



B **INDUSTRY PROFILES 2025:** **RETAIL SECTOR**

City of Boston Planning Department Research Division

RETAIL SECTOR DESCRIPTION AND DEFINITION

The broadly defined retail sector consists of retail stores (NAICS codes 44-45), food services (NAICS code 722), and other services (NAICS code 81), including personal care and repair/maintenance services. The broad retail sector includes 7,140 business establishments in Boston that employ 98,341 workers, accounting for 27.6% of business establishments and 25.7% of employment.

RETAIL TRADE

There were 2,050 retail stores in Boston in 2023. Of these, 625 are food and beverage stores, 41 of which are 7-Elevens. Star Market, Roche Brothers, Stop & Shop, and Whole Foods are other large employers among food and beverage stores. Of the retail stores in Boston, 239 are health and personal care stores (48 CVS and 18 Walgreens). In terms of establishment employment, other major retailers include Parkway Honda, Herb Chambers BMW of Boston, The Home Depot, Saks Fifth Avenue, Neiman Marcus, New Balance Athletics, Converse, and Winston Flowers.



NUMBER OF JOBS BY RETAIL TRADE INDUSTRY

2024



Source: Lightcast 2022, City of Boston Planning Department Research Division Analysis.

FOOD SERVICES AND DRINKING PLACES

In 2023, there were 2,140 food service establishments in Boston, employing 48,601 workers. Avenue One, Clink, Max Ultimate Food, Inc, Gourmet Caterers, Bleacher Bar, and State Room are major employers among food service establishments. In terms of chain establishments, Dunkin' Donuts dominates with 144 locations in Boston, compared to 55 Starbucks, 20 Subway, 18 McDonalds, and 13 Domino's establishments.

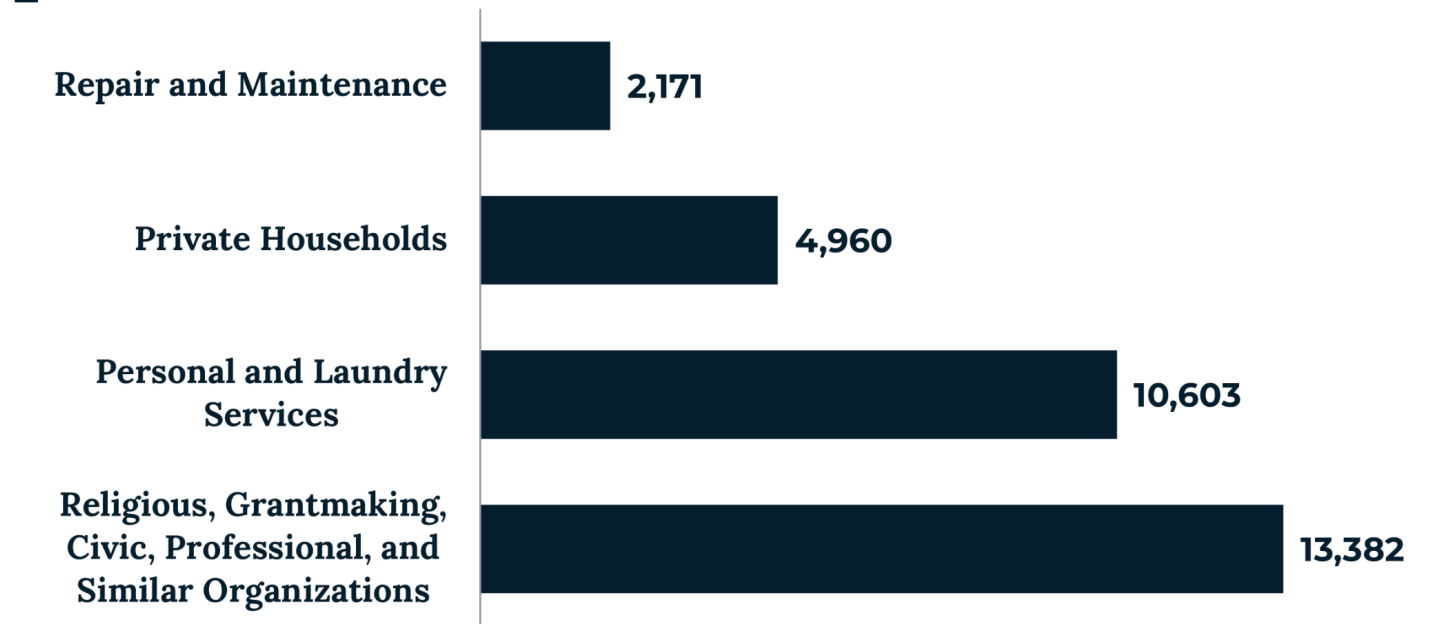


OTHER SERVICES, INCLUDING PERSONAL AND LAUNDRY SERVICES AND REPAIR AND MAINTENANCE

There were 2,950 “other services” establishments in Boston in 2023. Vpne Parking Solutions and Commercial Cleaning Service are major employers among “other services” establishments. There are several large parking chains in Boston, including SP+ Parking (27 locations), Standard Parking (12 locations), Pilgrim Parking (11 locations), and LAZ Parking (11 locations).

NUMBER OF JOBS BY "OTHER SERVICES"

2024



Source: Lightcast 2024, City of Boston Planning Department Research Division Analysis.



CITYWIDE RETAIL TRENDS

Short-term Pandemic Shocks to Retail

Brick-and-mortar retail stores have been struggling with competition from online retail stores for several years, and the pandemic accelerated the trend towards online shopping. Additionally, remote and hybrid work trends have reduced the number of commuters frequenting retail stores in Boston commercial districts. Grocery stores, which face less online competition and have always been centered in residential areas, have been growing in employment and sales, but other retail stores have not seen growth. Q1 2025 consumer spending on groceries was 30% higher than in Q1 2019 (adjusted for inflation), while apparel spending was 3.7% higher and eating places spending was 6.9% lower. Accommodation and food service employment fell by over 50% from March to May 2020, but has since recovered to pre-pandemic levels. Restaurant spending data shows a similar trend: Q1 2020 restaurant spending was down 24% from Q1 2019 but Q1 2025 spending was only 6.9% below Q1 2019. The “other services” subsector lost about a third of its jobs in the early pandemic, but has since recovered to almost full pre-pandemic employment.

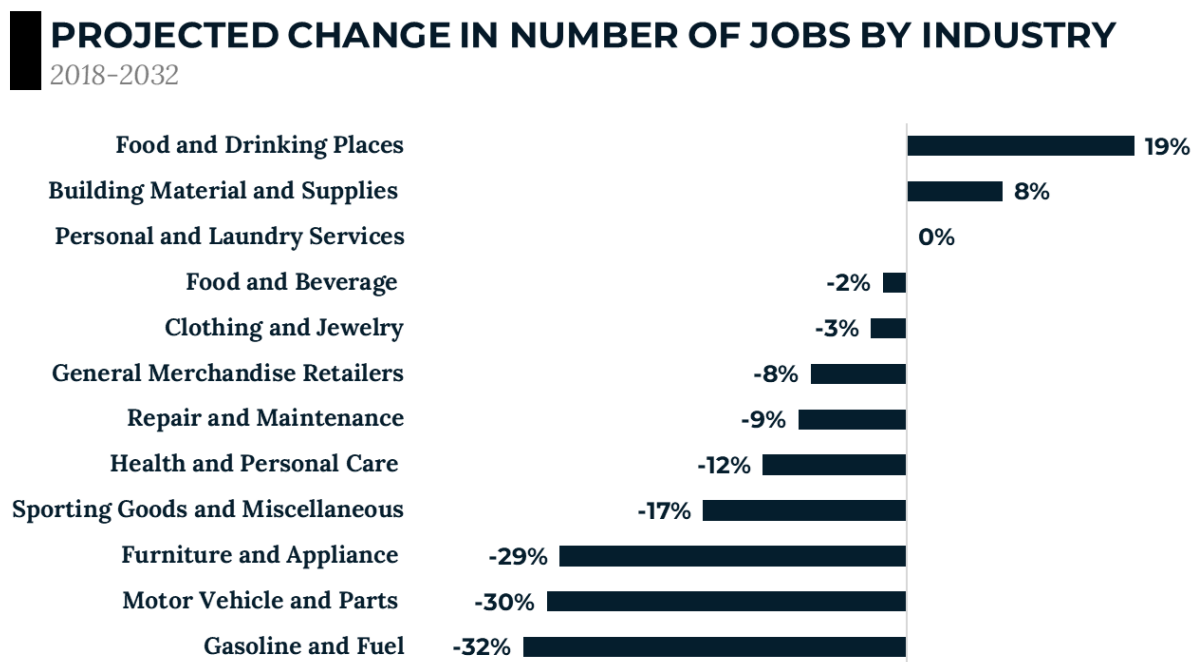
Citywide, retail average asking rents for new leases have been falling, reaching \$30.79 per square foot in April 2025 - 16% lower than April 2019 levels. Meanwhile the citywide retail vacancy rate has remained at just over 2% throughout the pandemic period, in contrast to office vacancy rates which have risen steadily.

Long-term Citywide Projected Decline in Retail Employment except in Restaurants

While the acute phase of the Covid-19 pandemic negatively affected brick-and-mortar retail, the longer-term trends of online shopping and remote office work continue to impact the retail sector. Lightcast projects Boston’s employment in most retail sub-sectors to decline citywide from 2018 to 2032. Car-oriented businesses such as gas stations and motor vehicle dealerships will cut employment by about 30%. Home furnishings, electronics, and health/personal care retailers are also projected to cut employment significantly 2018-2032. In a visible example of this trend, Walgreens closed four stores in Boston from November 2022 to January 2024. Food and beverage and clothing stores are projected to see only small declines in employment as most food is purchased in brick-and-mortar stores and many people shop for clothes in person to be able to try them on. Personal care (such as hair and nail salons) and laundry services, which must be done in person, will maintain stable employment. The only retail sub-sectors projected to add significant employment are building and garden supply stores and restaurants. Building



materials and plants may be more difficult to buy online and ship, while restaurants clearly offer an in-person experience. Excluding restaurants, employment in retail and “other services” are projected to decline by 9% from 2018 to 2032.



Source: Lightcast 2018-2032, City of Boston Planning Department Research Division Analysis.

Decentralization of Retail Spending away from Commercial Centers

In addition to citywide changes in retail employment, the rise of remote office work has prompted the decentralization of retail shopping from commercial centers.

- **Greater Downtown**

Greater Downtown, consisting of Downtown, Chinatown, Leather District, West End, North End, and Beacon Hill, is the largest retail area in the city. Greater Downtown includes the stores along Washington Street near Downtown Crossing, the tourist attractions near Quincy Market, the restaurants of Chinatown and the North End, as well as many lunch places and shops catering to commuters. Approximately 32% of Greater Downtown retail businesses are restaurants/food services. The pandemic, and resulting switch to remote/hybrid work, hit Downtown hard. Retail vacancies remain low in Greater Downtown, at 1.7% in Q1 of 2025, but asking rents have fallen 40% from the comparable quarter in 2019. The



same trend is seen in Downtown proper. Greater Downtown's share of Boston's in-person consumer spending fell from 21.8% in Q1 2019 to 19.3% in Q1 2025. The fall was greater in Downtown proper which fell from 13.4% of Boston's in-person consumer spending to 10%.

- **Back Bay**

Back Bay remains a major retail center with ~12% of the city's consumer spending, including the shops and restaurants along Newbury and Boylston Streets and the Prudential Center and Copley Place malls. Approximately 22% of Back Bay retail businesses are restaurants/food services, and 16.5% are clothing stores. Back Bay has specialized in high-end retail and asking retail rents in Back Bay were 116% higher in Q1 2025 than Q1 2019. At the same time, retail vacancy rates rose to 3.9% in Q1 2025 from just 2.5% in Q1 2019 and Back Bay's share of Boston's in-person consumer spending fell by nearly 4 percentage points.

- **Fenway/Longwood**

Fenway/Longwood accounted for 7.3% of Boston's in-person consumer spending in Q1 2025, down from 10.7% in Q1 2019. Retail attractions in Fenway/Longwood include restaurants and stores catering to visitors to Fenway Park and the many students living in the area. The Landmark Center redevelopment completed in 2024 added substantial retail space to the neighborhood. Approximately 43% of Fenway/Longwood's retail businesses are restaurants/food services. Q1 2025 in-person consumer spending was 25% lower than it was in Q1 2019. However, retail asking rents were 15% higher in Q1 2025 than the comparable quarter in 2019.

- **South Boston Waterfront**

The South Boston Waterfront has seen incredible growth and redevelopment over the past two decades. Events at the Boston Convention and Exhibition Center (BCEC) draw large numbers of people to the area, supporting local restaurants and stores. Approximately 41% of retail businesses in the South Boston Waterfront are restaurants/food services. While retail in the area was negatively impacted by the pandemic lockdown, the return of conventions and tourism has allowed retail in the Waterfront to recover: in-person consumer spending in Q1 2025 was 6% higher than it was in Q1 2019 and the retail vacancy rate was below 1%.

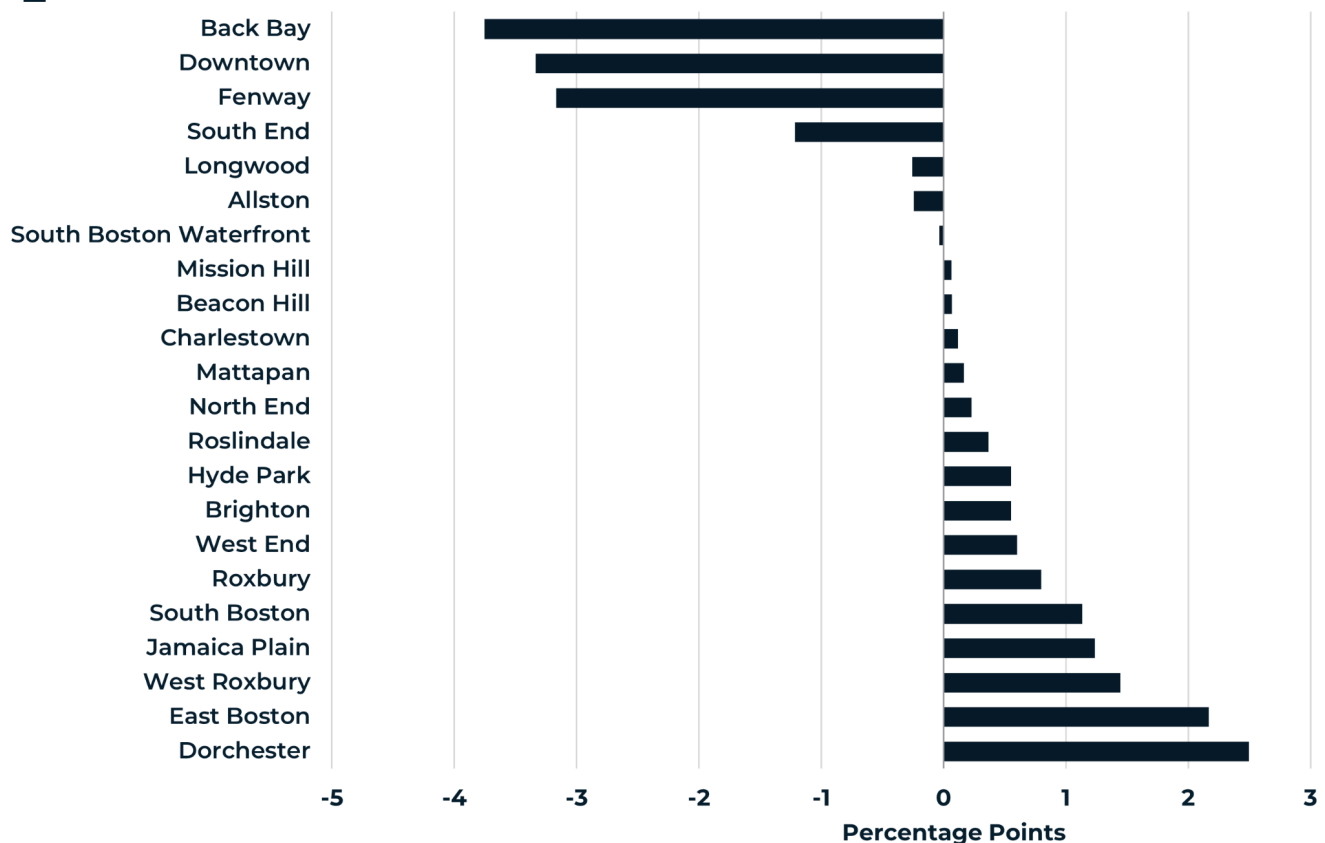


- **Neighborhood Retail**

The rise of remote and hybrid office work has encouraged patronage of retail stores and service providers in residential neighborhoods close to workers' homes. In-person consumer spending in West Roxbury, Jamaica Plain, East Boston, Hyde Park, and Roxbury was up more than 38% from Q1 2019 to Q1 2025. In other examples, the retail vacancy rate fell to less than 1% and retail rents grew by over 10% in Brighton, Hyde Park, Charlestown and Mission Hill. The increased share of retail spending in more residential areas highlights the importance of investment in local commercial areas such as Squares and Streets and Main Streets Districts.

CHANGE IN THE SHARE OF BOSTON'S RETAIL SPENDING

Q1 2019 - Q1 2025

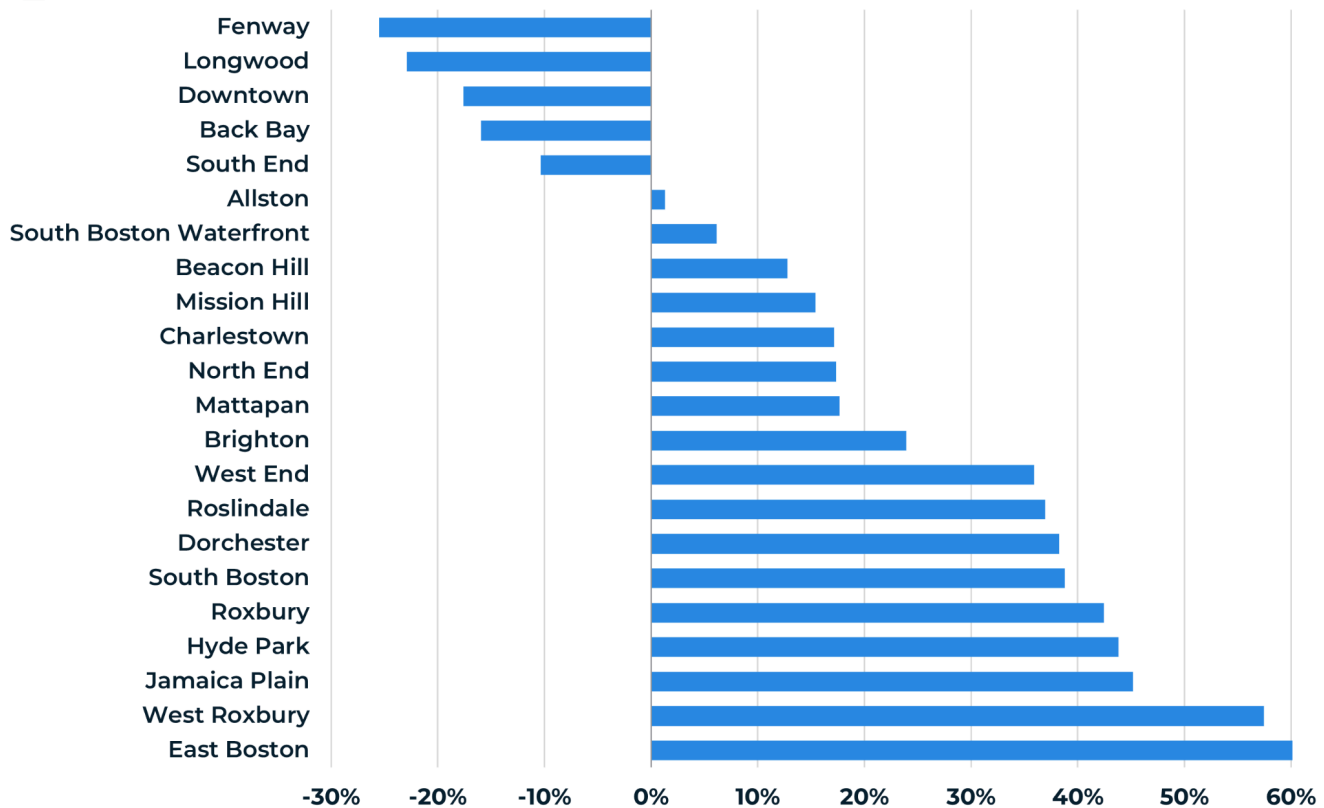


Source: MasterCard Geographic Insights 2019–2025, City of Boston Planning Department Research Division Analysis.



CHANGE IN IN-PERSON CONSUMER SPENDING

Q1 2019 - Q1 2025



Source: MasterCard Geographic Insights 2019-2025, City of Boston Planning Department Research Division Analysis.



NEIGHBORHOOD RETAIL PROFILE

NEIGHBORHOOD	RETAIL VACANCY	RETAIL MARKET ASKING RENT PER SF	PERCENT OF BUSINESSES THAT ARE RETAIL	PERCENT OF RETAIL BUSINESSES THAT ARE NOT CHAINS
East Boston	1.1%	\$34.3	40%	90%
Allston	3.1%	\$38.9	38%	89%
Roslindale	0.3%	\$26.0	37%	90%
North End	1.0%	\$55.0	37%	95%
Dorchester	2.2%	\$28.6	37%	91%
Fenway	5.1%	\$46.5	36%	80%
Mission Hill	0.9%	\$39.4	34%	88%
South Boston	2.6%	\$35.2	34%	90%
Beacon Hill	3.0%	\$54.7	32%	91%
Brighton	2.0%	\$38.4	32%	91%
Hyde Park	3.6%	\$23.2	32%	90%
Mattapan	5.5%	\$24.5	32%	88%
West Roxbury	0.3%	\$26.0	31%	88%
Jamaica Plain	2.6%	\$34.9	31%	94%
Back Bay	3.9%	\$101.2	28%	90%
Roxbury	0.8%	\$29.7	28%	94%
South End	0.3%	\$45.4	27%	91%
Chinatown	0.0%	\$52.5	27%	93%
South Boston Waterfront	0.4%	\$50.3	25%	83%
Charlestown	2.5%	\$39.8	23%	89%
Longwood	1.3%	\$52.2	20%	70%
West End	0.8%	\$51.0	19%	80%
Downtown	2.4%	\$58.7	18%	87%

Source: CoStar Real Estate Analytics Q1 2025, City of Boston Planning Department Research Division Business Database.

