U.S. States, 2001-2016

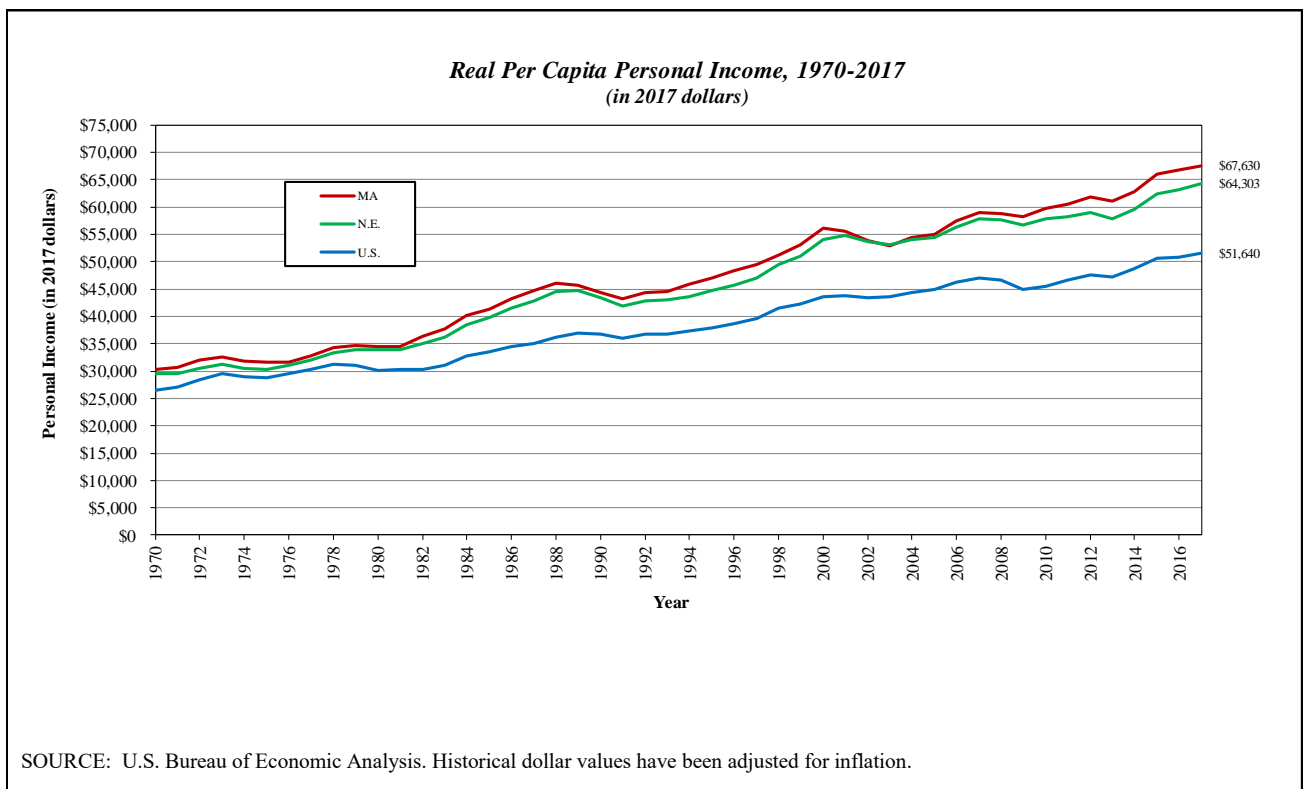


SOURCE: U.S. Internal Revenue Service, Statistics of Income.

PERSONAL INCOME, CONSUMER PRICES, AND POVERTY

Personal Income. Real per capita income levels in Massachusetts have varied over time. Between 1992 and 1997, real per capita income levels in the Commonwealth increased faster than the national average. In 2000, Massachusetts had its highest per capita income growth in 16 years, exceeding the national growth rate by 2.3 percentage points. From 2001 to 2003, real income declined in Massachusetts while staying roughly flat for the nation. However, real income levels in Massachusetts remained well above the national average. Following a significant decline in 2009, Massachusetts, New England, and the U.S. steadily increased until 2012. Overall, between 2006 and 2012, Massachusetts personal income increased considerably faster than the nation during the recession and its aftermath. In 2013, Massachusetts, New England, and the U.S. all experienced a slight decline in real income. From 2014 to 2017, real per capita income rose in the state, New England, and the nation. Massachusetts per capita personal income remains higher than the nation. At the state level in 2017, only the District of Columbia and Connecticut had higher levels of per capita personal income.

The following graph illustrates these changes in real per capita personal income in Massachusetts, New England, and the United States since 1970.



The following table compares per capita personal income in Massachusetts, New England, and the United States for the period 1969-2017.

<i>Per Capita Personal Income, 1970-2017</i>									
Year	Nominal Income (in nominal dollars)			Real Income (in 2017 dollars)			Percent Change in Real Income		
	MA	N.E.	U.S.	MA	N.E.	U.S.	MA	N.E.	U.S.
1970	\$4,575	\$4,547	\$4,196	\$30,390	\$29,503	\$26,508	-4.7%	-0.1%	-4.2%
1971	\$4,859	\$4,795	\$4,468	\$30,747	\$29,560	\$27,042	1.2%	0.2%	2.0%
1972	\$5,228	\$5,156	\$4,853	\$31,946	\$30,552	\$28,459	3.9%	3.4%	5.2%
1973	\$5,647	\$5,589	\$5,352	\$32,569	\$31,195	\$29,547	1.9%	2.1%	3.8%
1974	\$6,108	\$6,056	\$5,824	\$31,856	\$30,402	\$28,957	-2.2%	-2.5%	-2.0%
1975	\$6,592	\$6,516	\$6,312	\$31,546	\$30,307	\$28,758	-1.0%	-0.3%	-0.7%
1976	\$7,098	\$7,061	\$6,856	\$31,590	\$31,061	\$29,535	0.1%	2.5%	2.7%
1977	\$7,733	\$7,701	\$7,494	\$32,725	\$32,082	\$30,312	3.6%	3.3%	2.6%
1978	\$8,547	\$8,527	\$8,338	\$34,372	\$33,430	\$31,347	5.0%	4.2%	3.4%
1979	\$9,500	\$9,501	\$9,212	\$34,656	\$33,872	\$31,103	0.8%	1.3%	-0.8%
1980	\$10,695	\$10,716	\$10,153	\$34,575	\$33,835	\$30,203	-0.2%	-0.1%	-2.9%
1981	\$11,868	\$11,914	\$11,262	\$34,522	\$33,980	\$30,369	-0.2%	0.4%	0.6%
1982	\$13,005	\$12,939	\$11,947	\$36,364	\$35,054	\$30,347	5.3%	3.2%	-0.1%
1983	\$14,067	\$13,896	\$12,652	\$37,639	\$36,138	\$31,137	3.5%	3.1%	2.6%
1984	\$15,755	\$15,472	\$13,860	\$40,182	\$38,427	\$32,698	6.8%	6.3%	5.0%
1985	\$16,938	\$16,591	\$14,719	\$41,344	\$39,723	\$33,531	2.9%	3.4%	2.5%
1986	\$18,197	\$17,795	\$15,459	\$43,308	\$41,570	\$34,574	4.8%	4.7%	3.1%
1987	\$19,608	\$19,182	\$16,265	\$44,714	\$42,918	\$35,096	3.2%	3.2%	1.5%
1988	\$21,403	\$20,900	\$17,426	\$46,017	\$44,535	\$36,107	2.9%	3.8%	2.9%
1989	\$22,437	\$22,218	\$18,653	\$45,632	\$44,840	\$36,873	-0.8%	0.7%	2.1%
1990	\$23,080	\$22,764	\$19,591	\$44,371	\$43,346	\$36,742	-2.8%	-3.3%	-0.4%
1991	\$23,468	\$23,056	\$19,985	\$43,219	\$41,992	\$35,967	-2.6%	-3.1%	-2.1%
1992	\$24,639	\$24,360	\$21,060	\$44,276	\$42,922	\$36,794	2.4%	2.2%	2.3%
1993	\$25,487	\$25,152	\$21,698	\$44,512	\$43,117	\$36,807	0.5%	0.5%	0.0%
1994	\$26,603	\$26,092	\$22,538	\$45,861	\$43,661	\$37,277	3.0%	1.3%	1.3%
1995	\$27,933	\$27,394	\$23,568	\$47,030	\$44,688	\$37,907	2.5%	2.4%	1.7%
1996	\$29,523	\$28,763	\$24,728	\$48,277	\$45,630	\$38,632	2.7%	2.1%	1.9%
1997	\$31,152	\$30,401	\$25,950	\$49,545	\$47,078	\$39,632	2.6%	3.2%	2.6%
1998	\$32,964	\$32,386	\$27,557	\$51,267	\$49,444	\$41,440	3.5%	5.0%	4.6%
1999	\$34,959	\$34,153	\$28,675	\$53,041	\$51,089	\$42,190	3.5%	3.3%	1.8%
2000	\$38,577	\$37,357	\$30,657	\$56,107	\$54,044	\$43,639	5.8%	5.8%	3.4%
2001	\$39,888	\$38,902	\$31,589	\$55,621	\$54,754	\$43,722	-0.9%	1.3%	0.2%
2002	\$39,621	\$38,890	\$31,832	\$53,843	\$53,631	\$43,372	-3.2%	-2.0%	-0.8%
2003	\$40,453	\$39,638	\$32,681	\$52,978	\$53,166	\$43,537	-1.6%	-0.9%	0.4%
2004	\$42,637	\$41,721	\$34,251	\$54,346	\$54,087	\$44,445	2.6%	1.7%	2.1%
2005	\$44,609	\$43,505	\$35,849	\$55,047	\$54,415	\$44,994	1.3%	0.6%	1.2%
2006	\$48,012	\$46,695	\$38,114	\$57,467	\$56,368	\$46,342	4.4%	3.6%	3.0%
2007	\$50,254	\$49,161	\$39,844	\$59,010	\$57,861	\$47,104	2.7%	2.6%	1.6%
2008	\$51,859	\$51,012	\$40,904	\$58,835	\$57,737	\$46,569	-0.3%	-0.2%	-1.1%
2009	\$50,962	\$50,158	\$39,284	\$58,211	\$56,762	\$44,884	-1.1%	-1.7%	-3.6%
2010	\$53,073	\$52,152	\$40,545	\$59,686	\$57,876	\$45,577	2.5%	2.0%	1.5%
2011	\$55,281	\$54,138	\$42,727	\$60,529	\$58,303	\$46,560	1.4%	0.7%	2.2%
2012	\$57,353	\$55,853	\$44,582	\$61,821	\$58,999	\$47,597	2.1%	1.2%	2.2%
2013	\$57,418	\$55,555	\$44,826	\$61,052	\$57,897	\$47,166	-1.2%	-1.9%	-0.9%
2014	\$59,943	\$57,963	\$47,025	\$62,726	\$59,587	\$48,690	2.7%	2.9%	3.2%
2015	\$63,522	\$60,631	\$48,940	\$66,075	\$62,399	\$50,613	5.3%	4.7%	3.9%
2016	\$65,186	\$62,033	\$49,831	\$66,822	\$63,174	\$50,893	1.1%	1.2%	0.6%
2017	\$67,630	\$64,303	\$51,640	\$67,630	\$64,303	\$51,640	1.2%	1.8%	1.5%

SOURCE: U.S. Bureau of Economic Analysis.

NOTE: Using midyear population estimates from the Census Bureau and two CPI-U series from the U.S. Bureau of Labor Statistics for price inflation.

Average Annual Pay. Massachusetts saw steady growth in average annual pay for most of the past fifteen years, adjusted for inflation. It lost ground in 2009, but resumed growth in 2010, and dropped slightly again in 2016. Payroll data are reported to the Quarterly Census of Employment and Wages (QCEW) by all employers covered under the Unemployment Insurance programs, and summary data are released. Average annual pay is computed by dividing the total annual payroll of employees covered by Unemployment Insurance programs by the average monthly number of employees from the data in the QCEW. Since 2005, average annual wages in the state have grown at an annual rate of 0.9 percent, compared to 0.7 percent for the nation. The level of average annual pay in Massachusetts in 2017 was 27 percent higher than the national average: \$69,929 compared to \$55,390.

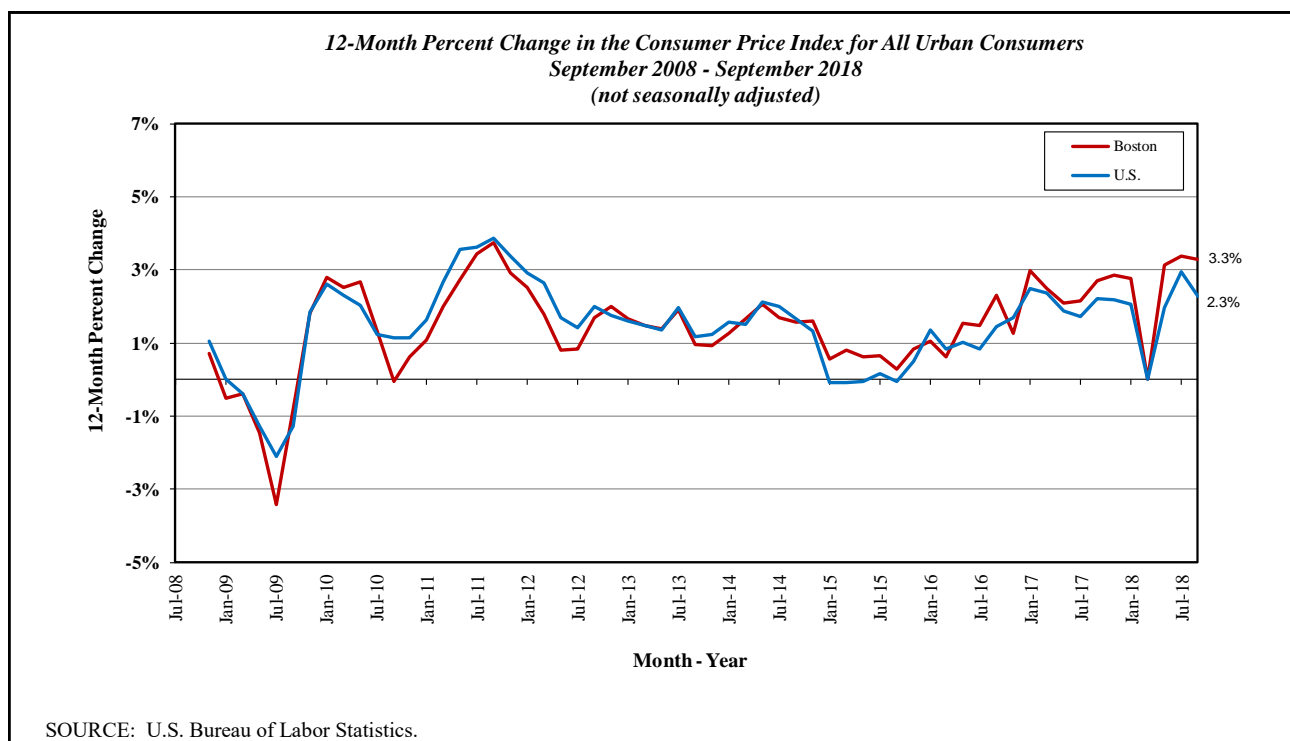
Annual Wage and Salary Disbursements. Wage and salary disbursements by place of work is a component of personal income and measures monetary disbursements to employees. This includes compensation of corporate officers, commissions, tips, bonuses, and receipts in-kind. Although the data are recorded on a place-of-work basis, they are then adjusted to a place-of-residence basis so that the personal income of the recipients whose place of residence differs from their place of work will be correctly assigned to their state of residence. The table below details Wage and Salary Disbursements since 1990. Between 1998 and 2000, the Massachusetts share of New England and overall U.S. totals increased. In subsequent years, the Massachusetts share of New England and the U.S. decreased slightly until 2006. Since then, Massachusetts' share of New England has risen steadily while its share of the U.S. has stayed roughly the same. In 2017, the shares were 53.4 and 3.0 percent respectively.

Annual Wage and Salary Disbursements, 1990-2017
(in billions of 2017 dollars)

Year	U.S.	N.E.	MA	MA as a pct. of N.E.	MA as a pct. of U.S.
1990	\$ 5,120	\$319	\$154	48.4%	3.0%
1991	\$ 5,043	\$304	\$147	48.3%	2.9%
1992	\$ 5,180	\$308	\$149	48.3%	2.9%
1993	\$ 5,207	\$309	\$150	48.5%	2.9%
1994	\$ 5,335	\$313	\$153	48.8%	2.9%
1995	\$ 5,491	\$322	\$158	49.0%	2.9%
1996	\$ 5,643	\$331	\$163	49.3%	2.9%
1997	\$ 5,914	\$349	\$172	49.3%	2.9%
1998	\$ 6,282	\$370	\$183	49.5%	2.9%
1999	\$ 6,557	\$389	\$195	50.2%	3.0%
2000	\$ 6,866	\$415	\$213	51.2%	3.1%
2001	\$ 6,851	\$414	\$210	50.7%	3.1%
2002	\$ 6,803	\$405	\$203	50.1%	3.0%
2003	\$ 6,839	\$404	\$201	49.6%	2.9%
2004	\$ 7,029	\$415	\$206	49.6%	2.9%
2005	\$ 7,139	\$415	\$205	49.4%	2.9%
2006	\$ 7,358	\$424	\$210	49.5%	2.9%
2007	\$ 7,558	\$437	\$218	49.9%	2.9%
2008	\$ 7,436	\$430	\$216	50.2%	2.9%
2009	\$ 7,131	\$413	\$208	50.3%	2.9%
2010	\$ 7,153	\$416	\$211	50.6%	2.9%
2011	\$ 7,209	\$419	\$213	50.8%	3.0%
2012	\$ 7,386	\$425	\$217	51.2%	2.9%
2013	\$ 7,476	\$429	\$221	51.4%	3.0%
2014	\$ 7,730	\$443	\$230	51.9%	3.0%
2015	\$ 8,116	\$464	\$243	52.5%	3.0%
2016	\$ 8,246	\$469	\$248	52.8%	3.0%
2017	\$ 8,448	\$477	\$255	53.4%	3.0%

SOURCE: U.S. Bureau of Economic Analysis.

Consumer Prices. Higher income levels in Massachusetts relative to the rest of the United States are offset to some extent by the higher cost of living in Massachusetts. The following graph presents consumer price trends for the Boston metropolitan area and the United States for the period between September 2008 and September 2018. The latest available data for September 2018 show that the CPI-U for the Boston area increased at a rate of 3.3 percent over September 2017. The U.S. index increased at a rate of 2.3 percent over the same period.



In 2009, the Boston metropolitan area and U.S. experienced their first monthly year-over-year declines in the CPI-U since 1954 and 1955, respectively. The 2017 U.S. CPI-U increased 12.4 percent since 2010 while Boston's CPI-U increased 12.5 percent during that period. Between 2014 and 2017, Boston's Consumer Price Index increased by 4.6 percent while in the United States as a whole, CPI-U increased by 3.5 percent. The table on the following page shows the annual average of the Consumer Price Index for All Urban Consumers (CPI-U) and the percentage change in that average from the previous year from 1970 through the present.

Consumer Price Index for All Urban Consumers (CPI-U)
1970-2017

(not seasonally adjusted; 1982-1984 base period average=100)

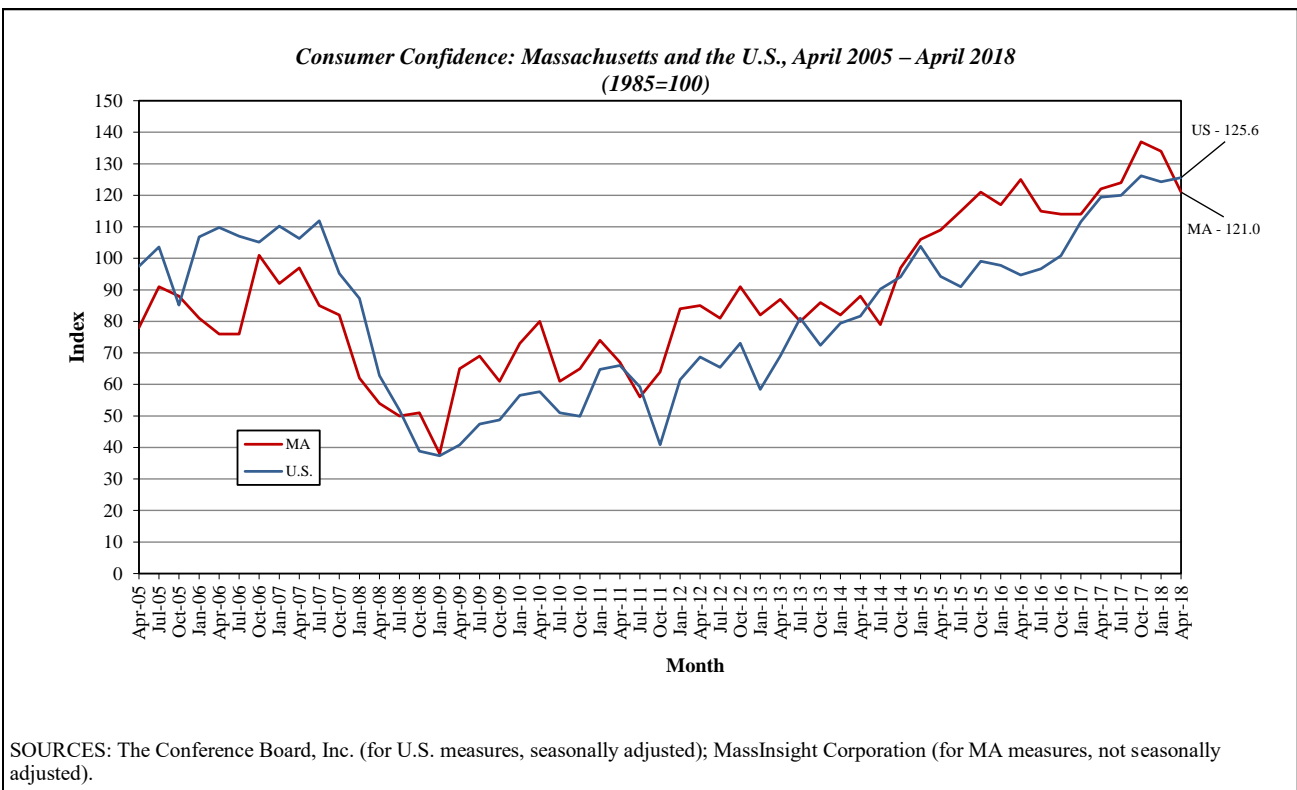
Year	Boston Metro Area		United States	
	CPI-U	Pct. Change	CPI-U	Pct. Change
1970	40.2		38.8	
1971	42.2	5.0%	40.5	4.4%
1972	43.7	3.6%	41.8	3.2%
1973	46.3	5.9%	44.4	6.2%
1974	51.2	10.6%	49.3	11.0%
1975	55.8	9.0%	53.8	9.1%
1976	60.0	7.5%	56.9	5.8%
1977	63.1	5.2%	60.6	6.5%
1978	66.4	5.2%	65.2	7.6%
1979	73.2	10.2%	72.6	11.3%
1980	82.6	12.8%	82.4	13.5%
1981	91.8	11.1%	90.9	10.3%
1982	95.5	4.0%	96.5	6.2%
1983	99.8	4.5%	99.6	3.2%
1984	104.7	4.9%	103.9	4.3%
1985	109.4	4.5%	107.6	3.6%
1986	112.2	2.6%	109.6	1.9%
1987	117.1	4.4%	113.6	3.6%
1988	124.2	6.1%	118.3	4.1%
1989	131.3	5.7%	124.0	4.8%
1990	138.9	5.8%	130.7	5.4%
1991	145.0	4.4%	136.2	4.2%
1992	148.6	2.5%	140.3	3.0%
1993	152.9	2.9%	144.5	3.0%
1994	154.9	1.3%	148.2	2.6%
1995	158.6	2.4%	152.4	2.8%
1996	163.3	3.0%	156.9	3.0%
1997	167.9	2.8%	160.5	2.3%
1998	171.7	2.3%	163.0	1.6%
1999	176.0	2.5%	166.6	2.2%
2000	183.6	4.3%	172.2	3.4%
2001	191.5	4.3%	177.1	2.8%
2002	196.5	2.6%	179.9	1.6%
2003	203.9	3.8%	184.0	2.3%
2004	209.5	2.7%	188.9	2.7%
2005	216.4	3.3%	195.3	3.4%
2006	223.1	3.1%	201.6	3.2%
2007	227.4	1.9%	207.3	2.8%
2008	235.4	3.5%	215.3	3.8%
2009	233.8	-0.7%	214.5	-0.4%
2010	237.4	1.6%	218.1	1.6%
2011	243.9	2.7%	224.9	3.2%
2012	247.7	1.6%	229.6	2.1%
2013	251.1	1.4%	233.0	1.5%
2014	255.2	1.6%	236.7	1.6%
2015	256.7	0.6%	237.0	0.1%
2016	260.5	1.5%	240.0	1.3%
2017	267.0	2.5%	245.1	2.1%

SOURCE: U.S. Bureau of Labor Statistics.

Consumer Confidence, Present Situation, and Future Expectations. These three measures offer multiple insights into consumer attitudes. The U.S. measures are compiled from a national monthly survey of 5,000 households and are published by The Conference Board, Inc. The survey for Massachusetts is conducted in a similar manner and the results are published by MassInsight, based on quarterly polling of 450 adult residents of Massachusetts. The "Present Situation" index measures consumers' appraisal of business and employment conditions at the time of the survey. The "Future Expectations" index focuses on consumers' expectations for six months hence regarding business and employment conditions, as well as expected family income. The overall "Consumer Confidence" index is a weighted average of the two sub-indices. Although the U.S. measures are compiled by a different source than the Massachusetts measures, according to the Federal Reserve Bank of Boston, the numbers are generally comparable. A score of 100 is considered neutral.

According to the Conference Board, consumer confidence nationally reached a six-year high of 127.9 in July 2018. The all-time quarterly low reading was 37.4 in January 2009. The Massachusetts index has generally been higher than the U.S. index since sharing lows in January 2009, except for brief periods as they tracked closely together in 2011 and experienced slight dips in July of 2013 and 2014 and April 2018.

In the fourth quarter of FY 2018, Consumer Confidence for Massachusetts declined to 121.0, down from 134.0 in the previous quarter. The U.S. has surpassed its pre-recessionary (2007) levels and stood at 125.6 in the fourth quarter of FY 2018. The following graph and table detail the recent record of these measures.

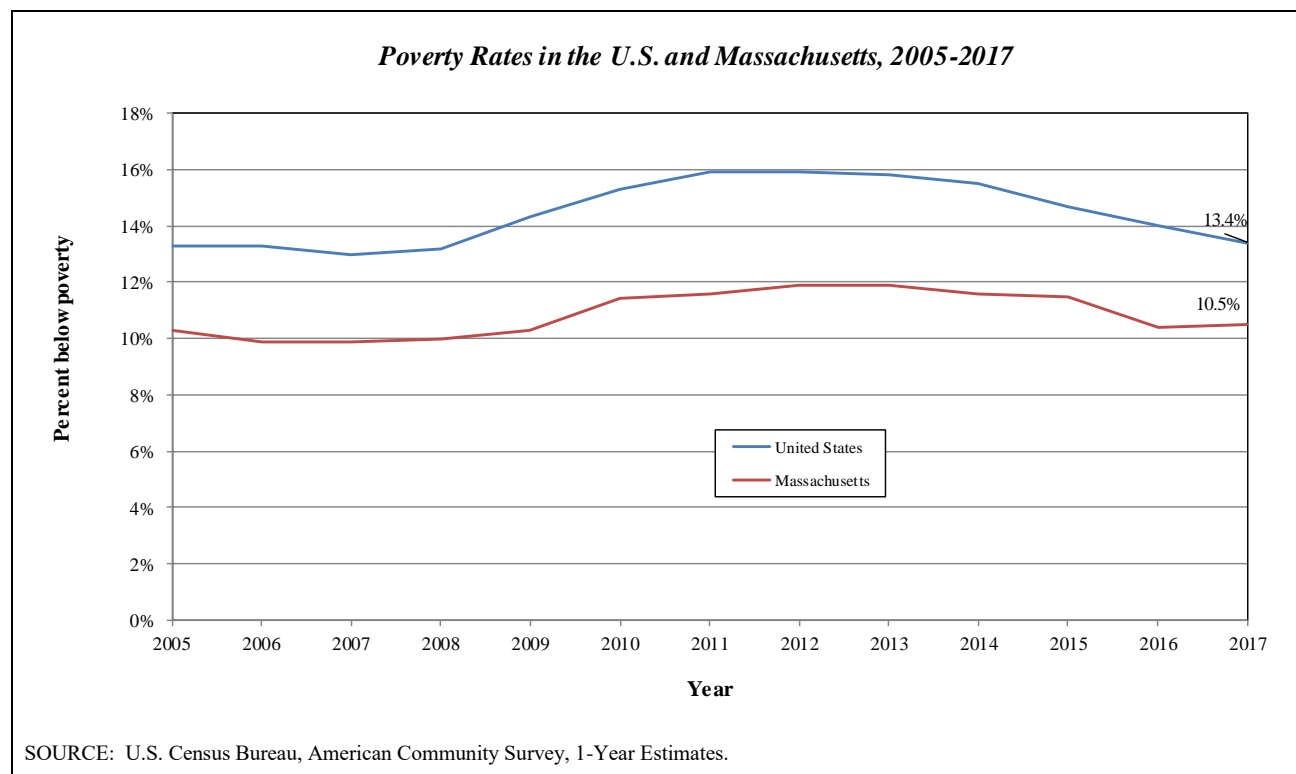


***Consumer Confidence, Present Situation, and Future
Expectations for Massachusetts and the U.S.
(1985=100)***

	Consumer Confidence		Present Situation		Future Expectations	
	MA	U.S.	MA	U.S.	MA	U.S.
Oct-05	88.0	85.2	80.0	107.8	95.0	70.1
Jan-06	81.0	106.8	71.0	128.8	87.0	92.1
Apr-06	76.0	109.8	77.0	136.2	76.0	92.3
Jul-06	76.0	107.0	68.0	134.2	81.0	88.9
Oct-06	101.0	105.1	86.0	125.1	111.0	91.9
Jan-07	92.0	110.2	74.0	133.9	104.0	94.4
Apr-07	97.0	106.3	89.0	133.5	102.0	88.2
Jul-07	85.0	111.9	80.0	138.3	90.0	94.4
Oct-07	82.0	95.2	76.0	118.0	86.0	80.0
Jan-08	62.0	87.3	49.0	114.3	71.0	69.3
Apr-08	54.0	62.8	35.0	81.9	67.0	50.0
Jul-08	50.0	51.9	24.0	65.8	68.0	42.7
Oct-08	51.0	38.8	27.0	43.5	66.0	35.7
Jan-09	38.0	37.4	9.0	29.7	58.0	42.5
Apr-09	65.0	40.8	24.0	25.5	92.0	51.0
Jul-09	69.0	47.4	16.0	23.3	105.0	63.4
Oct-09	61.0	48.7	14.0	21.1	93.0	67.0
Jan-10	73.0	56.5	14.0	25.2	112.0	77.3
Apr-10	80.0	57.7	22.0	28.2	119.0	77.4
Jul-10	61.0	51.0	16.0	26.4	91.0	67.5
Oct-10	65.0	49.9	15.0	23.5	99.0	67.5
Jan-11	74.0	64.8	17.0	31.1	112.0	87.3
Apr-11	67.0	66.0	24.0	40.2	96.0	83.2
Jul-11	56.0	59.2	20.0	35.7	80.0	74.9
Oct-11	64.0	40.9	24.0	27.1	91.0	50.0
Jan-12	84.0	61.5	34.0	38.8	118.0	76.7
Apr-12	85.0	68.7	41.0	51.2	114.0	80.4
Jul-12	81.0	65.4	40.0	45.9	109.0	78.4
Oct-12	91.0	73.1	48.0	56.7	120.0	84.0
Jan-13	82.0	58.4	48.0	56.2	105.0	59.9
Apr-13	87.0	69.0	54.0	61.0	109.0	74.3
Jul-13	80.0	81.0	56.0	73.6	97.0	86.0
Oct-13	86.0	72.4	64.0	72.6	101.0	72.2
Jan-14	82.0	79.4	55.0	77.3	99.0	80.8
Apr-14	88.0	81.7	66.0	78.5	103.0	83.9
Jul-14	79.0	90.3	69.0	87.9	86.0	91.9
Oct-14	97.0	94.1	76.0	94.4	111.0	93.8
Jan-15	106.0	103.8	84.0	113.9	120.0	97.0
Apr-15	109.0	94.3	94.0	105.1	119.0	87.1
Jul-15	115.0	91.0	115.0	104.0	115.0	82.3
Oct-15	121.0	99.1	118.0	114.6	123.0	88.7
Jan-16	117.0	97.8	122.0	116.6	114.0	85.3
Apr-16	125.0	94.7	129.0	117.1	123.0	79.7
Jul-16	115.0	96.7	120.0	118.8	111.0	82.0
Oct-16	114.0	100.8	120.0	123.1	111.0	86.0
Jan-17	114.0	111.6	128.0	130.0	104.0	99.3
Apr-17	122.0	119.4	139.0	140.3	111.0	105.4
Jul-17	124.0	120.0	133.0	145.4	118.0	103.0
Oct-17	137.0	126.2	143.0	152.0	133.0	109.0
Jan-18	134.0	124.3	147.0	154.7	126.0	104.0
Apr-18	121.0	125.6	141.0	157.5	107.0	104.3

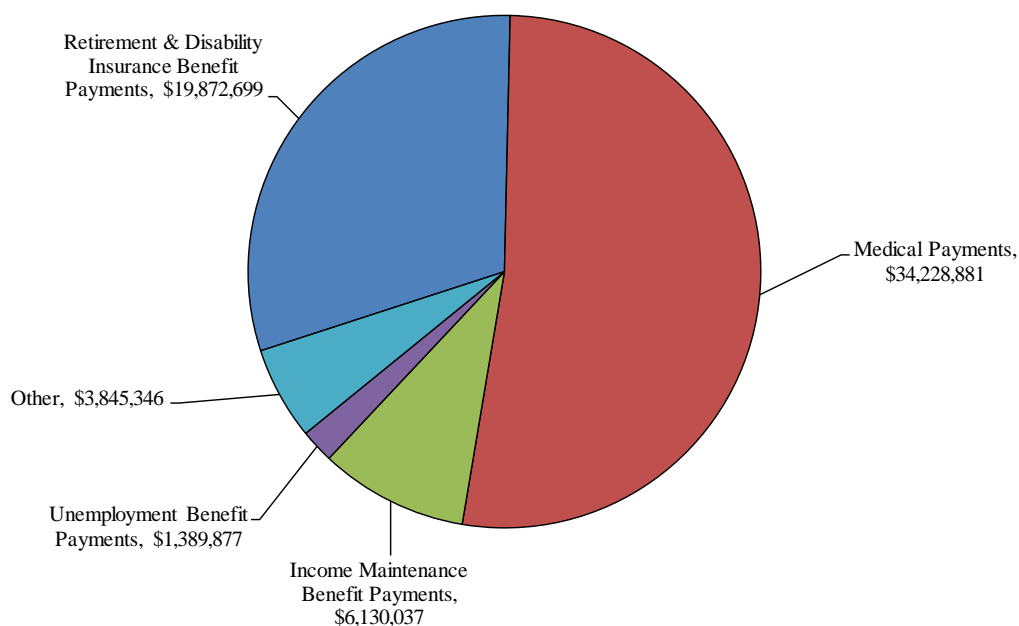
SOURCES: The Conference Board, Inc. (for U.S. measure, seasonally adjusted); Mass Insight Corporation (for MA measures, not seasonally adjusted).