Note: "Chain" stores are those that have more than one location in Boston.

Sources

1. **Consumer spending data:** MasterCard Geographic Insights 2019-2025.
2. **Employment forecasts:** Lightcast, <https://lightcast.io/>
3. **Real Estate data (vacancies and rent):** CoStar Real Estate Analytics.
4. **Historical Employment and Business Establishments:** Employment and Wage (ES-202) data, <https://lmi.dua.eol.mass.gov/lmi/employmentandwages>



5. **Data on specific establishments (e.g. 7-Eleven, Avenue One, etc.):** City of Boston Planning Department Research Division business database (Data Axle, Yelp, Bing, Yellow Pages, Boston Licensing Board), August 2024.

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See more of our work on our website: bostonplans.org/research





B **INDUSTRY PROFILES 2025:** **CULTURE, SPORTS, AND TOURISM IN BOSTON**

City of Boston Planning Department Research Division

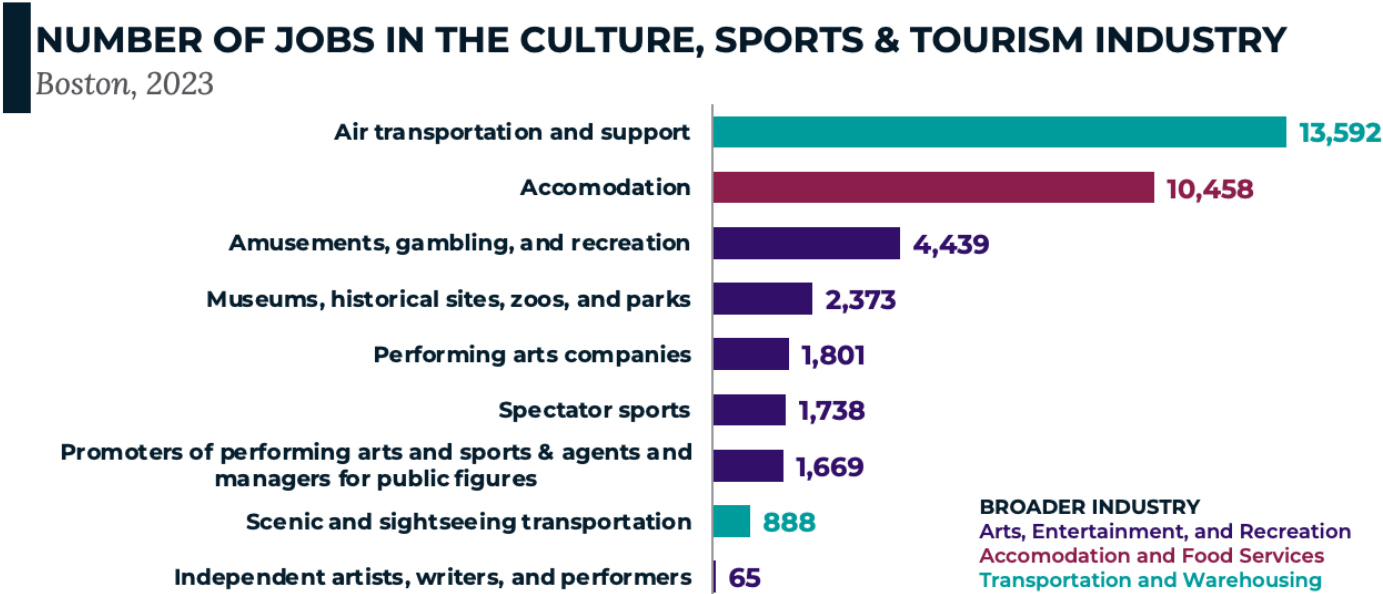
CULTURE, SPORTS, AND TOURISM

The culture, sports, and tourism sector in Boston employs approximately 26,565 workers across 633 establishments and accounts for 2%% of all establishments and 3.9% of total employment. The culture, sports, and tourism sector includes activities and services such as museums, historical sites, spectator sports, performing arts, and accommodation. Boston's tourism industry relies upon its culture and sports; tourists come to Boston to watch and visit its historic sites, music scene, and successful sports teams.



CULTURE, SPORTS, AND TOURISM EMPLOYMENT

Air transportation and support is by far the largest industry within culture, sports, and tourism, employing 13,592 people in 2023 and accounting for 51.2% of total employment in the sector. The largest employer within this industry is Massport/Logan Airport, which saw 3,624,997 passengers in 2024. Amusements, gambling, and recreation follow, with 194 establishments employing 4,439 people, 16.7% of the total workforce.



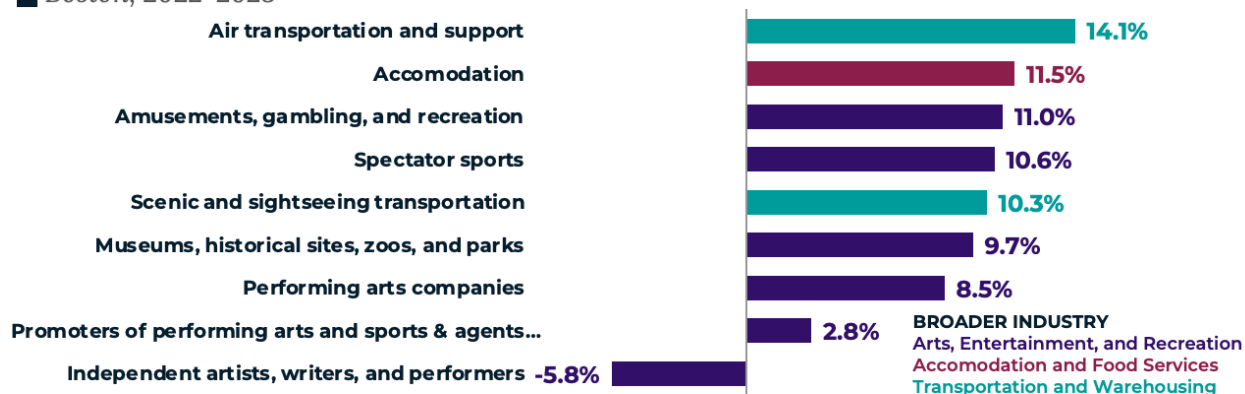
Source: Massachusetts Executive Office of Labor and Workforce Development, City of Boston Planning Department Research Division Analysis.

EMPLOYMENT GROWTH

Employment in Boston’s culture, sports, and tourism industry experienced a significant increase from 2022 to 2023, growing by 11.6%. 2023 was the first year that employment in this sector was higher than it was pre-pandemic. Air transportation and support saw the largest increase, with employment growing 14.1%. Amusements, gambling & recreation expanded by 11%. Promoters of performing arts and sports and agents and managers for public figures had a significantly slower level of increase, growing only 2.8%. Independent artists, writers, and performers are the only category to decline, dropping 5.8%.

CHANGE IN NUMBER OF JOBS IN THE CULTURE, TOURISM & SPORTS INDUSTRY

Boston, 2022-2023



Source: Massachusetts Executive Office of Labor and Workforce Development, City of Boston Planning Department Research Division Analysis.

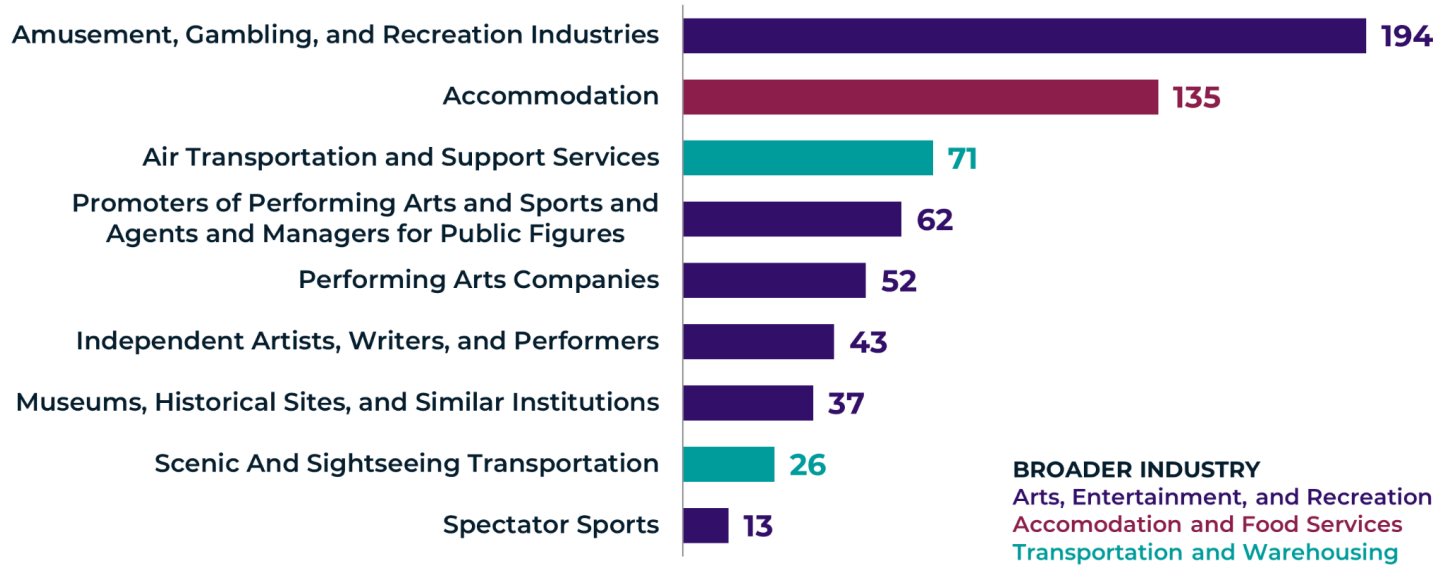
CULTURE, SPORTS, AND TOURISM ESTABLISHMENTS

As of September 2024, the culture, sports, and tourism sector has 633 establishments in Boston. Amusement, gambling, and recreation industries have nearly 200 of those establishments, almost a third of the entire sector. While there are only 13 establishments in the spectator sports industry, these establishments comprise large venues such as TD Garden and Fenway Park, which both heavily contribute to the success of the culture, sports, and tourism sector. Of the industries outside of the arts, entertainment, and recreation industry, accommodation has the largest number of establishments with 135.



NUMBER OF ESTABLISHMENTS BY INDUSTRY

Boston, September 2024



Source: MA Department of Economic Research 2025, City of Boston Planning Department Research Division Analysis.

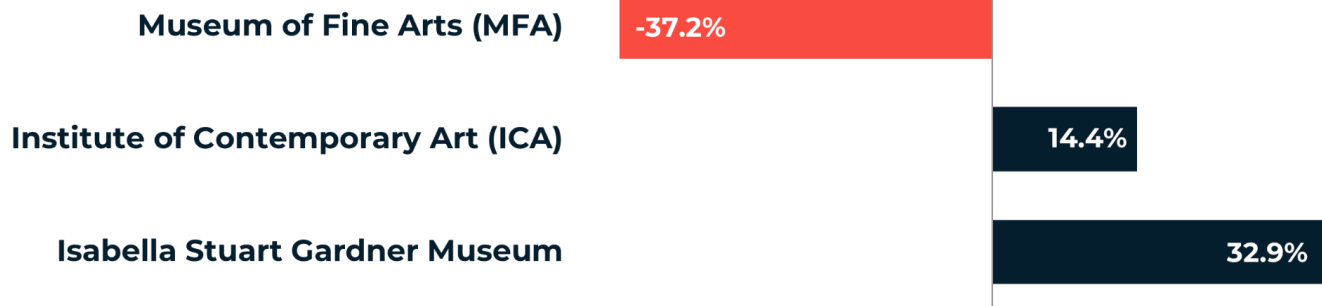
CULTURE AND SPORTS VISITORS

Some of Boston's top museums saw a continued pandemic recovery in 2023, with the Institute of Contemporary Art (ICA) and Isabella Stewart Gardner Museum seeing recent attendance levels higher than prepandemic levels, while the Museum of Fine Arts' visitation remained 37% lower than in 2019. The Institute of Contemporary Art (ICA) reported 311,000 visitors in FY2023, up 14.4% from FY2019. The Isabella Stewart Gardner Museum saw 446,699 visitors in CY2024, 32.9% more visitors than in 2019.



CHANGE IN TOP BOSTON MUSEUM ATTENDANCE

Percentage Change in Attendance Between FY2019 and FY2023



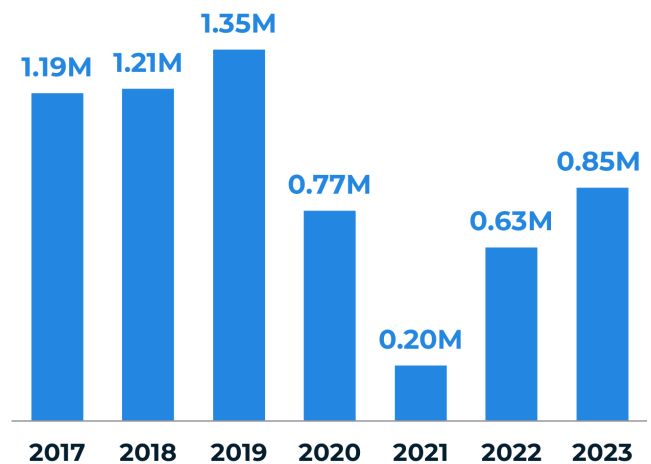
Source: MFA Annual Reports FY2019-23, ICA Annual Reports FY2019-23, Isabella Stewart Gardner Museum 2019-2024 Strategic Plan Final Report, City of Boston Planning Department Research Division Analysis.

While the MFA's attendance has not returned to its historic high in 2019, reporting 37.2% lower attendance in 2023, its attendance has been steadily increasing following pandemic and closure-related¹ lows in 2020 and 2021.

The museum's FY23 attendance was 34% higher than the previous year and 322% higher than its lowest level in FY21.

MFA ATTENDANCE

FY2017 - FY2023



Source: MFA Annual Reports 2017-2023, City of Boston Planning Department Research Division Analysis.

¹ The MFA was closed due to the pandemic in March 2020 and reopened in late September 2020 and was closed again in December to reopen on February 3, 2021.



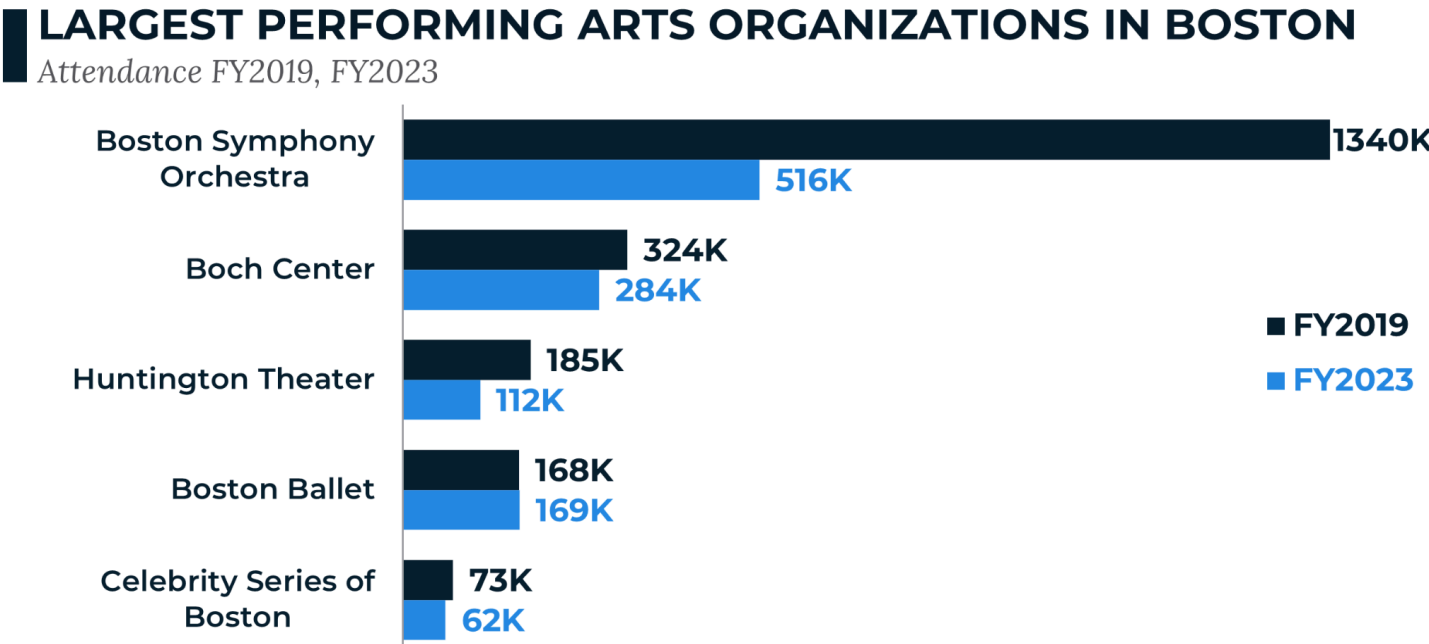
Boston’s performing arts sector saw an uneven pandemic recovery, with the concert market continuing to grow while large performing arts organizations struggled to recover pre-pandemic ticket sales. Boston continued its rise in national concert market rankings, climbing from No.22 in 2022 to No.5 in 2024.²

In 2024, five Boston clubs charted in the top 50 clubs worldwide. With nearly 470,000 tickets sold and 28.5M in gross, Boston’s MGM Music Hall was ranked #1 in the top 200 worldwide clubs. Citizens House of Blues and Big Night Live also charted in the top 10, selling 191k and 161.7k tickets respectively.

	World Ranking	Tickets Sold	Gross
MGM Music Hall	1	469K	28.5M
Citizens House of Blues Boston	7	191K	7.8M
Big Night Live	10	161.7K	5.5M
The Wilbur	14	156K	9M
Paradise Rock Club	33	86.9K	2.6M

Source: Pollstar Year End Worldwide Top 200 Club Ticket Rankings, 2024.

Boston performing arts organizations’ attendance in FY2023 remained for the most part lower than in FY2019. While the Boston Ballet’s attendance has recovered to prepandemic levels, the Boston Symphony Orchestra reported FY23 attendance* 60% lower than in FY19. The Boch



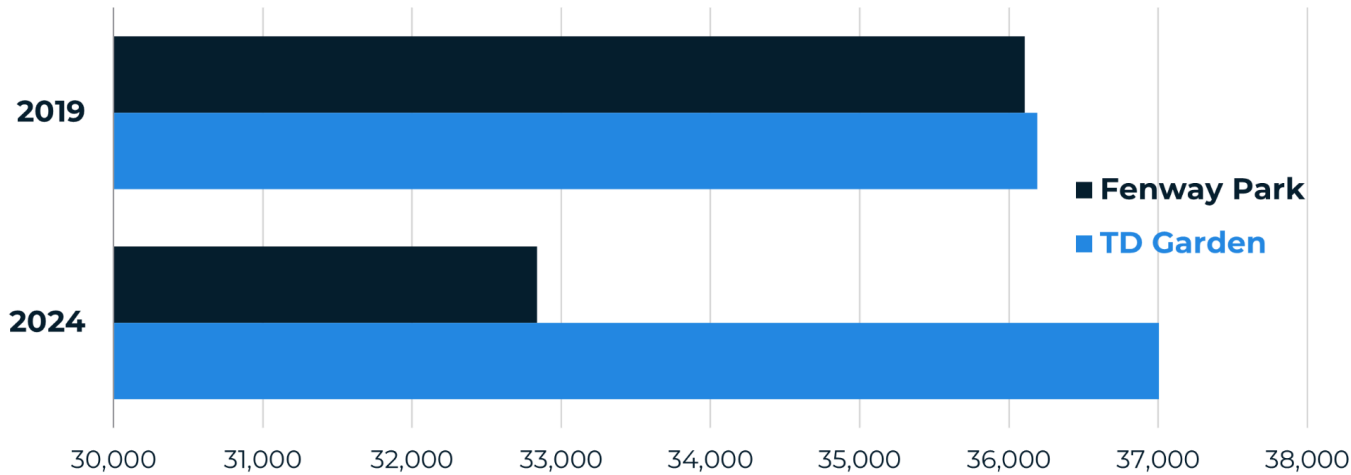
Source: Boston Business Journal, City of Boston Planning Department Research Division Analysis.

² Source: Pollstar National Year End Market Rankings 2022, 2024; Pollstar 2024 Year End Analysis.

Center and Huntington Theater saw a 12% and 39% drop respectively in attendance FY19-23. The Celebrity Series of Boston saw a 15% drop FY19-23.³

Boston’s two major sporting venues, Fenway Park and TD Garden, have seen varying levels of success in terms of recovering from the COVID-19 pandemic. In 2020, Fenway Park did not have any attendance due to the restrictions related to the pandemic. In 2021, its average attendance per game jumped to 21,300, and then to 32,408 the following season. However, from the pre-pandemic season in 2019 to the latest MLB season (2024), Fenway has seen a drop of 9.1% in average attendance per game. On the other hand, TD Garden has seen a growth of 2.3% in average attendance per game within the same time frame. TD Garden recovered its attendance in the 2021-22 NBA and NHL seasons following the pandemic: the Boston Celtics had an average attendance of approximately 19,000 per game, while the Boston Bruins had approximately 18,000 in attendance per game. Average attendance per game in TD Garden has remained around the same since then.

SPORT VENUES IN BOSTON
*Attendance for Fenway Park and TD Garden in 2019 and 2024**



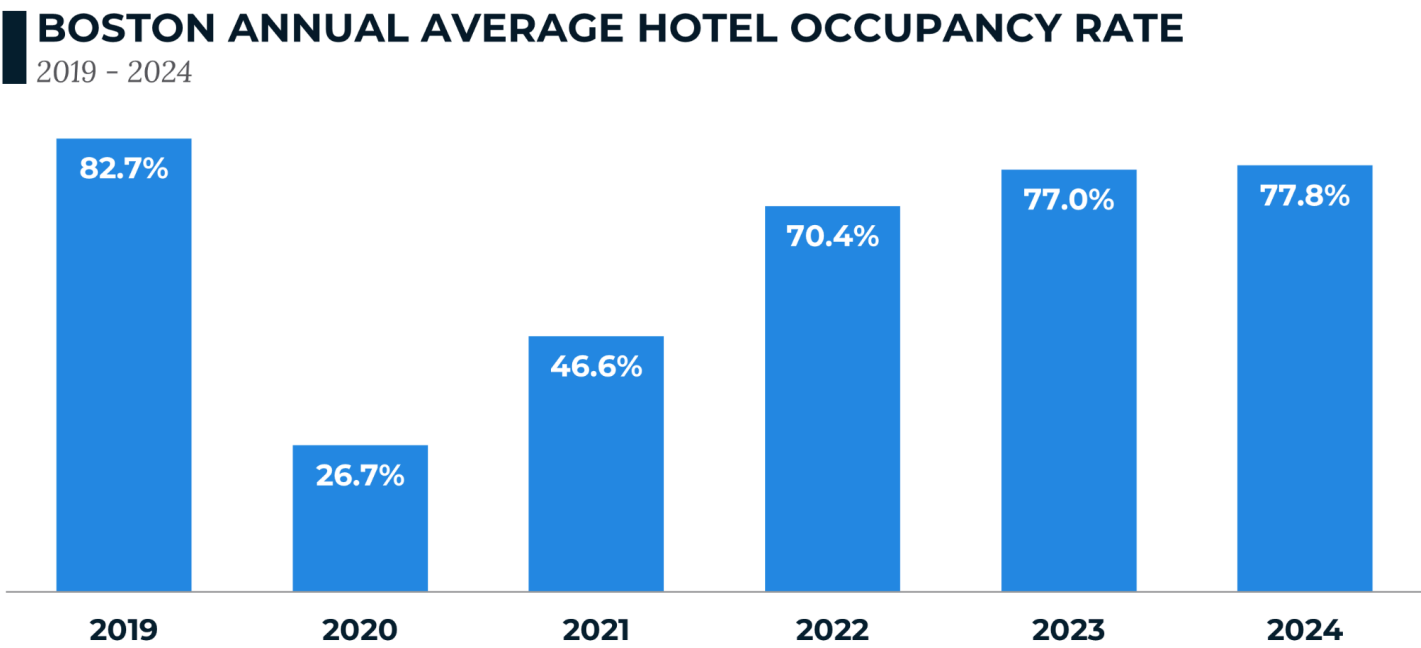
**Note: The teams that play in TD Garden operate on a fall to spring season, while the Red Sox (Fenway) operate on a spring to fall season. The attendance numbers for TD Garden reflect the attendance for the games within the 2018-19 and 2023-24 seasons respectively. Source: ESPN, MLB & NBA 2019-2024 Attendance Reports, HockeyDB Boston Bruins Yearly Attendance Graph, City of Boston Planning Department Research Division Analysis.*

Boston’s TD Garden has also seen success as a concert venue. For year-end 2024, the venue generated \$140.1 million in total gross revenue from 1.2 million in attendance across 101 shows.⁴

³ Note, a methodological change in BSO attendance counting between FY19 and FY23 reduces attendance types taken into account
⁴ Billboard Boxscore, Top Venues (15,001+ Capacity) table.

HOTELS

Boston’s hotel occupancy rate saw a significant pandemic recovery between 2020 and 2022, growing from 26.7% to 70.4%. Since then, the hotel occupancy rate saw a 7%age point increase between 2022 and 2023 and a more modest 0.8%age point increase between 2023 and 2024. The hotel occupancy rate in 2024 remains approximately 5%age points lower than in 2019.

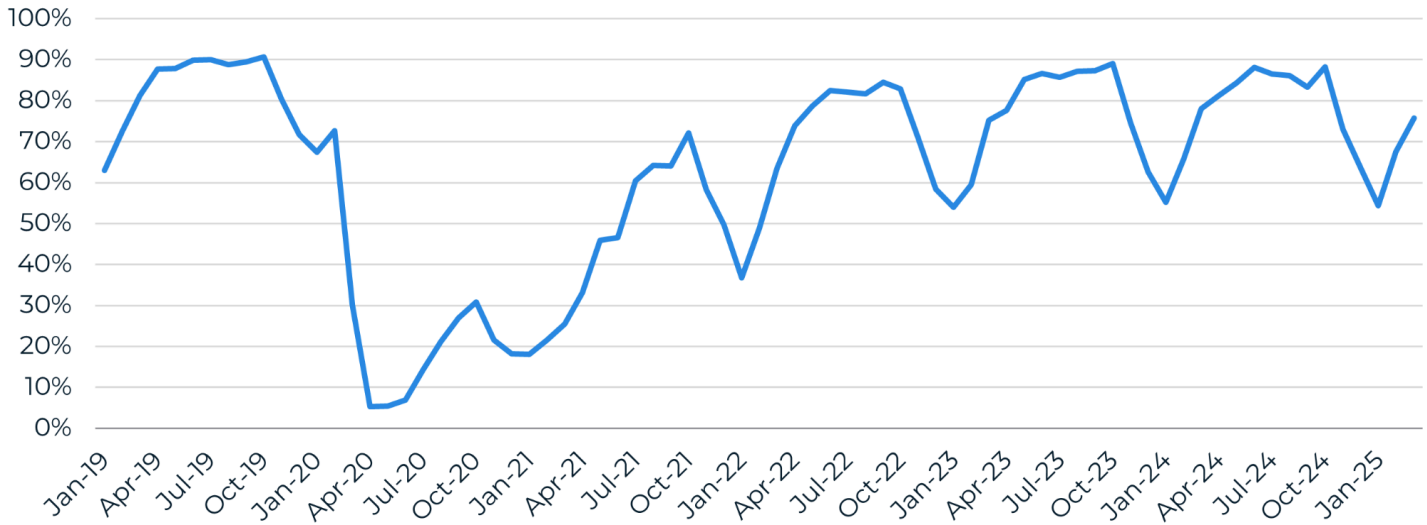


Source: The Pinnacle Perspective Boston Monthly Report, City of Boston Planning Department Research Division Analysis.

Following the pandemic, Boston’s hotel occupancy rate returned to trends of higher occupancy in the fall and summer months, with the highest rates seen in October 2019 (90.7%), October 2023 (89.1%) and October 2024 (88.3%). Boston’s lowest hotel occupancy rate was in spring of 2020, dropping from 72.3% in February to 5.3% in April. Following 2020 and 2021, the lows were consistently in the later winter months, with lows in January 2022 (36.7%), January 2023 (54%), January 2024 (55.2%), and January 2025 (54.3%). Boston’s March 2025 hotel occupancy rate was 75.7%, 2.3%age points lower than March 2024 and 5.5%age points lower than March 2025.

BOSTON HOTEL OCCUPANCY RATE

January 2019 - March 2025



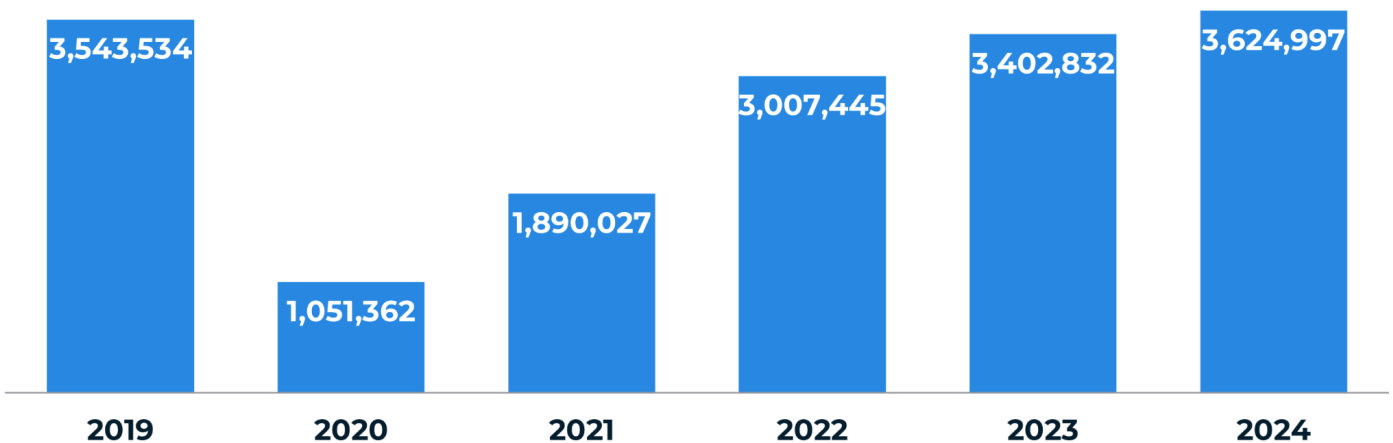
Source: The Pinnacle Perspective Boston Monthly Report, City of Boston Planning Department Research Division Analysis

AIR TRAVEL

Boston's air travel in 2024 has fully recovered from pandemic lows, exceeding pre-pandemic passenger totals. Following a 29.7% drop to 1 million passengers in 2020, Boston's Logan Airport saw a remarkable return to 84.9% of pre-pandemic passengers in 2022. By 2023, Logan's total passengers were 96% of 2019 levels. By 2024, the total number of passengers surpassed prepandemic levels, with Logan reporting 2.3% more passengers in 2024 than in 2019.

BOSTON LOGAN TOTAL PASSENGERS BY YEAR

2019 - 2024



Source: Massachusetts Port Authority, Aviation General Management (Massport), City of Boston Planning Department Research Division Analysis.



Similar to hotel occupancy rates, Logan's busiest months for domestic flights are in the summer and fall, with its post-pandemic highs in October 2022 (2.9M passengers), October 2023 (3.1M passengers), and October 2024 (3.2M passengers). The months with the fewest domestic passengers were the winter months, with January 2022 (1.5M passengers), February 2023 (2.1M), and January 2024 (2.1M), and February 2025 (2.2M) having the fewest passengers in their respective years.

Logan's International flight passenger totals vary more from month to month than domestic flight passenger totals. During the busiest month in 2023 and 2024, the total number of international flight passengers was 50% higher than during the least busy month. International flight passenger numbers were highest in August in 2022, 2023, and 2024, at around 760k, 917k, and 1.1M passengers respectively. Similar to domestic flight passenger trends, International flight passenger totals were lowest in February for 2022, 2023, and 2024, at around 243k, 438k, 516k respectively.

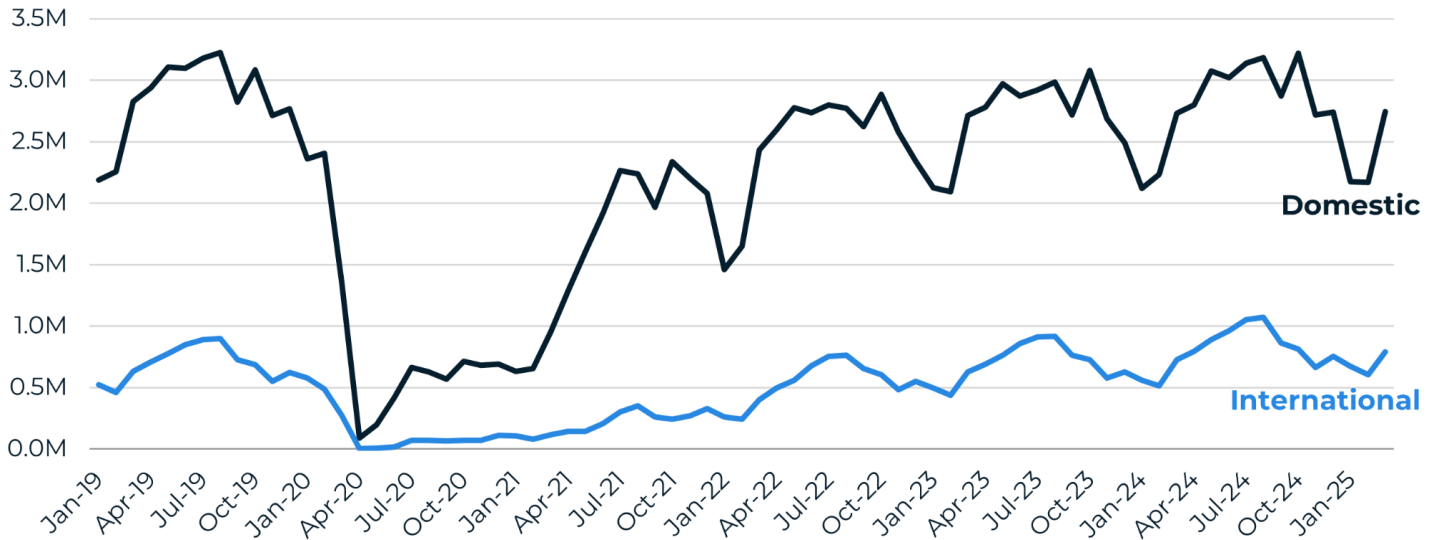
Boston Logan's March 2025 passengers totalled 3,534,828, a 2.2% increase from March 2019 and a 2.3% increase from March 2024. While Logan saw more domestic passengers in March 2025 than in March 2024, the total number remains 2.8% lower than in March 2019. The total number of Boston Logan international passengers in March 2025 was 8.8% higher than in March 2024 and 25% higher than in March 2019. This growth in international passengers can be explained by the increase in international flights. In March 2019, there were 4,523 international flights through Logan. In March 2024, this number grew to 4,564, and increased once again to 5,170 in March 2025.⁵

⁵ Massachusetts Port Authority, Aviation General Management (Massport).



BOSTON LOGAN TOTAL PASSENGERS

For **Domestic** and **International** Flights, January 2019 - March 2025



Source: Massachusetts Port Authority, Aviation General Management (Massport), City of Boston Planning Department Research Division Analysis

The above statistics include all passengers on international flights, but international visitors⁶ (who are not U.S. residents) can be disaggregated. As a port of entry (through air travel) to the United States, Boston had over 1 million total international visitors in 2024, up 18% from 2023.⁷ The top ten countries of origin for international visitors arriving in Boston are listed below, excluding Canada due to data availability.⁸ In 2024, approximately 160,000 visitors from the United Kingdom came to the U.S. through Boston's port of entry, which is more than double the number of the second highest country of origin, India.

⁶ The United Nations World Tourism Organization (UNWTO) defines a visitor as any traveler taking a trip to a main destination outside their residence, for at least one night - but less than one year, and for any main purpose other than to be employed by a resident entity in the country or place visited.

<https://www.unwto.org/glossary-tourism-terms>

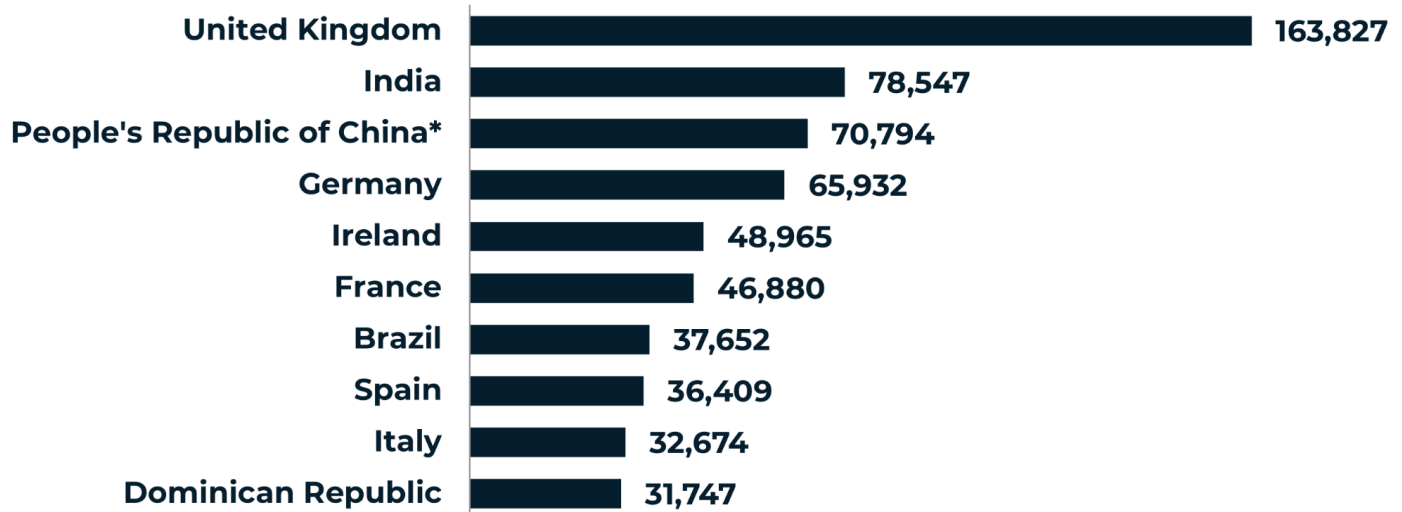
⁷ International Trade Administration, National Travel and Tourism Office - ADIS/I-94 Visitor Arrivals Monitor (COR).

⁸ Port of entry data for Canada is not available for the ADIS/I-94 Visitor Arrivals Monitor.



INTERNATIONAL VISITORS BY COUNTRY OF ORIGIN

International visitors to the U.S. using Boston as a port of entry (air travel), 2024



* Excluding Hong Kong.

Source: International Trade Administration, December 2024 COR Summary & Analysis, City of Boston Planning Department Research Division Analysis.

In 2024, nearly 230,000 foreign citizens arrived in Boston on a flight originating in Canada. Unlike the international visitor numbers in the graph above, this statistic of foreign citizens arriving from Canada may also include non-citizen U.S. residents arriving on a flight from Canada. The peak months of travel from Canada were August (~26,800 travelers), July (~25,300 travelers), and October (~23,400 travelers).⁹

⁹ International Trade Administration, I-92.APIS U.S. - International Air Passenger Monitor.



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B **INDUSTRY PROFILES 2025:** **FINANCE, INSURANCE, AND REAL ESTATE IN** **BOSTON**

City of Boston Planning Department Research Division

FINANCE & INSURANCE AND REAL ESTATE

Boston was the cornerstone of the finance industry, having played a key role in the creation of the mutual fund. While the finance and insurance industry has faced challenges, especially during COVID-19, it continues to thrive, especially with a steady influx of college graduates entering the industry. The city's strong educational institutions feed a pool of talent into the industry. The city's real estate industry remains strong as well, driven by high demand and rising property values.

In Boston, the Finance, Insurance and Real Estate and Rental and Leasing sector employs approximately 82,410 workers across 3,391 establishments, accounting for 10.7% of businesses and 12% of total employment.

CONTRIBUTION TO GROSS CITY PRODUCT (GCP)

The Finance and Insurance industry is the second largest contributor to Boston's GCP, right behind Professional, Scientific, and Technical Services. In 2023, Finance and Insurance contributed 19.5% to Boston's GCP. Meanwhile, the Real Estate and Rental and Leasing industry is the fourth largest contributor to Boston's GCP, bringing in 11% of GCP.



In 2023, the Real Estate and Rental and Leasing sector experienced a decline in output of 4.4%, which translated to a reduction of \$0.9 billion. Finance and Insurance output shrank by 1.1%. These changes are potentially explained by factors such as economic uncertainty and high interest rates.

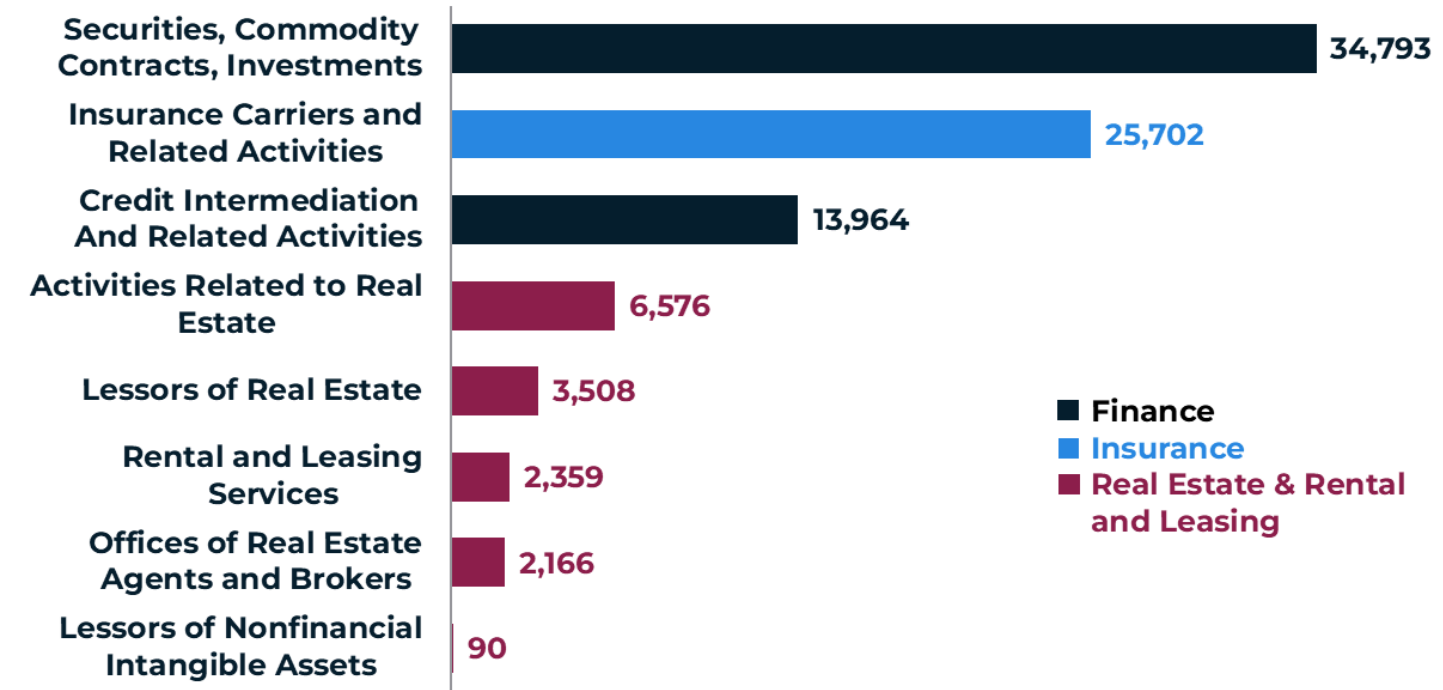
EMPLOYMENT

In the third quarter of 2024, Finance and Insurance employed about 67,712 workers in Boston. Meanwhile, Real Estate and Rental and Leasing employed around 14,698 workers in Boston.