Poverty. Since 2005, the Massachusetts poverty rate, which was 10.5 percent in 2017, has been three to four percentage points lower than the national average, which was 13.4 percent in 2017. Massachusetts ranked 43rd out of the 50 states and the District of Columbia in 2017, for percent of persons whose ratio of income to the poverty level was below 100 percent in the past 12 months. Poverty status is not determined for all people. Institutionalized people, people in military quarters, people in college dormitories, and unrelated individuals under 15 years old are excluded.



Transfer Payments. Transfer payment income is payment to individuals from all levels of government and from businesses for which no current services are performed, including payments to nonprofit institutions serving individuals. These payments accounted for 14.5 percent of total personal income in Massachusetts in 2017, decreasing from 14.9 percent in 2016. The chart below does not include transfer payments from businesses or payments to non-profit organizations. Total transfer payments to individuals in Massachusetts from governments and businesses totaled \$67.1 billion for 2017, adjusted for inflation. Fifty one percent of government transfer payments to individuals were medical payments, down from 51.6 percent in 2016.

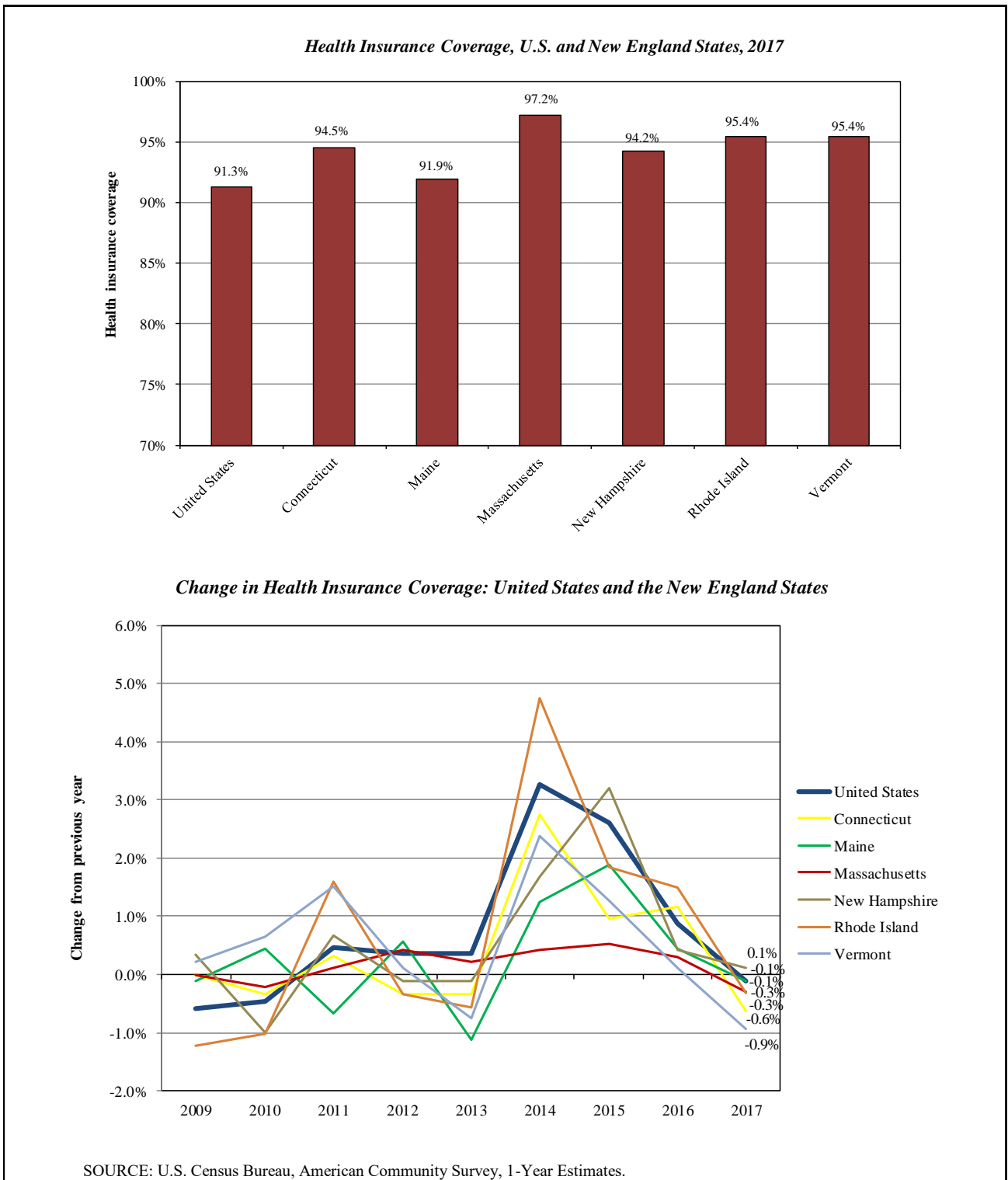
***Transfer Payments from Governments to Individuals in
Massachusetts in 2017
(From Annual State Personal Income Estimates)
(in thousands of 2017 dollars)***



SOURCE: U.S. Bureau of Economic Analysis, Annual State Personal Income Estimates.

NOTE: The category "other" includes veterans' benefit payments, federal education and training assistance payments, and a small residual of miscellaneous other payments to individuals.

Health Insurance Coverage. Massachusetts leads the nation in the percent of individuals with health insurance coverage. Massachusetts passed legislation in 2006 mandating universal coverage in the Commonwealth. In 2017, 97.2 percent of the civilian non-institutionalized population was covered in the state by either private or public insurance, compared with 91.3 percent nationwide. Massachusetts also leads the other New England states in coverage, with Rhode Island and Vermont as the next closest at 95.4 percent. All of the New England states have higher rates of coverage than the nation. These data do not indicate the comprehensiveness of coverage, however.

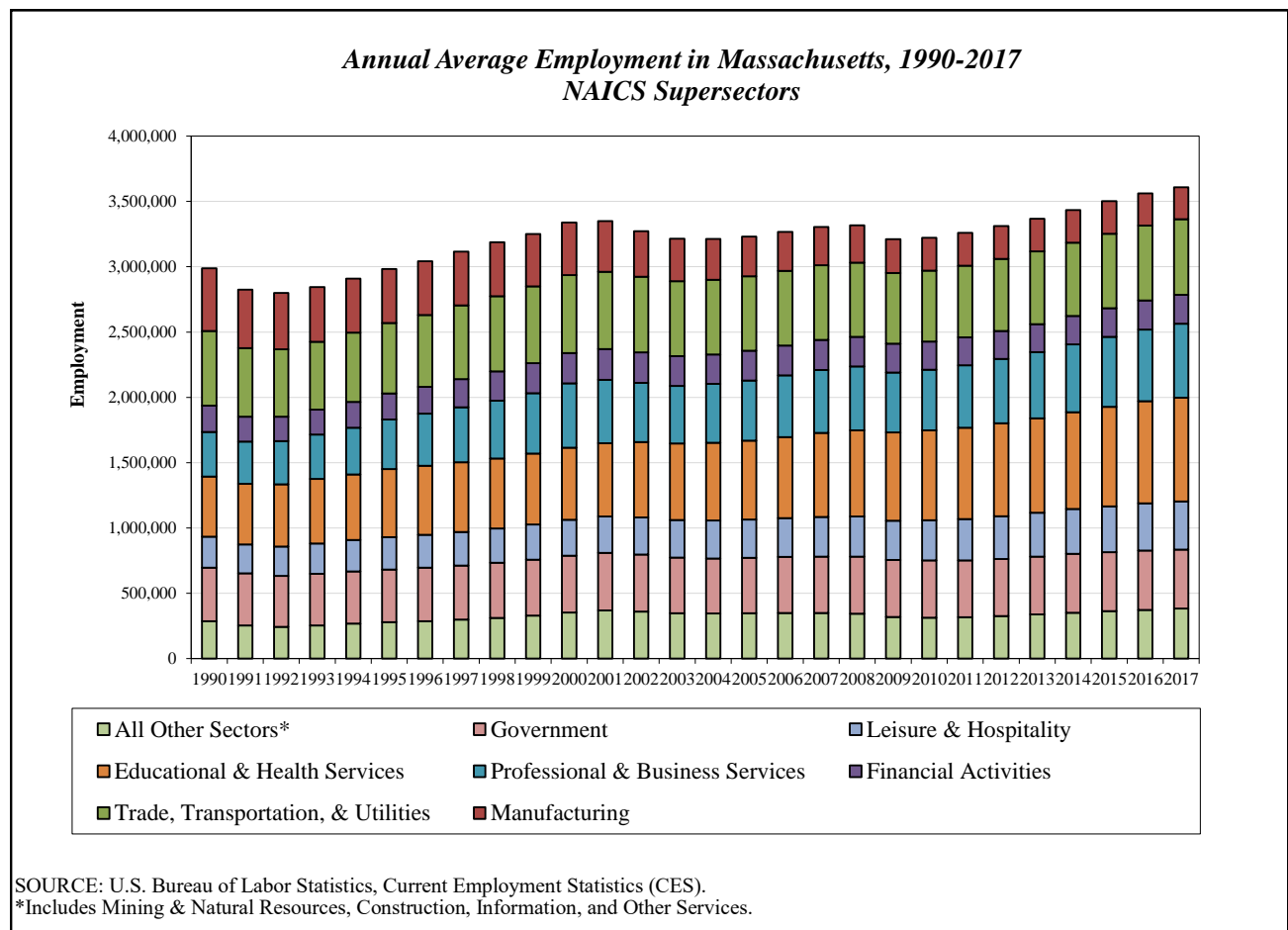


EMPLOYMENT

Employment by Industry. The chart on this page shows the annual level of non-agricultural payroll employment in Massachusetts based on the North American Industry Classification System (NAICS) for the seven largest NAICS supersectors starting with 1990, the earliest year for which NAICS data are available. The chart on the following page compares the supersector shares for 2017 with the corresponding shares for 1997. Like many industrial states, Massachusetts has seen a steady decline of its manufacturing jobs base over the last two decades, not only as a share of total employment, but in absolute numbers of jobs as well. Several NAICS service sectors, Education and Health Services, Professional and Business Services, and Leisure and Hospitality have grown to take the place of manufacturing in driving the Massachusetts economy and now account for almost half of total payroll employment, while Financial Activities, Government, Information, and Trade, Transportation & Utilities have remained relatively level or declined in share.

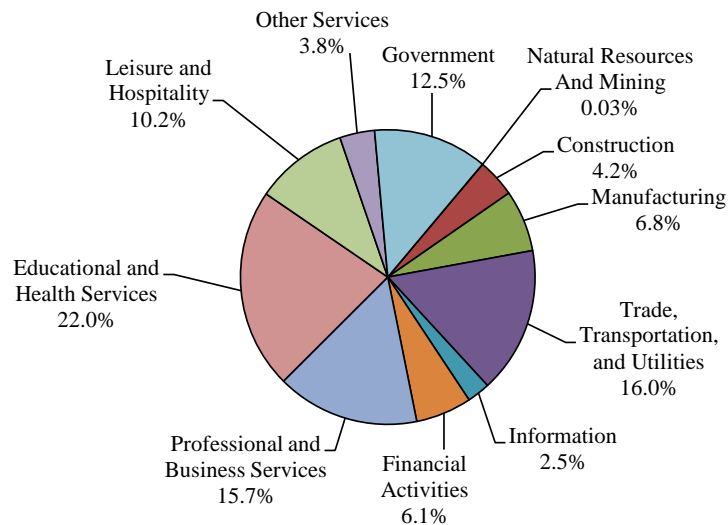
After significant declines in 2009, total non-agricultural employment in Massachusetts eventually increased 0.4 percent and continued to grow steadily, with nonfarm employment increasing 1.3 percent in 2017. With an annual average slightly over 3.6 million nonfarm employees, 2017 had the highest numbers to date.

After years of moderate but steady declines or near-zero growth in the late nineties and early 2000s, manufacturing employment in the state experienced steep annual declines in 2002 (10.3 percent) and 2003 (7.0 percent) before returning to more moderate declines in 2004 (3.5 percent). After a steep drop of 9.6 percent in 2009, the decline returned to a less dramatic 2.4 percent in 2010. August 2018 saw manufacturing employment increase by 2 percent since August of 2017. The 2017 manufacturing employment total was slightly lower than 2016 (244.2 thousand compared to 245.5).

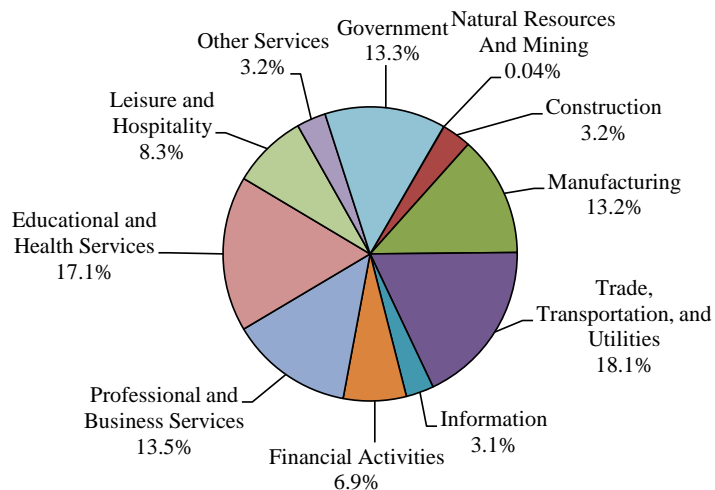


**Massachusetts Nonfarm Payroll Employment
(NAICS Industry Basis)**

NAICS Supersectors: 2017 Share



NAICS Supersectors: 1997 Share



SOURCE: U.S. Bureau of Labor Statistics, Current Employment Statistics (CES).

Largest Employers in Massachusetts. The following inset lists the 19 largest private employers in Massachusetts based upon employment covered by the Unemployment Insurance system for FY 2017. The 2017 list is nearly identical to the 2016 list, except that Big Y Foods, Inc. is now among the top 19 and South Coast Hospitals is no longer in the top listing. The list does not include employers whose headquarters are located outside of Massachusetts, and it may not include some employers who do business in the state under multiple legal names or register each facility as a separate employer.

Largest Private Employers Headquartered in Massachusetts in FY 2017 (listed alphabetically)	
Bay State Medical Center, Inc.	Partners Healthcare Systems, Inc.
Beth Israel Deaconess Medical Center	President and Fellows of Harvard College
Big Y Foods, Inc.	Raytheon Company
Boston Medical Center Corporation	The Stop & Shop Supermarkets Corporation
Boston University	Shaw's Supermarkets, Inc.
Brigham & Women's Hospital, Inc.	State Street Bank & Trust Company
DeMoulas Supermarkets, Inc.	The Children's Hospital Corporation
EMC Corporation	The TJX Companies, Inc.
General Hospital Corporation	UMass Memorial Medical Center, Inc.
Massachusetts Institute of Technology	
<p>SOURCE: FY2017 Commonwealth of Massachusetts Comprehensive Annual Financial Report (CAFR), p. 205 (http://www.macomptroller.info/comptroller/docs/reports-audits/cafr/cafr-fy17.pdf).</p> <p>NOTE: This alphabetic listing includes private employers reporting large numbers of jobs covered by the MA unemployment insurance program. The information is based on the 2016 employment for employers as registered for unemployment insurance. The list may not include those employers who do business in Massachusetts under multiple legal corporations and those who register each store, facility or franchise as a separate employer. In addition, Bank of America NA, Home Depot USA, Inc., Massachusetts CVS Pharmacy LLC, Target Corp, United Parcel Service, Inc., Wal-Mart Associates, Inc., and Verizon New England are all large Massachusetts employers, but are headquartered outside of Massachusetts.</p>	

Massachusetts Companies in the Fortune 500 List. Massachusetts is home to twelve Fortune 500 companies headquartered here. When comparing the 2018 Fortune 500 list to the 2017 list, seven Massachusetts companies gained and five lost rank. American Tower located in Boston, climbed 30 places on the list, while Springfield-based Mass Mutual Life Insurance fell 16 places. General Electric relocated its headquarters from Fairfield, CT to Boston in May 2017 and leads the top Fortune 500 companies in the state with \$122.3 billion in revenues.

Massachusetts Companies in the Fortune 500				
Rank 2018	Rank 2017	Company (location)	Industry	2018 revenues (billions)
18	13	General Electric (Boston)	Industrial Machinery	\$122.3
68	75	Liberty Mutual Ins. Group (Boston)	Insurance: Property & Casualty (Stock)	\$42.7
85	87	TJX (Framingham)	Specialty Retailers: Apparel	\$35.9
93	77	Mass. Mutual Life Ins. (Springfield)	Insurance: Life, Health (Mutual)	\$33.5
119	116	Raytheon (Waltham)	Aerospace and Defense	\$25.3
144	154	Thermo Fisher Scientific (Waltham)	Scientific, Photo & Control Equipment	\$20.9
245	248	Biogen (Weston)	Pharmaceuticals	\$12.3
259	271	State Street Corp. (Boston)	Commercial Banks	\$11.8
328	327	Boston Scientific (Natick)	Medical Products & Equipment	\$9.0
331	334	Global Partners (Waltham)	Wholesalers: Diversified	\$8.9
364	358	Eversource Energy (Springfield)	Utilities: Gas and Electric	\$7.8
419	449	American Tower (Boston)	Real Estate	\$6.7

SOURCE: *Forbes*, June 2018 issue.

Unemployment Insurance Trust Fund. The unemployment insurance system is a federal-state cooperative program established by the Social Security Act and the Federal Unemployment Tax Act to provide for the payment of benefits to eligible individuals when they become unemployed through no fault of their own. Benefits are paid from the Commonwealth's Unemployment Insurance Trust Fund, financed through employer contributions. The assets and liabilities of the Commonwealth Unemployment Insurance Trust Fund are not assets and liabilities of the Commonwealth.

As of July 31, 2018, the preliminary Massachusetts Unemployment Trust Fund had a balance of \$1.404 billion. This balance is the sum of the private contributory account balance of \$1 million and the government contributory portion of \$113 million. This compares to the July 31, 2016 balance of \$1 billion with a private contributory portion of \$931 million. The August 2018 Unemployment Insurance Trust Fund report indicated that the private contributory account balance was estimated to be \$749 million by the end of 2022 according to the Moody's-based outlook.

Unemployment. The unemployment rate in Massachusetts was consistently below or equal to the national average from mid-1995 through September 2005, with similar patterns of gradual improvement after the mid-2003 peak. The Massachusetts rate was greater than or equal to the U.S. rate for 19 months between January 2006 and June 2007, but has not exceeded the U.S. rate since then. The Massachusetts rate peaked at 9.6 percent in January 2010, the same month that the U.S. rate peaked at 10.6 percent. From July 2007 onward, the state rate remained equal to or below the comparable (not seasonally adjusted) U.S. unemployment rate.

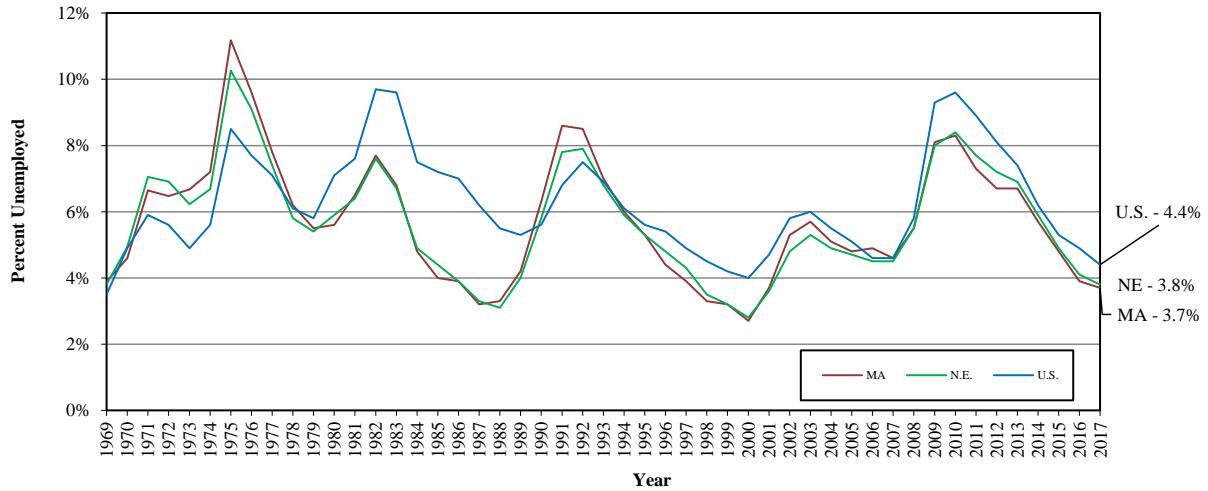
Since reaching 6.7 percent in January 2014, the Massachusetts unemployment rate has gradually declined to 3.5 percent in August 2018, below the national rate of 3.9 percent. The tables and graphs on the following two pages compare the unemployment rate in the state with those in New England and the U.S.

Annual Average Civilian Labor Force and Unemployment, 1969-2017
(in thousands)

Year	Civilian Labor Force			Unemployed			Unemployment Rate			MA Rate as Pct. of U.S.
	MA	N.E.	U.S.	MA	N.E.	U.S.	MA	N.E.	U.S.	
1969	2,581	5,201	80,734	100	198	2,832	3.9%	3.8%	3.5%	111.2%
1970	2,465	5,128	82,771	113	253	4,093	4.6%	4.9%	4.9%	93.7%
1971	2,459	5,157	84,382	163	364	5,016	6.6%	7.1%	5.9%	112.7%
1972	2,487	5,260	87,034	161	363	4,882	6.5%	6.9%	5.6%	115.6%
1973	2,557	5,387	89,429	171	336	4,365	6.7%	6.2%	4.9%	136.1%
1974	2,637	5,514	91,949	190	368	5,156	7.2%	6.7%	5.6%	128.5%
1975	2,725	5,633	93,775	305	578	7,929	11.2%	10.3%	8.5%	131.5%
1976	2,722	5,706	96,158	262	518	7,406	9.6%	9.1%	7.7%	124.7%
1977	2,763	5,821	99,009	215	433	6,991	7.8%	7.4%	7.1%	109.9%
1978	2,814	5,936	102,251	175	344	6,202	6.2%	5.8%	6.1%	101.6%
1979	2,853	6,071	104,962	157	328	6,137	5.5%	5.4%	5.8%	94.8%
1980	2,868	6,148	106,940	162	363	7,637	5.6%	5.9%	7.1%	78.9%
1981	2,942	6,259	108,670	190	403	8,273	6.5%	6.4%	7.6%	85.5%
1982	2,987	6,341	110,204	231	482	10,678	7.7%	7.6%	9.7%	79.4%
1983	2,997	6,392	111,550	202	428	10,717	6.8%	6.7%	9.6%	70.8%
1984	3,037	6,525	113,544	145	319	8,539	4.8%	4.9%	7.5%	64.0%
1985	3,051	6,633	115,461	121	289	8,312	4.0%	4.4%	7.2%	55.6%
1986	3,066	6,726	117,834	119	264	8,237	3.9%	3.9%	7.0%	55.7%
1987	3,094	6,825	119,865	100	227	7,425	3.2%	3.3%	6.2%	51.6%
1988	3,141	6,909	121,669	103	216	6,701	3.3%	3.1%	5.5%	60.0%
1989	3,176	7,007	123,869	132	277	6,528	4.2%	4.0%	5.3%	79.2%
1990	3,206	7,109	125,840	202	412	7,047	6.3%	5.8%	5.6%	112.5%
1991	3,195	7,117	126,346	275	554	8,628	8.6%	7.8%	6.8%	126.5%
1992	3,181	7,102	128,105	269	564	9,613	8.5%	7.9%	7.5%	113.3%
1993	3,174	7,051	129,200	222	481	8,940	7.0%	6.8%	6.9%	101.4%
1994	3,201	7,033	131,056	193	415	7,996	6.0%	5.9%	6.1%	98.4%
1995	3,215	7,049	132,304	170	374	7,404	5.3%	5.3%	5.6%	94.6%
1996	3,241	7,118	133,943	144	340	7,236	4.4%	4.8%	5.4%	81.5%
1997	3,306	7,220	136,297	130	312	6,739	3.9%	4.3%	4.9%	79.6%
1998	3,341	7,264	137,673	110	254	6,210	3.3%	3.5%	4.5%	73.3%
1999	3,354	7,327	139,368	107	234	5,880	3.2%	3.2%	4.2%	76.2%
2000	3,330	7,335	142,583	90	205	5,692	2.7%	2.8%	4.0%	67.5%
2001	3,381	7,394	143,734	126	267	6,801	3.7%	3.6%	4.7%	78.7%
2002	3,431	7,476	144,863	181	360	8,378	5.3%	4.8%	5.8%	91.4%
2003	3,422	7,504	146,510	195	401	8,774	5.7%	5.3%	6.0%	95.0%
2004	3,396	7,478	147,401	175	363	8,149	5.1%	4.9%	5.5%	92.7%
2005	3,384	7,521	149,320	164	352	7,591	4.8%	4.7%	5.1%	94.1%
2006	3,413	7,605	151,428	167	345	7,001	4.9%	4.5%	4.6%	106.5%
2007	3,426	7,648	153,124	158	344	7,078	4.6%	4.5%	4.6%	100.0%
2008	3,452	7,704	154,287	191	426	8,924	5.5%	5.5%	5.8%	94.8%
2009	3,470	7,729	154,142	281	620	14,265	8.1%	8.0%	9.3%	87.1%
2010	3,480	7,751	153,889	289	649	14,825	8.3%	8.4%	9.6%	86.5%
2011	3,469	7,738	153,617	252	597	13,747	7.3%	7.7%	8.9%	82.0%
2012	3,485	7,730	154,975	233	559	12,506	6.7%	7.2%	8.1%	82.7%
2013	3,513	7,730	155,389	236	533	11,460	6.7%	6.9%	7.4%	90.5%
2014	3,566	7,799	155,922	204	457	9,617	5.7%	5.9%	6.2%	91.9%
2015	3,588	7,808	157,130	172	381	8,296	4.8%	4.9%	5.3%	90.6%
2016	3,611	7,853	159,187	140	326	7,751	3.9%	4.1%	4.9%	79.6%
2017	3,657	7,922	160,320	136	303	6,982	3.7%	3.8%	4.4%	84.1%

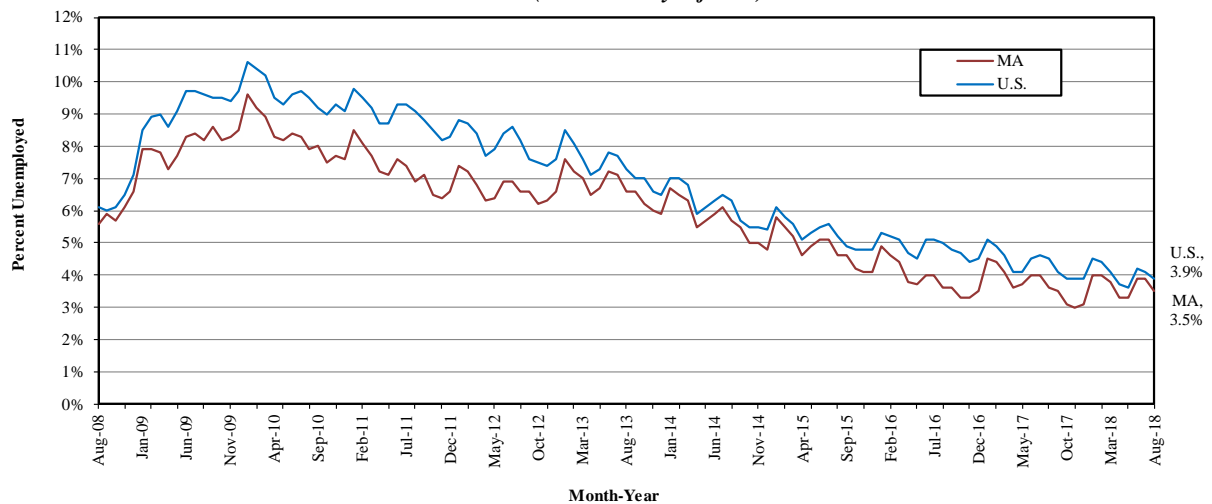
SOURCES: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS) and Current Population Survey (CPS).