Securities, Commodity Contracts, and Investments take up a majority of the finance and insurance sector, employing 34,793 workers and accounting for around 51% of total employment.¹ Insurance Carriers and Related Activities follow with 25,702 workers, contributing 38%, and Credit Intermediation with 13,946 workers, contributing 21%.

NUMBER OF JOBS BY INDUSTRY

Average monthly employment in 2024 (Third Quarter)



Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

¹ **Historical Employment and Business Establishments:** Employment and Wage ES-202 data, <https://lmi.dua.eol.mass.gov/lmi/employmentandwages>

Activities Related to Real Estate employ 6,576 workers, followed by Lessors of Real Estate, with 3,508 workers and Offices of Real Estate employing 2,166 workers. Lessors of Nonfinancial Intangible Assets, who primarily assign rights to assets - such as trademarks and patents - and allow others to use their assets with a royalty payment or licensing fee,² has the lowest employment with 90 employees.

ESTABLISHMENTS

Boston is home to not only commercial banks, credit unions, and investment banks but also a central bank, the Federal Reserve Bank of Boston. Boston's finance and insurance industry is concentrated around the city's Financial District which is home to major financial institutions such as the Federal Reserve Bank and Fidelity Investments. In 2023 Fidelity employed about 5,860 people³, ranking tenth for employment. The FinTech sector has seen an exponential growth in Boston as well, with leading players like Circle, Flywire, and Toast.

Leading insurance companies like John Hancock Life Insurance Co. and Liberty Mutual are also headquartered in Boston. John Hancock has more than 3,000 employees in Boston⁴ in 2023 and Liberty Mutual employs over 3,500 employees.⁵

² <https://www.naics.com/naics-code-description/?code=533110>

³

<https://www.boston.com/news/local-/2024/02/20/fidelity-prepares-to-double-required-in-office-time-for-most-workers/>

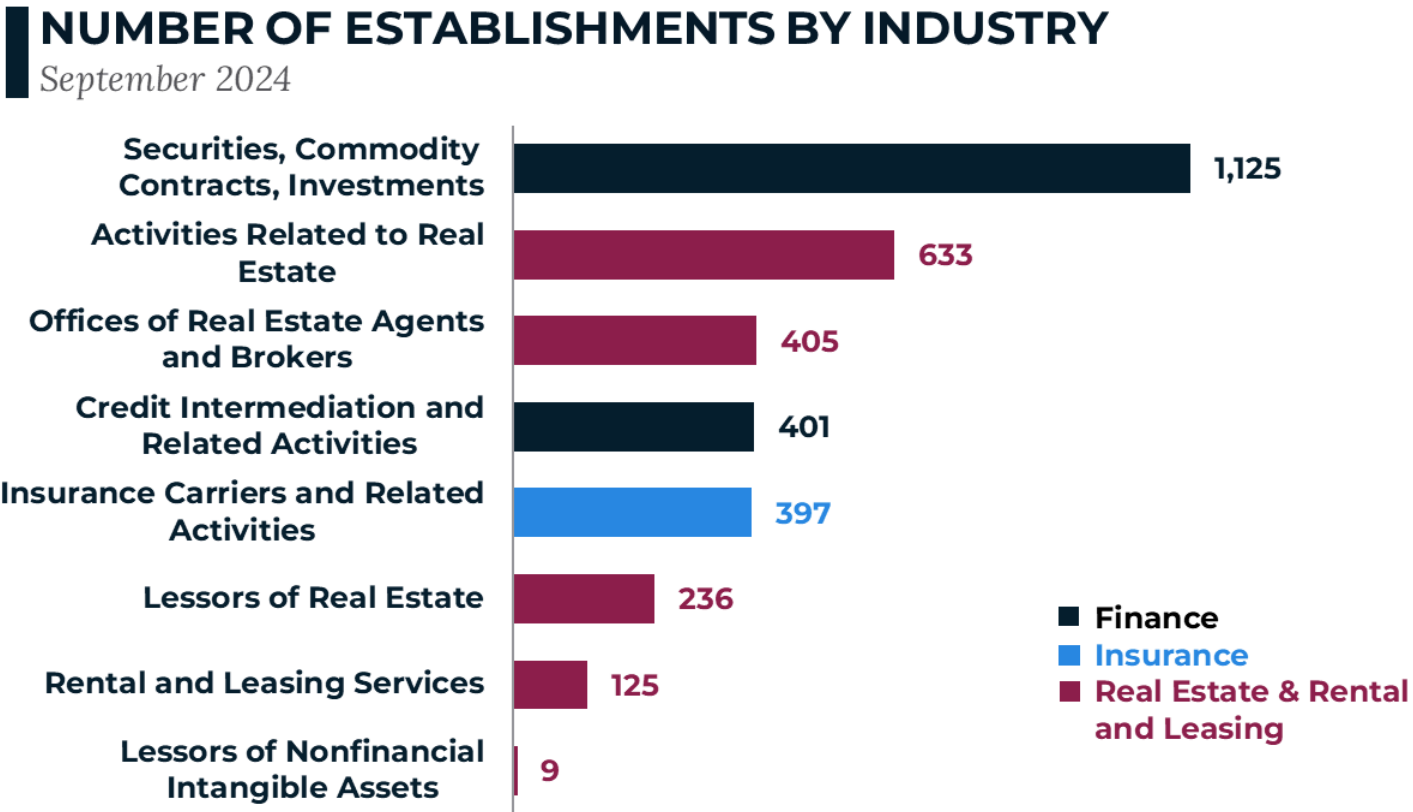
⁴

<http://boston.com/news/local-news/2024/02/23/add-john-hancock-to-the-list-of-boston-companies-increasing-time-in-office/>

⁵ <https://jobs.libertymutualgroup.com/locations/boston-ma/>



Alongside Boston’s competitive real estate market, the city has the largest number of real estate establishments in Massachusetts. Residential real estate firms like Compass, with 533 licensed agents,⁶ and commercial real estate firms like CBRE, with over 450 employees,⁷ are some of the largest real estate firms in Boston.



Source: MA Department of Economic Research 2025, City of Boston Planning Department Research Division Analysis.

⁶ <https://www.compass.com/agents/locations/boston-ma/20737/>

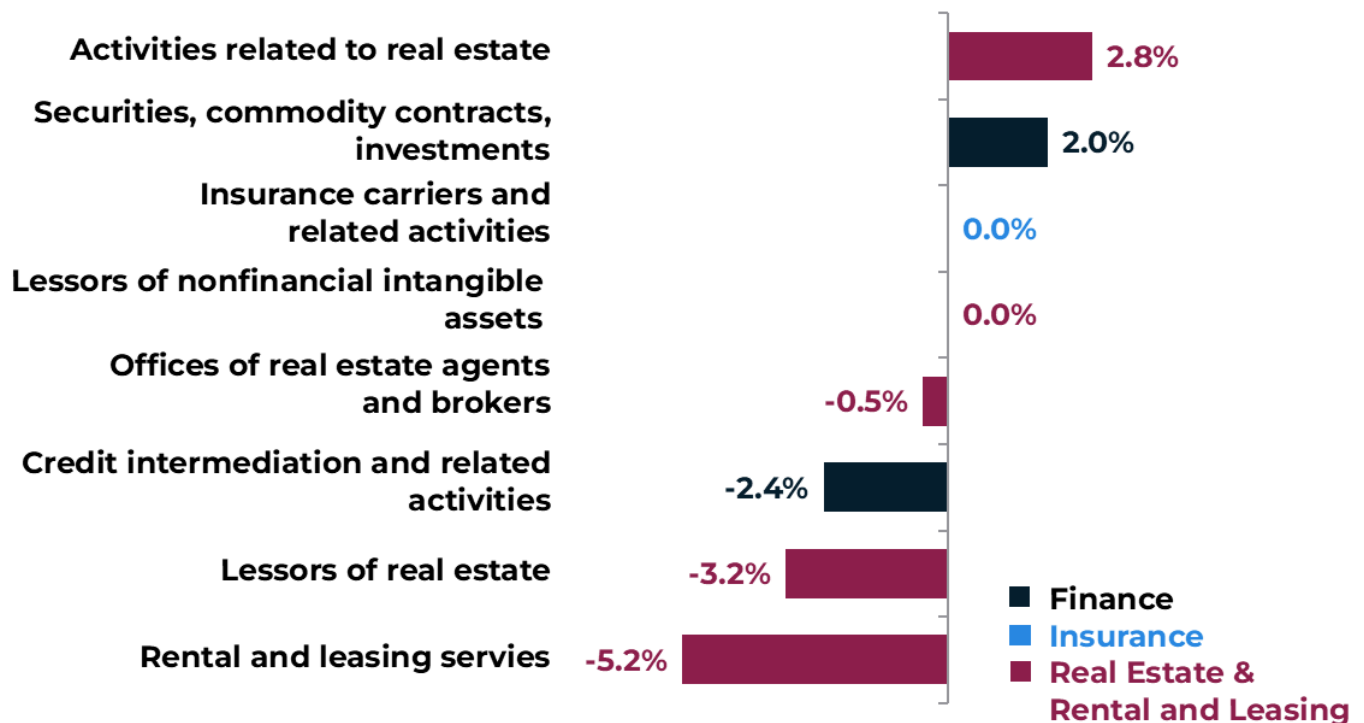
⁷ <https://www.cbre.com/offices/corporate/boston>

EMPLOYMENT GROWTH BY INDUSTRY

Between 2022 and 2023, Boston's Finance, Insurance, and Real Estate sector experienced modest growth overall. The real estate industry saw the strongest gains, particularly in activities related to real estate, which grew by 2.8%. In the finance industry, the most notable increase was in Securities, Commodity Contracts, and Investment-related roles, which rose by 2%. The insurance industry, on the other hand, saw virtually no growth in employment in the past year.

CHANGE IN NUMBER OF JOBS BY INDUSTRY

2022-2023



Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

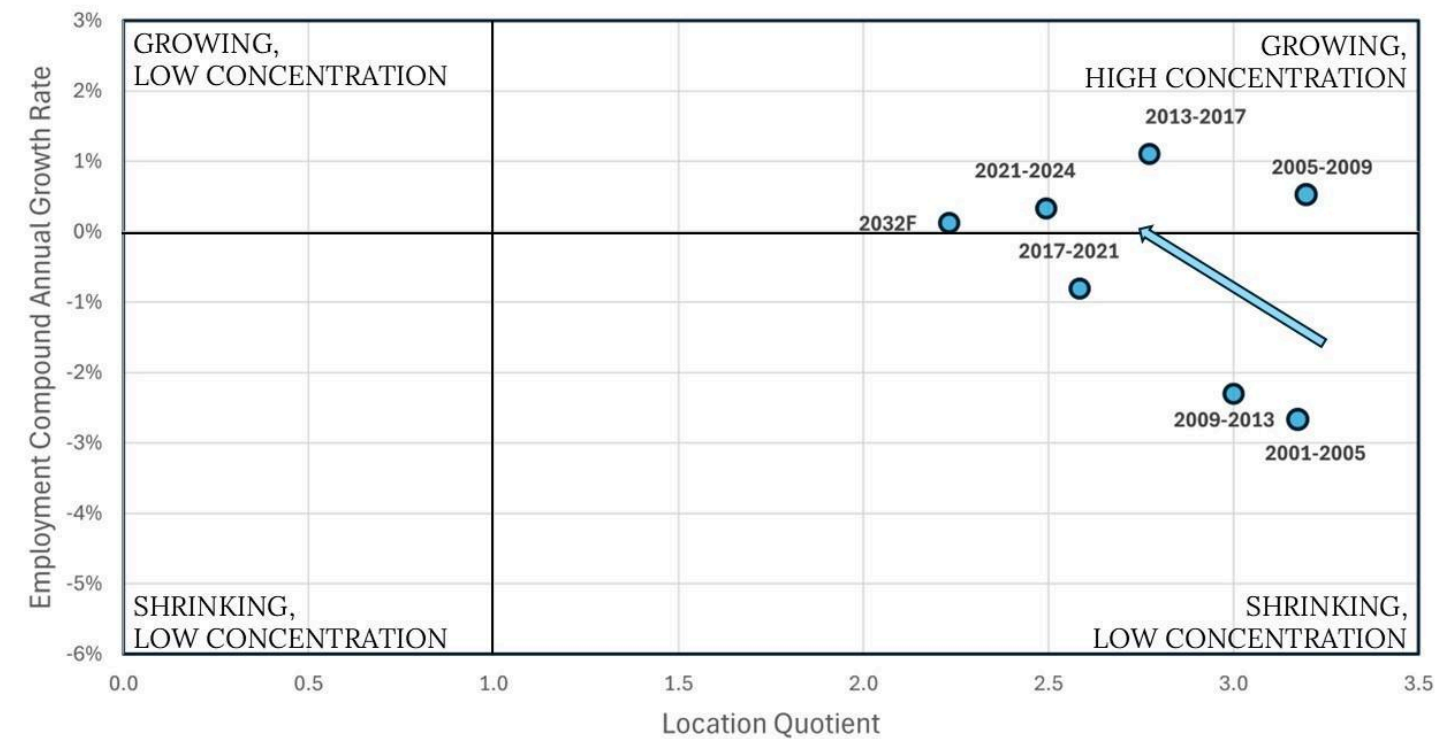
To analyze Boston's competitiveness over time relative to the entire country in terms of these Finance & Insurance and Real Estate sectors, the Research Division calculated the Location Quotient of each industry between 2001 and the forecast for 2032. Location Quotient ("LQ") is a measure that quantifies the concentration of a specific industry within a region compared to the overall national average.⁸ We then charted this LQ score against employment growth rates

8

<https://www.bls.gov/cew/about-data/location-quotients-explained.htm#:~:text=For%20example%2C%20Las%20Vegas%20will,%2D%2D%2D%2D%2D%20=%200.12>

during the same period. The result is a four quadrant chart where the top-right signifies growing employment and high concentration.

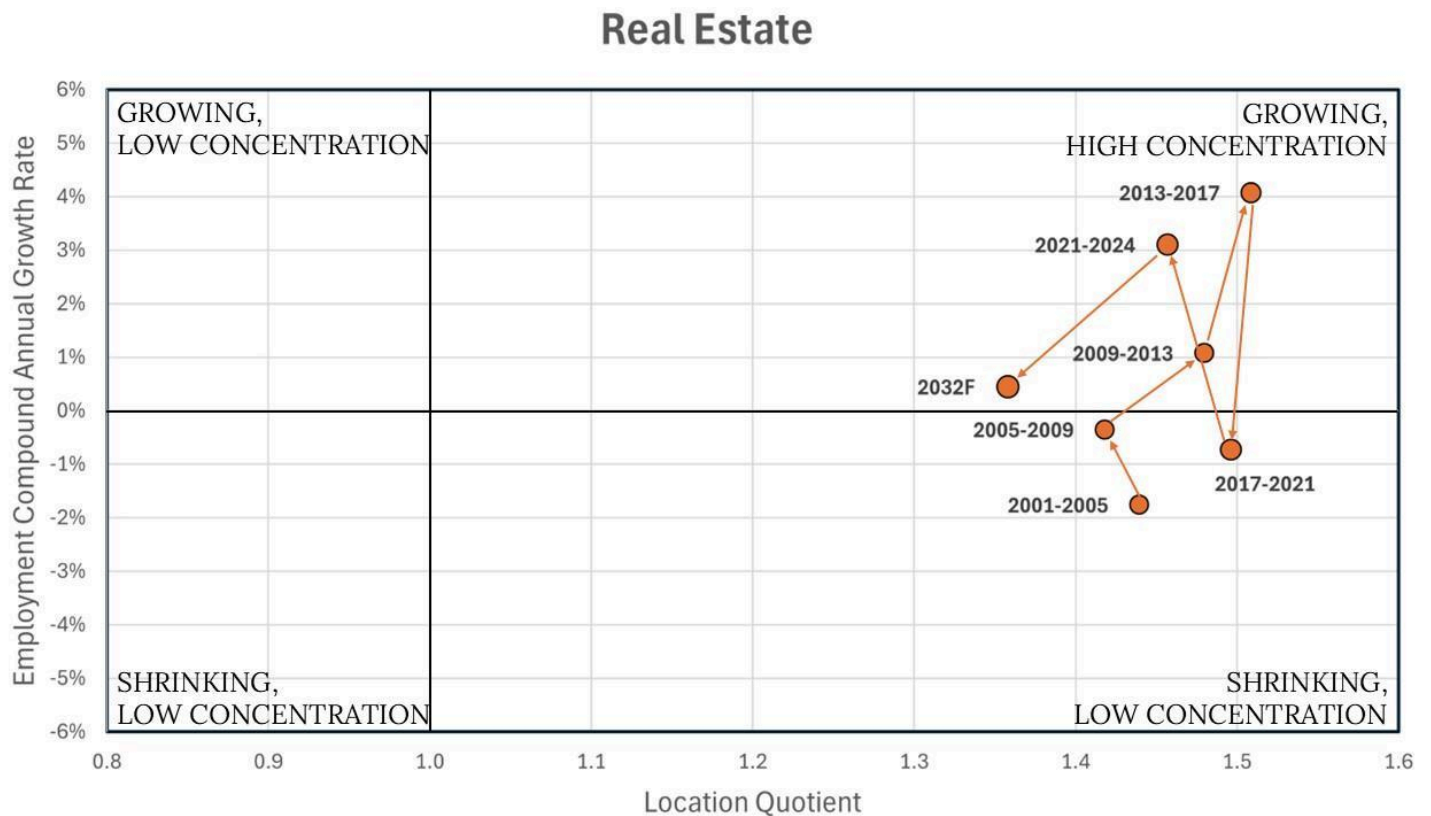
Finance & Insurance Sector



Source: Bureau of Economic Analysis (BEA), Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Employment and Wage (ES-202), BPDA Research Analysis

For the time period displayed from 2001 to 2024, Boston has had a high concentration of employment in finance and insurance, with its share of employment in finance and insurance being about three times the nation's. From 2001 to 2013, finance and insurance employment was declining, but it regained a growth trajectory. From 2021 to 2024, finance and insurance employment in Boston grew 0.33% annually. Little growth is projected through 2032 by the Massachusetts Executive Office of Labor and Workforce Development.

For the Real Estate Sector, the historical trend is much more volatile, but still largely positive with high concentrations of employment and positive employment growth. Boston's share of employment in real estate and rental and leasing is about 1.5 times that of the nation. Employment in real estate declined 2001 to 2009 and again during the pandemic. However, 2013 to 2017 showed strong 4% annual growth in real estate employment.



Source: Bureau of Economic Analysis (BEA), Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Employment and Wage (ES-202), BPDA Research Analysis

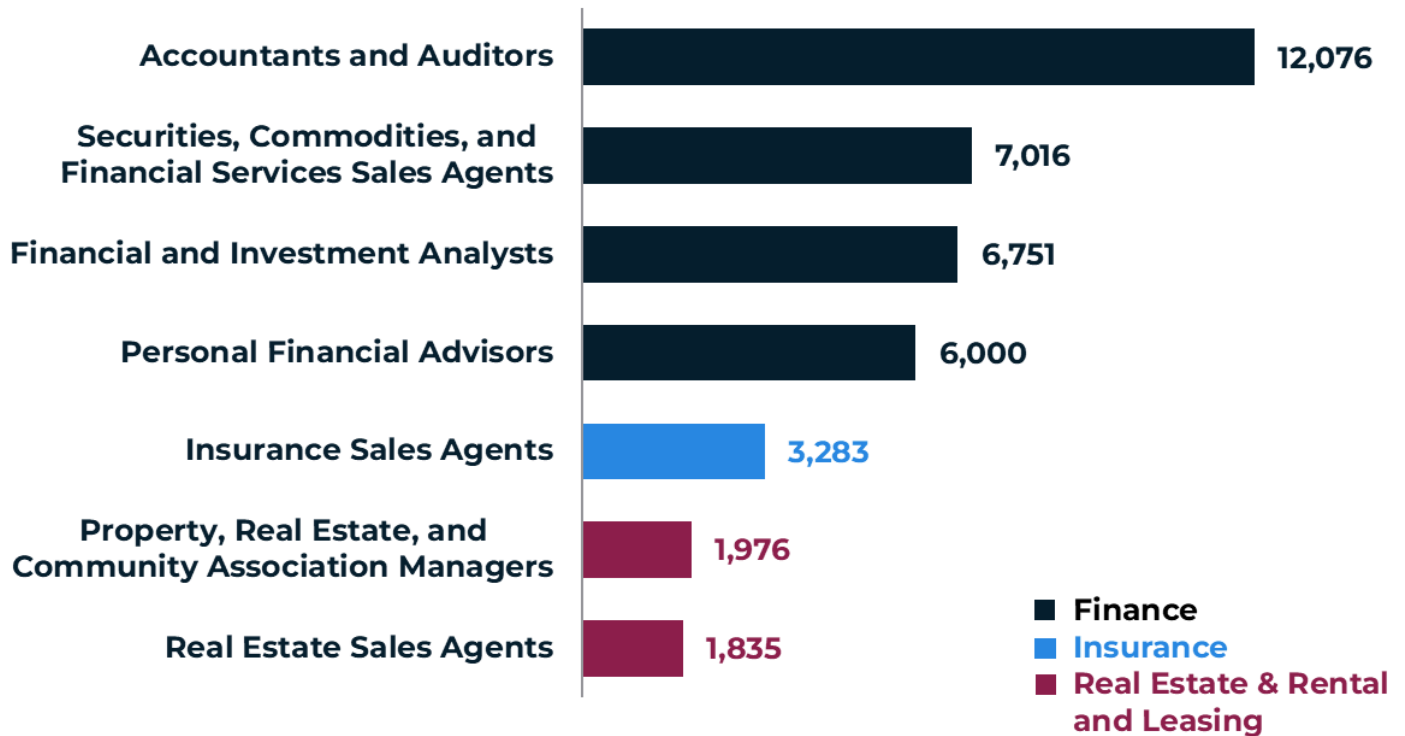
OCCUPATIONS

Boston's Finance, Insurance, and Real Estate (FIRE) sector is primarily driven by the finance industry, which accounts for 31,843 jobs among the top seven occupations in the sector, playing a key role in shaping its overall employment landscape. Within finance, accountants and auditors lead the way with 12,076 positions, followed by securities, commodities, and financial services sales agents, totaling 7,016 jobs. In the insurance industry, insurance sales agents make up the largest occupational group with 3,283 jobs. Meanwhile, in the real estate sector, property, real estate, and community association managers hold the top spot with 1,976 positions.