Annual Average Unemployment Rate, 1969-2017
Massachusetts, New England, and the United States



SOURCE: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS).

Monthly Unemployment Rate, August 2008 - August 2018
Massachusetts and the United States
(not seasonally adjusted)

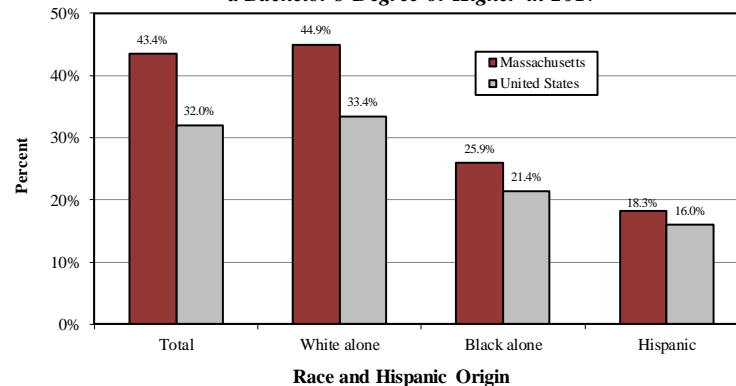


SOURCES: Massachusetts Executive Office of Labor and Workforce Development and U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS).

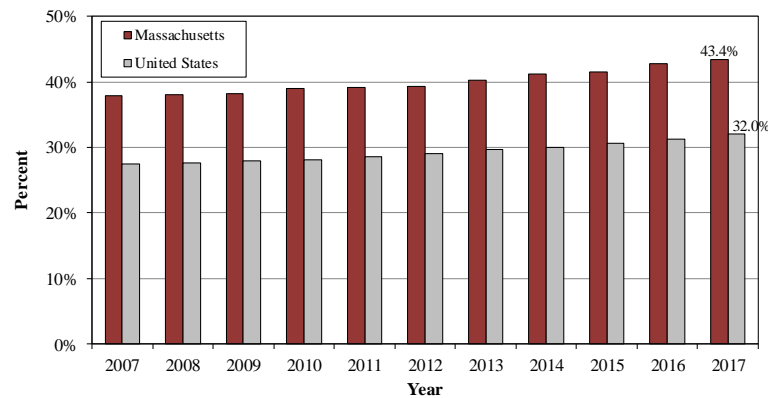
EDUCATION AND TECHNOLOGY

Educational Attainment. The availability of a skilled and well-educated population is an important resource for the Commonwealth. Only the District of Columbia had a higher percentage of adults with a bachelor's degree or higher in 2017, according to the Census Bureau's American Community Survey (ACS). The Census also reported that Massachusetts ranked 31st in persons who had not completed high school, at 9.2 percent of the population age 25 or older, less than the national average of 12.0 percent. Massachusetts' black and Hispanic populations achieved college degrees at a lower rate than its white population, but their rates were higher than their national averages. The most current ACS data are shown below.

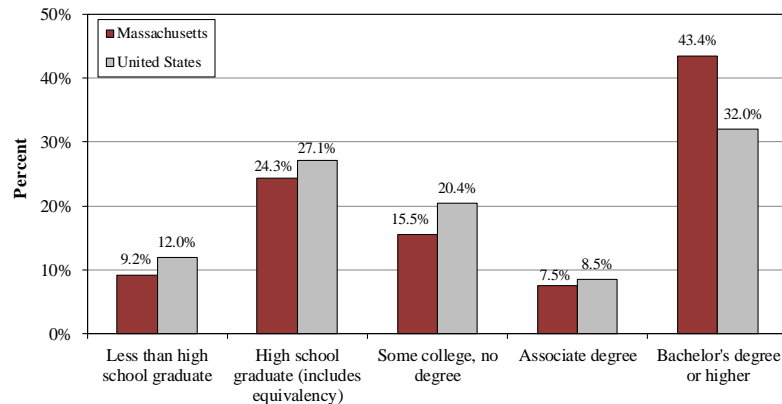
Persons in the U.S. and Massachusetts 25 Years and Older with a Bachelor's Degree or Higher in 2017



Percent of Persons 25 Years and Older in the U.S. and Massachusetts with a Bachelor's Degree or Higher, 2007-2017



Educational Attainment of Persons 25 Years and Older in the U.S. and Massachusetts in 2017



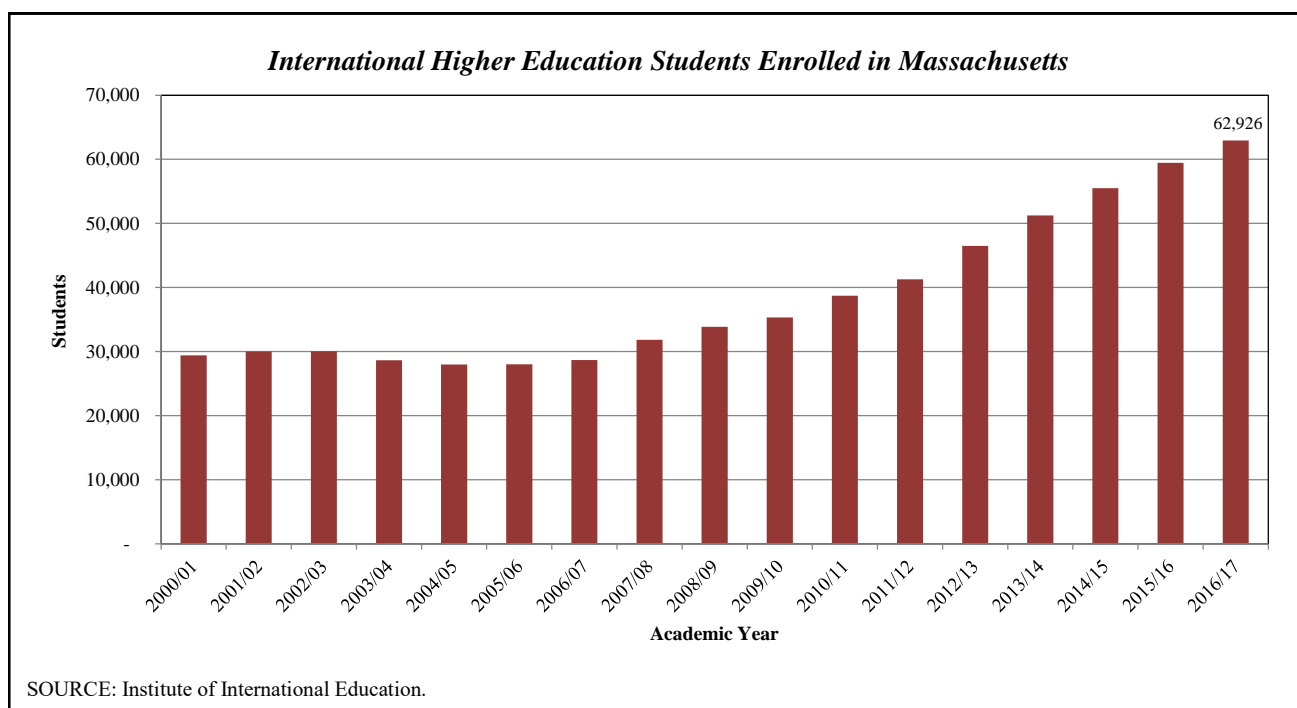
SOURCE: U.S. Census Bureau, American Community Survey, 1-Year Estimates

Higher Education Data. The table below compares Massachusetts residents' higher education enrollment by race and Hispanic origin to the U.S. There were 1.8 percent fewer people enrolled in college in the U.S. in 2017 compared to 2016. The proportion of total enrollment in Massachusetts also fell by 0.4 percent.

<i>Higher Education Enrollment by Race and Hispanic Origin in 2017</i>						
	Total	White alone	Black alone	Asian alone	All other races	Hispanic or Latino
United States	22,294,251	66.6%	14.6%	8.9%	9.9%	18.1%
Massachusetts	583,898	70.3%	10.4%	11.8%	7.5%	11.5%

SOURCE: U.S. Census Bureau, American Community Survey, 1-Year Estimates
 NOTE: The Hispanic or Latino Origin category includes all Hispanics in the population regardless of race and therefore should not be added to the other categories to avoid double-counting races.

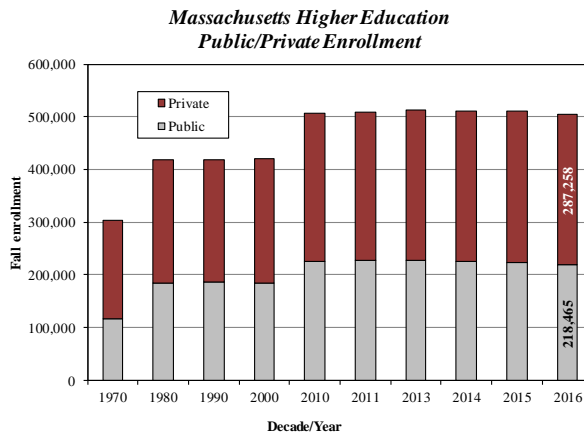
Survey data released by the Institute of International Education state that 62,926 foreign students were enrolled in Massachusetts colleges and universities in the 2016/2017 school year. This was an increase of 5.9 percent from the previous year. The national enrollment increased 3.4 percent. Massachusetts remains fourth ranked among states for foreign student enrollment.



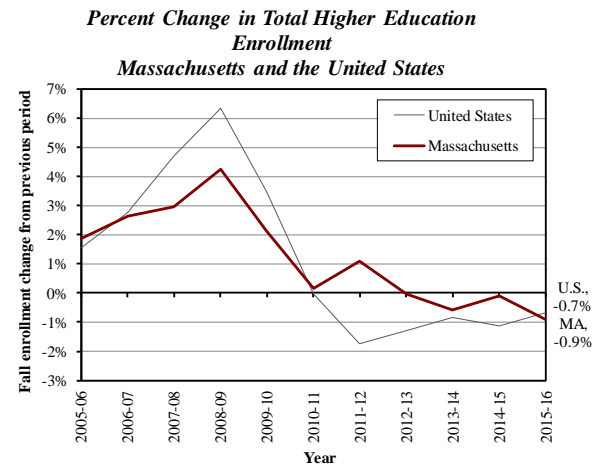
The graphs and table on the following page provide information about higher education enrollment, degrees conferred, and research and development expenditures at colleges and universities.

U.S. Department of Education data show that from 2015 to 2016, higher education enrollment decreased 0.7 percent in the United States and 0.9 percent at Massachusetts institutions. During the 2000-2016 period, enrollment in public higher education increased 24.1 percent in the United States and 19.2 percent at Massachusetts institutions. Enrollment in private institutions increased 47.7 percent in the United States and 20.8 percent at Massachusetts institutions.

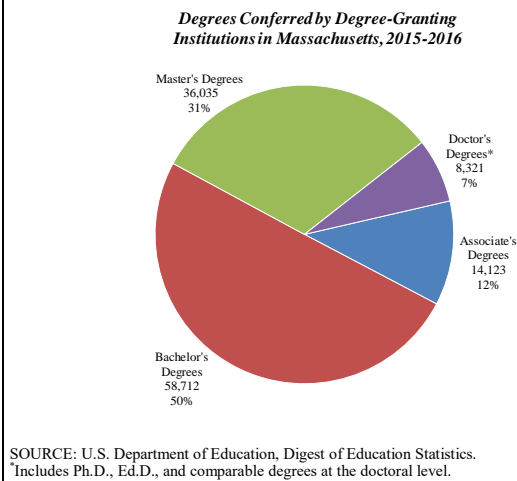
Research and development expenditures at universities and colleges increased 22 percent in the United States and 42 percent in Massachusetts between 2006 and 2016.



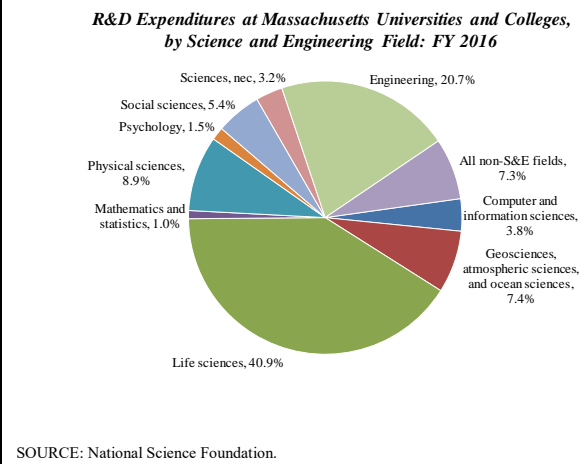
SOURCE: U.S. Department of Education, Digest of Education Statistics.



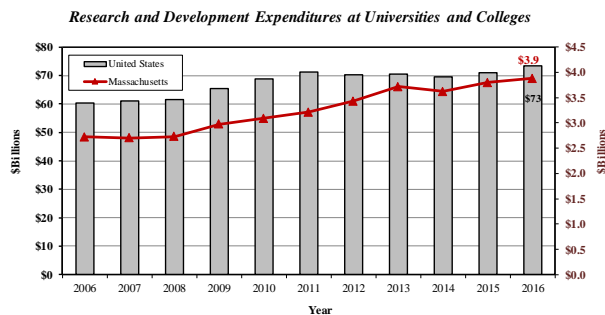
SOURCE: U.S. Department of Education, Digest of Education Statistics.



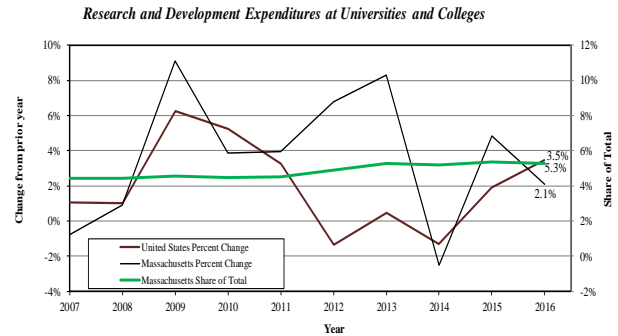
SOURCE: U.S. Department of Education, Digest of Education Statistics.
*Includes Ph.D., Ed.D., and comparable degrees at the doctoral level.



SOURCE: National Science Foundation.



SOURCE: National Science Foundation.



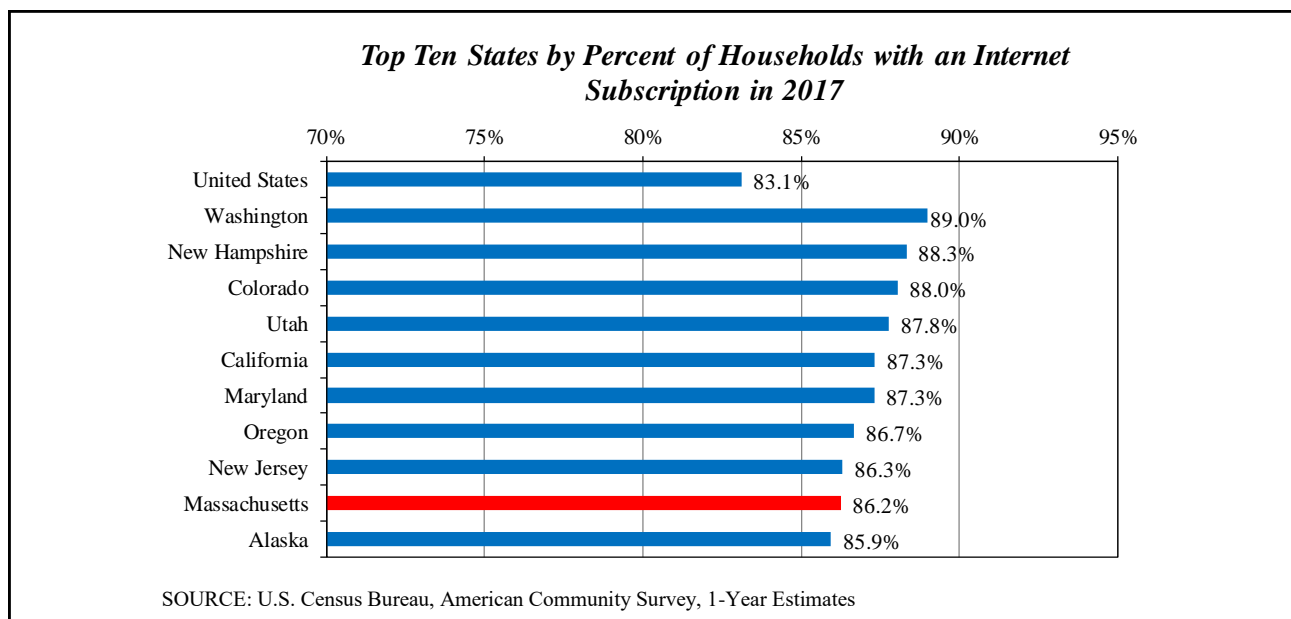
SOURCE: National Science Foundation.

Current Massachusetts Higher Education Rank Among States and the District of Columbia					
Enrollment - 2016 MA Rank	Degrees Awarded - 2016 MA Rank	Research & Development\$ - FY 2016	MA Rank		
Total	13	Total	8	All R&D expenditures	6
Public	23	Associate's	22	Computer and information sciences	6
Private	4	Bachelor's	8	Engineering	2
		Master's	5	Geosciences, atmospheric sciences, and ocean sciences	5
		Professional/Doctorate	7	Life sciences	2
				Mathematics and statistics	7
				Physical sciences	7
				Psychology	3
				Sciences, nec	2
				Social sciences	7

SOURCE: U.S. DOE Digest of Education Statistics.

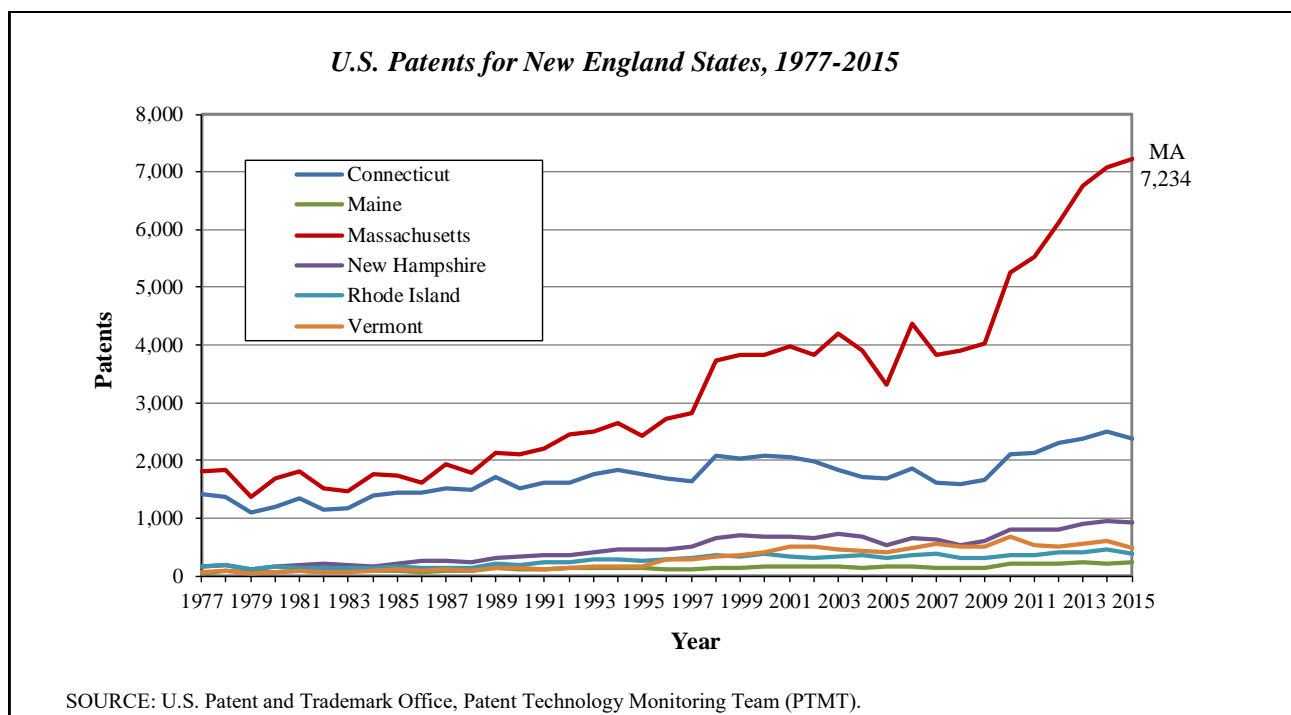
SOURCE: National Science Foundation

Internet Access. Massachusetts has the ninth highest household internet subscription rate in the U.S., according to the Census Bureau's 2017 American Community Survey.



Patents. The U.S. Patent and Trademark Office notes: “This report shows the number of U.S. patent documents (i.e., utility patents, design patents, plant patents, reissue patents, defensive publications, and statutory invention registrations) granted since 1977, broken down by the state or country of origin (patent origin is determined by the residence of the first-named inventor).”

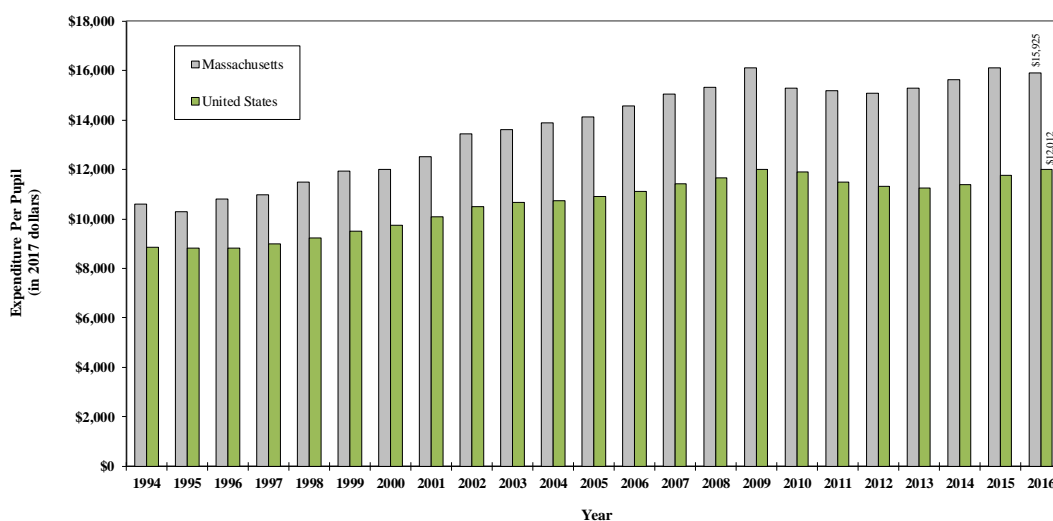
In 2015, Massachusetts was fourth among all states for the number of new patents issued. Only six nations originated more U.S. patents than Massachusetts, putting the state on par with Canada for origination of U.S. patents. Since 1977, Massachusetts has received more new patents than any other New England state. With 6,777 new utilities patents and 7,234 total new patents in 2015, a 2.2 percent increase in total patents since 2014, Massachusetts innovators were responsible for 62 percent of the new patents in New England.



Primary and Secondary Education Expenditures. Massachusetts has spent from 16.5 to 37.0 percent more per pupil on primary and secondary education than the national average since 1994. During the 2015-2016 school year, the average Massachusetts per student expenditures decreased 1.2 percent to \$15,925. Massachusetts was ranked eighth in the nation among states and the District of Columbia in 2016. The table and chart below show expenditures per pupil for Massachusetts and the U.S.

*Per Pupil Expenditure in Public Elementary and Secondary Schools
(in 2017 adjusted dollars)*

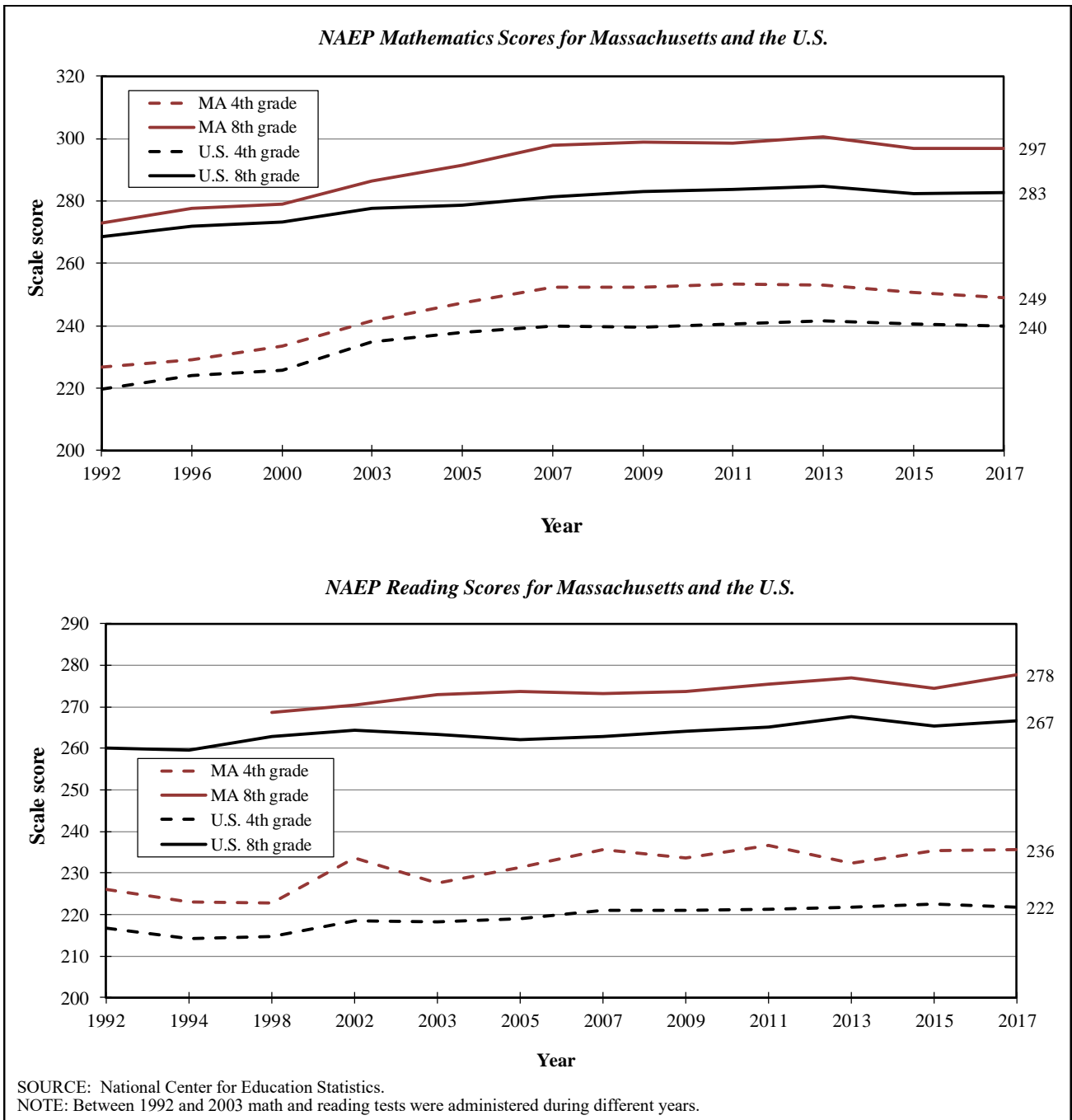
Fiscal Year	MA	U.S.	Ratio (MA/ U.S.)	MA change from previous year
1994	\$10,607	\$8,870	1.20	
1995	\$10,292	\$8,837	1.16	-3.0%
1996	\$10,809	\$8,836	1.22	5.0%
1997	\$10,981	\$8,983	1.22	1.6%
1998	\$11,506	\$9,229	1.25	4.8%
1999	\$11,926	\$9,502	1.26	3.7%
2000	\$12,020	\$9,731	1.24	0.8%
2001	\$12,509	\$10,082	1.24	4.1%
2002	\$13,429	\$10,493	1.28	7.4%
2003	\$13,619	\$10,683	1.27	1.4%
2004	\$13,876	\$10,753	1.29	1.9%
2005	\$14,141	\$10,921	1.29	1.9%
2006	\$14,567	\$11,111	1.31	3.0%
2007	\$15,059	\$11,427	1.32	3.4%
2008	\$15,317	\$11,680	1.31	1.7%
2009	\$16,131	\$11,995	1.34	5.3%
2010	\$15,277	\$11,916	1.28	-5.3%
2011	\$15,192	\$11,507	1.32	-0.6%
2012	\$15,098	\$11,325	1.33	-0.6%
2013	\$15,304	\$11,259	1.36	1.4%
2014	\$15,622	\$11,399	1.37	2.1%
2015	\$16,125	\$11,781	1.37	3.2%
2016	\$15,925	\$12,012	1.33	-1.2%



SOURCE: U.S. Census Bureau, Public Elementary–Secondary Education Finance Data.

National Assessment of Educational Progress (NAEP) scores. The National Assessment of Educational Progress (NAEP), also known as "the Nation's Report Card," is the only nationally representative and continuing assessment of what America's students know and can do in various subject areas. Since 1969, assessments have been conducted periodically in reading, mathematics, science, writing, U.S. history, civics, geography, and the arts. Under the current structure, the Commissioner of Education Statistics, who heads the National Center for Education Statistics in the U.S. Department of Education, is responsible by law for administering the NAEP project.

Since 1990, NAEP assessments have also been conducted to give results for participating states. Those that choose to participate receive assessment results that report on the performance of students in that state. In its content, the state assessment is identical to the assessment conducted nationally. However, because the national NAEP samples were not and are not currently designed to support the reporting of accurate and representative state-level results, separate representative samples of students are selected for each participating jurisdiction/state. The graphs below compare the data available for Massachusetts and the national public samples.



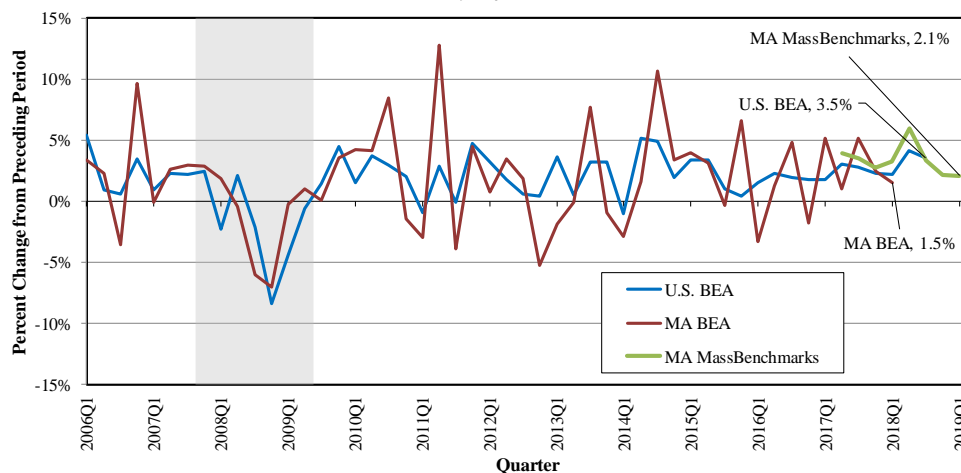
ECONOMIC BASE AND PERFORMANCE—STATE OVERVIEW

Comparing BEA GDP for the U.S., the region, and Massachusetts. The U.S. Bureau of Economic Analysis (BEA) defines Gross Domestic Product by State (GDP) as “the value added in production by the labor and property located in a state. GDP for a state is derived as the sum of the gross state product originating in all industries in a state. In concept, an industry’s GDP, referred to as its ‘value added’, is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported).”