NUMBER OF JOBS BY OCCUPATION

2023



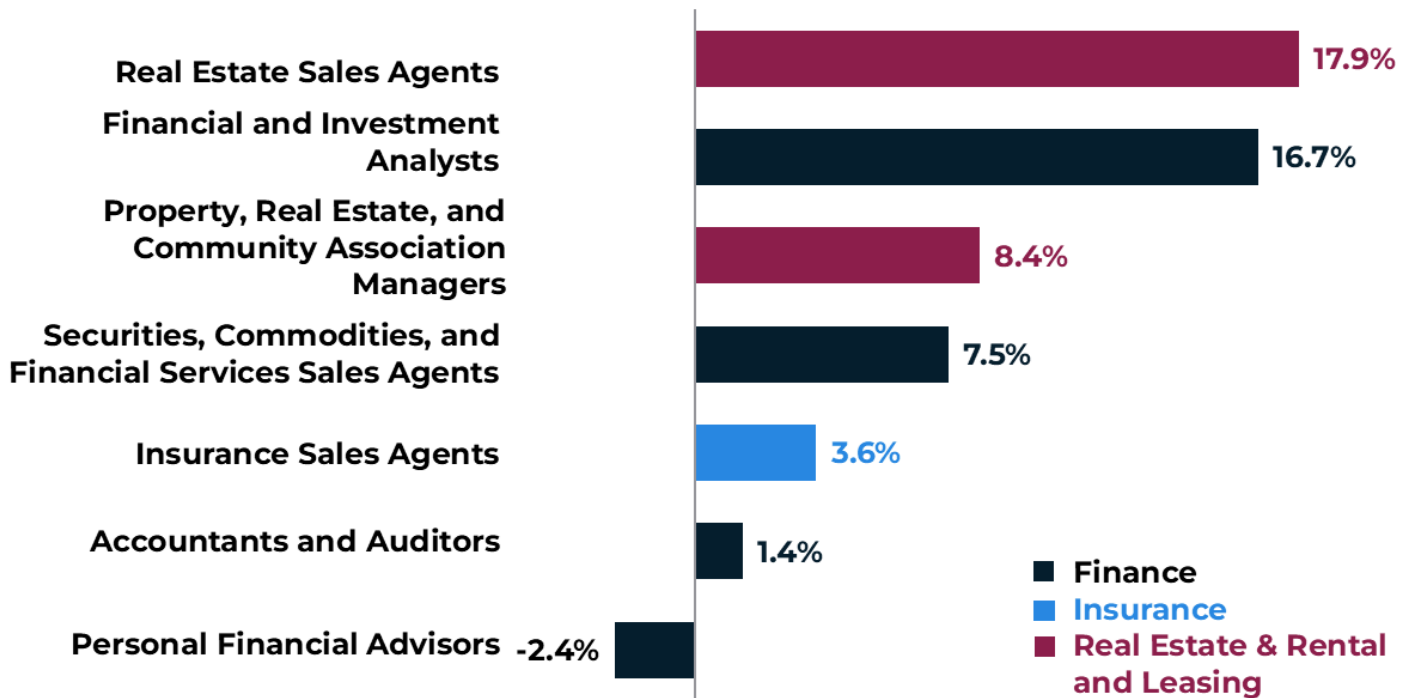
Source: Lightcast Q1 2025, City of Boston Planning Department Research Division Analysis.

Boston's Finance, Insurance and Real Estate workforce experienced a range of employment shifts from 2022 to 2023. Real estate sales agents saw the most notable growth, with a 17.9% increase in jobs. Finance and insurance showed a similar growth. Financial and investment analysts (16.7%) and securities, commodities, and financial services sales agents (7.5%) posted strong gains, highlighting continued momentum in key finance roles. Meanwhile, insurance sales agents experienced relatively modest growth at 3.6%. At the other end, personal finance advisors (-2.4%) recorded the steepest declines, reflecting softening demand in certain areas of the finance sector.



CHANGE IN NUMBER OF JOBS BY OCCUPATION

2022-2023



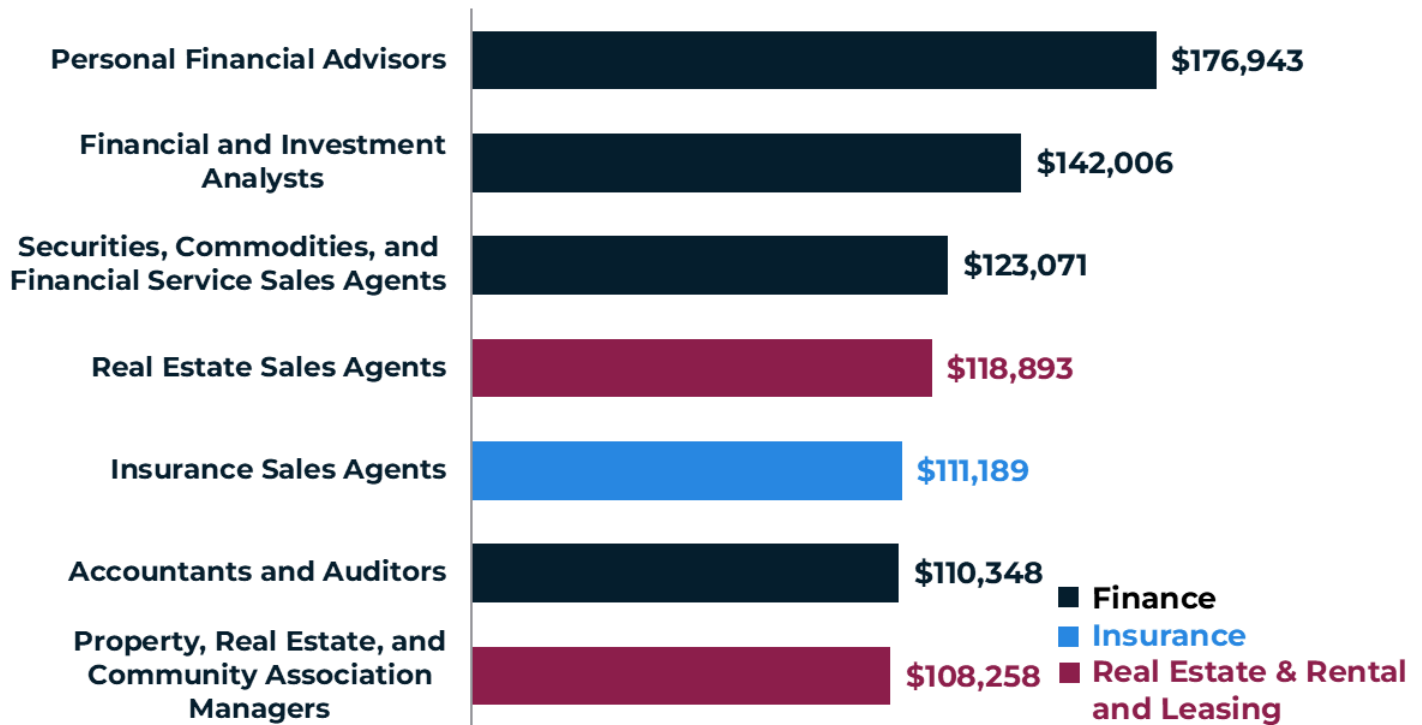
Source: Lightcast Q1, City of Boston Planning Department Research Division Analysis.

Earnings across Boston's Finance, Insurance, and Real Estate industries vary a lot depending on the specific job, the level of responsibility, and the education or experience required. Personal financial advisors tend to earn the most – about \$176,943 per year on average – since their roles often require at least a bachelor's degree and certifications like CFP or CFA. Occupations from the finance industry follow, with financial and investment analysts earning \$142,006 and securities, commodities, and financial service sales agents earning \$123,071. Their high earnings also reflect the complexity of managing clients' financial goals and the demand for flexible personalized service, often requiring work beyond regular business hours. Real estate sales agents follow, with average earnings around \$11, due to Boston's high property values and active housing market that lead to larger commissions and broker fees. Insurance sales agents earn less than those in finance and real estate, but still bring \$111,189 annually.



AVERAGE ANNUAL EARNINGS BY OCCUPATION

2023



Source: Lightcast, City of Boston Planning Department Research Division Analysis.

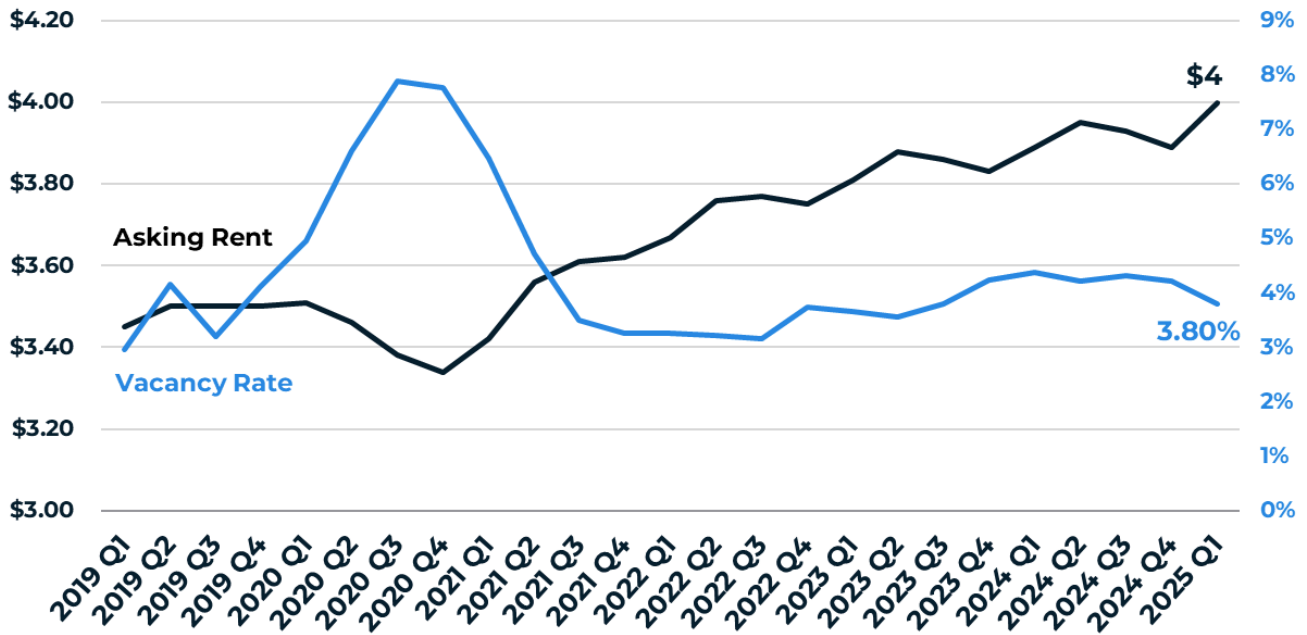
REAL ESTATE MARKET

Multifamily housing and office space rent and vacancy show different trends in Boston over time. In 2020, multifamily rent reached the highest vacancy of 7.89% and lowest asking rent \$3.34. In following years, vacancy rates have decreased to 3.8% and asking rates have increased to \$4.00 in the first quarter of 2025. On the other hand, office vacancy rates have been rising - from 6.3% to 14.4% - while asking rent has been relatively stable - oscillating between \$35 and \$40. This trend may reflect investor's reluctance to lower the value of their building, opting to leave spaces vacant, possibly to maintain loan-to-value ratios. Additionally tenants are increasingly willing to pay a premium for office spaces that are flexible, modern, and well-equipped with desirable amenities.



BOSTON MULTIFAMILY RENT AND VACANCY

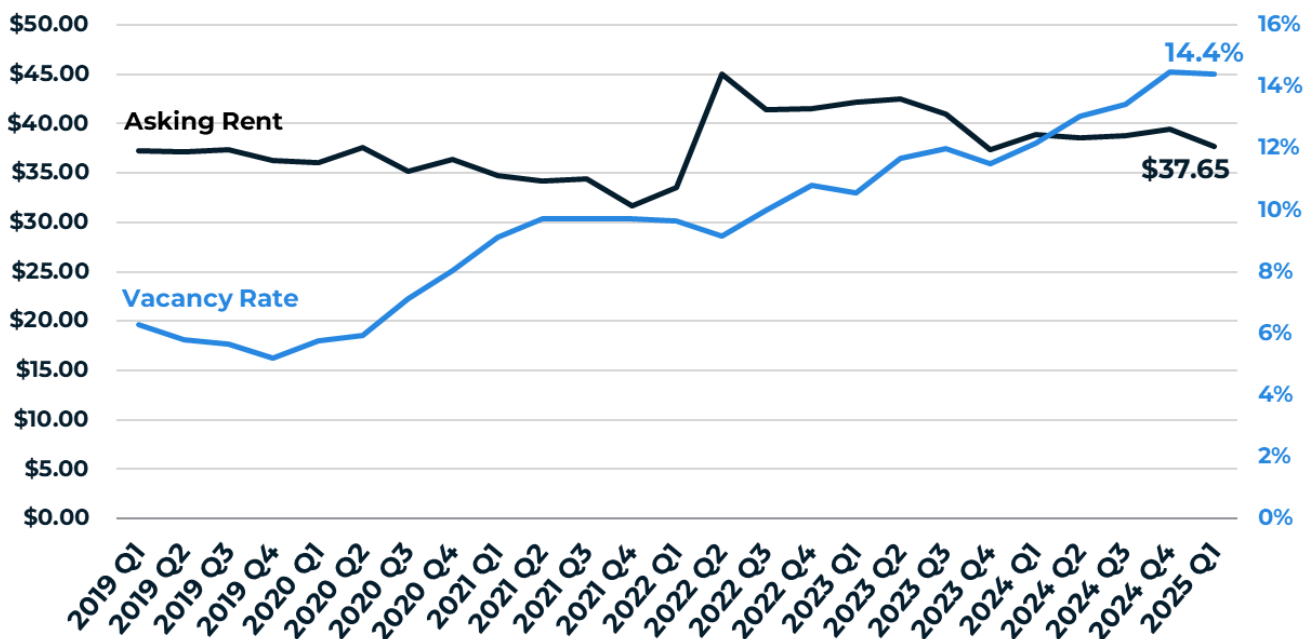
Q1 2019 - Q1 2025



Source: CoStar Real Estate Analytics, accessed 4/23/2025, City of Boston Planning Department Research Division Analysis.

BOSTON OFFICE RENT AND VACANCY

Q1 2019 - Q1 2025



Source: CoStar Real Estate Analytics, accessed 4/23/25, City of Boston Planning Department Research Division Analysis.



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B **INDUSTRY PROFILES 2025:** **EDUCATIONAL SERVICES IN BOSTON**

City of Boston Planning Department Research Division

EDUCATIONAL SERVICES

The educational services sector, encompassing elementary and secondary schools, community colleges and colleges, universities, and professional schools, is a vital part of Boston's economy. In Boston, the sector employs approximately 58,533 workers across 606 establishments, accounting for 1.9% of businesses and 8.5% of total employment.

EDUCATIONAL SERVICES EMPLOYMENT

Colleges and universities dominate Boston's educational services sector, employing 38,641 workers and accounting for 66% of total employment.¹ In 2023, the top three private universities in Boston's educational service sector—Boston University, Northeastern University, and Harvard University Graduate Schools—employed 24,987 workers, representing 40% of the sector's total workforce.² Boston University had the highest employment, with 10,674 workers (1.6% of total

¹ **Historical Employment and Business Establishments:** Employment and Wage (ES-202) data, <https://lmi.dua.eol.mass.gov/lmi/employmentandwages>

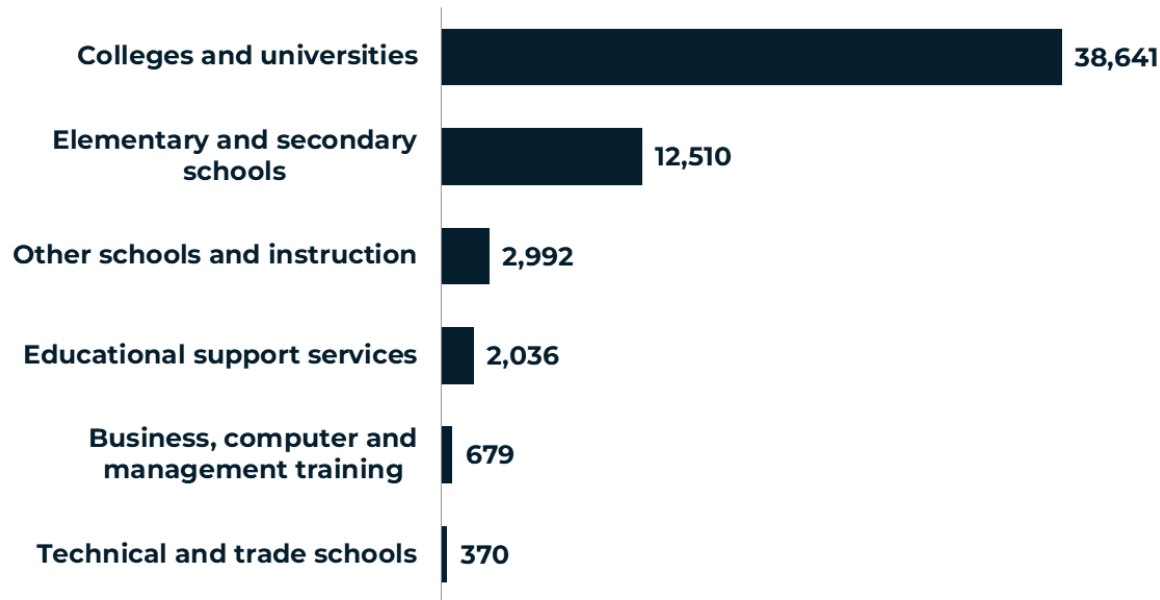
²



employment), followed by Northeastern University with 7,982 workers (1.2%), and Harvard University Graduate Schools with 6,331 workers (0.9%). Together, these institutions accounted for 62% of the total employment in colleges and universities.

NUMBER OF JOBS BY INDUSTRY

Average Monthly Employment in 2024 (Third Quarter)



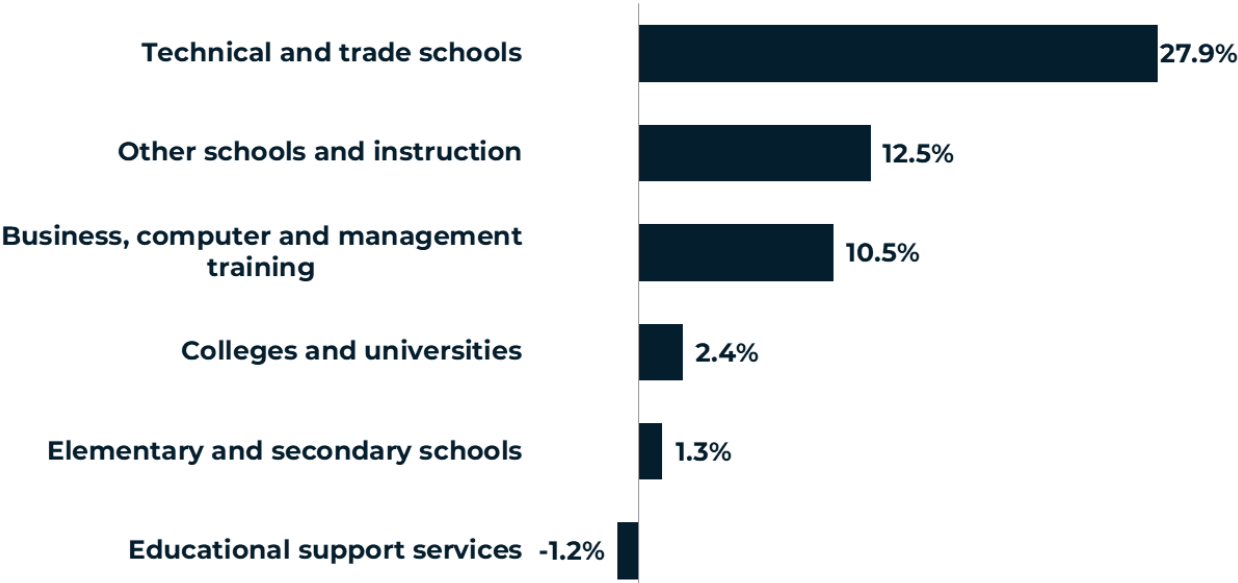
Source: MA Deptment of Economic Research 2025, Employment and Wages (ES-202) City of Boston Planning Department Research Division Analysis.

Elementary and secondary schools follow with 12,510 workers, contributing 21.4% to the sector’s workforce. Other key contributors include 194 establishments offering specialized instruction, such as art, music, and sports schools, employing 2,992 workers, as well as educational support services with 198 establishments and 2,036 employees.

EMPLOYMENT GROWTH BY INDUSTRY

Boston’s educational services sector experienced modest overall job growth from 2022 to 2023, with notable variations across different industries. Technical and trade schools saw the most significant expansion, growing by 27.9%. Similarly, other schools and instruction, which include art, music, and sports education, grew by 12.5%, while business, computer, and management training institutions expanded by 10.5%. Colleges and universities, the sector's largest employer, experienced 2.4% growth, indicating continued stability despite broader demographic and economic challenges. Elementary and secondary school employment grew at a slower pace of 1.3%, constrained by shifting student populations. In contrast, educational support services was the only segment to decline, shrinking by 1.2%.

CHANGE IN NUMBER OF JOBS BY INDUSTRY 2022-2023



Source: MA Department of Economic Research 2025, Employment and Wages, City of Boston Planning Department Research Division Analysis.