The BEA provides national (in January) and state (in June) annual and quarterly GDP estimates. *MassBenchmarks* releases quarterly estimates of Massachusetts economic activity. This is reported in the following section. While we do not have access to many of the components that BEA uses to calculate state GDP in advance of its release, we provide an overview of our state’s components when they are available. Additionally, we provide state economic indexes and industrial sector data that are released more frequently and in some cases, are among the components used to calculate state GDP.

State Gross Domestic Product - Annual Change (billions of chained 2009 dollars)						
Year	Massachusetts		New England		United States	
	GDP	Annual change	GDP	Annual change	GDP	Annual change
2000	\$348		\$725		\$12,617	
2001	\$353	1.3%	\$736	1.5%	\$12,735	0.9%
2002	\$354	0.5%	\$742	0.8%	\$12,963	1.8%
2003	\$362	2.2%	\$758	2.2%	\$13,296	2.6%
2004	\$370	2.2%	\$785	3.6%	\$13,765	3.5%
2005	\$376	1.7%	\$798	1.7%	\$14,203	3.2%
2006	\$383	1.7%	\$813	1.9%	\$14,585	2.7%
2007	\$392	2.4%	\$830	2.1%	\$14,798	1.5%
2008	\$393	0.2%	\$825	-0.6%	\$14,718	-0.5%
2009	\$386	-1.8%	\$805	-2.4%	\$14,320	-2.7%
2010	\$399	3.5%	\$821	2.0%	\$14,628	2.2%
2011	\$408	2.3%	\$826	0.6%	\$14,834	1.4%
2012	\$416	1.8%	\$834	0.9%	\$15,126	2.0%
2013	\$415	-0.2%	\$830	-0.5%	\$15,348	1.5%
2014	\$423	1.8%	\$839	1.0%	\$15,717	2.4%
2015	\$439	4.0%	\$861	2.7%	\$16,148	2.7%
2016	\$445	1.2%	\$869	0.9%	\$16,384	1.5%
2017	\$456	2.6%	\$883	1.6%	\$16,721	2.1%

Real GDP: Percent Change from Preceding Quarter
(Seasonally Adjusted Annual Rates)



SOURCES: U.S. Bureau of Economic Analysis, MA *MassBenchmarks* calculations by Dr. Alan Clayton-Matthews. Seasonally adjusted annual rates are quarterly data adjusted to an annual basis.

NOTE: Shaded areas are recession periods.

ECONOMIC BASE AND PERFORMANCE—ECONOMIC INDICATORS

State Coincident Indexes. To track more recent changes in the state and national economies, we use the Federal Reserve Bank of Philadelphia's Coincident Indexes. It:

...produces a monthly coincident index for each of the 50 states. The indexes are released a few days after the Bureau of Labor Statistics (BLS) releases the employment data for the states.

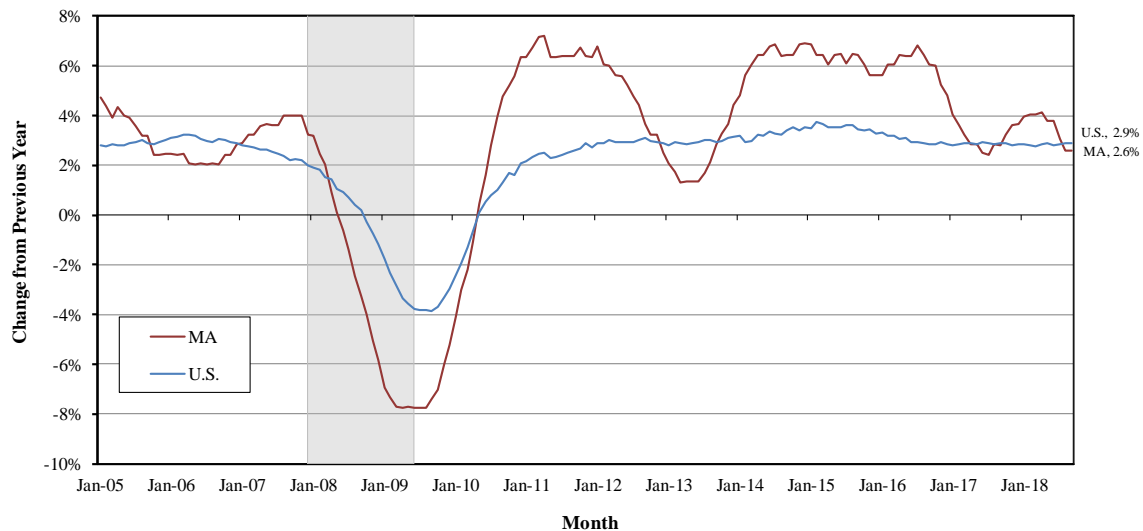
The coincident indexes combine four state-level indicators to summarize current economic conditions in a single statistic. The four state-level variables in each coincident index are nonfarm payroll employment, average hours worked in manufacturing, the unemployment rate, and wage and salary disbursements deflated by the consumer price index (U.S. city average). The trend for each state's index is set to the trend of its gross domestic product (GDP), so long term growth in the state's index matches long term growth in its GDP. (<https://www.phil.frb.org/research-and-data/regional-economy/indexes/coincident/>)

The graph below indicates the state and national index change from 12 months prior. Recent revisions to BLS data that the Philadelphia Federal Reserve Bank uses to construct its indexes resulted in an improved trend for Massachusetts since the recession ended in 2009. The table below compares the Massachusetts index to its New England neighbors and the U.S.

Comparing the U.S. and New England States Coincident Indexes

Area	September 2018	1-Month Change	3-Month Change	12-Month Change
U.S.	124.3	0.3%	0.8%	2.9%
Massachusetts	136.1	0.2%	0.2%	2.6%
Connecticut	124.8	0.5%	1.1%	2.9%
Maine	123.4	-0.3%	-1.1%	1.4%
New Hampshire	142.2	0.2%	0.7%	3.2%
Rhode Island	125.5	0.5%	1.6%	3.6%
Vermont	132.6	-0.2%	-0.1%	1.9%

Comparing the U.S. and Massachusetts Coincident Indexes



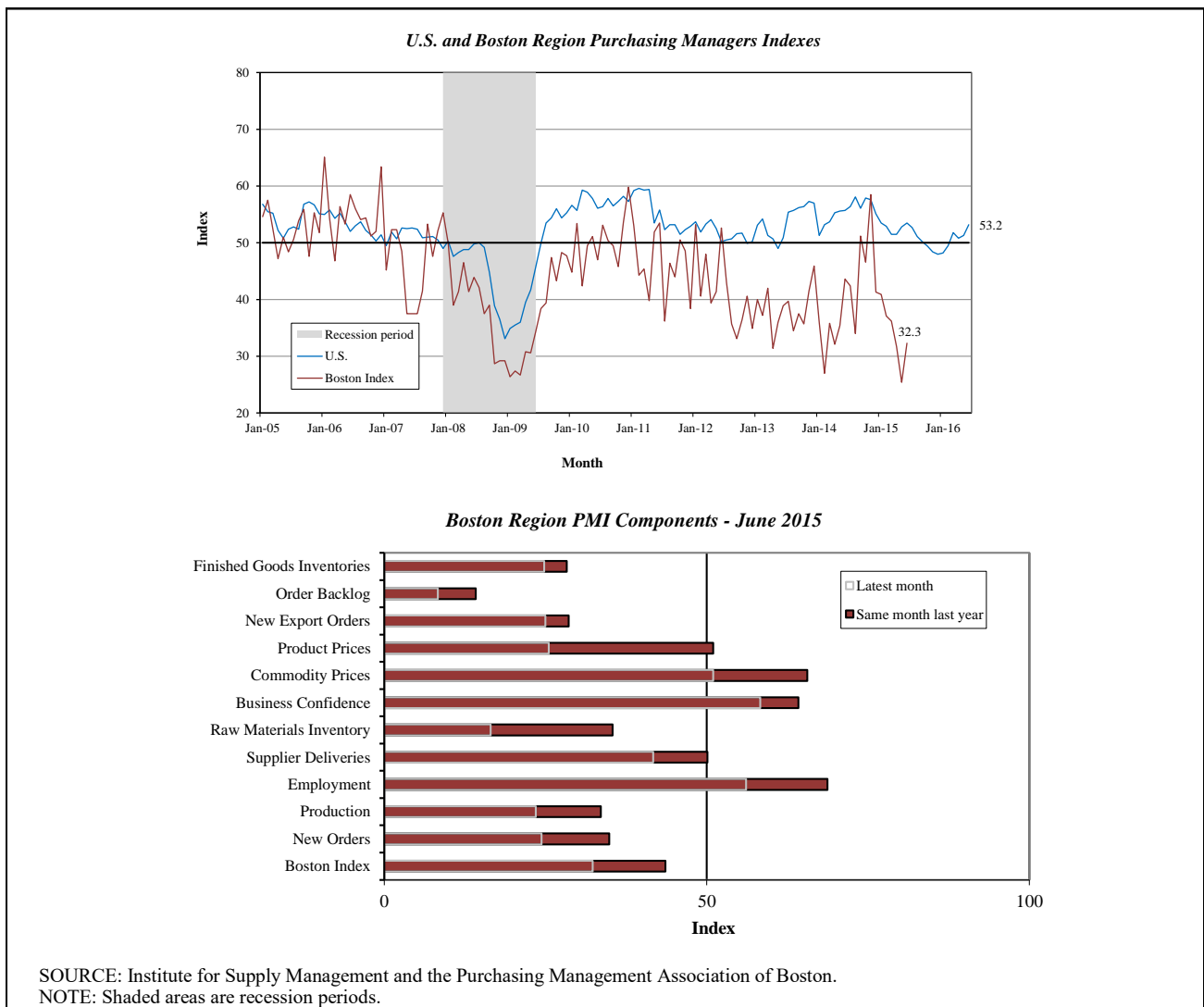
SOURCE: Federal Reserve Bank of Philadelphia.

NOTES: Shaded areas are recession periods. Indexes are set to 2007 annual averages. Methodology changes in January 2018 resulted in revised values for historical data.

Institute for Supply Management Purchasing Manager Indexes (PMI). These indexes are compiled using survey data from purchasing and supply executives and are used as a leading business indicator. While the national index is based on a survey of manufacturers, the Boston region's is based on a survey of "companies representing industries as diverse as the banking and financial services, pharmaceuticals and biotechnology, software development and communication, medical products and equipment, computers, chemicals, consumer products, education, and the public sector." **It should be noted that the Boston survey has been suspended, and consequently, data from it are not currently being updated.**

Index readings above 50 indicate the economy is generally expanding. Readings below 50 indicate the economy is generally contracting, although a reading above 42 for a period of time indicates the economy is generally expanding. Components of the national index include new orders, production, employment, supplier deliveries, inventories, customer inventories, prices, backlog of orders, exports and imports. The Boston region's components are slightly different and include new orders, production, employment, supplier deliveries, raw monthly materials inventory, business confidence, commodity prices, product prices, new export orders, order backlog and finished goods inventories. These components show which segments of the business supply chain are expanding or contracting.

The June 2016 national index indicated that the manufacturing sector has been expanding since December 2015, with the exception of a small dip in April 2016. The Boston region's June 2015 (the last date for which data were available) index of 32.3 indicated that overall business conditions were contracting after hitting a four-year high of 58.5 in November 2014.



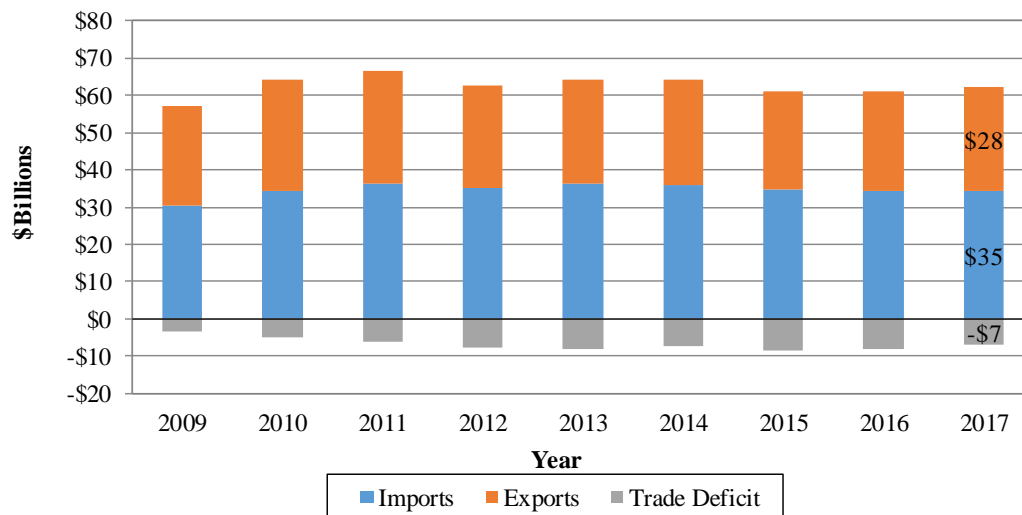
ECONOMIC BASE AND PERFORMANCE—INTERNATIONAL TRADE

Total Trade Volume. Total trade volume, exports and imports, increased 1.8 percent from 2016 to \$62.1 billion in 2017. Canada's trade volume was \$9.9 billion and, at 15.9 percent of the total state trade, it was by far our most valuable trading partner. Massachusetts trade deficit, \$6.9 billion, decreased 14.0 percent in 2017. See appendix 8 for more trade data.

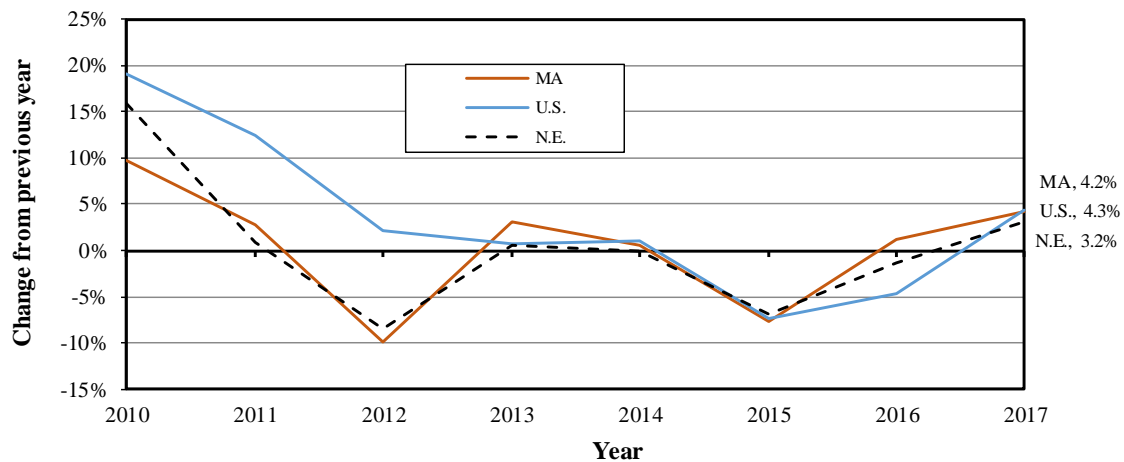
Exports. Massachusetts ranked 19th in the United States in 2017 and first in New England with \$27.6 billion in exports. This was a 4.2 percent increase from the previous year's export value, while national exports increased by 4.3 percent. Total exports from New England increased by 3.2 percent. Canada was again our top export destination in 2017 with \$3.0 billion.

Imports. Imports decreased 0.03 percent to \$34.5 billion in 2017. Canada was also the largest source for Massachusetts imports in 2017, from which we imported \$6.9 billion or 19.9 percent of our total.

Massachusetts Imports, Exports and Trade Deficit



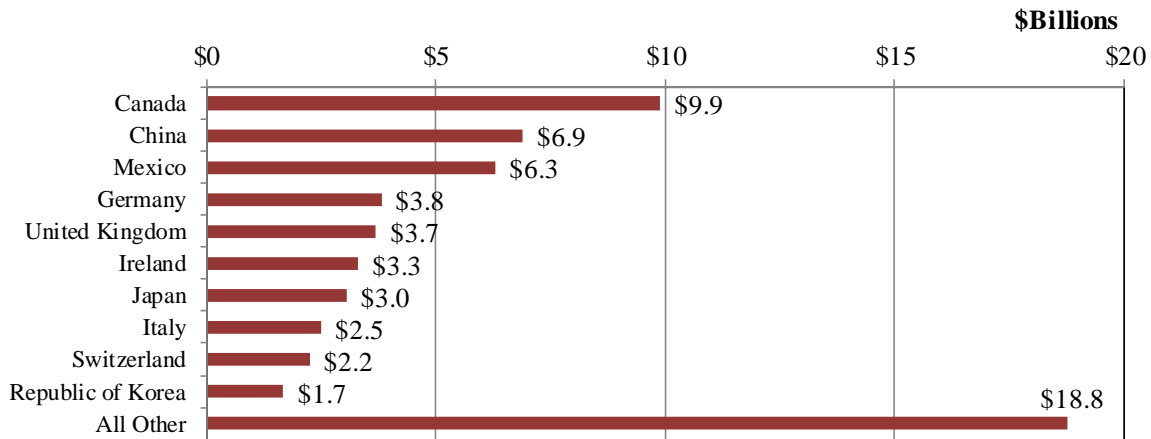
Export Growth for Massachusetts, U.S. and New England



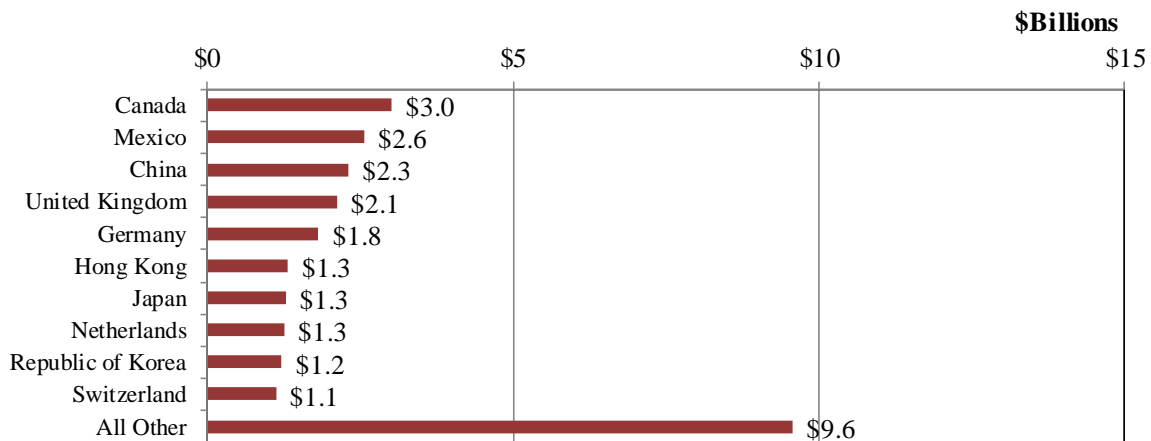
SOURCE: WISERTrade.org

Top Ten Trade Partners by Trade Type from WISERTrade.

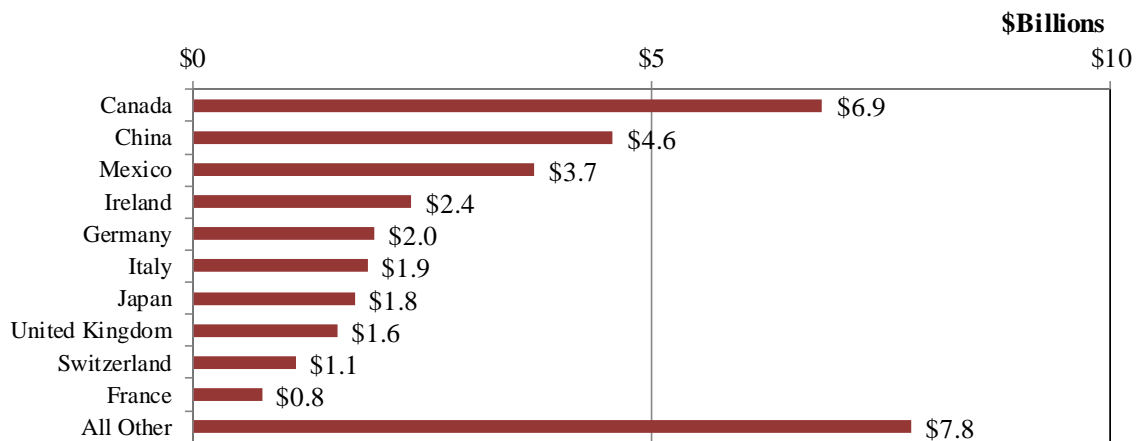
Massachusetts 2017 Top Ten Trade Partners (in \$2017)



Massachusetts 2017 Top Ten Export Partners (in \$2017)

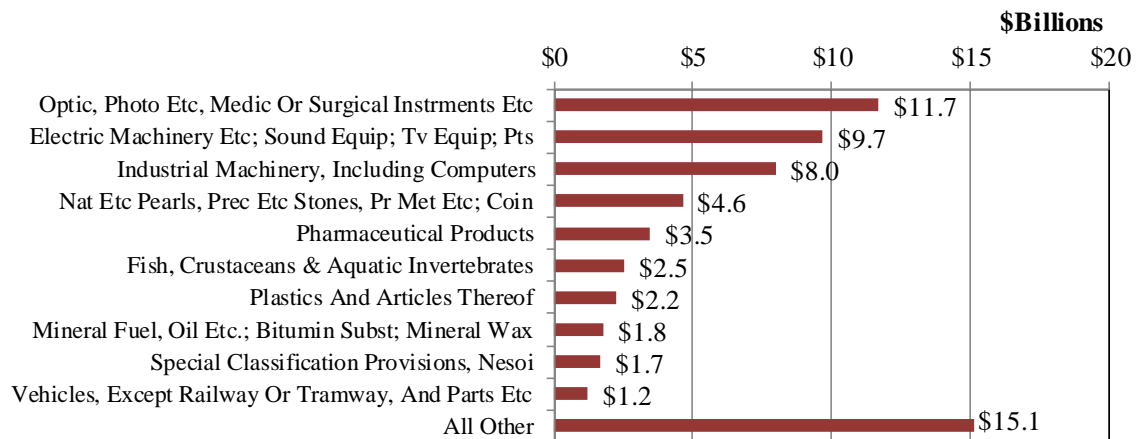


Massachusetts 2017 Top Ten Import Partners (in \$2017)

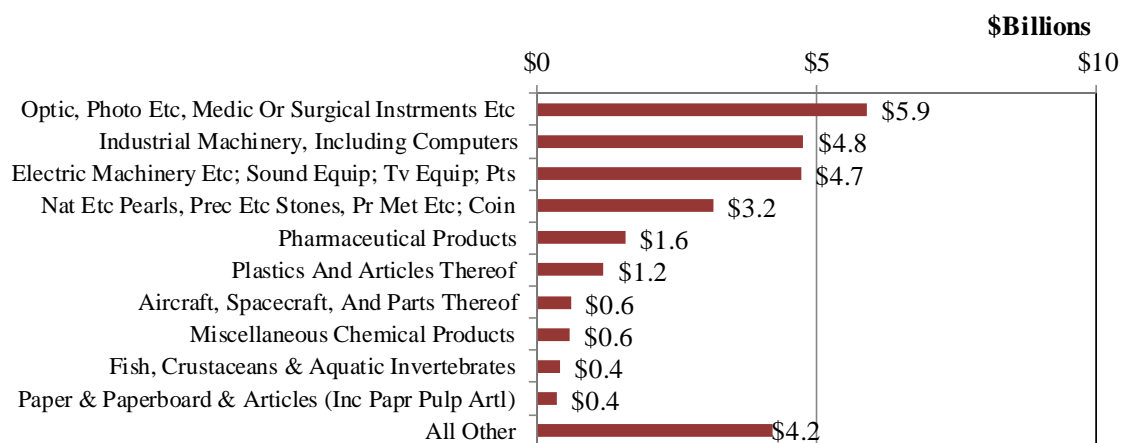


Top Ten Commodities Traded by Trade Type from WISERTrade.

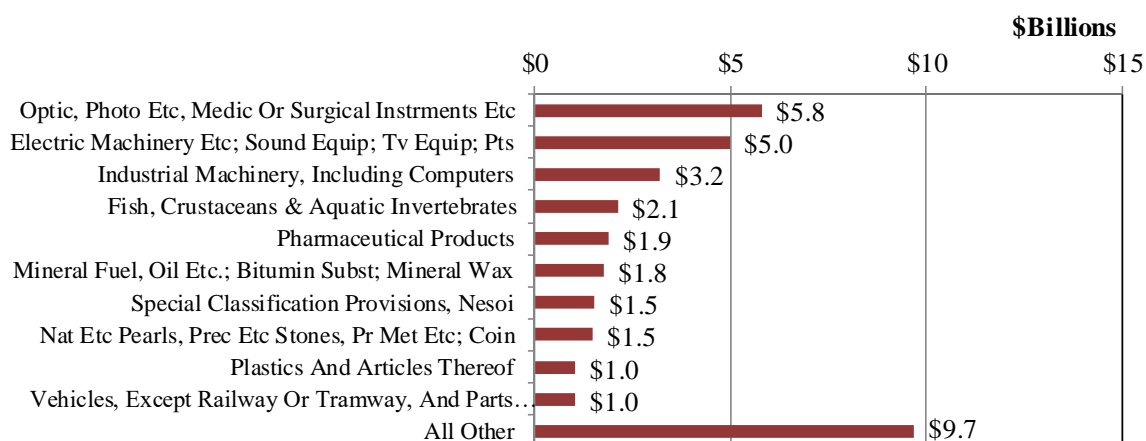
Massachusetts 2017 Top Ten Commodities Imported and Exported (in \$2017)



Massachusetts 2017 Top Ten Commodities Exported (in \$2017)

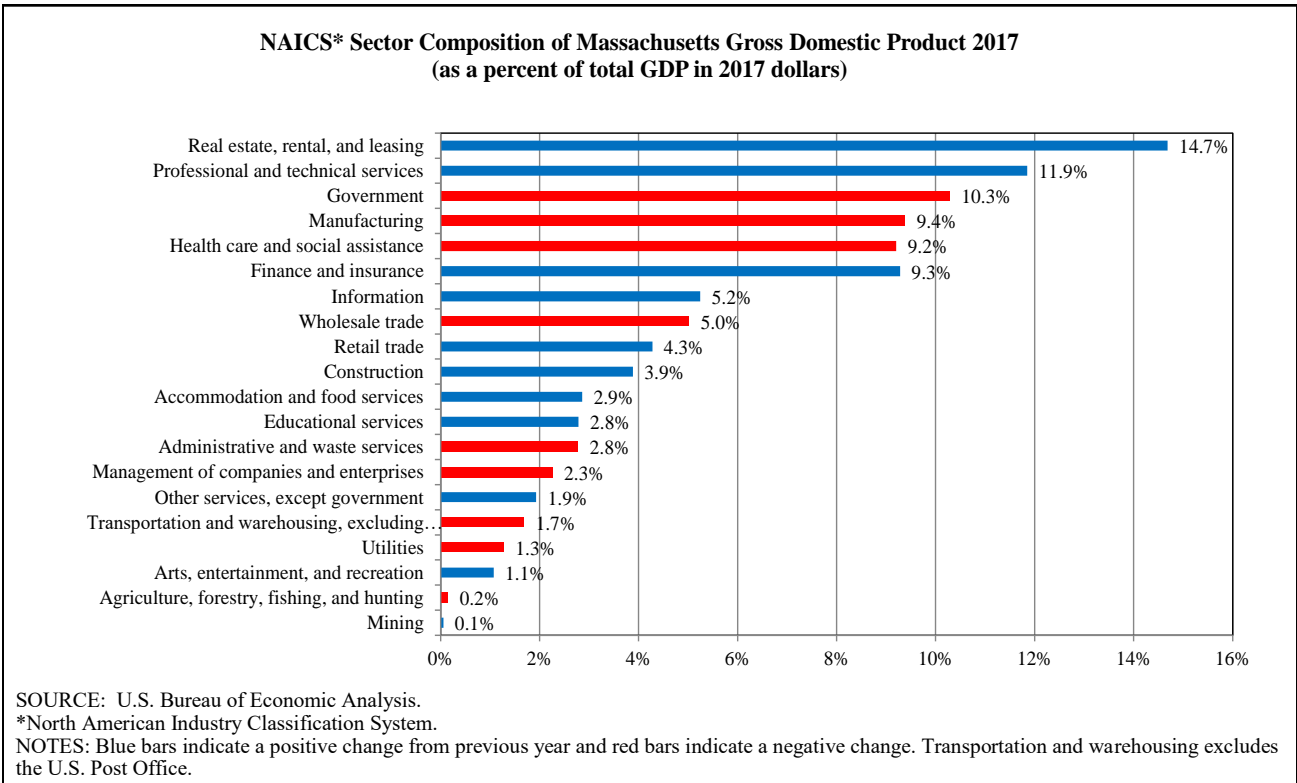


Massachusetts 2017 Top Ten Commodities Imported (in \$2017)



ECONOMIC BASE AND PERFORMANCE—INDUSTRY SECTOR DETAIL (NAICS BASIS)

The Massachusetts economy remains diversified among several industrial and non-industrial sectors. The four largest sectors of the economy are real estate, rental and leasing; professional and technical services; government; and manufacturing, which contributed 46.2 percent of the GDP in 2017. The real estate, rental and leasing sector remained the largest contributor in 2017. The following bar chart displays the latest sector contributions to the Massachusetts GDP.



GDP Subsectors. When measured in inflation-adjusted dollars, the change in Massachusetts total GDP grew 20.2 percent between 2007 and 2017. Between 2007 and 2016 (the latest data available for subsector data), several industries grew much faster than the state average. Industry subsectors that experienced substantial cumulative growth or reduction are listed in the following chart.

<i>Industry Subsectors with a Substantial Growth or Reduction</i> (2017 dollars)	
NAICS* Industry Subsector	Percent Change 2007-2016
Oil and gas extraction	245.6%
Support activities for mining	224.0%
Funds, trusts, and other financial vehicles	162.9%
Rental and leasing services and lessors of intangible assets	64.8%
Performing arts, spectator sports, museums, and related activities	64.5%
Social assistance	62.4%
Other transportation equipment manufacturing	-57.8%
Farms	-53.4%

SOURCE: U.S. Bureau of Economic Analysis.
*North American Industry Classification System.
NOTE: Updated July 2018 Subsector represents at least a half percent of Massachusetts GDP in the latest year.

Gross Domestic Product by Industry in Massachusetts
(millions of 2017 dollars)

NAICS* Industry Sector	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All industry total	\$447,894	\$438,825	\$440,681	\$452,627	\$454,721	\$463,453	\$465,172	\$476,057	\$507,168	\$516,462	\$527,455
Private industries	\$397,247	\$387,562	\$388,219	\$400,025	\$400,362	\$411,726	\$413,234	\$423,210	\$452,494	\$461,800	\$473,195
Agriculture, forestry, fishing, and hunting	\$1,247	\$1,219	\$1,349	\$1,427	\$1,202	\$1,215	\$1,037	\$786	\$825	\$812	\$805
Mining	\$294	\$170	\$207	\$188	\$189	\$202	\$215	\$266	\$356	\$401	\$302
Utilities	\$5,782	\$6,226	\$5,363	\$5,831	\$5,710	\$5,525	\$5,643	\$5,921	\$5,875	\$6,057	\$6,754
Construction	\$17,803	\$16,130	\$14,814	\$13,945	\$14,222	\$15,404	\$16,286	\$16,830	\$18,819	\$20,011	\$20,502
Manufacturing	\$51,682	\$46,242	\$45,726	\$48,851	\$46,743	\$48,197	\$47,492	\$49,071	\$50,886	\$49,955	\$49,502
Wholesale trade	\$24,466	\$24,544	\$24,056	\$24,355	\$24,038	\$23,380	\$23,931	\$24,771	\$25,745	\$25,778	\$26,495
Retail trade	\$20,744	\$19,601	\$19,799	\$20,285	\$19,762	\$19,684	\$19,919	\$20,196	\$21,400	\$22,130	\$22,565
Transportation and warehousing, excluding Postal Service	\$7,317	\$7,010	\$6,814	\$7,138	\$7,422	\$7,320	\$7,494	\$7,892	\$8,512	\$8,745	\$8,905
Information	\$24,219	\$25,558	\$24,192	\$25,978	\$25,284	\$24,786	\$24,306	\$23,811	\$26,768	\$27,498	\$27,666
Finance and insurance	\$39,765	\$34,387	\$37,689	\$37,826	\$37,543	\$42,277	\$40,959	\$41,730	\$48,299	\$47,634	\$48,952
Real estate, rental, and leasing	\$62,972	\$61,123	\$62,757	\$64,338	\$66,260	\$67,486	\$67,728	\$69,558	\$71,916	\$74,960	\$77,469
Professional and technical services	\$46,138	\$49,687	\$47,513	\$48,984	\$49,702	\$51,707	\$51,795	\$53,333	\$57,359	\$59,574	\$62,510
Management of companies and enterprises	\$10,212	\$9,804	\$9,564	\$9,661	\$10,834	\$10,781	\$11,132	\$11,218	\$12,671	\$11,872	\$11,944
Administrative and waste services	\$12,892	\$12,596	\$11,716	\$12,187	\$12,365	\$12,454	\$12,723	\$13,019	\$13,718	\$14,010	\$14,666
Educational services	\$11,263	\$11,548	\$12,398	\$12,777	\$12,868	\$13,107	\$13,213	\$13,417	\$13,828	\$14,374	\$14,693
Health care and social assistance	\$36,651	\$38,359	\$40,403	\$41,542	\$41,578	\$42,979	\$43,395	\$44,173	\$46,386	\$47,700	\$48,547
Arts, entertainment, and recreation	\$3,556	\$3,545	\$3,807	\$4,259	\$4,190	\$4,132	\$4,526	\$5,087	\$5,354	\$5,504	\$5,656
Accommodation and food services	\$10,958	\$10,827	\$11,083	\$11,564	\$11,659	\$12,184	\$12,531	\$12,861	\$14,028	\$14,713	\$15,081
Other services, except government	\$9,286	\$8,985	\$8,966	\$8,892	\$8,792	\$8,908	\$8,905	\$9,270	\$9,749	\$10,073	\$10,180
Government	\$50,647	\$51,263	\$52,463	\$52,603	\$54,358	\$51,727	\$51,938	\$52,847	\$54,673	\$54,662	\$54,260

Rank of Industry Contribution to GDP in Massachusetts
(based on millions of 2017 dollars)

NAICS* Industry Sector	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All industry total											
Private industries											
Agriculture, forestry, fishing, and hunting	19	19	19	19	19	19	19	19	19	19	19
Mining	20	20	20	20	20	20	20	20	20	20	20
Utilities	17	17	17	17	17	17	17	17	17	17	17
Construction	10	10	10	10	10	10	10	10	10	10	10
Manufacturing	2	4	4	4	4	4	4	4	4	4	4
Wholesale trade	7	8	8	8	8	8	8	7	8	8	8
Retail trade	9	9	9	9	9	9	9	9	9	9	9
Transportation and warehousing, excluding Postal Service	16	16	16	16	16	16	16	16	16	16	16
Information	8	7	7	7	7	7	7	8	7	7	7
Finance and insurance	5	6	6	6	6	6	6	6	5	6	5
Real estate, rental, and leasing	1	1	1	1	1	1	1	1	1	1	1
Professional and technical services	4	3	3	3	3	3	3	2	2	2	2
Management of companies and enterprises	14	14	14	14	14	14	14	14	14	14	14
Administrative and waste services	11	11	12	12	12	12	12	12	13	13	13
Educational services	12	12	11	11	11	11	11	11	12	12	12
Health care and social assistance	6	5	5	5	5	5	5	5	6	5	6
Arts, entertainment, and recreation	18	18	18	18	18	18	18	18	18	18	18
Accommodation and food services	13	13	13	13	13	13	13	13	11	11	11
Other services, except government	15	15	15	15	15	15	15	15	15	15	15
Government	3	2	2	2	2	2	2	3	3	3	3

SOURCE: U.S. Bureau of Economic Analysis.
*North American Industry Classification System.

Industry Sector Analysis. The following section contains a summary for each of the twenty major NAICS* sectors. The data series show a ten-year time span. Graphs include data value labels for the latest annual points.

Not all datasets are reported for all of the major NAICS sectors. The Massachusetts Department of Workforce and Labor Development's Employment and Wages (ES-202) data series are available for every sector and contain the number of establishments, average monthly employment, total annual wages and average weekly wages for establishments with employees. The data are reported quarterly and annually for employees in the private, federal government, state government, and local government sectors. **NOTE:** Beginning with the first Quarter 2013, a code change for employees from private households (NAICS 814110) into services for the elderly and persons with disabilities (NAICS 624120) moved 33,960 employees in Massachusetts in January 2013.

The nonemployer businesses and receipts graph uses the U.S. Census Nonemployer Statistics series and is available for every sector except 55 - Management of Companies and Enterprises and 92 - Public Administration. Some sectors also lack subsector (at the four-digit NAICS level) detail. Nonemployer annual data have a two-year reporting lag for businesses that do not have paid employees and are subject to federal income tax. The Census reports that "Nonemployers account for a majority of all business establishments, but average less than four percent of all sales or receipts." These can be second or part-time businesses and not the owner's primary source of income.

State Gross Domestic Product is an annual series from the U.S. Bureau of Economic Analysis's Regional Economic Accounts. For more information, please visit:

http://www.bea.gov/newsreleases/regional/gdp_state/qgsp_newsrelease.htm

Foreign exports from the U.S. Census Bureau's Foreign Trade Division and WISERTrade, are available for four industries on a monthly basis. Total state exports are available on a monthly basis. Sector exports and the top ten export destinations for this industry sector are by dollar value.

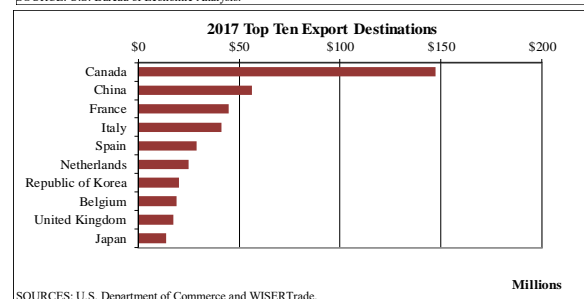
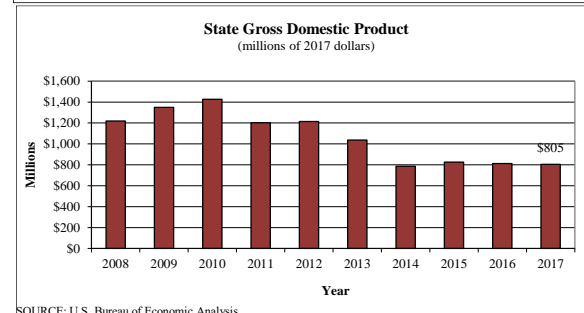
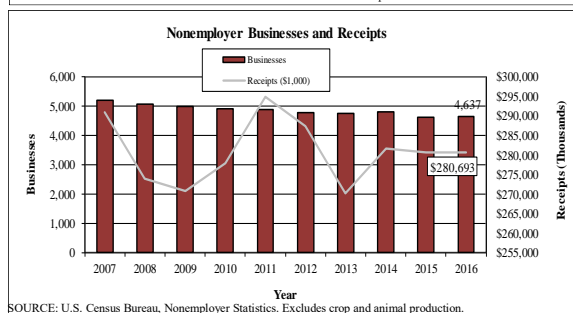
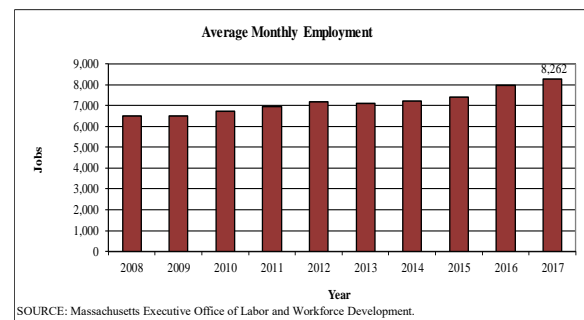
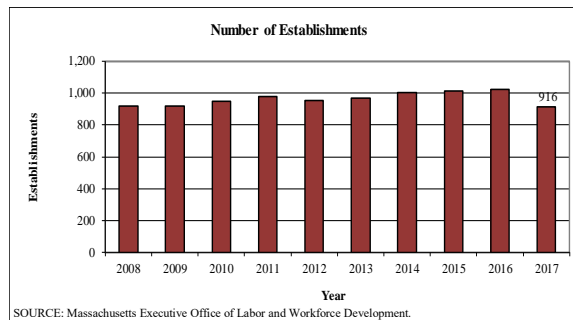
Each sector analysis has a summary at the bottom of each page. The summary provides (when available):

1. GDP contribution to state total: this sector's GDP divided by the state's total GDP. A green figure in the text at the bottom of the page indicates it is larger than the previous year's GDP contribution. Red indicates it is smaller than the previous year's and black indicates no change from the previous year's GDP contribution.
2. GDP rank: this sector's GDP rank versus all state sectors. A green figure in the text at the bottom of the page indicates that it is higher than the previous year's rank. Red indicates that it is lower than the previous year's and black indicates that there was no change from the previous year's GDP rank.
3. Nonemployer to employer establishment ratio: the number of nonemployer establishments divided by the number of establishments with employers. In general, a ratio greater than one means there are more small businesses. A number less than one means there are more large businesses.
4. Establishments with employees: the subsector with the largest number of establishments who have employees.
5. Nonemployer establishments: the subsector with the largest number of establishments that do not have employees.
6. Employees: the subsector with the largest number of employees, at establishments with employees.
7. Annual wages: the subsector with the largest total annual wages, at establishments with employees.
8. Average weekly wage: the subsector with the largest average weekly wage, at establishments with employees.
9. Annual receipts at nonemployer establishments: the subsector with the most receipts, at establishments that do not have employees.
10. Most valuable export: the subsector export with the highest dollar value.

*North American Industry Classification System.

Note: Total Wage, State Gross Domestic Product, Average Weekly Wage, Nonemployer Receipts, and Sector Exports are all inflation-adjusted to 2017.

NAICS 11 - Agriculture, Forestry, Fishing & Hunting. The Agriculture, Forestry, Fishing and Hunting sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats.



Summary.

GDP contribution to state total: **0.2%**

GDP rank: **19 of 20**

Nonemployer to employer establishment ratio: **4.5 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Fishing**

Nonemployer establishments: **Fishing**

Employees: **Greenhouse and nursery production**

Annual wages: **Fishing**

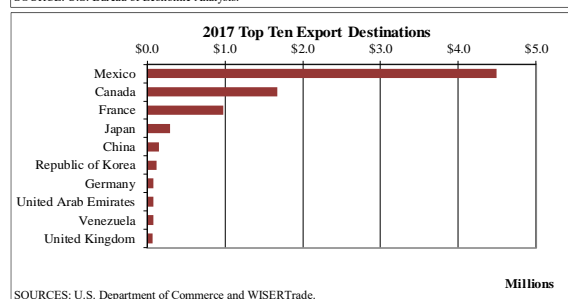
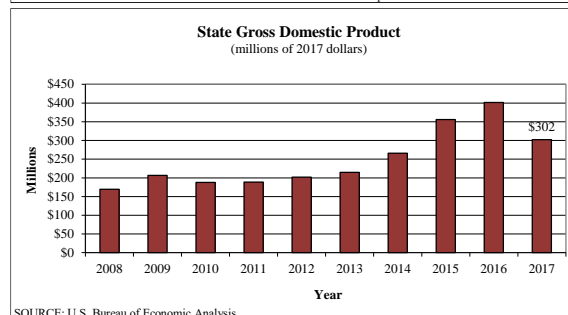
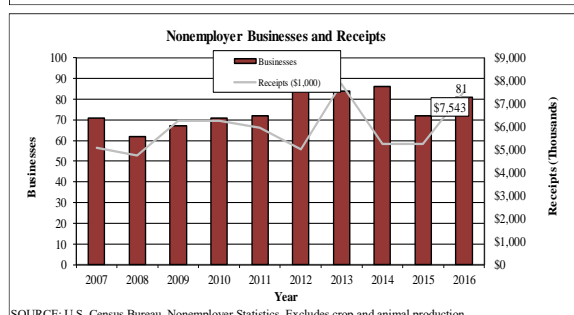
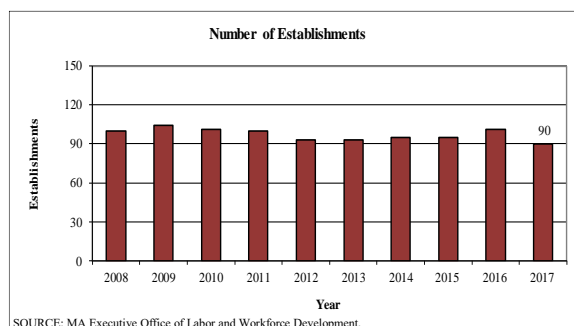
Average weekly wage: **Fishing**

Annual receipts at nonemployer establishments: **Fishing**

Most valuable export: **Fish, fresh, chilled, or frozen and other marine products**

*For this 2-digit industry, Nonemployer data are available only for 113-115 (Forestry, fishing & hunting & agricultural support services).

NAICS 21 – Mining. The Mining, Quarrying, and Oil and Gas Extraction sector comprises establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The term mining is used in the broad sense to include quarrying, well operations, beneficiating (e.g., crushing, screening, washing, and flotation), and other preparation customarily performed at the mine site, or as a part of mining activity.



Summary.

GDP contribution to state total: **0.1%**

GDP rank: **20 of 20**

Nonemployer to employer establishment ratio: **0.7 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Nonmetallic mineral mining and quarrying**

Nonemployer establishments: **Nonmetallic mineral mining and quarrying**

Employees: **Nonmetallic mineral mining and quarrying**

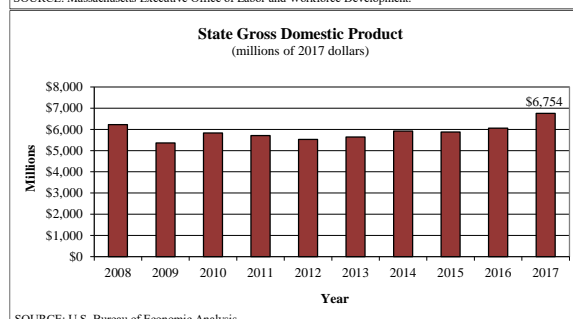
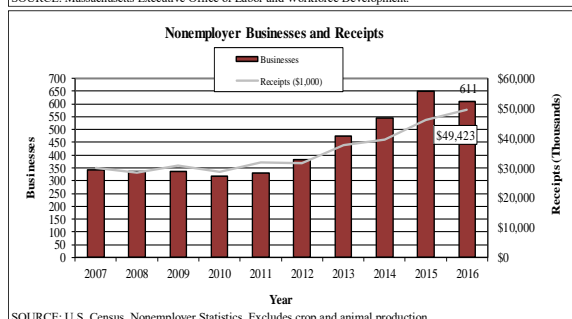
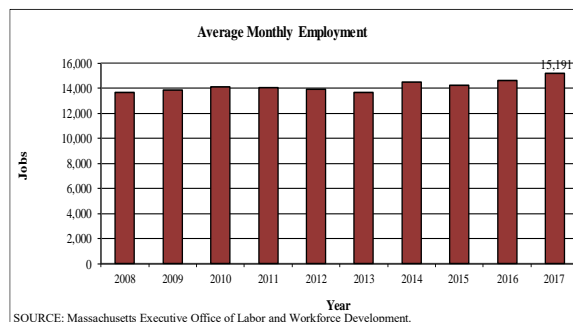
Annual wages: **Nonmetallic mineral mining and quarrying**

Average weekly wage: **Support activities for mining**

Annual receipts at nonemployer establishments: **Nonmetallic mineral mining and quarrying**

Most valuable export: **Minerals and ores**

NAICS 22 – Utilities. The Utilities sector comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal. See the appendix, pages five and six for supplemental tables regarding electricity generation, supply and capacity.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **1.3%**

GDP rank: **17 of 20**

Nonemployer to employer establishment ratio: **1.3 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Power generation and supply**

Nonemployer establishments: Subsector detail N/A

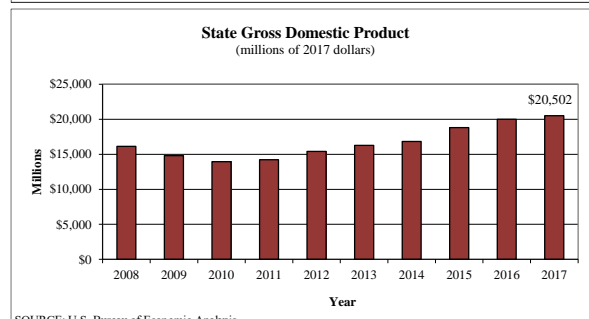
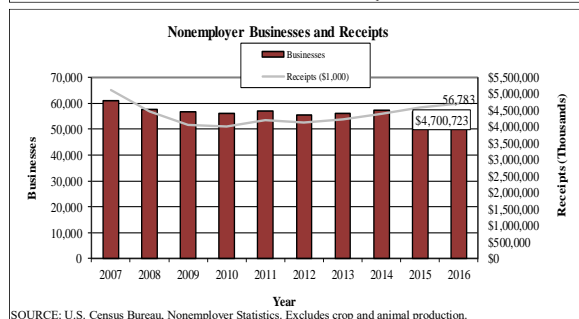
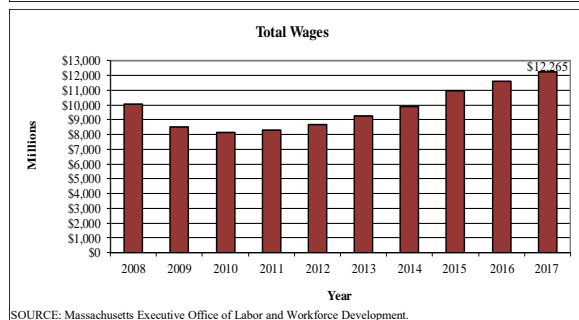
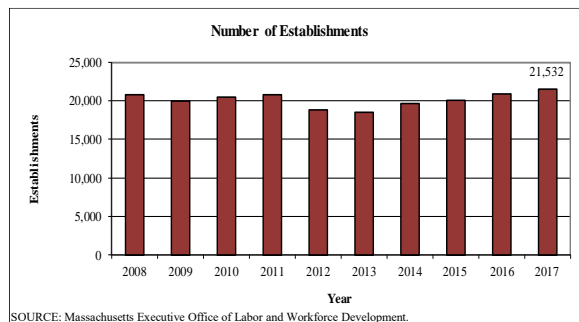
Employees: **Power generation and supply**

Annual wages: **Power generation and supply**

Average weekly wage: **Natural gas distribution**

Annual receipts at nonemployer establishments: Subsector detail N/A

NAICS 23 – Construction. The Construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction and establishments primarily engaged in subdividing land for sale as building sites also are included in this sector. See the appendix pages two through four for housing permits, housing sales, and housing sale prices.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **3.9%**

GDP rank: **10 of 20**

Nonemployer to employer establishment ratio: **2.7 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Building equipment contractors**

Nonemployer establishments: **Building finishing contractors**

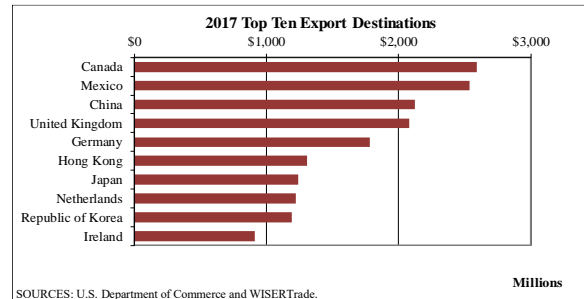
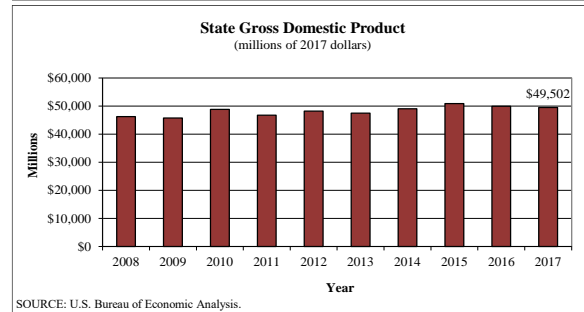
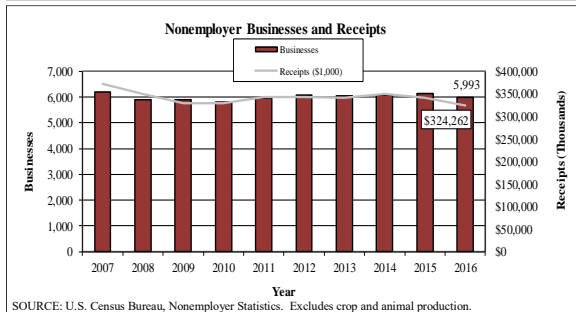
Employees: **Building equipment contractors**

Annual wages: **Building equipment contractors**

Average weekly wage: **Utility system construction**

Annual receipts at nonemployer establishments: **Residential building construction**

NAICS 31-33 – Manufacturing. The Manufacturing sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. The assembling of component parts of manufactured products is considered manufacturing, except in cases where the activity is appropriately classified in Sector 23, Construction.



Summary.

GDP contribution to state total: **9.4%**

GDP rank: **4 of 20**

Nonemployer to employer establishment ratio: **0.9 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Iron and steel mills and ferroalloy manufacturing**

Nonemployer establishments: **Other miscellaneous manufacturing**

Employees: **Electrical equipment manufacturing**

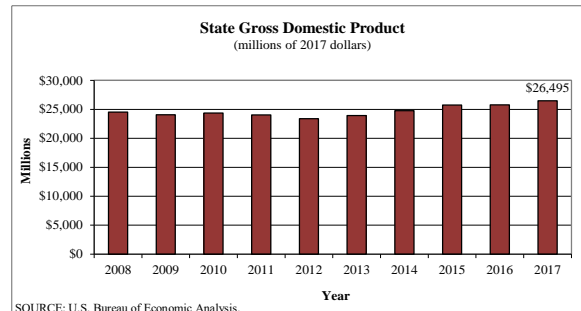
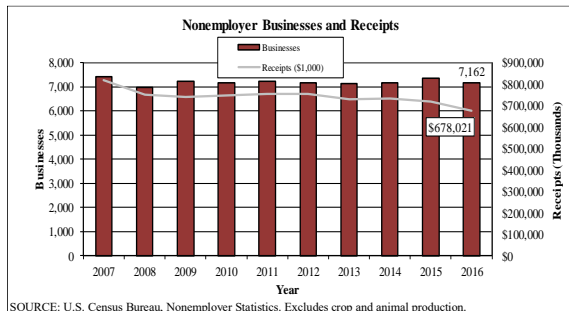
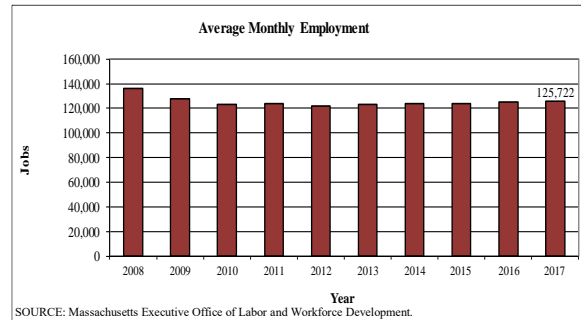
Annual wages: **Electrical equipment manufacturing**

Average weekly wage: **Communications equipment manufacturing**

Annual receipts at nonemployer establishments: **Other miscellaneous manufacturing**

Most valuable export: **Computers and electronic products**

NAICS 42 - Wholesale Trade. The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information industries, such as publishing. The wholesaling process is an intermediate step in the distribution of merchandise.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **5.0%**

GDP rank: **8 of 20**

Nonemployer to employer establishment ratio: **0.5 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Electronic markets and agents and brokers**

Nonemployer establishments: **Miscellaneous durable goods merchant wholesalers**

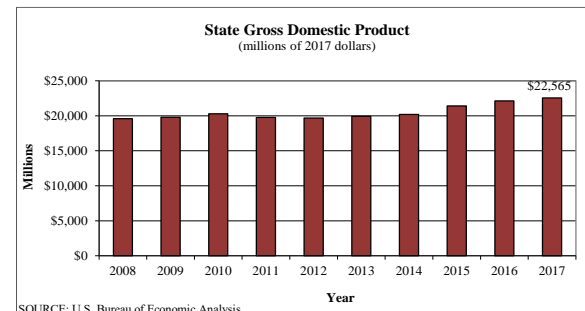
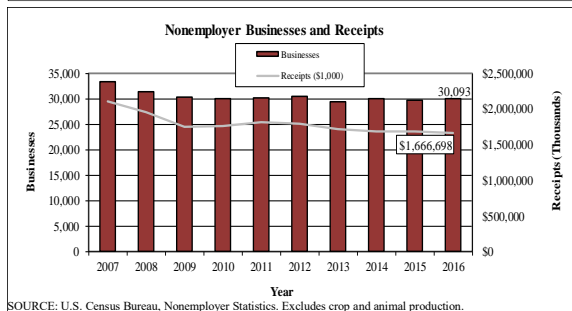
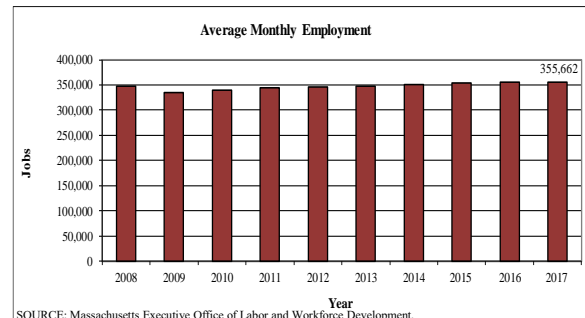
Employees: **Electronic markets and agents and brokers**

Annual wages: **Electronic markets and agents and brokers**

Average weekly wage: **Druggists' goods merchant wholesalers**

Annual receipts at nonemployer establishments: **Miscellaneous durable goods merchant wholesalers**

NAICS 44-45 - Retail Trade. The Retail Trade sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise; retailers are therefore organized to sell merchandise in small quantities to the general public. This sector comprises two main types of retailers: store and nonstore retailers.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **4.3%**

GDP rank: **9 of 20**

Nonemployer to employer establishment ratio: **1.2 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Health and personal care stores**

Nonemployer establishments: **Direct selling establishments**

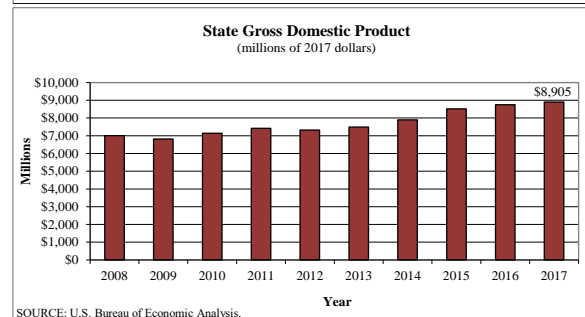
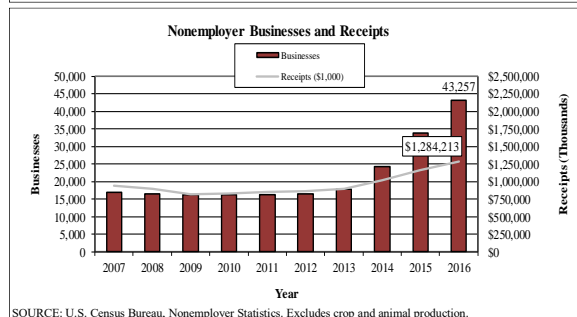
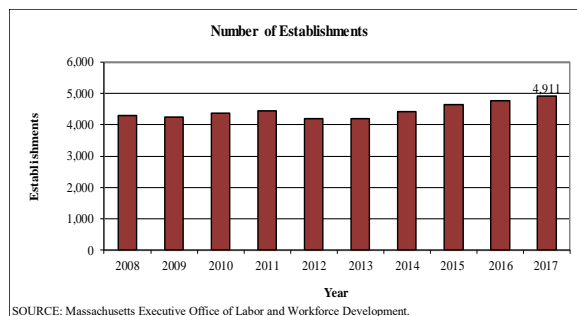
Employees: **Health and personal care stores**

Annual wages: **Health and personal care stores**

Average weekly wage: **Florists**

Annual receipts at nonemployer establishments: **Direct selling establishments**

NAICS 48-49 - Transportation and Warehousing. The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline. See pages six and seven of the appendix for more information regarding transportation and warehousing.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **1.7%**

GDP rank: **16 of 20**

Nonemployer to employer establishment ratio: **7.1 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **General freight trucking**

Nonemployer establishments: **Taxi and limousine service**

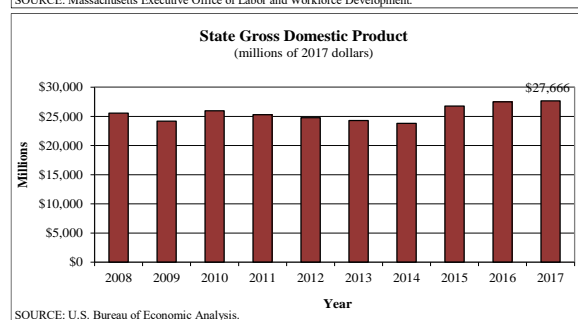
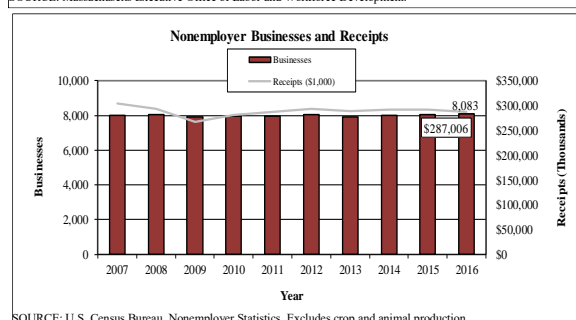
Employees: **Warehousing and storage**

Annual wages: **Warehousing and storage**

Average weekly wage: **Pipeline transportation of natural gas**

Annual receipts at nonemployer establishments: **Taxi and limousine service**

NAICS 51 – Information. The Information sector comprises establishments engaged in the following processes: producing and distributing information and cultural products, providing the means to transmit or distribute these products as well as data or communications, and processing data. In 2014, Information exports of prepackaged software, NAICS code 511, were recoded to the Manufacturing NAICS code 334.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **5.2%**

GDP rank: **7 of 20**

Nonemployer to employer establishment ratio: **1.6 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Other information services**

Nonemployer establishments: **Other information services**

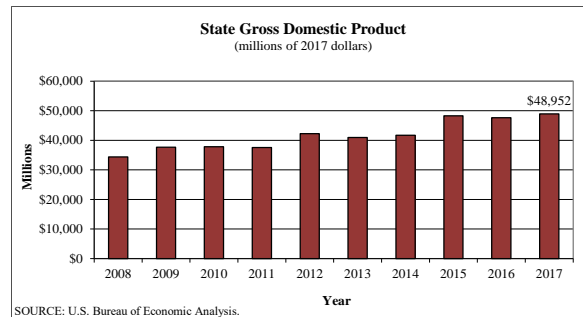
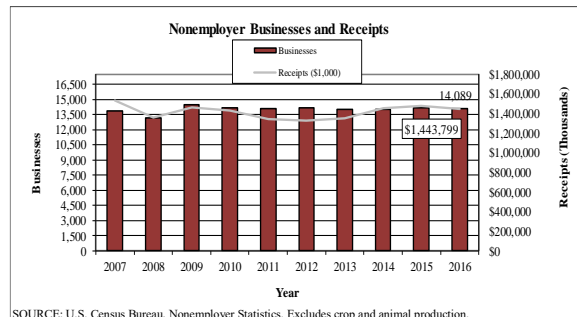
Employees: **Software publishers**