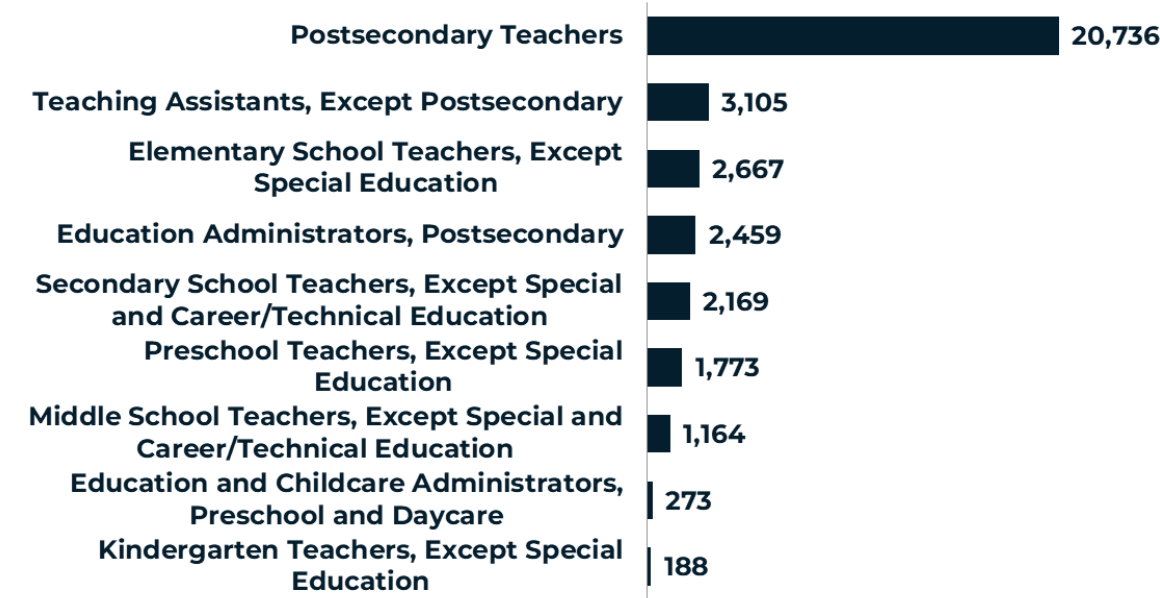


EDUCATIONAL SERVICES OCCUPATIONS

Boston’s educational services sector is driven by a diverse range of occupations, with post-secondary teachers forming the largest workforce segment of 20,736 jobs. Teaching assistants, except post-secondary, represent the second-largest group with 3,105 jobs, playing a crucial role in supporting both elementary and secondary education. Among K-12 educators, elementary school teachers lead with 2,667 jobs, followed by secondary school teachers (2,169 jobs) and middle school teachers (1,164 jobs). Education administrators, post-secondary, account for 2,459 jobs, highlighting the management needs of Boston’s higher education institutions. In early childhood education, there are 1,773 preschool teachers and 188 kindergarten teachers.

NUMBER OF JOBS BY OCCUPATION

2023



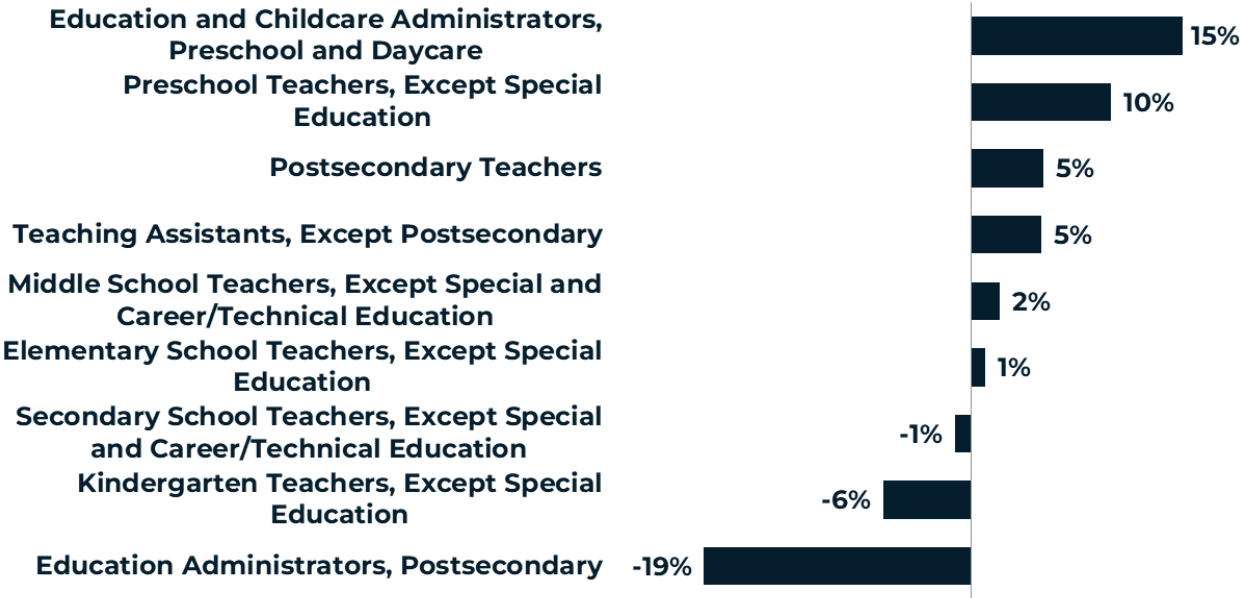
Source: Lightcat Q1 2025, City of Boston Planning Department Research Division Analysis.



Boston’s educational workforce experienced mixed trends from 2022 to 2023, with notable growth in early childhood education roles as preschool administrator employment grew by 15% and preschool teacher employment grew by 10%. Post-secondary teachers and teaching assistants each expanded by 5%. Growth in K-12 teaching roles was more modest, with middle school teachers increasing by 2% and elementary school teachers by 1%, while secondary school teachers declined slightly by 1%. The steepest decline occurred among postsecondary education administrators, which shrank by 19%, indicating structural adjustments or cost-cutting measures in university management. Kindergarten teachers also saw a notable 6% decline, possibly reflecting demographic trends and lower enrollment in early grades.

CHANGE IN NUMBER OF JOBS BY OCCUPATION

2022-2023



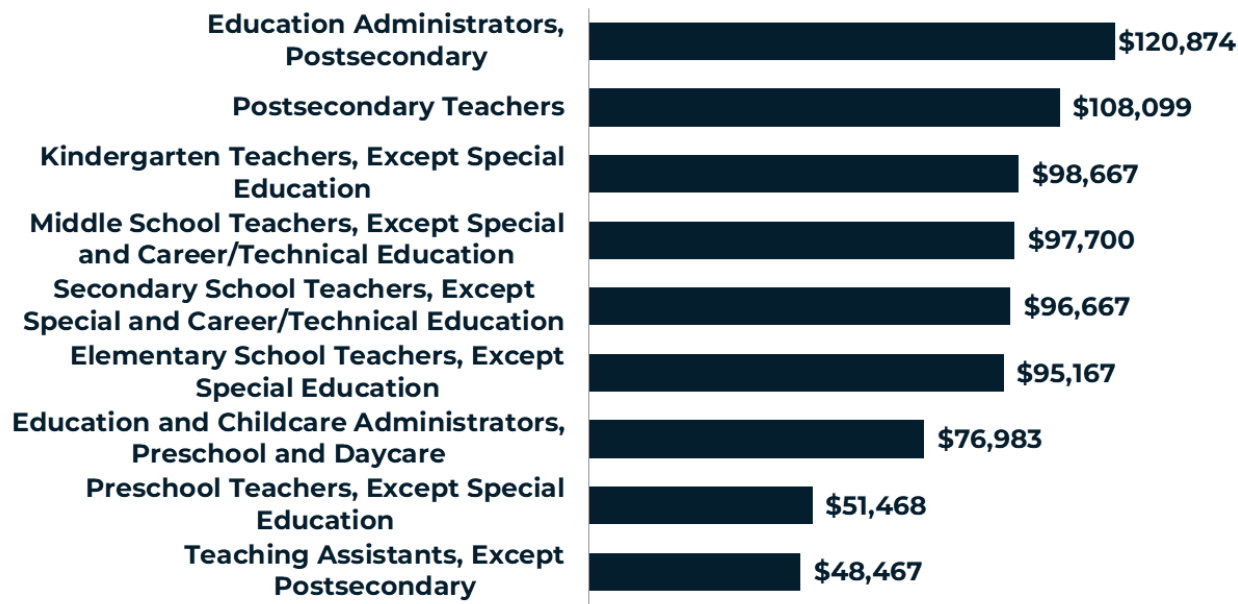
Source: Lightcast Q1 2025, City of Boston Planning Department Research Division Analysis.

Earnings in Boston’s educational services sector vary significantly by role, reflecting differences in responsibility, required education levels, and demand. Postsecondary education administrators command the highest salaries, earning an average of \$120,874 annually and require at least a master’s degree. Post-secondary teachers, who typically hold a doctoral or professional degree, follow closely at \$108,099, reinforcing Boston’s strong academic sector and its ability to attract top faculty talent. Among K-12 educators, those requiring a bachelor’s degree earn relatively uniform salaries, with kindergarten teachers earning the highest at \$98,667,

followed by middle school (\$97,700), secondary school (\$96,667), and elementary school teachers (\$95,167).

AVERAGE ANNUAL EARNINGS BY OCCUPATION

2023

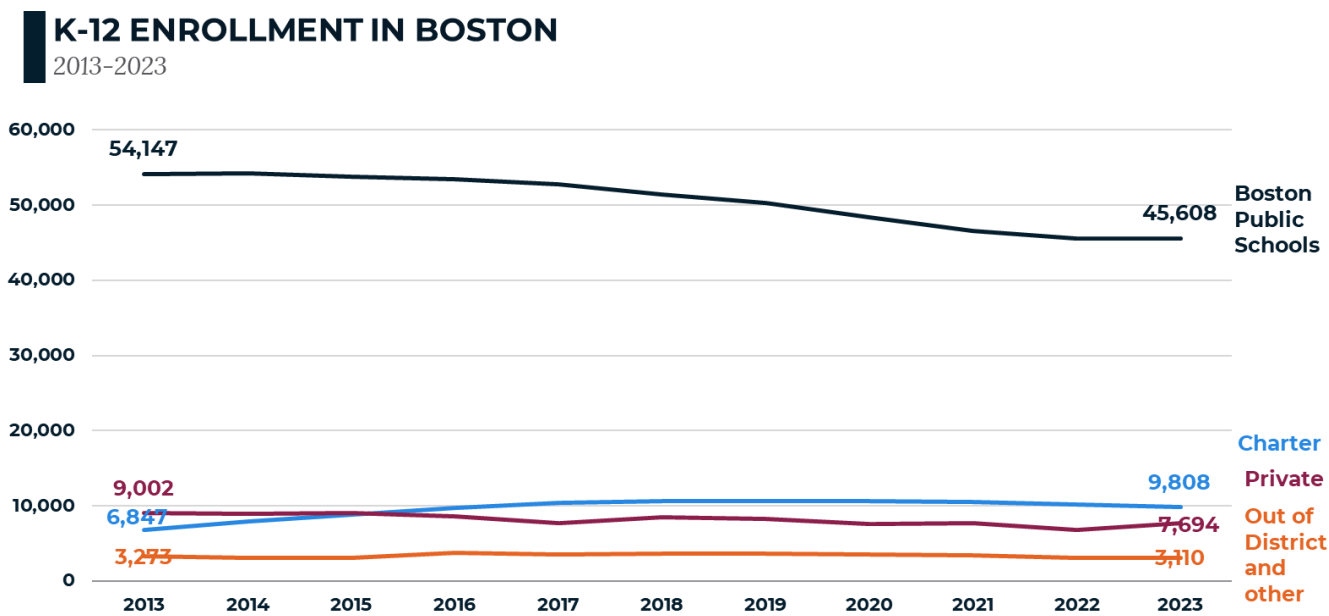


Source: Lightcast, City of Boston Planning Department Research Division Analysis.

In early childhood education, where an associate’s degree is often sufficient, preschool teachers earn \$51,468, a stark contrast to K-12 educators despite strong job growth in the field. Education and childcare administrators for preschools and daycare centers, who require a bachelor’s degree, earn \$76,983, reflecting greater responsibility but lower pay than their post-secondary counterparts. Teaching assistants, who typically have some college education but no degree, represent the lowest-paid group at \$48,467, underscoring the wage gap between support staff and lead educators. These salary trends align with broader employment shifts where early education jobs continue to see rising demand but remain among the lowest-paid positions in the sector.

STUDENT ENROLLMENT PATTERNS

Since the Great Recession in 2009, annual births have declined by 13% nationally and 15% in Boston. This birth decline has impacted the number of children born in Boston and the number of children in Boston schools today. Overall K-12 school enrollment in Boston has declined by 10% since 2013. Boston Public Schools enrollment has declined by 16% during this time.

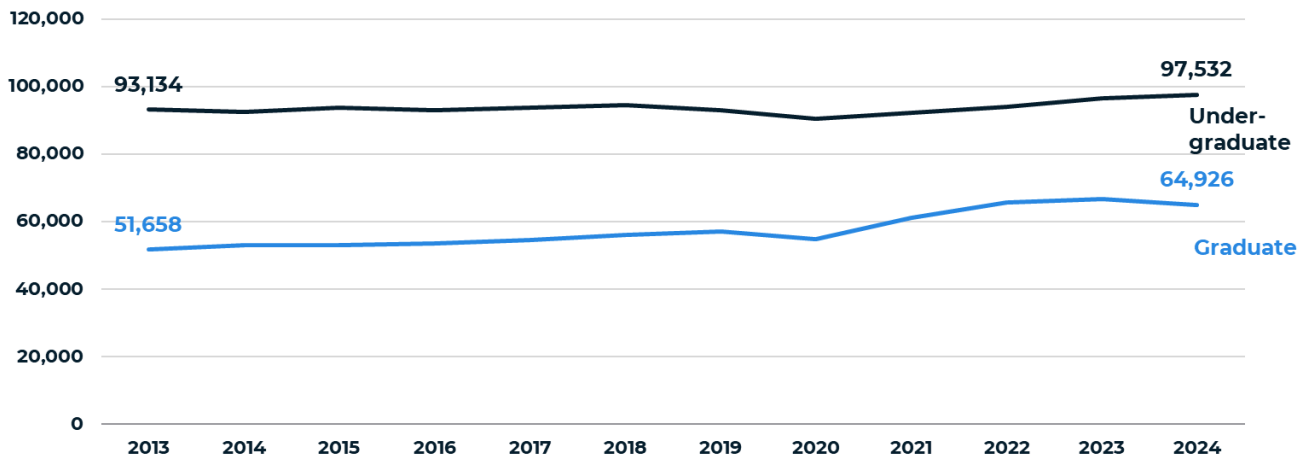


Source: MA Department of Secondary and Elementary Education, City of Boston Planning Department Research Division Analysis

Undergraduate enrollment in Boston universities has increased by just 4.7% from 2013 to 2024, reaching 97,532, while graduate enrollment increased by a significant 27% over the same period reaching 64,926 in 2024. Lower birth rates since 2009 may herald a trend for college student enrollment starting with undergraduate student admissions in 2026. The “college enrollment cliff” is projected to impact the pool of applicants available to apply for college over at least the next 16 years. However, Boston colleges and universities are nationally and internationally renowned, and most may be able to continue to maintain enrollment.

UNDERGRADUATE AND GRADUATE ENROLLMENT IN BOSTON

2013-2024



Source: University Accountability Ordinance, City of Boston Planning Department Research Division Analysis

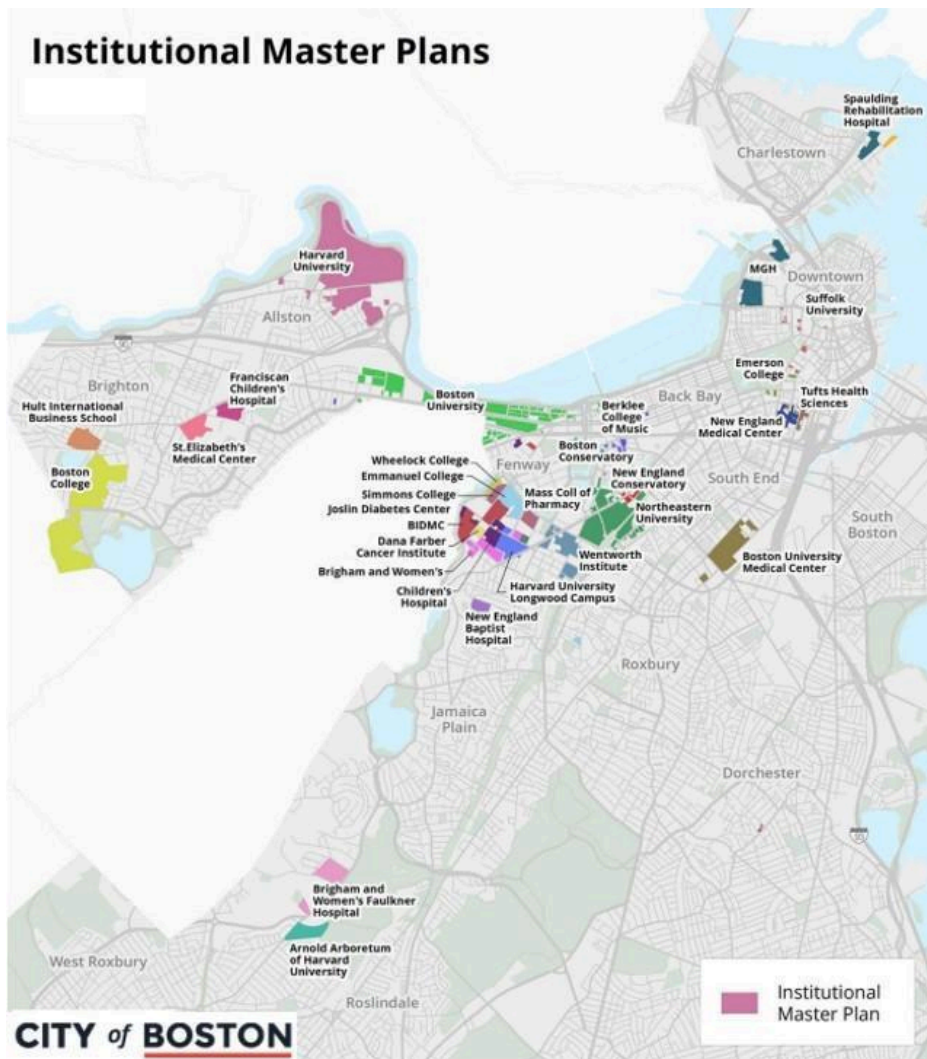
DEVELOPMENT

Institutional Master Plans

All institutions have IMPs but do not always have active projects associated with IMPs. The BPDA Board approved 1.5 million square feet of university development from 2022-2024. These projects include: a renovation of Boston University's Warren Towers which house 1,800 students, a new mixed-use building in Roxbury, where lower levels will serve as community space for Northeastern and upper levels will house over 1,000 students, and Boston College's Catholic Religious Archives Project to store collections, artwork, and cultural artifacts.³ Recently completed projects include the distinctive BU Data Sciences Center, with over 300,000 square feet of computer science and mathematics educational space overlooking the Charles River and a 110 bed dorm for Berklee College of Music students in Fenway.

³ City of Boston Planning Department Development Database





PILOT (Payment in Lieu of Taxes)

Universities have major real estate holdings in Boston and make payments in lieu of property taxes. In FY 2023, tax-exempt educational institutions paid the City of Boston ~\$36 million in cash contributions and ~\$62 million in community benefit credits. This was 76% of the City's request that PILOT contributions be 25% of what the institution might expect to pay in real estate taxes if the exempt property were taxable, an improvement on the 68% paid in FY 2022.⁴

⁴ <https://www.boston.gov/departments/assessing/payment-lieu-tax-pilot-program>



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See more of our work on our website: bostonplans.org/research





B **INDUSTRY PROFILES 2025:** **HEALTHCARE AND LIFE SCIENCES IN BOSTON**

City of Boston Planning Department Research Division

HEALTHCARE AND LIFE SCIENCES

The healthcare sector encompasses a wide range of services, including hospitals, outpatient care centers, medical and diagnostic laboratories, home healthcare services, and nursing and residential care facilities. Additionally, the life sciences sector includes biotechnology, pharmaceuticals, medical services, and research and development. In Boston, the healthcare and life sciences sector includes approximately 1,569 business establishments that employ 146,189 workers, accounting for 5% of business establishments and 22% of total employment.

The healthcare and social assistance sector is projected to outpace all other industries in growth both nationally and in Boston, contributing around 45% of new jobs in the U.S. and 28% locally between 2022 and 2032. Occupations like nurse practitioners, physician's assistants, and medical and health services managers are expected to see significant and rapid job growth. Similarly, the life sciences sector is poised for strong expansion, driven by advancements in biotechnology and the increasing demand for innovative medical solutions.



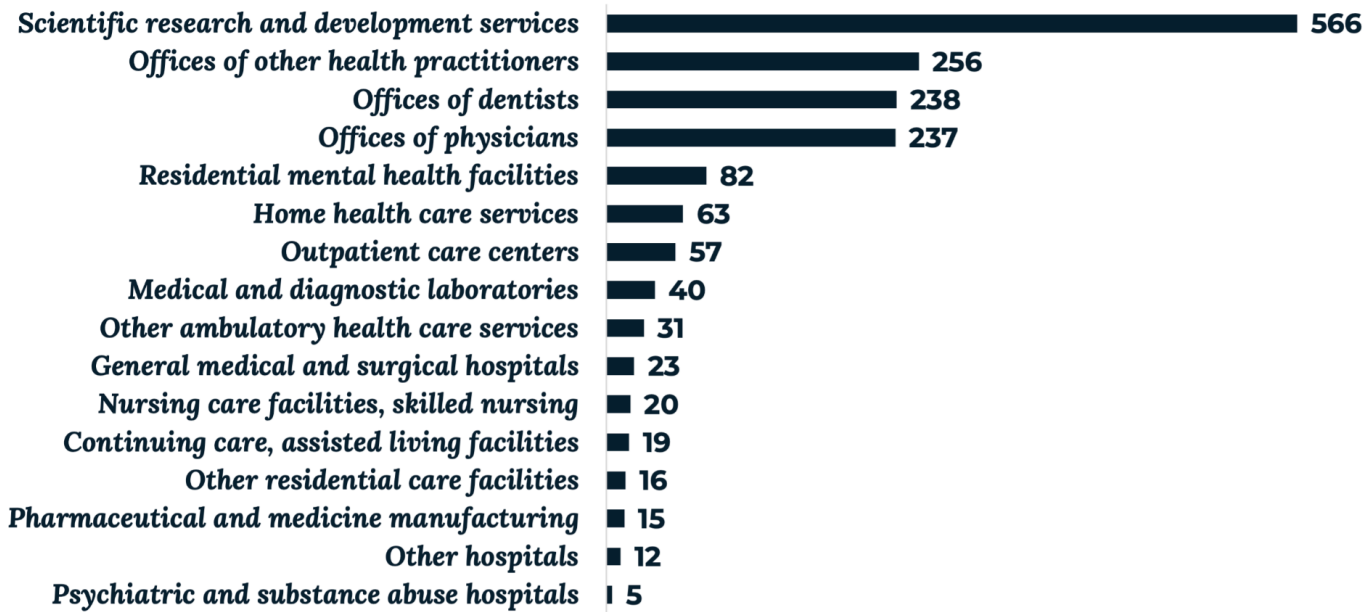
HEALTHCARE AND LIFE SCIENCES EMPLOYMENT

Hospitals dominate the sector, employing 105,169 workers and accounting for 68.3% of total employment. Ambulatory health care services, such as physician offices, outpatient care centers and dentist offices, follow with 24,357 workers, contributing 15.8% to the sector’s workforce.