Annual wages: **Software publishers**

Average weekly wage: **Software publishers**

Annual receipts at nonemployer establishments: **Other information services**

NAICS 52 - Finance and Insurance. The Finance and Insurance sector comprises establishments primarily engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **9.3%**

GDP rank: **5 of 20**

Nonemployer to employer establishment ratio: **1.4 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Insurance agencies and brokerages**

Nonemployer establishments: **Other financial investment activities**

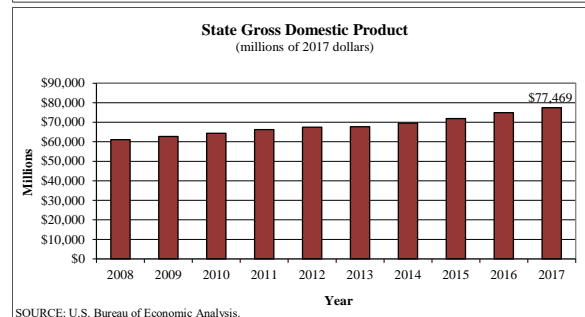
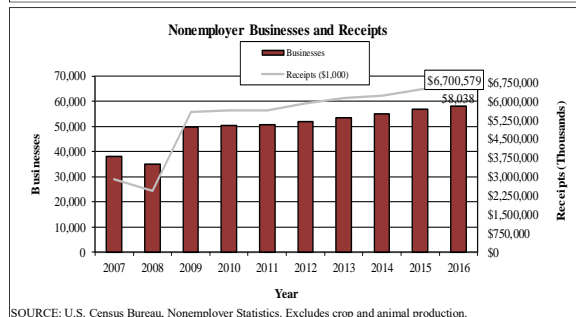
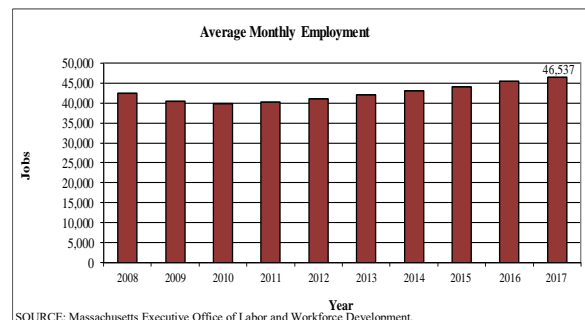
Employees: **Depository credit intermediation**

Annual wages: **Other financial investment activities**

Average weekly wage: **Securities and commodity contracts brokerage**

Annual receipts at nonemployer establishments: **Other financial investment activities**

NAICS 53 - Real Estate and Rental and Leasing. The Real Estate and Rental and Leasing sector comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services. The major portion of this sector comprises establishments that rent, lease, or otherwise allow the use of their own assets by others. The assets may be tangible, as is the case of real estate and equipment, or intangible, as is the case with patents and trademarks.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **14.7%**

GDP rank: **1 of 20**

Nonemployer to employer establishment ratio: **8.1 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Activities related to real estate**

Nonemployer establishments: **Lessors of real estate**

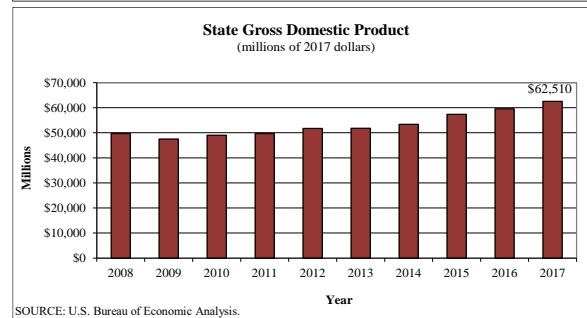
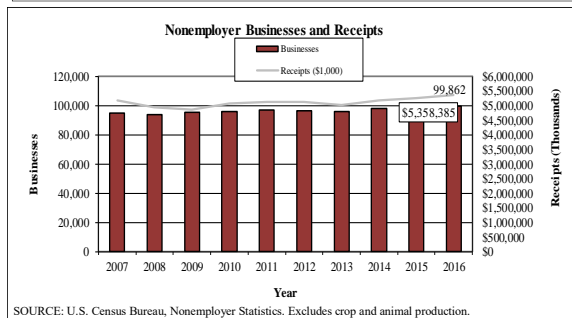
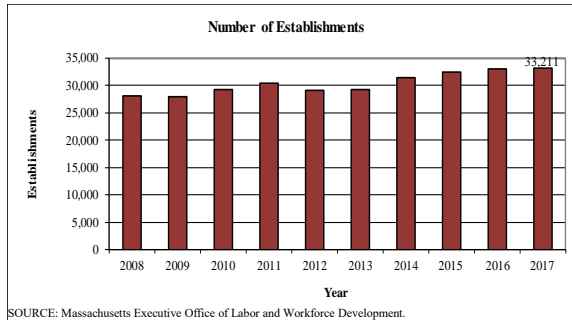
Employees: **Activities related to real estate**

Annual wages: **Activities related to real estate**

Average weekly wage: **Lessors of nonfinancial intangible assets**

Annual receipts at nonemployer establishments: **Lessors of real estate**

NAICS 54 - Professional and Technical Services. The Professional and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries - in some cases, to households. Activities performed include: legal advice and representation, accounting, bookkeeping, and payroll services, architectural, engineering, and specialized design services, computer services, consulting services, research services, advertising services, photographic services, translation and interpretation services, veterinary services, and other professional, scientific, and technical services.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **11.9%**

GDP rank: **2 of 20**

Nonemployer to employer establishment ratio: **3.0 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Computer systems design and related services**

Nonemployer establishments: **Other professional, scientific, and technical services**

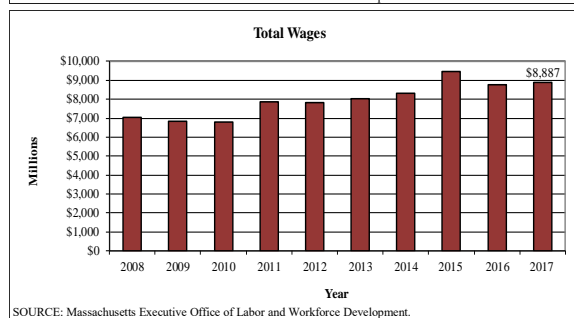
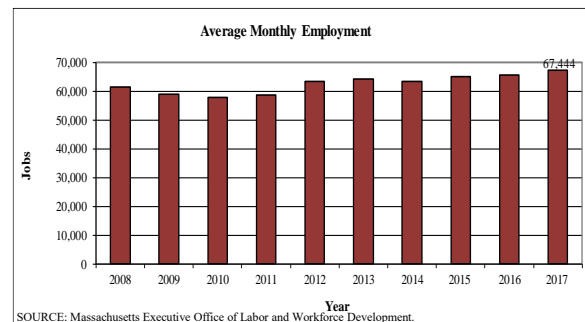
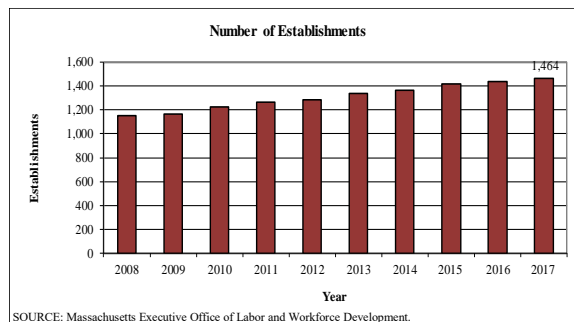
Employees: **Computer systems design and related services**

Annual wages: **Computer systems design and related services**

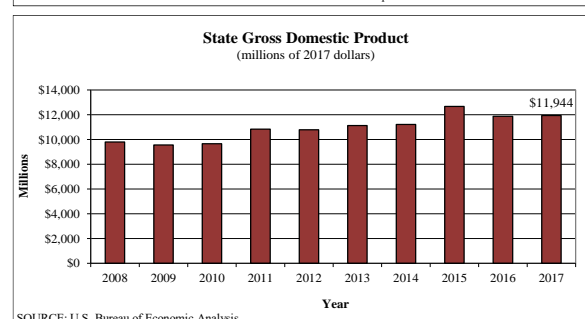
Average weekly wage: **Scientific research and development services**

Annual receipts at nonemployer establishments: **Other professional, scientific, and technical services**

NAICS 55 - Management of Companies and Enterprises. The Management of Companies and Enterprises sector comprises establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.



State nonemployer and export data are not available for this sector.



Summary.

GDP contribution to state total: **2.3%**

GDP rank: **14 of 20**

Nonemployer to employer establishment ratio: **N/A**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll, and receipts.

Establishments with employees: Subsector detail N/A

Nonemployer establishments: N/A

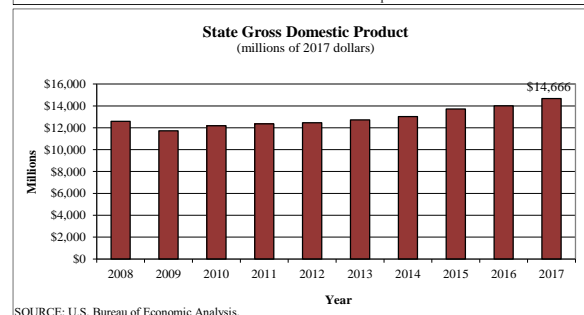
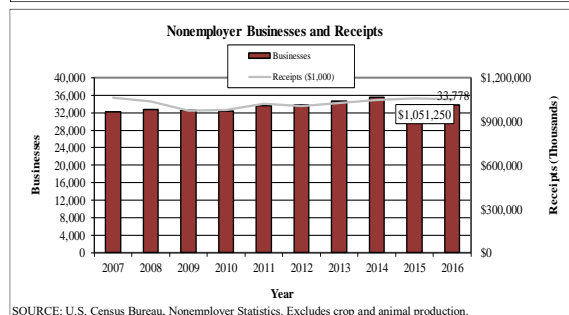
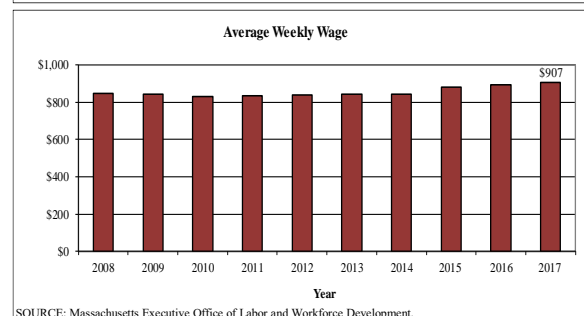
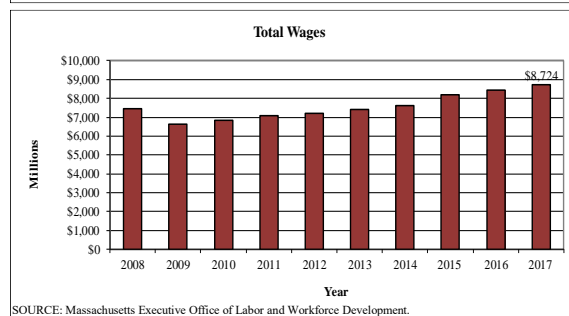
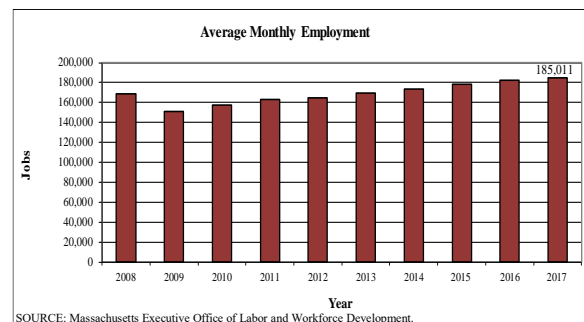
Employees: Subsector detail N/A

Annual wages: Subsector detail N/A

Average weekly wage: Subsector detail N/A

Annual receipts at nonemployer establishments: N/A

NAICS 56 - Administrative and Waste Services. The Administrative and Waste Services sector comprises establishments performing routine support activities for the day-to-day operations of other organizations. The establishments in this sector specialize in one or more of these support activities and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **2.8%**

GDP rank: **13 of 20**

Nonemployer to employer establishment ratio: **2.6 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Services to buildings and dwellings**

Nonemployer establishments: **Services to buildings and dwellings**

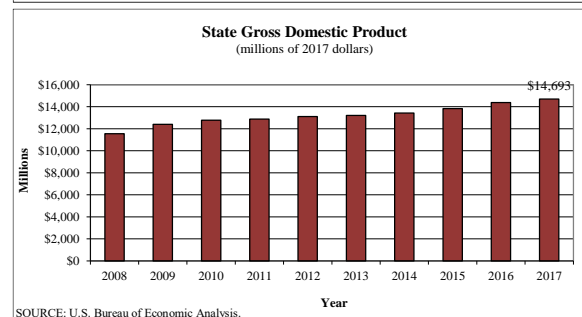
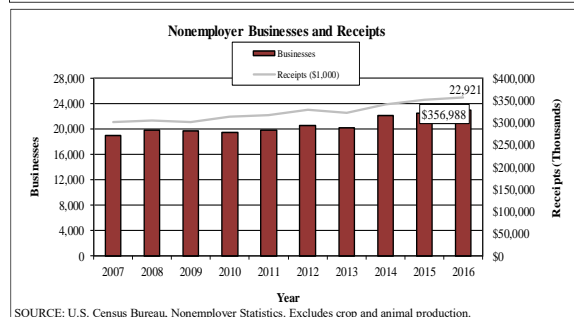
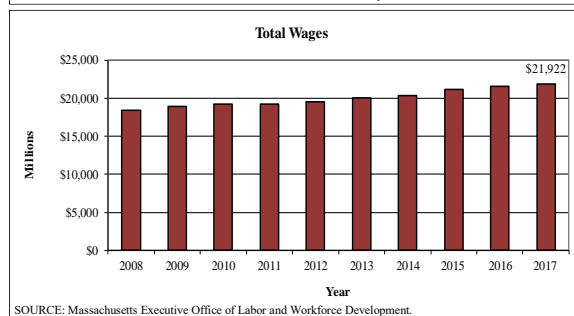
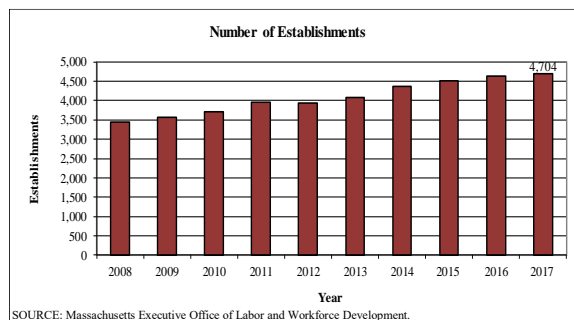
Employees: **Employment services**

Annual wages: **Employment services**

Average weekly wage: **Office administrative services**

Annual receipts at nonemployer establishments: **Services to buildings and dwellings**

NAICS 61 - Educational Services. The Educational Services sector comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers. These establishments may be privately owned and operated for profit or not for profit, or they may be publicly owned and operated. They may also offer food and/or accommodation services to their students.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **2.8%**

GDP rank: **12 of 20**

Nonemployer to employer establishment ratio: **4.9 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Other schools and instruction**

Nonemployer establishments: Subsector detail N/A

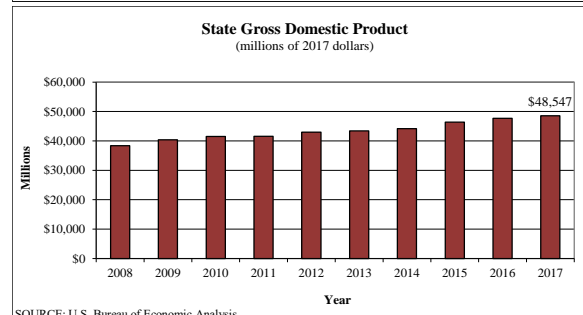
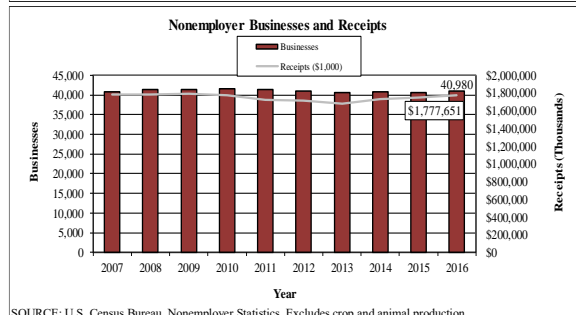
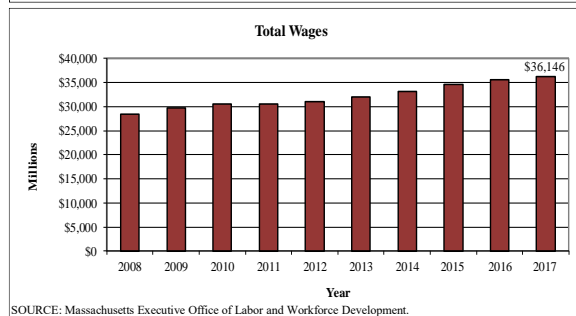
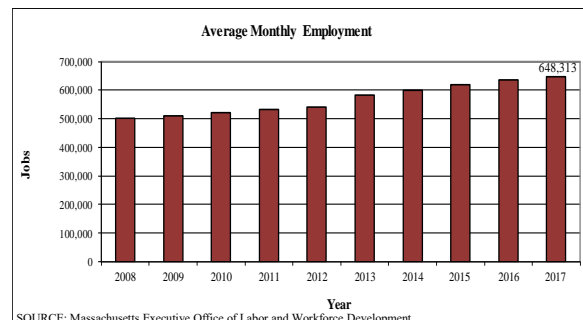
Employees: **Elementary and secondary schools**

Annual wages: **Elementary and secondary schools**

Average weekly wage: **Colleges and universities**

Annual receipts at nonemployer establishments: Subsector detail N/A

NAICS 62 - Health Care and Social Assistance. The Health Care and Social Assistance sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. **Note:** Beginning with the first Quarter 2013, a code change for employees from private households (NAICS 814110) into services for the elderly and persons with disabilities (NAICS 624120) moved 33,960 employees in Massachusetts in January 2013.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **9.2%**

GDP rank: **6 of 20**

Nonemployer to employer establishment ratio: **0.7 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Individual and family services**

Nonemployer establishments: **Offices of other health practitioners**

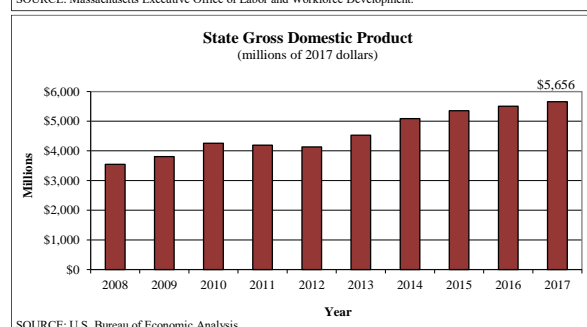
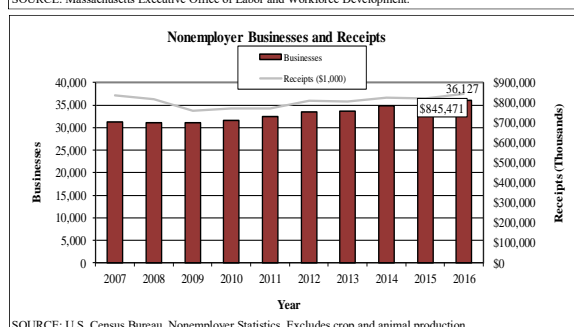
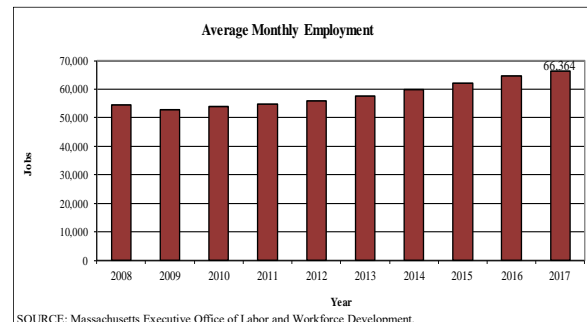
Employees: **General medical and surgical hospitals**

Annual wages: **General medical and surgical hospitals**

Average weekly wage: **Offices of physicians**

Annual receipts at nonemployer establishments: **Offices of other health practitioners**

NAICS 71 - Arts, Entertainment, and Recreation. The Arts, Entertainment, and Recreation sector includes a wide range of establishments that: operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons, are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing, preserve and exhibit objects and sites of historical, cultural, or educational interest and operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests. See the appendix page six for travel and tourism information.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **1.1%**

GDP rank: **18 of 20**

Nonemployer to employer establishment ratio: **9.1 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Other amusement & recreation industries**

Nonemployer establishments: **Independent artists, writers, and performers**

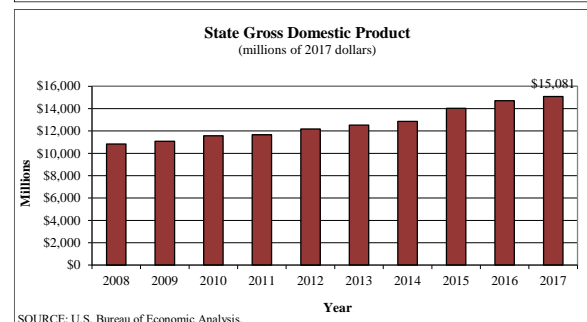
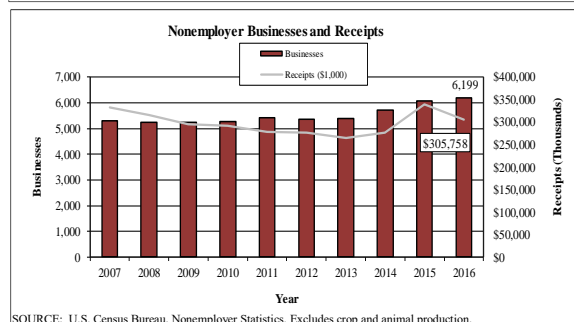
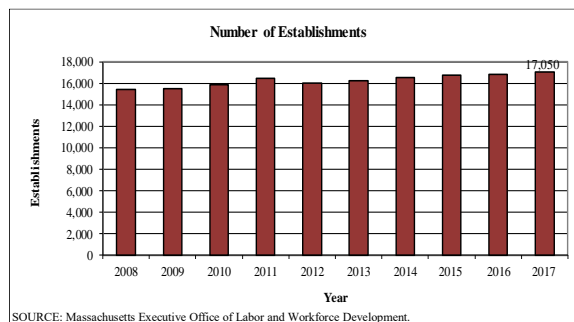
Employees: **Other amusement & recreation industries**

Annual wages: **Other amusement & recreation industries**

Average weekly wage: **Spectator sports**

Annual receipts at nonemployer establishments: **Independent artists, writers, and performers**

NAICS 72 - Accommodation and Food Services. The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **2.9%**

GDP rank: **11 of 20**

Nonemployer to employer establishment ratio: **0.4 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Restaurants and other eating places**

Nonemployer establishments: **Special food services**

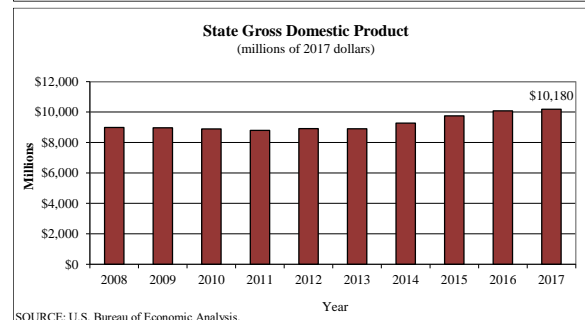
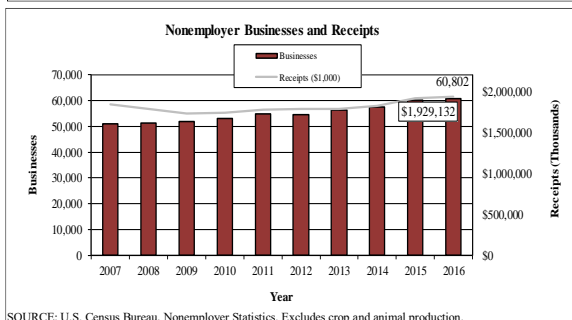
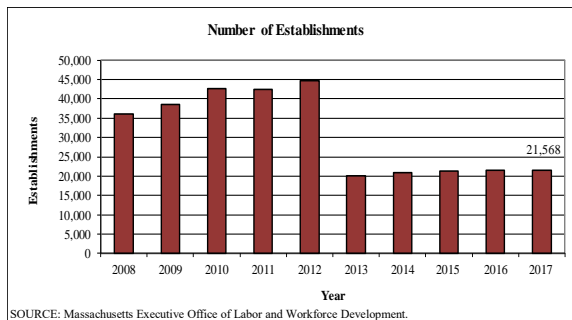
Employees: **Restaurants and other eating places**

Annual wages: **Restaurants and other eating places**

Average weekly wage: **Traveler accommodation**

Annual receipts at nonemployer establishments: **Restaurants and other eating places**

NAICS 81 - Other Services, Except Public Administration. The Other Services (except Public Administration) sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities such as equipment and machinery repairing, promoting or administering religious activities, grant-making, advocacy, providing dry cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services. **Note:** Beginning with the first Quarter 2013, a code change for employees from private households (NAICS 814110) into services for the elderly and persons with disabilities (NAICS 624120) moved 33,960 employees in Massachusetts in January 2013.



State export data are not available for this sector.

Summary.

GDP contribution to state total: **1.9%**

GDP rank: **15 of 20**

Nonemployer to employer establishment ratio: **2.8 to 1**

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Private households**

Nonemployer establishments: **Other personal services**

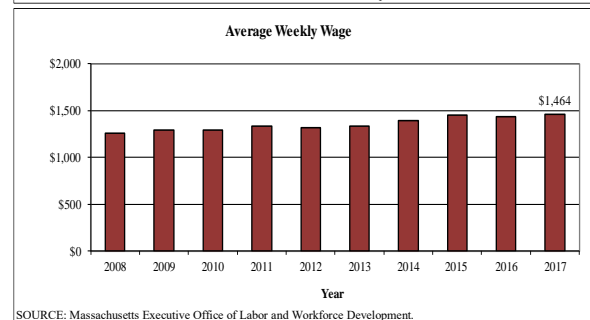
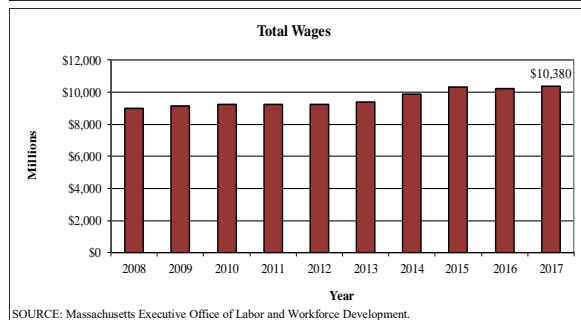
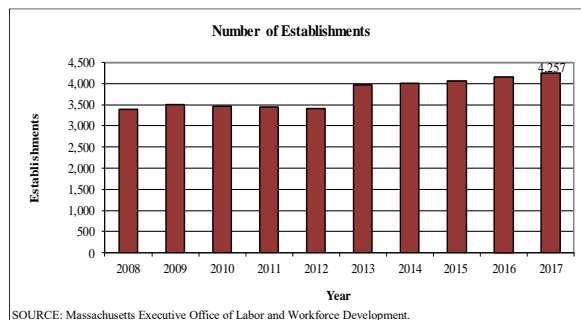
Employees: **Personal care services**

Annual wages: **Automotive repair and maintenance**

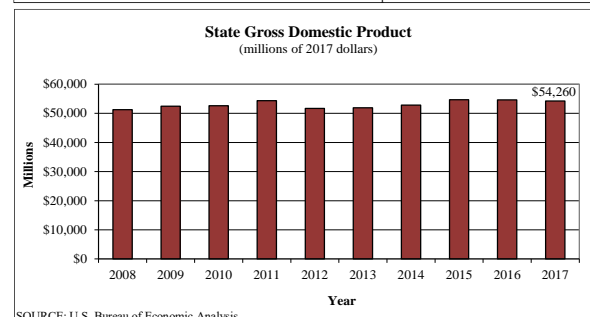
Average weekly wage: **Grantmaking and giving services**

Annual receipts at nonemployer establishments: **Other personal services**

NAICS 92 - Public Administration. The Public Administration sector consists of establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area. These agencies also set policy, create laws, adjudicate civil and criminal legal cases and provide for public safety and national defense.



State nonemployer and export data are not available for this sector.



Summary.

GDP contribution to state total: **10.3%**

GDP rank: **3 of 20**

Nonemployer to employer establishment ratio: N/A

Sector leaders. Industry subsectors with the majority of establishments, employees, payroll and receipts.

Establishments with employees: **Justice, public order, and safety activities**

Nonemployer establishments: N/A

Employees: **Justice, public order, and safety activities**

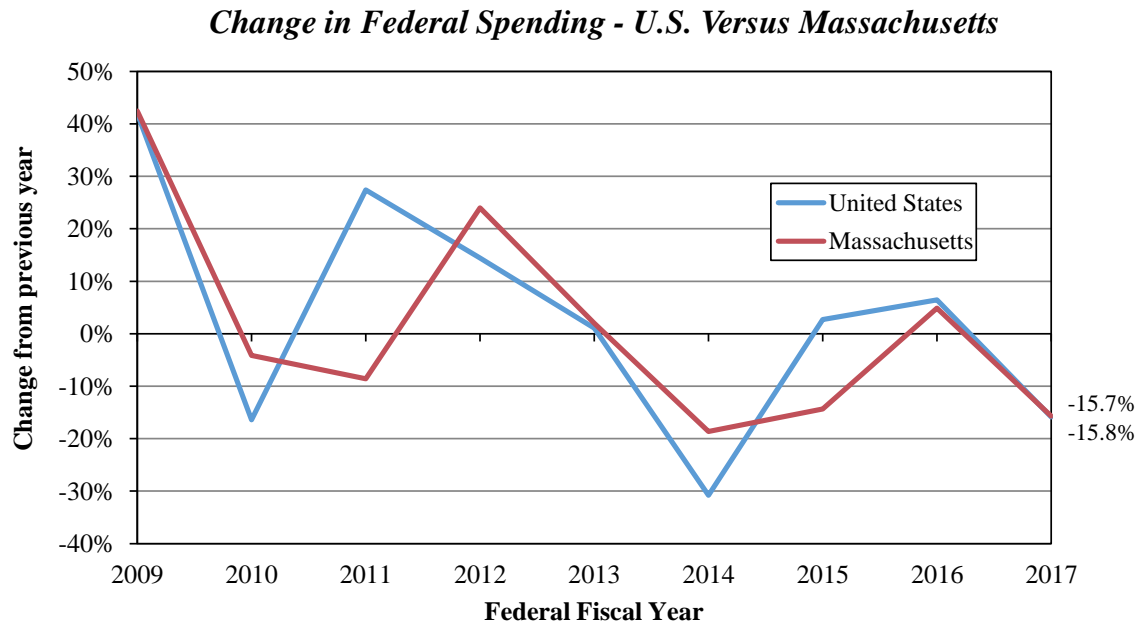
Annual wages: **Justice, public order, and safety activities**

Average weekly wage: **Justice, public order, and safety activities**

Annual receipts at nonemployer establishments: N/A

ECONOMIC BASE AND PERFORMANCE—GOVERNMENT REVENUES AND SPENDING

Federal Spending in Massachusetts. Massachusetts received approximately \$53.6 billion in contracts, grants, direct payments, insurance, loans and guarantees, and other spending from the federal government in federal fiscal year (FFY) 2017. Massachusetts received 2.0 percent of all federal spending in FFY 2017 versus 2.0 percent in FFY 2016. Federal dollars to Massachusetts have dropped since FFY 2012. Massachusetts federal contracts declined from FFY 2012 to FFY 2014, increased 5.2 percent in FFY 2015, declined 3.9 percent in FFY 2016, and declined 1.2 percent in FFY 2017. The proportion of all Massachusetts federal contracts has averaged 2.9 percent over the last ten years.



Federal Spending in the United States and Massachusetts (in Billions of 2017 adjusted dollars)

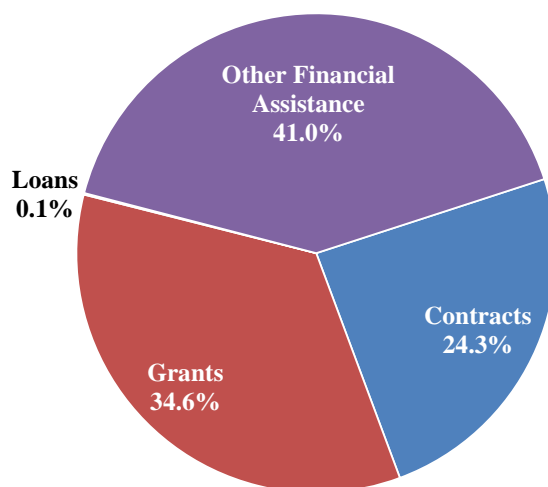
Federal Fiscal Year	Massachusetts	YOY change	United States	YOY change
2008	\$55.1		\$2,372.1	
2009	\$78.5	42.4%	\$3,367.2	42.0%
2010	\$75.3	-4.2%	\$2,814.0	-16.4%
2011	\$68.8	-8.6%	\$3,585.4	27.4%
2012	\$85.3	24.0%	\$4,102.1	14.4%
2013	\$87.0	2.0%	\$4,145.2	1.1%
2014	\$70.8	-18.6%	\$2,868.3	-30.8%
2015	\$60.7	-14.3%	\$2,945.7	2.7%
2016	\$63.6	4.8%	\$3,136.2	6.5%
2017	\$53.6	-15.7%	\$2,639.5	-15.8%

SOURCE: <http://www.usaspending.gov> as of 01/09/18.

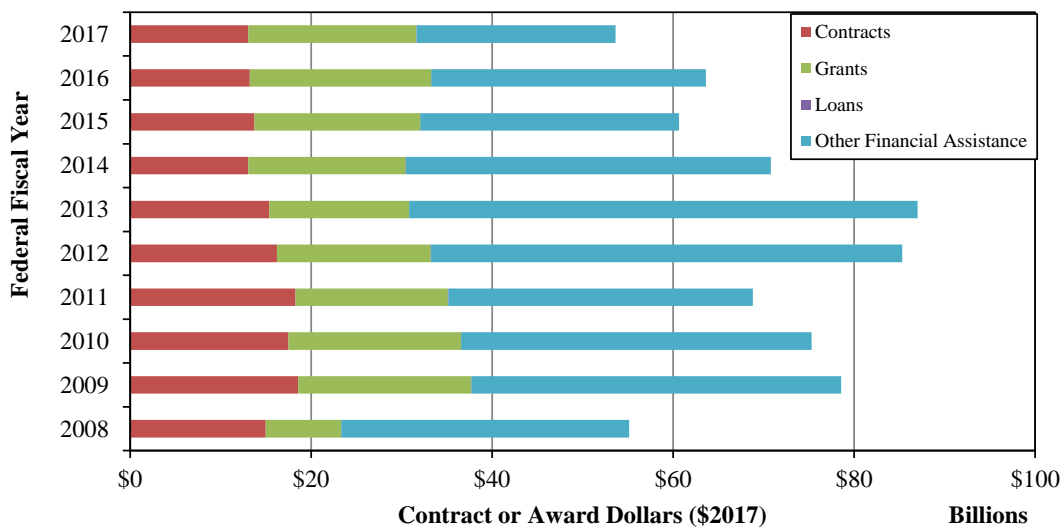
NOTE: Federal fiscal data reporting is not complete until January of the following year due to the three month lag in DOD reporting. Dollar values and change in dollar values reflect inflation-adjusted (\$2017) dollars.

In FFY 2017, the largest portion of federal spending in Massachusetts, 41.0 percent, was for Other Financial Assistance which includes direct payments to individuals (such as Medicare and food stamps), insurance payments (such as unemployment benefits, flood insurance), and other types of assistance payments (such as reimbursements for prescriptions for veterans). Other Financial Assistance decreased 27.5 percent, Contracts decreased 1.2 percent, and Grants increased 628.3 percent from FFY 2016. The graphs below describe the most recent complete fiscal year and the last nine years of federal spending in Massachusetts, including the most recent data for the current fiscal year as reported by USASpending.gov.

Federal Spending in Massachusetts - Federal Fiscal Year 2017



Composition of Federal Spending Awards to Massachusetts FFY2008 - 2017

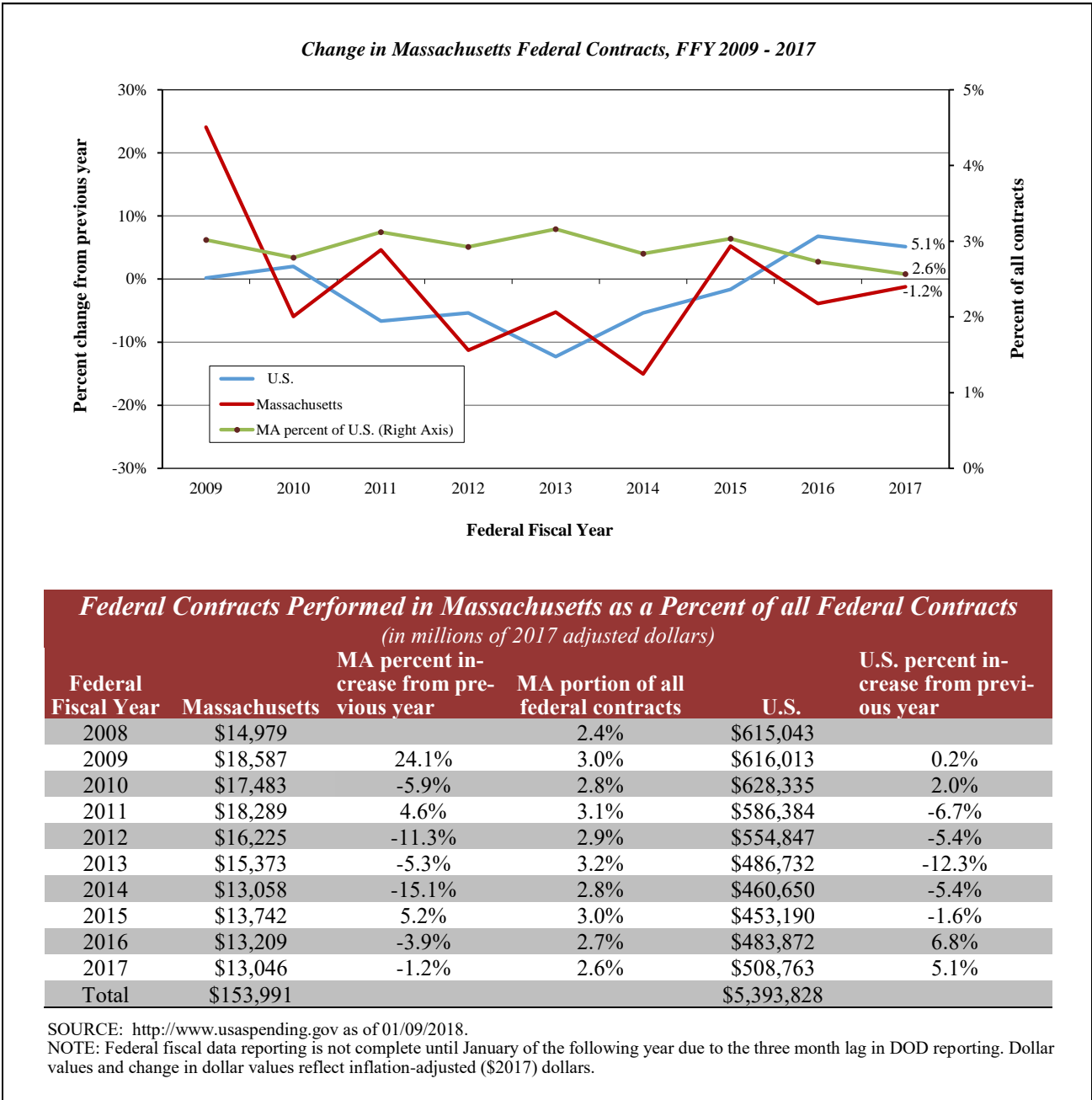


SOURCE: <http://www.usaspending.gov> as of 01/09/2018.

NOTE: Federal fiscal data reporting is not complete until January of the following year due to the three month lag in DOD reporting. Dollar values and change in dollar values reflect inflation-adjusted (\$2017) dollars.

Federal Contracts. The table and graph below compare the annual summary of federal contracts performed in Massachusetts to the total contracts awarded by the federal government. In FFY 2017, the latest full year available, 2.6 percent of all federal contract work was performed in Massachusetts. This is slightly less than the 2.9 percent average it has been receiving over the last ten years.

The following two pages summarize the federal contracts by top products or services, funding agencies and sub agencies, contractors and sub-awardees, over the long-term and the latest complete federal fiscal year. The work was primarily performed in Massachusetts and the vendors who were awarded the contracts may or may not have been located in Massachusetts.



Summary of Federal Contracts Performed in Massachusetts

FFY 2008 to FFY 2017

Total Dollars:	\$153,991,433,809
Number of Transactions:	1,256,077

Top 5 Prime Award Contractors

Raytheon Company	\$40,724,449,465
General Electric Company	\$13,822,379,724
Massachusetts Institute of Technology	\$10,708,158,080
General Dynamics Corporation	\$8,527,199,074
Coins 'N Things Inc.	\$6,169,406,702

Top 5 Contract Sub-Awardees

Cobham Plc	\$2,488,379,776
Bae Systems Information And Electronic Systems Integration, Inc.	\$907,074,932
General Dynamics Advanced Information Systems, Inc.	\$449,083,136
Raytheon Company	\$329,487,036
Charles Stark Draper Laboratory, Inc.	\$261,043,406

SOURCE: <http://www.usaspending.gov> as of 01/09/2018.

NOTE: Annual federal fiscal data reporting is not complete until January of the following year due to the three month lag in DOD reporting. Dollar values reflect inflation-adjusted (\$2017) dollars.

Federal Contracts Performed in Massachusetts

Federal Fiscal Year: 2017

Total Contract Funds Awarded:	\$13,046,218,551
Total Contract Funds to Sub-Awardees:	\$773,616,451

This amount is 2.6% percent of all dollars awarded nationally for the federal fiscal year.

Number of Transactions:	113,249
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Top 5 Prime Award Contractors

Raytheon Company	\$3,570,290,325
General Electric Company	\$1,405,951,812
Massachusetts Institute of Technology	\$1,071,413,627
Charles Stark Draper Laboratory, Inc.	\$365,002,441
General Dynamics C4 Systems, Inc.	\$333,531,675

Top 5 Contract Sub-Awardees

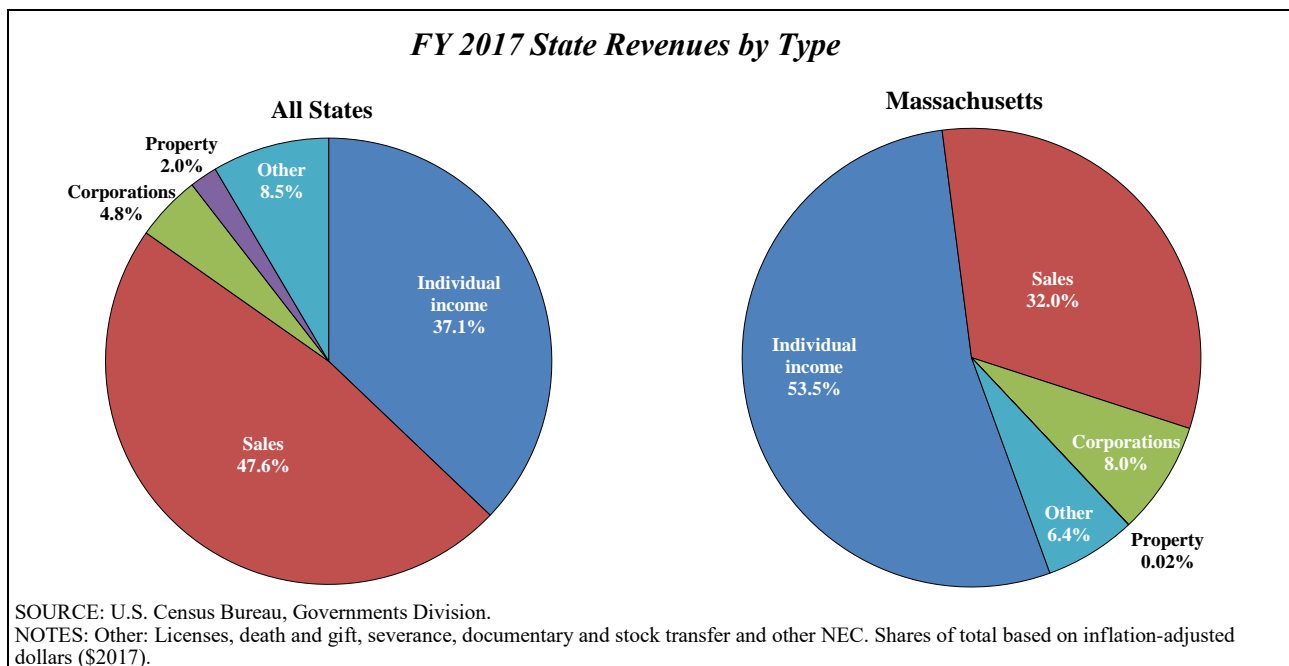
Charles Stark Draper Laboratory, Inc.	\$71,291,317
Rolls-Royce Holdings Plc	\$49,528,498
AECOM	\$40,682,429
Qinetiq Holdings Limited	\$39,575,123
Ultra Electronics Holdings Plc	\$29,767,778

SOURCE: <http://www.usaspending.gov> as of 01/09/2018.

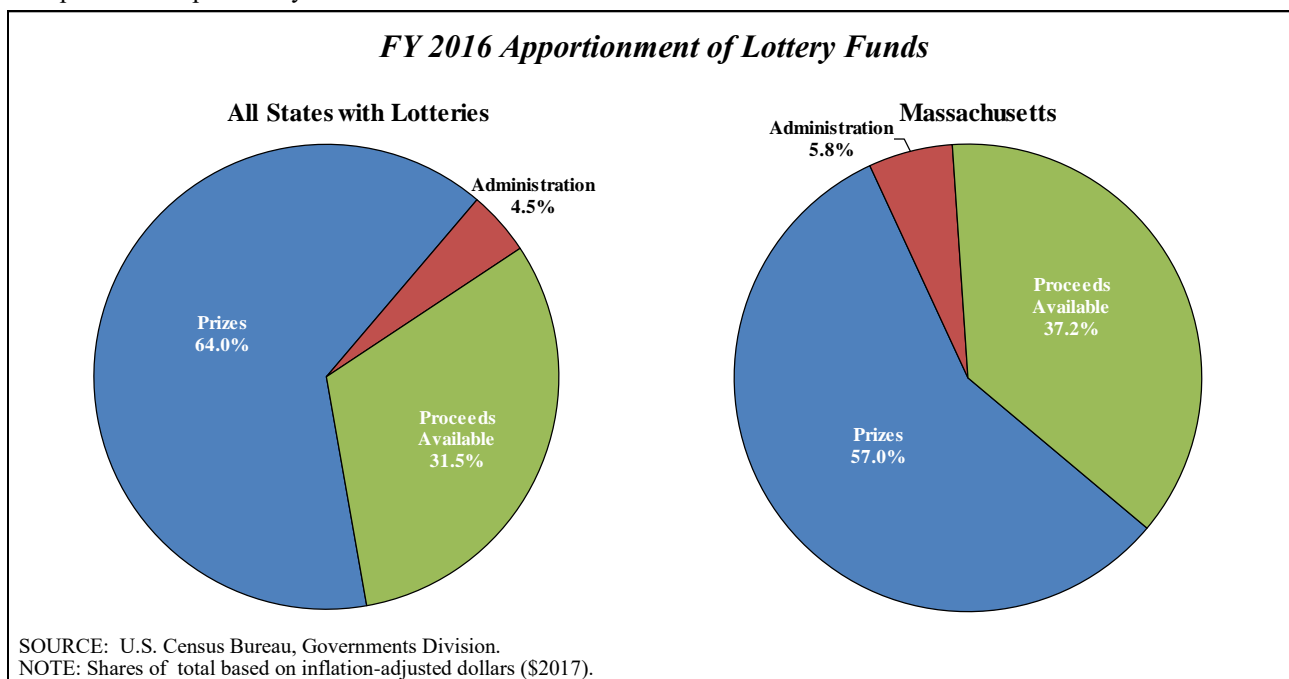
NOTE: Annual federal fiscal data reporting is not complete until January of the following year due to the three month lag in DOD reporting. Dollar values reflect inflation-adjusted (\$2017) dollars.

State Revenues. Taxes collected by all states in FY 2017 totaled \$950.5 billion, 0.05 percent more than in FY 2016. Massachusetts collected \$27.5 billion in FY 2017, 1.2 percent less than in FY 2016. Massachusetts ranked tenth in the nation in total taxes collected in 2017.

In FY 2017, the national average of tax collection from individual income tax and sales and gross receipts tax was 84.8 percent of total revenue. Massachusetts collected most of its revenue, 53.5 percent, from individual income taxes while overall states collected 37.1 percent of their revenue from individual income tax. Seven states do not have an individual income tax.



State Lottery Proceeds. Massachusetts ranked fourth in revenue, \$5.35 billion, and fourth in prize money awarded, \$278.7 million, among the 43 states with lotteries in FY 2016. Massachusetts lottery revenue increased 3.3 percent compared to the previous year.



State Expenditures. The following tables and graph depict FY 2016 per capita state government general expenditures in inflation-adjusted dollars by category for the six New England states and the U.S. average state expenditures. Massachusetts ranked eighth in the nation in per capita expenditures, \$9,463 in 2016, while it ranked sixth and spent \$9,075 in 2012. This represents a 4.3 percent increase in per capita expenditures from 2012 levels, with the largest per capita dollar increase in the Public Welfare function.

<i>Massachusetts Per Capita State Government General Expenditures, by Type</i>												
General expenditures, by function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Education	\$1,689	\$1,704	\$1,939	\$1,877	\$1,983	\$2,039	\$2,034	\$2,080	\$2,041	\$2,067	\$2,011	\$2,025
Public Welfare	\$2,157	\$2,241	\$2,219	\$2,222	\$2,319	\$2,364	\$2,427	\$2,439	\$2,440	\$2,555	\$2,864	\$3,005
Health & Hospitals	\$222	\$228	\$268	\$269	\$271	\$265	\$268	\$257	\$257	\$251	\$310	\$362
Highways	\$346	\$318	\$316	\$393	\$336	\$335	\$315	\$331	\$315	\$342	\$431	\$448
Police & Corrections	\$279	\$301	\$323	\$333	\$336	\$314	\$299	\$296	\$302	\$313	\$306	\$302
Natural Resource, Parks & Recreation	\$95	\$98	\$103	\$101	\$110	\$102	\$97	\$87	\$98	\$96	\$102	\$97
Administration, Insurance Trust & Other*	\$2,083	\$2,055	\$2,234	\$2,164	\$2,429	\$2,875	\$2,711	\$3,090	\$2,996	\$2,908	\$3,169	\$2,794
Interest on General Debt	\$546	\$592	\$612	\$635	\$641	\$587	\$516	\$496	\$455	\$412	\$443	\$430
Total	\$7,418	\$7,536	\$8,014	\$7,996	\$8,424	\$8,881	\$8,667	\$9,075	\$8,904	\$8,944	\$9,637	\$9,463

SOURCE: U.S. Census Bureau, Governments Division

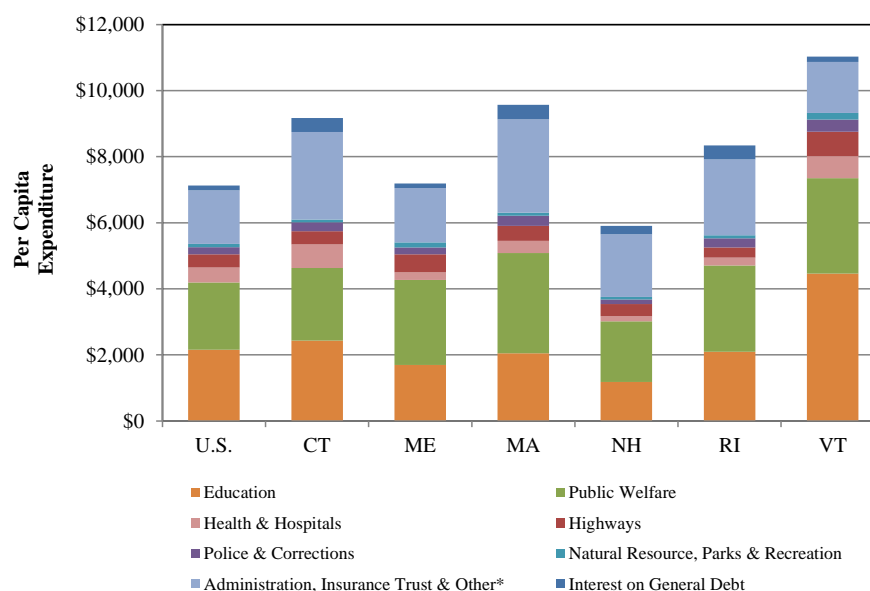
Now in factfinder: <http://factfinder.census.gov/bkmk/table/1.0/en/SGF/2013/SGF003>

Source for population estimates: <http://factfinder.census.gov/bkmk/table/1.0/en/PEP/2013/PEPANNRES/0100000US/0100000US.04000>

<i>Fiscal Year 2016 Per Capita State Government General Expenditures, by Type (for the U.S. and the New England States)</i>							
General expenditures, by function	U.S.	CT	ME	MA	NH	RI	VT
Education	\$2,123	\$2,428	\$1,690	\$2,025	\$1,168	\$2,086	\$4,480
Public Welfare	\$2,003	\$2,199	\$2,555	\$3,005	\$1,817	\$2,604	\$2,899
Health & Hospitals	\$453	\$712	\$230	\$362	\$158	\$240	\$668
Highways	\$390	\$402	\$547	\$448	\$363	\$304	\$744
Police & Corrections	\$214	\$266	\$201	\$302	\$140	\$273	\$373
Natural Resource, Parks & Recreation	\$98	\$86	\$158	\$97	\$69	\$96	\$202
Administration, Insurance Trust & Other*	\$1,596	\$2,647	\$1,632	\$2,794	\$1,882	\$2,287	\$1,543
Interest on General Debt	\$140	\$425	\$140	\$430	\$250	\$423	\$168
Total	\$7,019	\$9,166	\$7,154	\$9,463	\$5,847	\$8,313	\$11,077
State's rank of total per capita expenditures		9	27	8	43	14	3

SOURCE: U.S. Census Bureau, Governments Division

*Fiscal Year 2016 Per Capita State Government General Expenditures, by Type
(U.S. and the New England States)*



SOURCE: U.S. Census Bureau, Governments Division.

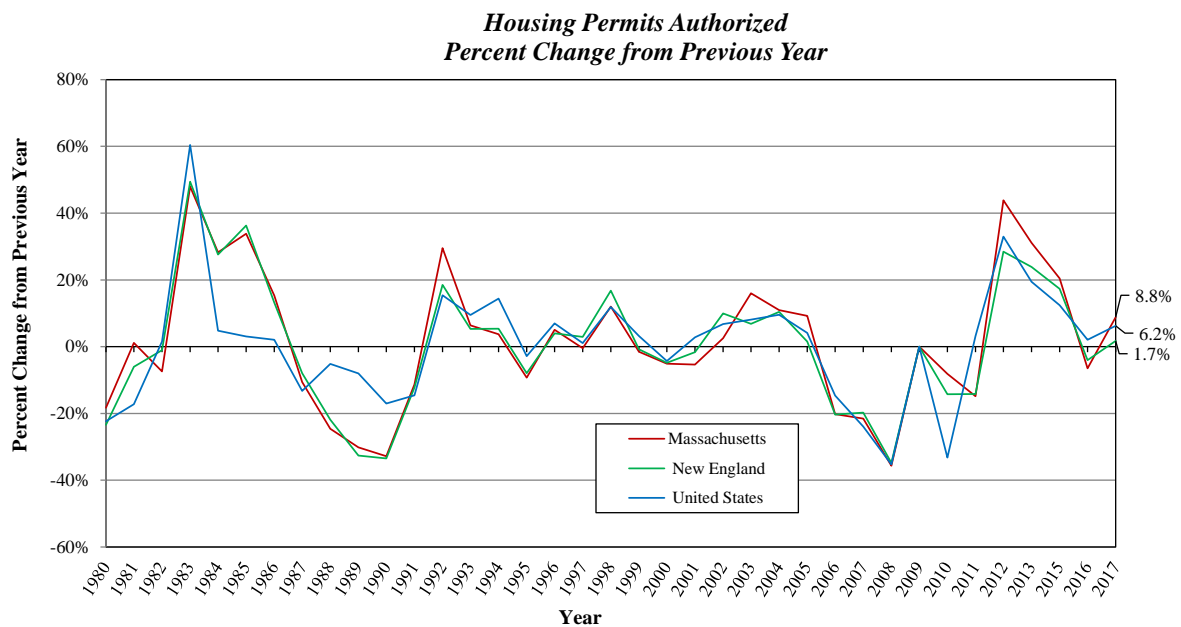
*Other includes utility, liquor store, other and un-allocated expenditures.

NOTE: Per capita dollars are adjusted for inflation (\$2017).

Supplementary Data Section. The following appendix contains more detailed data for industry sectors or subsectors.

Building Permits. The Census Bureau's Residential Construction Branch Building Permits Survey is a leading economic indicator used to track the housing industry.

<i>Housing Permits Authorized</i>						
Year	Massachusetts		Total Units	New England		Total Units
	Total Units	Percent Change Previous Year		Total Units	Percent Change Previous Year	United States
1975	17,697	-27.5%	41,645	-21.0%	934,511	-12.4%
1980	16,480	-18.3%	41,079	-23.4%	1,190,600	-22.4%
1985	39,196	33.8%	99,192	36.3%	1,733,266	3.1%
1990	14,290	-32.9%	36,169	-33.5%	1,110,766	-17.0%
1997	17,186	-0.4%	41,110	2.9%	1,441,136	1.1%
1998	19,254	12.0%	48,008	16.8%	1,612,260	11.9%
1999	18,967	-1.5%	47,632	-0.8%	1,663,533	3.2%
2000	18,000	-5.1%	45,335	-4.8%	1,592,267	-4.3%
2001	17,034	-5.4%	44,594	-1.6%	1,636,676	2.8%
2002	17,465	2.5%	49,031	9.9%	1,747,678	6.8%
2003	20,257	16.0%	52,395	6.9%	1,889,214	8.1%
2004	22,477	11.0%	57,858	10.4%	2,070,077	9.6%
2005	24,549	9.2%	58,742	1.5%	2,155,316	4.1%
2006	19,580	-20.2%	46,782	-20.4%	1,838,903	-14.7%
2007	15,358	-21.6%	37,532	-19.8%	1,398,415	-24.0%
2008	9,883	-35.6%	24,454	-34.8%	905,359	-35.3%
2009	9,883	0.0%	24,454	0.0%	905,359	0.0%
2010	9,075	-8.2%	20,964	-14.3%	604,610	-33.2%
2011	7,725	-14.9%	17,987	-14.2%	624,061	3.2%
2012	11,111	43.8%	23,109	28.5%	829,658	32.9%
2013	14,569	31.1%	28,635	23.9%	990,822	19.4%
2014	14,467	-0.7%	28,949	1.1%	1,052,124	6.2%
2015	17,424	20.4%	33,959	17.3%	1,182,582	12.4%
2016	16,288	-6.5%	32,595	-4.0%	1,206,642	2.0%
2017	17,728	8.8%	33,160	1.7%	1,281,977	6.2%

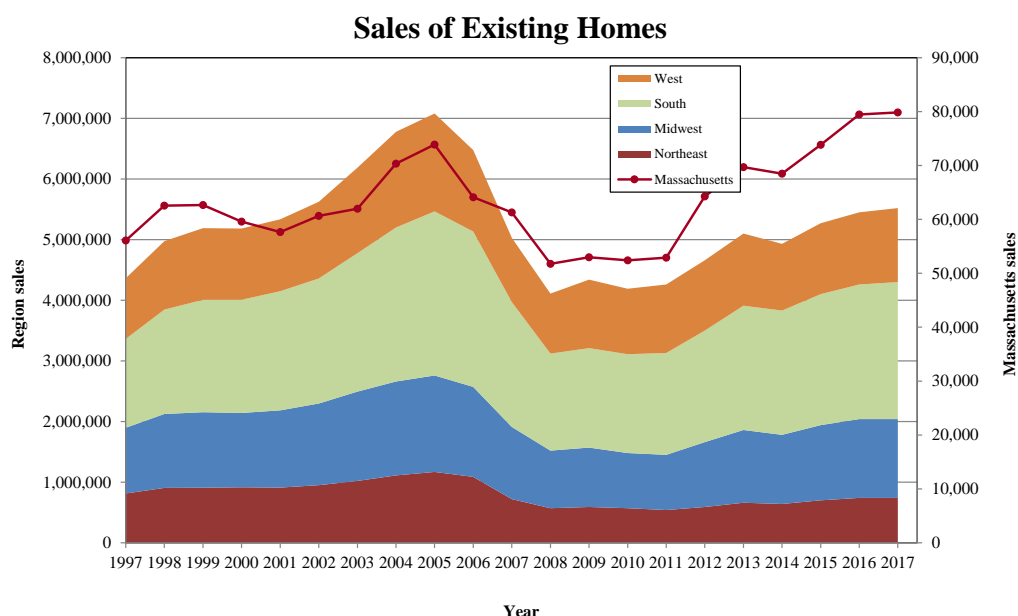


SOURCE: U.S. Census Bureau.

NOTE: Reported data plus data imputed for non-reporters & partial reporters.

Home Sales. Sales of existing single-family homes for Massachusetts and the U.S. are presented in the following table and graph. The state existing-home sales report includes single-family houses, condos and co-ops.