A significant number of health care establishments are dedicated to primary and outpatient care, such as offices of physicians (237), dentists (238), and other health practitioners (256). Hospitals like general medical and surgical hospitals (23) and psychiatric hospitals (5) are central to employment. Scientific research and development services represent a substantial segment with 566 establishments.

NUMBER OF ESTABLISHMENTS BY INDUSTRY

Q3 2024



Source: Department of Economic Research 2024, City of Boston Planning Department Research Division Analysis

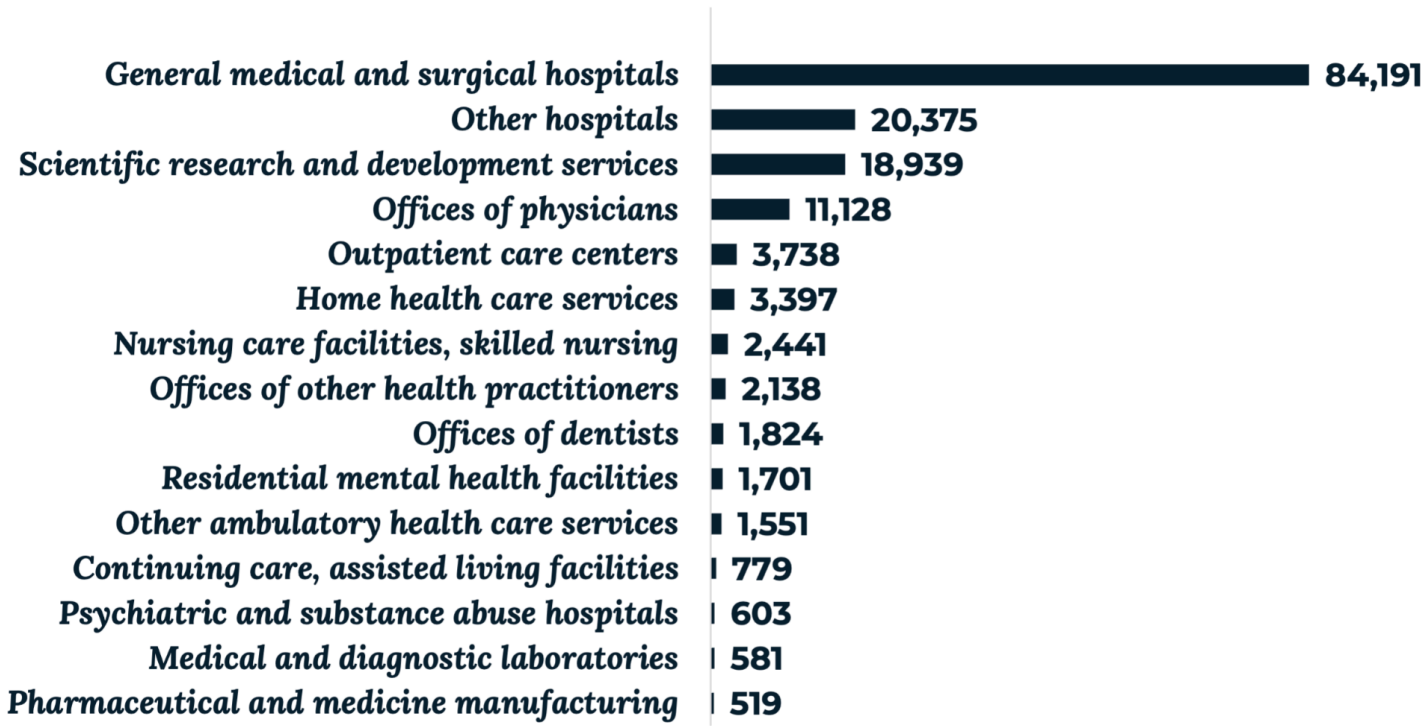
In 2024, the top six healthcare employers, including Boston Children's Hospital, Beth Israel Deaconess Medical Center, Boston Medical Center, and Dana-Farber Cancer Institute, employed 67,371 workers¹, representing 9.8% of Boston's total payroll workforce of 684,167. Massachusetts General Hospital and Brigham and Women's Hospital had the highest employment, with 19,418

¹ Center for Medicare and Medicaid Services, Form CMS-2552-10

and 14,858 workers, respectively. Large hospital systems contribute significantly to employment while serving as key providers of healthcare services.

NUMBER OF JOBS BY INDUSTRY

Q3 2024



Source: Department of Economic Research 2024, City of Boston Planning Department Research Division Analysis

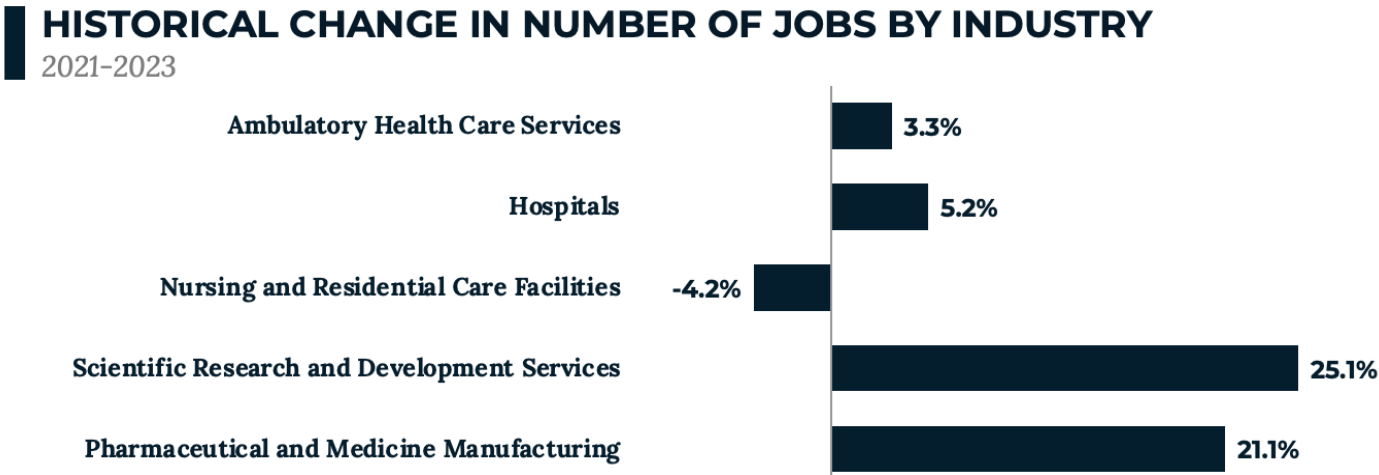
EMPLOYMENT GROWTH BY INDUSTRY

Boston's healthcare and life sciences sectors have experienced diverse trends over the past decade within a general pattern of growth. Industries like ambulatory health services and hospitals show steady growth, both growing around 22% from 2013 to 2023, while scientific research and development services have experienced explosive expansion, growing more than 150% over the same time period. However, nursing and residential care facilities have faced significant challenges over the past decade, shrinking about 20%.

In the wake of the COVID-19 pandemic, ambulatory health services and hospitals continued to grow, with increases of 3.3% and 5.2%, respectively, from 2021 to 2023. The most dramatic

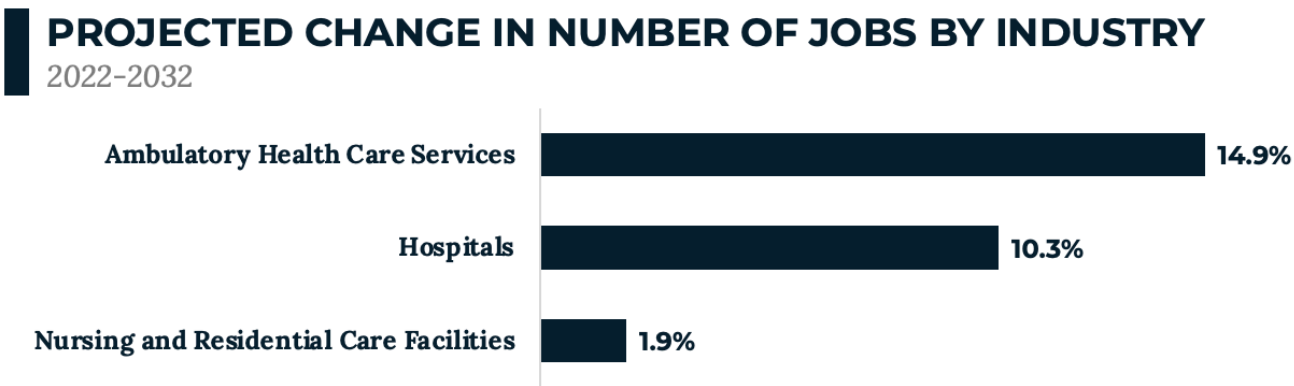


growth occurred in the scientific research and development services sector, which expanded by 25.1%, and pharmaceutical manufacturing saw strong growth of 21.1%, reflecting heightened demand for innovation in biotech and pharmaceuticals. Conversely, nursing and residential care facilities continued to face challenges, experiencing a 4.2% decline in employment.



Source: MA Department of Economic Research, Employment & Wages (ES-202), City of Boston Planning Department Research Division Analysis.

Hospitals and ambulatory care are also the largest contributors to job postings in 2024, with 38,646 and 25,666 postings, respectively, highlighting ongoing demand for roles in these areas. Meanwhile, nursing and residential care facilities posted just 2,1516 jobs in 2022. The job postings data emphasize the strong demand for ambulatory services. This trend is reinforced by employment projections² from the Massachusetts Department of Economic Research, which predicts 14.9% growth in ambulatory healthcare services between 2022 to 2032.



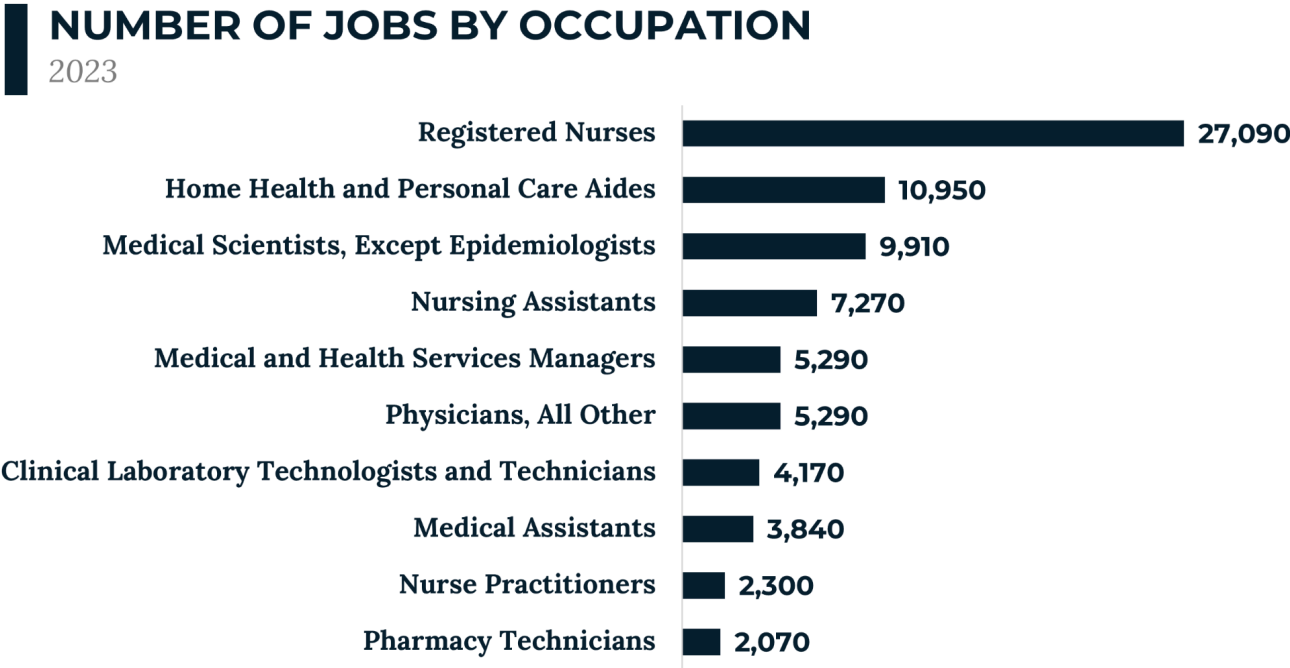
Source: Department of Economic Research 2022-2032, City of Boston Planning Department Research Division Analysis

² [Long-term Industry Projections](#)

The Department of Economic Research does not provide Boston employment projections at the granularity needed for life science employment. However, statewide projections from MassBio show that Massachusetts is expected to see a 32% increase in life science employment by 2033, amounting to nearly 38,000 net new jobs across the Commonwealth.³

HEALTHCARE AND LIFE SCIENCES OCCUPATIONS

Registered Nurses are the largest occupational group, employing 27,090 workers, while Home Health and Personal Care Aides account for 10,950 jobs, highlighting the demand for both skilled nursing professionals and essential care workers. The Medical Scientists occupation employs 9,910 people in Boston.



Source: Department of Economic Research 2023, City of Boston Planning Department Research Division Analysis

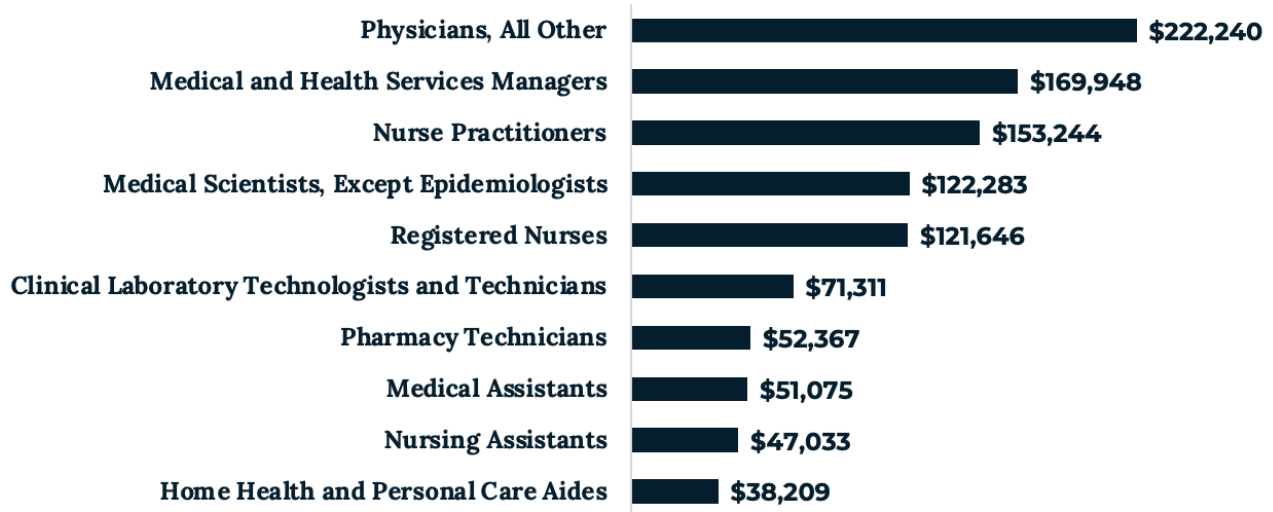
Of the most common healthcare and life sciences professions in Boston, physicians earn the highest average annual wages at \$222,240. This is followed by Medical and Health Services Managers and Nurse Practitioners with wages of \$169,948 and \$153,244 respectively. On the other end of the spectrum are Medical Assistants, Nursing Assistants, and Home Health and Personal Care Aides. Overall, this wage distribution underlines the diverse job opportunities available within the health care and life sciences industries.

³ [MassBio 2024 MA Life Sciences Employment Outlook](#)



AVERAGE ANNUAL WAGES BY OCCUPATION

2023



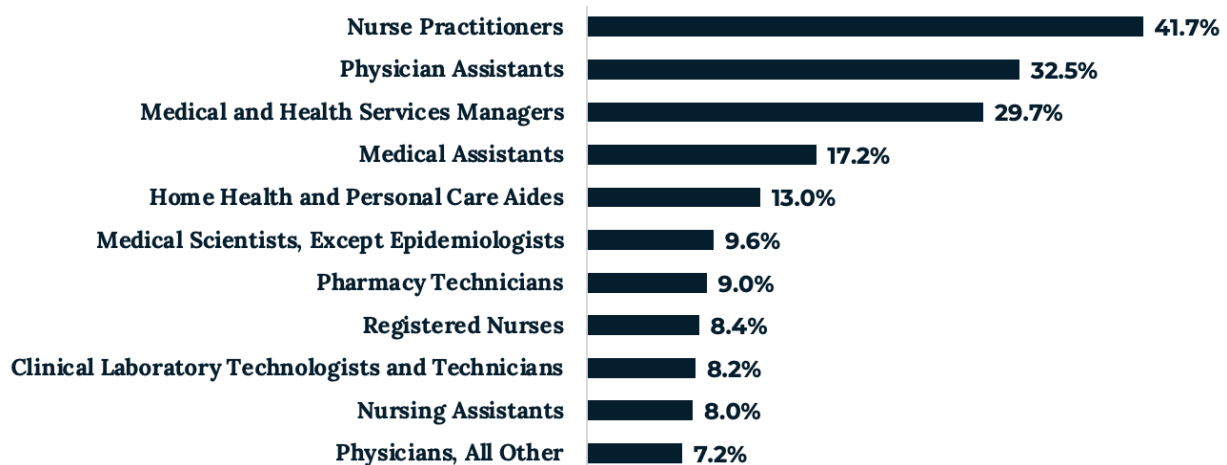
Source: Department of Economic Research 2023, City of Boston Planning Department Research Division Analysis

OCCUPATIONAL GROWTH PROJECTIONS

Nurse Practitioners and Physician Assistants are expected to see dramatic growth in employment in Boston 2022 to 2032, 41.7% and 32.5% respectively, while Medical and Health Services Managers are projected to grow by 29.7%.

PROJECTED CHANGE IN NUMBER OF JOBS BY OCCUPATION

2022-2032

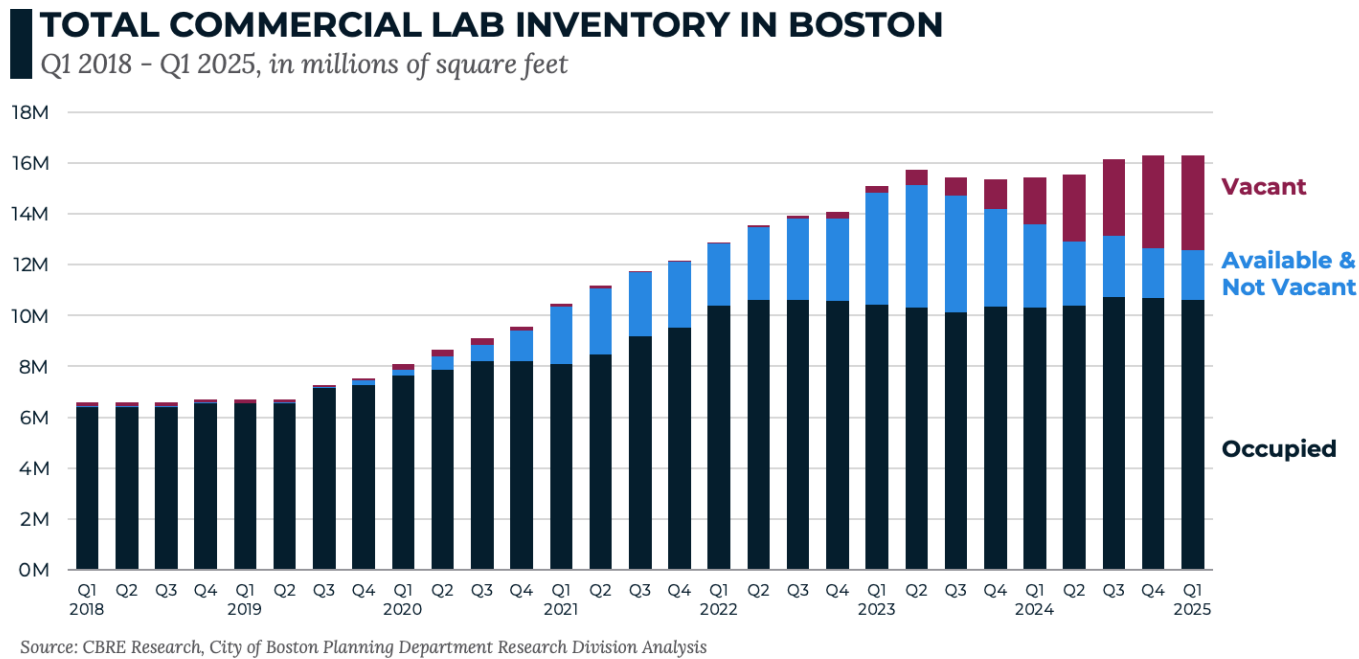


Source: Department of Economic Research 2022-2032, City of Boston Planning Department Research Division Analysis



HEALTHCARE AND LIFE SCIENCES REAL ESTATE

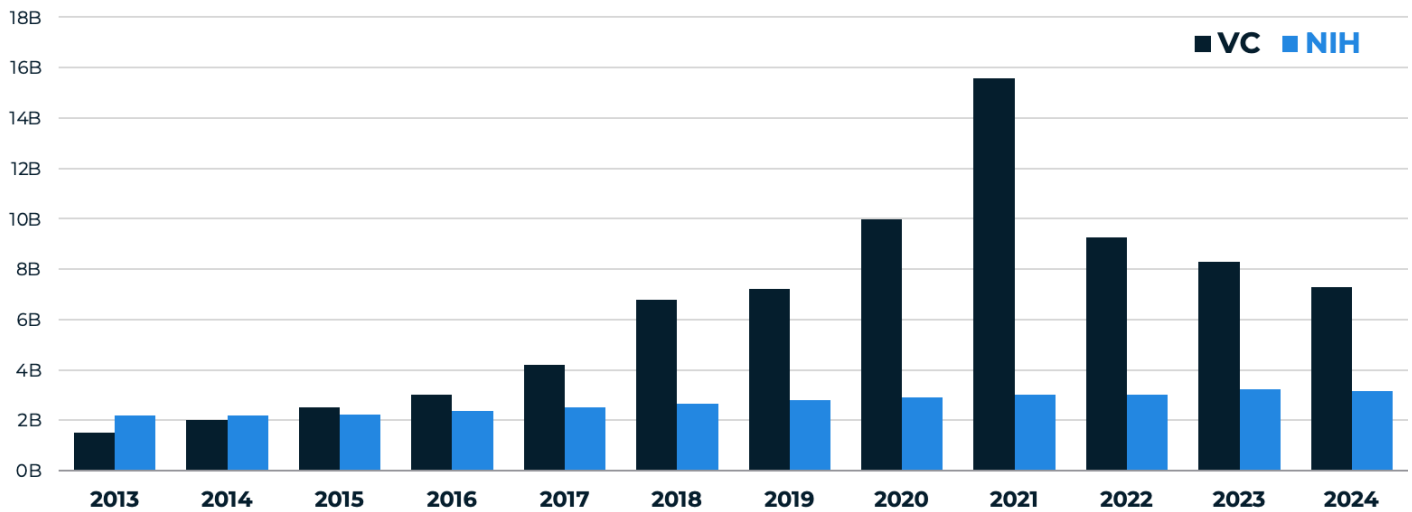
The life sciences sector in Boston has experienced significant growth in recent years, as reflected in the expansion of commercial lab space and sustained investment from both venture capital (VC) and National Institutes of Health (NIH) funding. From 2018 to 2025, Boston's commercial lab inventory grew from around 6 million square feet to more than 16 million, with increasing amounts of available and vacant space. This rapid development of lab infrastructure indicates that Boston continues to attract significant investment in life sciences, which in turn drives demand for specialized labor. The growing inventory, despite some recent softening in demand, suggests ongoing opportunities for life sciences employment in the coming years as more space becomes available for research and innovation.