<i>Sales of Existing Homes United States, National Regions and Massachusetts</i>						
Year	U.S.	Northeast	Midwest	South	West	Massachusetts
1991	3,146,000	596,000	867,000	1,070,000	633,000	31,379
1992	3,431,000	667,000	967,000	1,127,000	680,000	38,847
1993	3,737,000	714,000	1,031,000	1,257,000	745,000	43,588
1994	3,884,000	728,000	1,031,000	1,313,000	822,000	45,238
1995	3,849,000	725,000	1,010,000	1,312,000	812,000	43,509
1996	4,167,000	776,000	1,056,000	1,393,000	942,000	51,857
1997	4,374,000	813,000	1,084,000	1,466,000	1,001,000	56,107
1998	4,965,000	905,000	1,219,000	1,722,000	1,129,000	62,549
1999	5,179,000	908,000	1,245,000	1,854,000	1,182,000	62,662
2000	5,173,000	915,000	1,226,000	1,867,000	1,175,000	59,602
2001	5,335,000	910,000	1,274,000	1,965,000	1,186,000	57,665
2002	5,634,000	950,000	1,347,000	2,062,000	1,265,000	60,661
2003	6,176,000	1,020,000	1,473,000	2,283,000	1,410,000	61,979
2004	6,778,000	1,111,000	1,549,000	2,540,000	1,578,000	70,342
2005	7,080,000	1,168,000	1,591,000	2,707,000	1,614,000	73,887
2006	6,477,000	1,087,000	1,484,000	2,562,000	1,344,000	64,126
2007	5,030,000	720,000	1,190,000	2,060,000	1,060,000	61,299
2008	4,110,000	570,000	950,000	1,600,000	990,000	51,766
2009	4,340,000	590,000	980,000	1,640,000	1,130,000	52,992
2010	4,190,000	570,000	910,000	1,630,000	1,080,000	52,413
2011	4,260,000	540,000	910,000	1,680,000	1,130,000	52,902
2012	4,660,000	590,000	1,070,000	1,840,000	1,160,000	64,254
2013	5,090,000	660,000	1,200,000	2,050,000	1,190,000	69,697
2014	4,940,000	640,000	1,140,000	2,050,000	1,100,000	68,503
2015	5,250,000	700,000	1,240,000	2,160,000	1,170,000	73,858
2016	5,450,000	740,000	1,300,000	2,220,000	1,190,000	79,459
2017	5,510,000	740,000	1,300,000	2,260,000	1,220,000	79,844

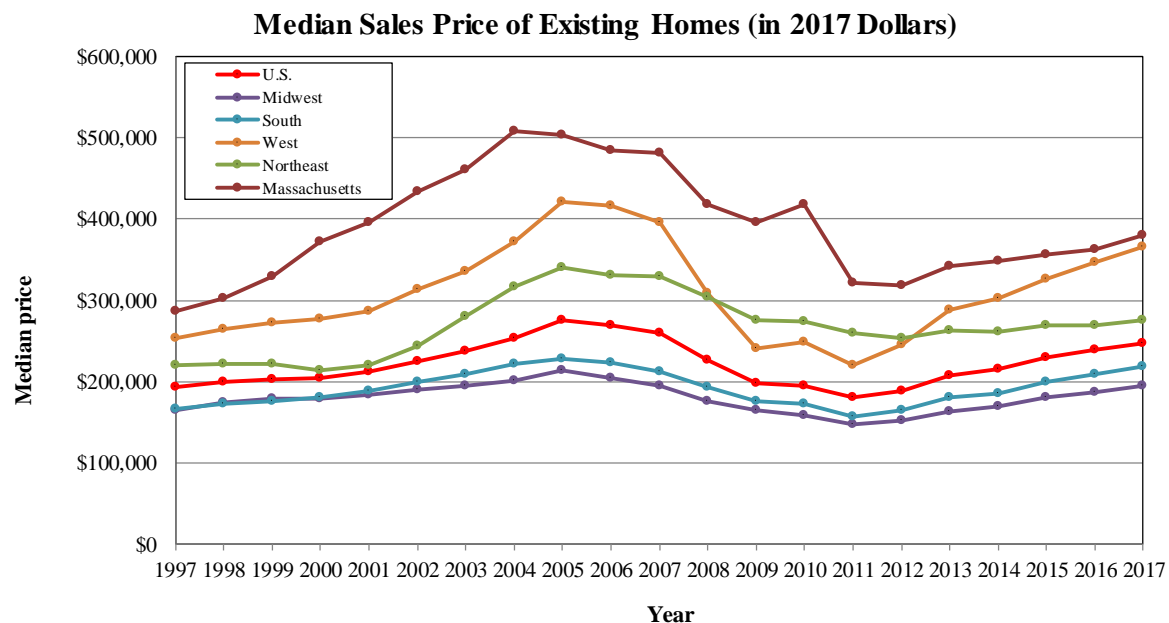


SOURCES: National Association of Realtors and Massachusetts Association of Realtors.

NOTE: Massachusetts sales price reflects only that of single-family homes. Sales prices of the other regions represent the average of both single- and multi-family homes.

Home prices. Massachusetts sales prices are much higher than the national median but they are 25.3 percent less than the 2004 peak.

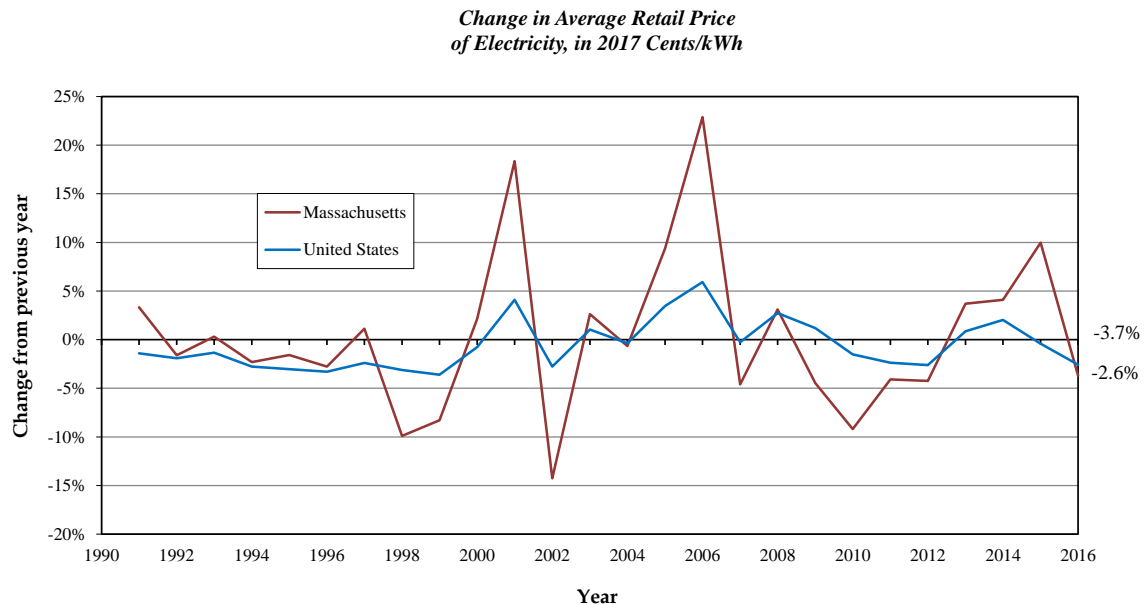
<i>Median Sales Price of Existing Homes (in 2017 dollars) United States, National Regions and Massachusetts</i>						
Year	U.S.	Northeast	Midwest	South	West	Massachusetts
1990	\$180,792	\$265,187	\$143,096	\$158,850	\$259,936	\$339,877
1991	\$182,490	\$258,438	\$144,876	\$158,554	\$260,058	\$303,961
1992	\$181,700	\$249,138	\$147,107	\$159,162	\$246,692	\$285,288
1993	\$181,847	\$241,049	\$147,581	\$158,946	\$240,540	\$276,254
1994	\$184,088	\$234,038	\$149,851	\$156,963	\$246,774	\$277,000
1995	\$184,323	\$222,763	\$154,567	\$155,854	\$242,225	\$276,165
1996	\$187,316	\$218,093	\$159,820	\$159,976	\$245,432	\$278,921
1997	\$192,583	\$219,310	\$165,246	\$165,551	\$253,062	\$285,917
1998	\$199,705	\$221,510	\$173,840	\$172,937	\$264,519	\$302,069
1999	\$203,041	\$221,432	\$178,028	\$174,939	\$272,781	\$328,974
2000	\$204,409	\$213,234	\$178,360	\$179,783	\$277,006	\$371,940
2001	\$211,902	\$219,653	\$183,390	\$187,542	\$286,504	\$396,229
2002	\$224,682	\$244,302	\$189,801	\$198,930	\$313,383	\$434,170
2003	\$238,193	\$279,757	\$193,965	\$208,752	\$335,441	\$461,212
2004	\$253,555	\$316,359	\$200,612	\$221,114	\$371,638	\$508,979
2005	\$275,619	\$340,507	\$214,119	\$228,051	\$420,833	\$503,981
2006	\$269,802	\$330,596	\$204,023	\$223,356	\$416,680	\$484,833
2007	\$258,902	\$329,952	\$195,181	\$211,969	\$396,156	\$482,132
2008	\$225,535	\$303,293	\$175,441	\$192,632	\$309,100	\$418,033
2009	\$197,090	\$274,784	\$164,642	\$174,811	\$241,193	\$396,376
2010	\$194,584	\$274,172	\$158,275	\$172,776	\$248,092	\$418,664
2011	\$181,002	\$258,808	\$147,548	\$157,137	\$219,360	\$321,467
2012	\$188,756	\$253,774	\$152,350	\$164,414	\$245,660	\$317,885
2013	\$207,391	\$262,106	\$162,672	\$179,612	\$287,359	\$341,969
2014	\$215,677	\$261,649	\$168,980	\$185,650	\$302,134	\$347,899
2015	\$230,003	\$269,096	\$180,362	\$198,667	\$326,803	\$356,795
2016	\$238,781	\$269,522	\$187,205	\$209,163	\$347,447	\$362,563
2017	\$247,200	\$275,000	\$194,900	\$218,000	\$366,400	\$380,000



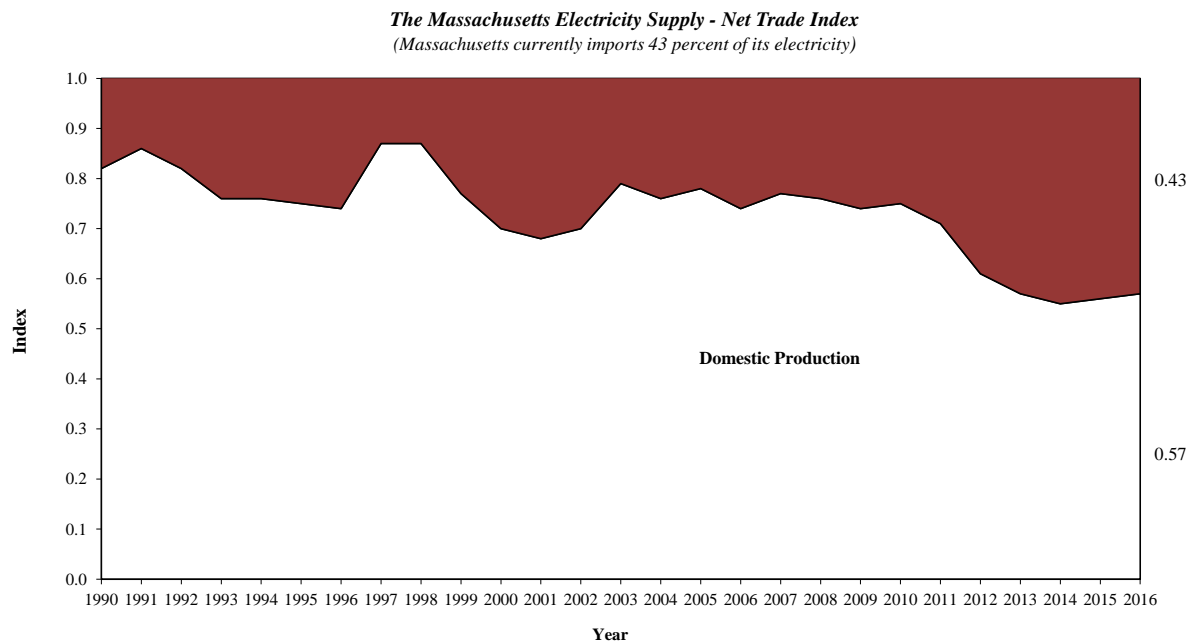
SOURCE: National Association of Realtors and Massachusetts Association of Realtors.

NOTE: The Massachusetts sales price reflects only that of single-family homes. Sales prices of the other regions represent the average of both single- and multi-family homes.

Electricity Prices, Supply and Capacity by Source. Massachusetts had the fifth highest electric rate in the country in 2016, 16.83 cents per kilowatt hour in 2017 dollars, while the U.S. average was 10.49. Adjusted for inflation, this was a decrease of 3.7 percent for Massachusetts and a decrease of 2.6 percent for the U.S. from the previous year. Massachusetts electric utilities generated \$9.0 billion in revenue in 2016. This was 5.7 percent less than in 2015, while they sold 2.1 percent less electricity. The Massachusetts Net Electricity Trade Index, which represents the state's electricity self-sufficiency, was 0.57 in 2016, the latest data available. In 2016, 66.2 percent of Massachusetts electricity was generated by burning natural gas, our top fuel source for power generation.



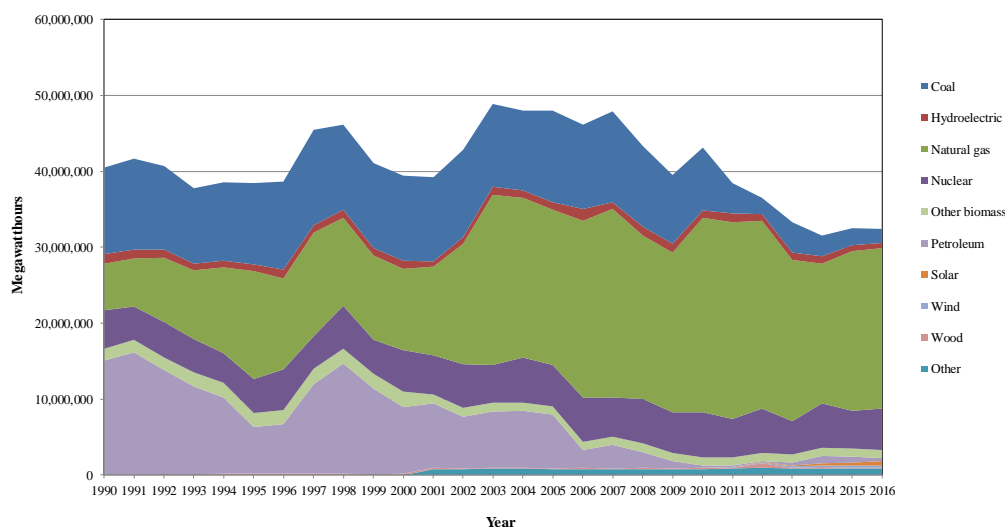
SOURCE: U.S. Department of Energy, http://www.eia.doe.gov/cneaf/electricity/st_profiles/massachusetts.html.
 NOTE: Massachusetts restructured the electric utility industry to establish consumer electricity rate savings by 03/01/98.
<https://malegislature.gov/Laws/SessionLaws/Acts/1997/Chapter164>



SOURCE: U.S. Department of Energy, http://www.eia.doe.gov/cneaf/electricity/st_profiles/massachusetts.html.

<i>Electric Power Industry Generation by Primary Energy Source</i> <i>2006 to 2016 (in Megawatt-hours)</i>											
Energy Source	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total electric industry	45,597,775	47,075,975	42,505,478	38,966,651	42,804,824	38,054,821	36,198,121	32,885,021	31,118,591	32,085,969	31,955,022
Coal	11,138,341	12,024,347	10,628,688	9,028,110	8,305,890	4,058,807	2,136,922	3,959,229	2,794,889	2,252,664	1,874,932
Hydroelectric	1,512,645	797,482	1,155,811	1,201,076	996,339	1,148,762	912,482	991,504	902,077	827,184	712,516
Natural gas	23,306,676	24,925,043	21,514,434	20,987,836	25,581,752	25,939,672	24,672,381	21,256,887	18,497,715	21,007,411	21,143,936
Nuclear	5,829,658	5,119,789	5,868,639	5,396,021	5,917,813	5,085,220	5,859,540	4,330,643	5,769,154	4,994,806	5,414,318
Other biomass	1,153,571	1,121,067	1,129,046	1,107,875	1,125,326	1,039,130	1,065,140	1,060,541	1,073,422	1,047,103	1,075,330
Petroleum	2,328,246	3,051,604	2,107,999	897,078	295,736	196,503	174,494	390,311	1,004,834	777,075	422,281
Solar	0	0	80	43	928	4,765	29,614	106,457	306,321	451,366	609,281
Wind	0	0	3,672	5,956	22,068	61,385	89,673	204,898	224,971	214,666	216,123
Wood	125,258	119,157	122,580	115,384	125,412	101,295	658,991	76,531	125,237	119,769	128,822
Other	782,278	748,033	772,928	760,909	770,629	859,514	906,429	875,926	878,130	867,806	857,932
Pumped storage	-578,898	-830,547	-798,400	-533,636	-337,069	-440,231	-307,545	-367,906	-458,158	-473,881	-500,450

Electric Power Generation by Primary Energy Source, 1990 to 2016



SOURCE: U.S. Dept. of Energy, <http://www.eia.doe.gov/>; state electricity profiles.

NOTE: Other includes batteries, chemicals, hydrogen, pitch, purchased steam, sulfur, tire-derived fuels and misc. technologies. Pumped storage is omitted from the graph because it represents the storage of power generated elsewhere rather than newly generated power.

Travel and Tourism. The Massachusetts Office of Travel and Tourism (MOTT) reported a 2.3 percent decrease in 2017 museum and attraction attendance compared to 2016, with 12.8 million visitors. Museum attendance was down 3.3 percent in June 2018 for the calendar year compared to June 2017. For June FY 2018 year-to-date, net room occupancy tax collections totaled \$263.4 million, a 3.1 percent increase from the same period in FY 2017.

Transportation and Warehousing. Massachusetts's major air and seaports are managed by the Massachusetts Port Authority (Massport), an independent public authority. Based on total passenger volume data for calendar year 2017, Logan Airport was the most active airport in New England and the 16th most active in the U.S. according to the Federal Aviation Authority. Massport reported that as of August 2018 year-to-date, total airport flight operations were up 4.5 percent and total airport passengers were up 7.6 percent from the same period in 2017. According to the FAA, in calendar year 2017, Logan Airport ranked 28th in the nation in total air cargo volume. As of August 2018 year-to-date, Massport reported the airport handled 457.5 million pounds of cargo; a 5 percent increase from the same period in 2017. Massport reported that total express mail was up 10.2 percent from the same period in 2017. Please refer to the Aviation Activity tables on the following page.

Massport's Port of Boston properties processed 270,881 full TEUs (twenty-foot equivalent units) of containerized cargo in 2017, an increase of 9.1 percent from calendar year 2016. It also processed 49,554 automobiles, a decrease of 8.0 percent, and 388,222 cruise passengers, a 25.6 percent increase, compared to 2016.

The Army Corps of Engineers reported Massachusetts total waterborne cargo shipped or received in 2017 decreased by 6.7 percent to 17 million short tons from 2016. Waterborne cargo in New England decreased 4.5 percent while the U.S. increased 4.1 percent. Please refer to the Waterborne Tonnage by State charts on the following page.

Aviation Activity for Massachusetts Primary Airports

Passenger Boardings	2009	2010	2011	2012	2013	2014	2015	2016	2017
Logan International	12,566,797	13,561,814	14,180,730	14,293,695	14,810,153	15,507,561	16,290,362	17,759,044	18,759,742
Nantucket Memorial	204,981	201,390	169,352	179,128	183,557	170,361	155,952	126,197	113,009
Barnstable Municipal	138,858	124,560	100,596	95,717	87,648	85,184	65,790	31,027	29,455
Worcester Regional	17,241	35,833	53,541	10,750	8,007	57,818	59,624	57,800	53,931
Martha's Vineyard	42,248	43,904	49,095	50,484	56,313	52,362	49,853	54,084	49,767
Provincetown Municipal	10,747	11,450	10,967	11,580	11,288	10,410	10,841	10,074	8,900
New Bedford Regional	11,680	12,363	11,152	12,256	10,604	8,159	7,271	7,022	5,998
Hanscom Field	7,350	7,952	10,893	11,097	12,621	11,116	15,313	15,105	10,956
Total	12,999,902	13,999,266	14,586,326	14,664,707	15,180,191	15,902,971	16,655,006	18,060,353	19,031,758

Cargo - Gross Landed Weight (lb)	2009	2010	2011	2012	2013	2014	2015	2016	2017
Logan International	835,954,035	817,235,460	806,845,332	780,913,850	866,698,830	910,283,225	893,960,700	980,954,950	996,320,950

Change in Aviation Activity at Massachusetts Primary Airports

Passenger Boardings	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Logan International	-2.0%	7.9%	4.6%	0.8%	3.6%	4.7%	5.0%	9.0%	5.6%
Nantucket Memorial	-20.6%	-1.8%	-15.9%	5.8%	2.5%	-7.2%	-8.5%	-19.1%	-10.5%
Barnstable Municipal	-27.6%	-10.3%	-19.2%	-4.9%	-8.4%	-2.8%	-22.8%	-52.8%	-5.1%
Worcester Regional	441.8%	107.8%	49.4%	-79.9%	-25.5%	622.1%	3.1%	-3.1%	-6.7%
Martha's Vineyard	-6.1%	3.9%	11.8%	2.8%	11.5%	-7.0%	-4.8%	8.5%	-8.0%
Provincetown Municipal	-6.3%	6.5%	-4.2%	5.6%	-2.5%	-7.8%	4.1%	-7.1%	-11.7%
New Bedford Regional	-16.0%	5.8%	-9.8%	9.9%	-13.5%	-23.1%	-10.9%	-3.4%	-14.6%
Hanscom Field	-12.3%	8.2%	37.0%	1.9%	13.7%	-11.9%	37.8%	-1.4%	-27.5%
Total	-2.6%	7.7%	4.2%	0.5%	3.5%	4.8%	4.7%	8.4%	5.4%

Cargo	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Logan International	-24.0%	-2.2%	-1.3%	-3.2%	11.0%	5.0%	-1.8%	9.7%	1.6%

SOURCE: Federal Aviation Administration. http://www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/passenger/.

Waterborne Tonnage by State - Percent Change from Previous Year

State	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
U.S. total	-0.9%	-3.4%	-10.8%	5.6%	1.4%	-2.6%	-1.4%	3.1%	-2.8%	0.6%	4.1%
Massachusetts	2.3%	-7.3%	-3.8%	-9.4%	-8.9%	-16.2%	9.1%	-0.7%	-1.4%	-1.2%	-6.7%
Maine	-4.5%	-7.8%	-7.1%	-9.1%	-26.3%	-1.8%	-6.9%	-15.0%	-13.0%	-26.5%	-11.3%
Connecticut	4.2%	-9.7%	-7.9%	-3.2%	-20.0%	-18.0%	6.8%	17.1%	2.6%	-7.5%	-5.5%
Rhode Island	1.5%	-6.0%	-20.1%	-1.1%	0.8%	-9.7%	19.9%	-3.5%	2.5%	-1.9%	3.0%
New Hampshire	-16.5%	-4.8%	-6.5%	-17.3%	12.9%	-27.7%	10.7%	4.6%	-1.1%	-15.1%	11.6%
Vermont	-	-	-	-	-	-	-	-	-	-	-
New England	-0.5%	-7.7%	-7.8%	-7.4%	-14.5%	-12.7%	5.7%	-0.9%	-2.3%	-8.5%	-4.5%

Waterborne Tonnage by State (In Units of 1,000 Tons)

State	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
U.S. total	2,563,972	2,477,094	2,210,752	2,334,399	2,367,484	2,306,770	2,274,778	2,345,439	2,278,974	2,292,044	2,385,121
Massachusetts	28,043	25,993	25,018	22,661	20,646	17,298	18,866	18,733	18,464	18,241	17,024
Maine	26,839	24,747	22,996	20,907	15,411	15,127	14,078	11,964	10,414	7,657	6,795
Connecticut	20,148	18,196	16,767	16,229	12,977	10,645	11,368	13,313	13,664	12,633	11,933
Rhode Island	11,184	10,517	8,404	8,315	8,378	7,567	9,072	8,754	8,976	8,802	9,065
New Hampshire	4,026	3,833	3,583	2,964	3,347	2,419	2,679	2,803	2,771	2,353	2,627
Vermont	-	-	-	-	-	-	-	-	-	-	-
New England	90,240	83,286	76,768	71,076	60,759	53,056	56,063	55,567	54,289	49,686	47,444

SOURCE: Army Corps of Engineers, Waterborne Commerce Statistics Center (WCSC), <http://www.navigationdatacenter.us/wcsc/wcsc.htm>.

Massachusetts Annual Exports
(in billions of 2017 dollars)



Massachusetts Top Export Partners

(top ten export destinations ranked by value of latest exports, in millions of 2017 dollars)

Country	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Canada	\$4,448	\$3,526	\$3,646	\$4,137	\$3,709	\$3,929	\$3,832	\$3,274	\$3,171	\$3,012
Mexico	\$1,324	\$1,031	\$1,431	\$1,566	\$1,718	\$1,959	\$2,400	\$2,712	\$2,524	\$2,562
China	\$1,780	\$1,567	\$2,468	\$2,275	\$2,003	\$2,083	\$2,375	\$2,125	\$2,214	\$2,304
United Kingdom	\$3,989	\$4,626	\$3,612	\$3,580	\$2,764	\$1,481	\$2,432	\$1,219	\$1,619	\$2,116
Germany	\$2,834	\$2,000	\$2,105	\$2,230	\$1,925	\$1,932	\$1,915	\$1,976	\$1,669	\$1,820
Hong Kong	\$672	\$600	\$751	\$818	\$757	\$1,854	\$997	\$960	\$919	\$1,321
Japan	\$2,764	\$1,961	\$2,299	\$2,227	\$2,128	\$1,854	\$1,915	\$1,526	\$1,430	\$1,279
Netherlands	\$3,045	\$2,264	\$1,905	\$2,206	\$1,149	\$1,358	\$1,376	\$1,447	\$1,399	\$1,255
Republic of Korea	\$758	\$713	\$1,003	\$1,123	\$1,099	\$949	\$1,022	\$1,040	\$999	\$1,219
Switzerland	\$508	\$414	\$529	\$614	\$464	\$1,348	\$832	\$1,060	\$1,806	\$1,119
Total Exports, Top Destinations	\$22,122	\$18,701	\$19,750	\$19,776	\$17,716	\$18,747	\$19,096	\$17,339	\$17,750	\$18,006
All other countries	\$10,176	\$8,255	\$9,820	\$10,595	\$9,630	\$9,465	\$9,258	\$8,815	\$8,695	\$9,559
Total Exports	\$32,298	\$26,957	\$29,570	\$30,371	\$27,346	\$28,212	\$28,354	\$26,154	\$26,445	\$27,566

Value of International Shipments from Massachusetts

(top ten industry groups ranked by value of latest exports, in millions of 2017 dollars)

Major Industry Group (3-Digit NAICS)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Computer And Electronic Products	\$8,905	\$7,541	\$8,417	\$8,395	\$7,789	\$7,600	\$8,439	\$7,562	\$7,103	\$7,456
Machinery, Except Electrical	\$2,977	\$2,294	\$3,882	\$3,970	\$3,471	\$3,036	\$3,046	\$3,281	\$3,395	\$3,835
Chemicals	\$6,278	\$4,413	\$4,076	\$3,666	\$3,681	\$3,801	\$3,630	\$3,530	\$3,388	\$3,204
Miscellaneous Manufactured Commodities	\$3,552	\$3,127	\$3,424	\$3,472	\$3,263	\$3,457	\$3,177	\$3,290	\$3,185	\$2,940
Waste and Scrap	\$2,336	\$3,125	\$2,695	\$3,045	\$2,084	\$2,997	\$2,462	\$541	\$971	\$2,668
Electrical Equipment, Appliances, And Component	\$711	\$580	\$627	\$740	\$1,037	\$1,176	\$1,230	\$1,223	\$1,264	\$1,452
Transportation Equipment	\$1,408	\$1,264	\$1,190	\$1,219	\$1,113	\$1,149	\$1,355	\$1,279	\$1,087	\$1,022
Waste And Scrap	\$1,563	\$761	\$735	\$1,200	\$837	\$785	\$792	\$1,299	\$2,110	\$903
Plastics And Rubber Products	\$668	\$643	\$844	\$883	\$725	\$709	\$755	\$855	\$831	\$824
Fabricated Metal Products, Nesoi	\$821	\$692	\$910	\$942	\$718	\$780	\$816	\$805	\$632	\$675
Total Exports, Top Massachusetts Industries	\$29,218	\$24,441	\$26,801	\$27,531	\$24,718	\$25,491	\$25,702	\$23,664	\$23,967	\$24,979
All other exports	\$3,080	\$2,516	\$2,769	\$2,841	\$2,628	\$2,721	\$2,652	\$2,490	\$2,479	\$2,587
Total Exports	\$32,298	\$26,957	\$29,570	\$30,371	\$27,346	\$28,212	\$28,354	\$26,154	\$26,445	\$27,566

SOURCE: WISERTrade.org.

Sources

Listed below are the websites of the original data sources used to compile Exhibit A. For more information, contact the UMass Donahue Institute Economic and Public Policy Research unit.

Web: <http://www.donahue.umassp.edu/business-groups/economic-public-policy-research>, Tel: 413-577-2415

Introduction

American Human Development Project

<http://www.measureofamerica.org/>

Population Characteristics

U.S. Department of Commerce, Bureau of the Census

<http://www.census.gov>

U.S. Internal Revenue Service

<http://www.irs.gov>

Personal Income, Consumer Prices, and Poverty

U.S. Department of Commerce, Bureau of Economic Analysis

<http://www.bea.gov/regional/index.htm>

U.S. Department of Labor, Bureau of Labor Statistics

<http://www.bls.gov>

The Conference Board, Inc.

<http://www.conference-board.org>

MassInsight Corporation

<http://www.massinsight.com/index.asp>

U.S. Department of Commerce, Bureau of the Census

<http://www.census.gov>

Employment

Mass. Executive Office of Labor and Workforce Development, Division of Unemployment Assistance

<http://lmi2.detma.org/Lmi/LMIDataProg.asp>

U.S. Department of Labor, Bureau of Labor Statistics

<http://www.bls.gov/data/home.htm>

Economic Base and Performance

U.S. Department of Commerce, Bureau of Economic Analysis

<http://www.bea.gov/national/index.htm#gdp>

Fortune Magazine

<http://www.fortune.com/fortune/>

Economic Base and Performance - Sector Detail (NAICS Basis)

U.S. Department of Commerce, Bureau of Economic Analysis

<http://www.bea.gov/regional/index.htm>

U.S. Census Bureau, Foreign Trade Division.

Prepared by the World Institute for Strategic Economic Research (WISER)

<http://www.WISERTrade>

U.S. Census Bureau, Nonemployer Statistics

<https://www.census.gov/econ/nonemployer/index.html>

Statistics

<http://www.bls.gov/data/home.htm>

Massport

<http://www.massport.com>

Airports Council International

<http://www.aci.aero>

Federal Aviation Administration

http://www.faa.gov/airports_airtraffic/airports/planning_capacity/passenger_allcargo_stats/

Army Corps of Engineers

<http://www.navigationdatacenter.us/wcsc/wcsc.htm>

Federal Reserve Bank of Philadelphia

<https://www.phil.frb.org/>

U.S. Department of Commerce

<http://www.census.gov>

National Association of Realtors

<http://www.realtor.org/>

<http://www.marealtor.com/content/>

Massachusetts Office of Travel and Tourism

<http://www.massvacation.com>

U.S. Census Bureau, Governments Division

<http://www.census.gov/govs/www/statetax.html>

<http://www.census.gov/govs/www/state.html>

U.S. Department of Commerce, Bureau of the Census, Consolidated Federal Funds Report

<http://www.census.gov/govs/www/cffr.html>

Federal Spending award data

<http://www.usaspending.gov>

Large employers by sector

<http://www.mass.gov/comptroller/docs/reports-audits/cafr/2016-cafr.pdf>

Human Resources and Infrastructure

U.S. Census Bureau

<http://www.census.gov/acs/www/>

New England Board of Higher Education

<http://www.nebhe.org.connection.html>

National Science Foundation

<http://www.nsf.gov/statistics>

U.S. Department of Education, National Center for Education Statistics

<http://nces.ed.gov>

Institute of International Education

<http://www.iese.org>

U.S. Patent Office

<http://www.uspto.gov>