Since 2013, NIH funding sent to Boston Metro researchers has been growing steadily, but VC funding saw a dramatic spike in 2021, nearly reaching \$16 billion, before settling at a still-robust level in subsequent years. This influx of capital has supported the rapid growth of life sciences startups and established companies.

VENTURE CAPITAL AND NIH FUNDING TO BOSTON METRO AREA

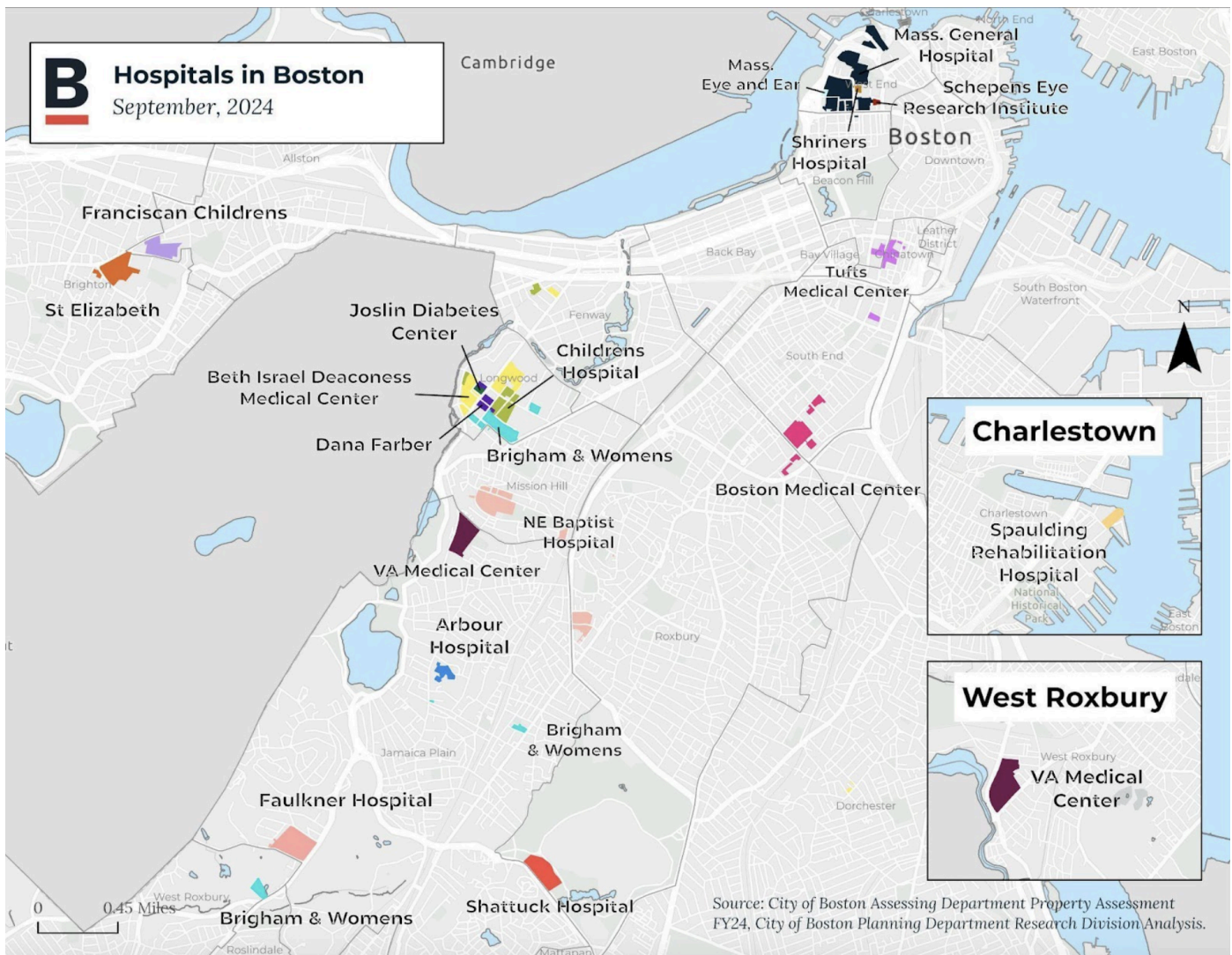
2013 - 2024, in billions of dollars



Source: CBRE, GLoBal Commercial Real Estate Services, National Institutes of Health, City of Boston Planning Department Research Division Analysis.

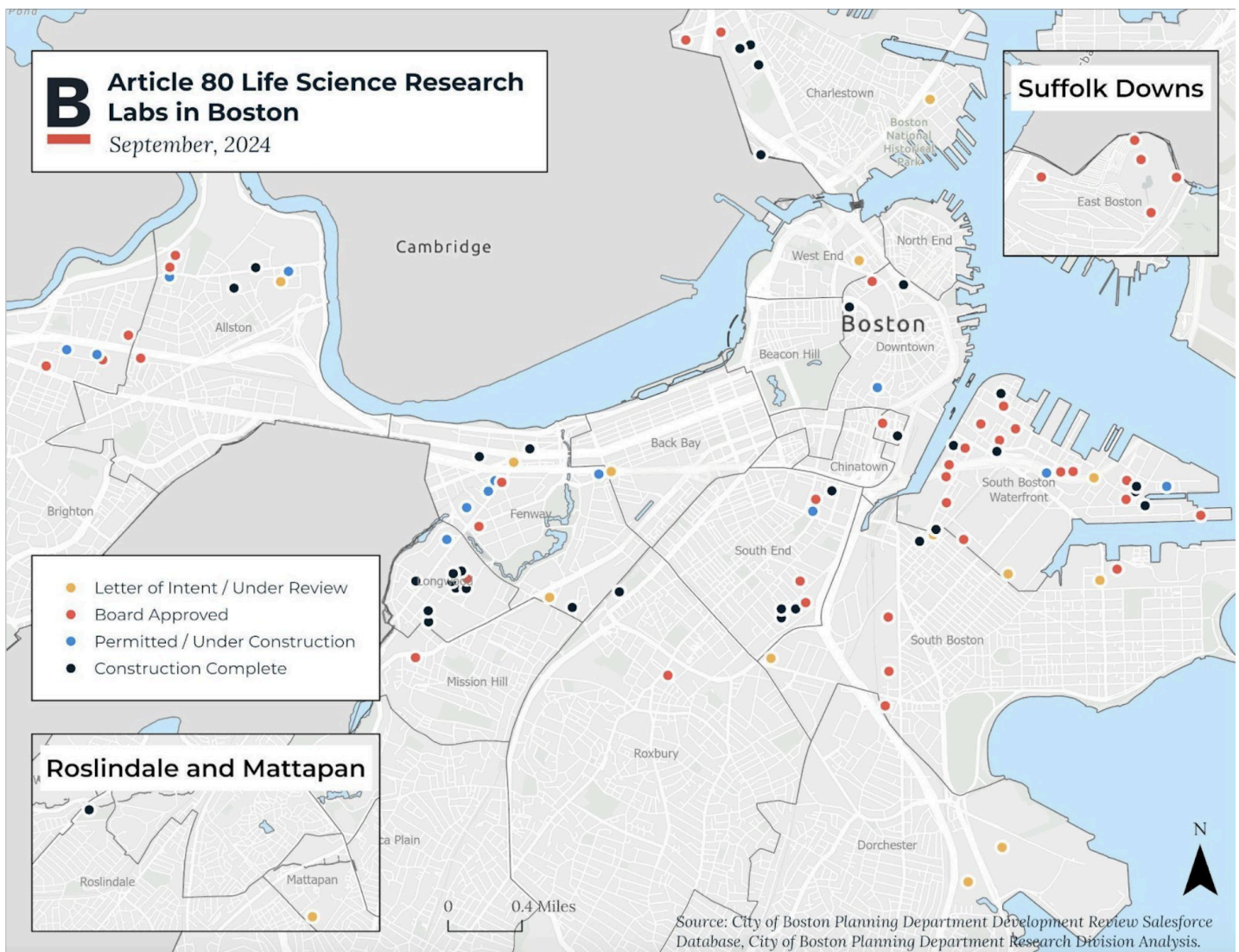
A handful of Boston neighborhoods are home to the city's leading hospitals and medical centers. Massachusetts General Hospital, Boston's top healthcare employer, is situated in the West End close to Downtown, and is surrounded by other key institutions, including Mass Eye and Ear and Shriners Children's Hospital. Many other leading healthcare centers, such as Brigham and Women's, Dana Farber, and Beth Israel Deaconess Medical Center are located in the Longwood Medical Area. Tufts Medical Center in Chinatown, and Boston Medical Center in the South End also hold prominence in their respective neighborhoods.





The growth of the life sciences sector in recent years has stimulated the approval and construction of new commercial lab space throughout Boston. As of Fall 2024, there is a significant and growing pipeline of research labs approved and under construction across the city, including in Allston-Brighton, Charlestown, and Suffolk Downs (East Boston). Many new research labs that have completed construction are located in the Longwood Medical Area near the city's leading hospitals and healthcare providers. There are also several labs in the South Boston Waterfront that have been approved, but have not yet started construction.





DATA SOURCES

1. **Historical Employment and Business Establishments:** Employment and Wage (ES-202) data, <https://lmi.dua.eol.mass.gov/lmi/employmentandwages>
2. **Employment Forecasts:** Lightcast, <https://lightcast.io/>
3. **NIH Funding:** NIH Awards by Location, <https://report.nih.gov/award/index.cfm>
4. **Life Sciences Lab Inventory and VC Funding:** CBRE Research, <https://www.cbre.com/insights>
5. **Hospital Parcels:** Assessing Department, <https://data.boston.gov/dataset/property-assessment>
6. **Article 80 Labs:** Planning Department, <https://www.bostonplans.org/projects/>



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See more of our work on our website: bostonplans.org/research





B **INDUSTRY PROFILES 2025:** **PROFESSIONAL, SCIENTIFIC, AND TECHNICAL** **SERVICES IN BOSTON**

City of Boston Planning Department Research Division

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

Boston's Professional, Scientific, and Technical services sector plays a critical role in the region's economy, offering specialized services such as legal services, consulting, and engineering. The city's concentration of highly educated young professionals, combined with its biotech hub and the presence of leading firms of the sector, made this industry a significant employer in Boston.

In Boston, Professional, Scientific, and Technical services include approximately 100,644 employees and 5,619 establishments, making up 14.7% of all employment and 17.8% of businesses.

CONTRIBUTIONS TO GROSS CITY PRODUCT (GCP)

The Professional, Scientific, and Technical Services industry is the largest contributor to Boston's Gross City Product (GCP). In 2023, the sector accounted for 20.3% of Boston's GCP. After 13 consecutive years of growth and rising to the top GCP contributor in 2021, Boston's Professional, Scientific, and Technical Services experienced its first setback in 2023 with a 0.5% decline in GCP contribution.

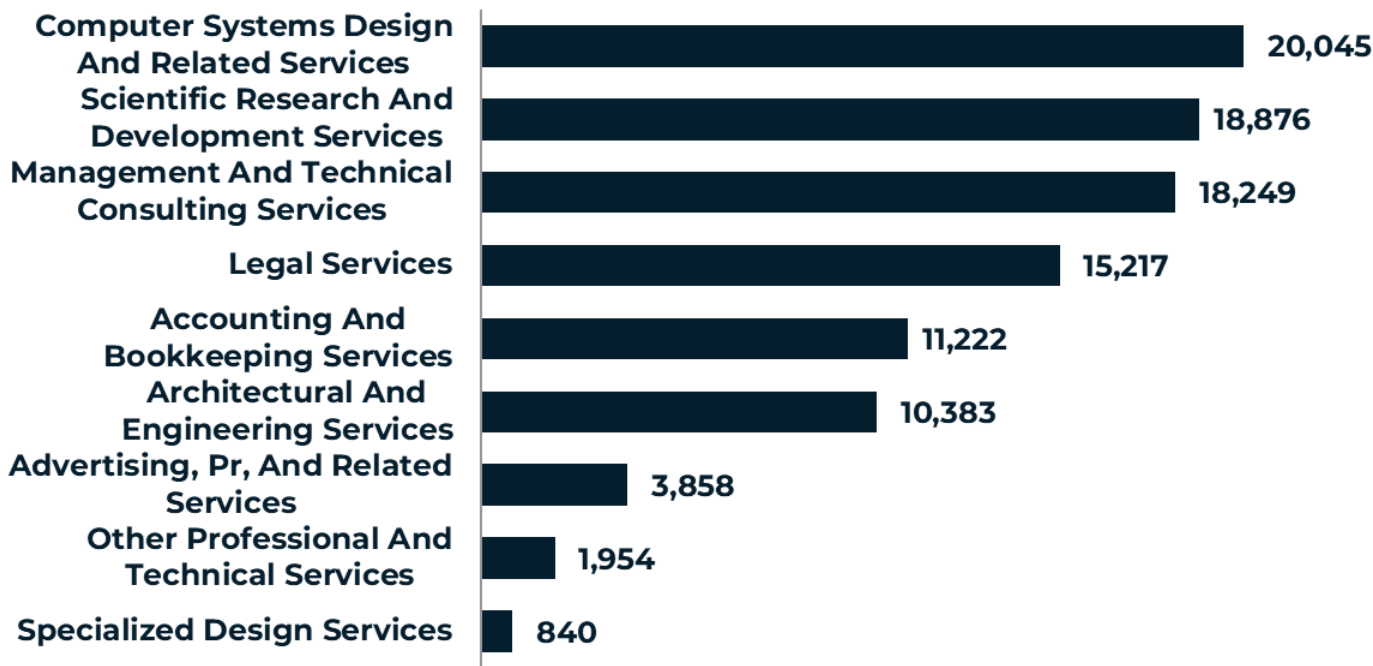


EMPLOYMENT

Computer Systems Design and Related Services employment is the largest subset of the Professional, Scientific, and Technical Services industry, employing around 20,045 workers and accounting for around 19.9% of the sector’s employment in Boston. Boston has a strong technology and biotechnology hub that relies heavily on Computer System Design and Related Services. Following closely are Scientific Research and Development Services, with 18,876 employees (18.7% of the sector), and Management and Technical Consulting Services, which employ 18,249 workers, accounting for 18.1% of the sector.

NUMBER OF JOBS BY INDUSTRY

Average monthly employment in 2024 (Third Quarter)



Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

EMPLOYMENT GROWTH BY INDUSTRY

Overall, Professional, Scientific, and Technical service sector employment declined from 2022 to 2023, losing around 1,027 payroll workers.¹ However, employment growth within the Boston’s Professional, Scientific, and Technical Service sector varied widely across different subsectors.

Scientific research and development services experienced the strongest employment growth at 8.2%, followed by Accounting and Bookkeeping services at 3.5%, and Legal Services at 1.1%. The

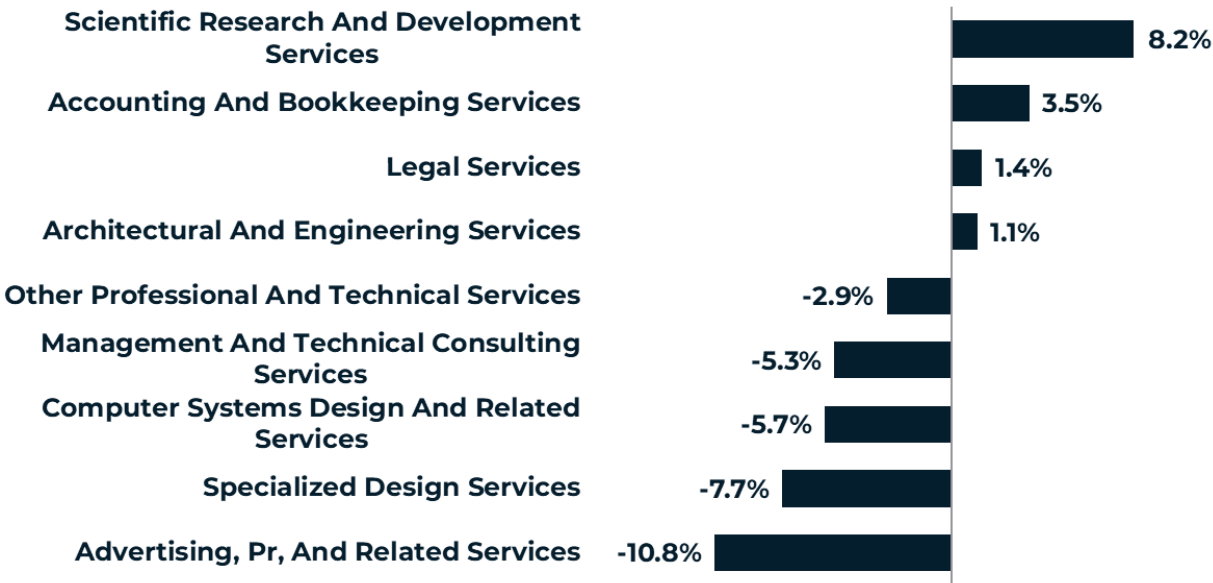
¹ Massachusetts Executive Office of Labor and Workforce Development (EOLWD)

city has one of the top Scientific Research and Development Service markets in the U.S. with major universities like Harvard, MIT, and Boston University, driving innovation and attracting a highly skilled workforce. This has contributed to the expansion of Scientific Research roles, bolstered by the presence of biotech and pharmaceutical companies in the region, making Boston a hub for cutting-edge research and technological advancements.

In contrast, several subsectors within the industry saw employment declines, including Computer Systems Design and Related Service (-5.7%), Specialized Design Services (-7.7%), Advertising, PR, and Related Services (-10.8%).

CHANGE IN NUMBER OF JOBS BY INDUSTRY

2022-2023

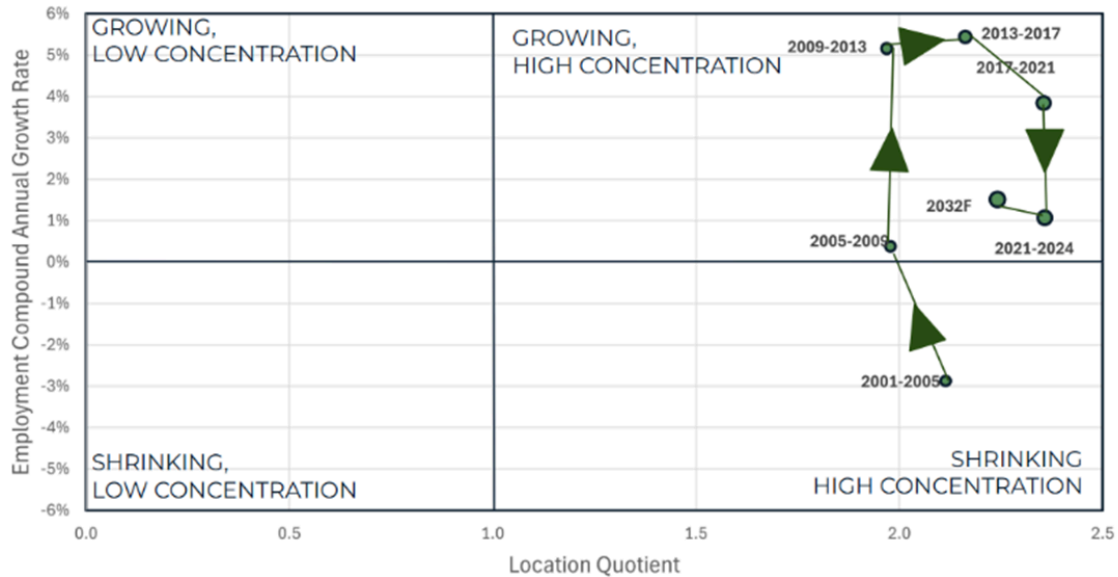


Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

Boston’s Professional, Scientific, and Technical Services sector has had both strong employment growth since 2005 and high employment concentration compared to the nation. However, job growth has been slowing in recent years even as concentration has increased. From 2021 to 2024, the compound annual job growth rate was 1.07%, down from 5.16% from 2013-2017. Boston’s Professional, Scientific, and Technical Services employment nevertheless grew faster than that of the nation, increasing its location quotient to 2.36 in 2024, indicating that Boston’s share of employment in Professional, Scientific, and Technical Services is 2.36 times that of the nation.

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES INDUSTRY

2001 - 2032F



Note: Bubble size represents the relative number of Boston employees in the industry. Future forecasts adjusted to subtract the 2024 Q3 ratio of government workers. Source: U.S. Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages (QCEW), private sector jobs, City of Boston Planning Department Research Division

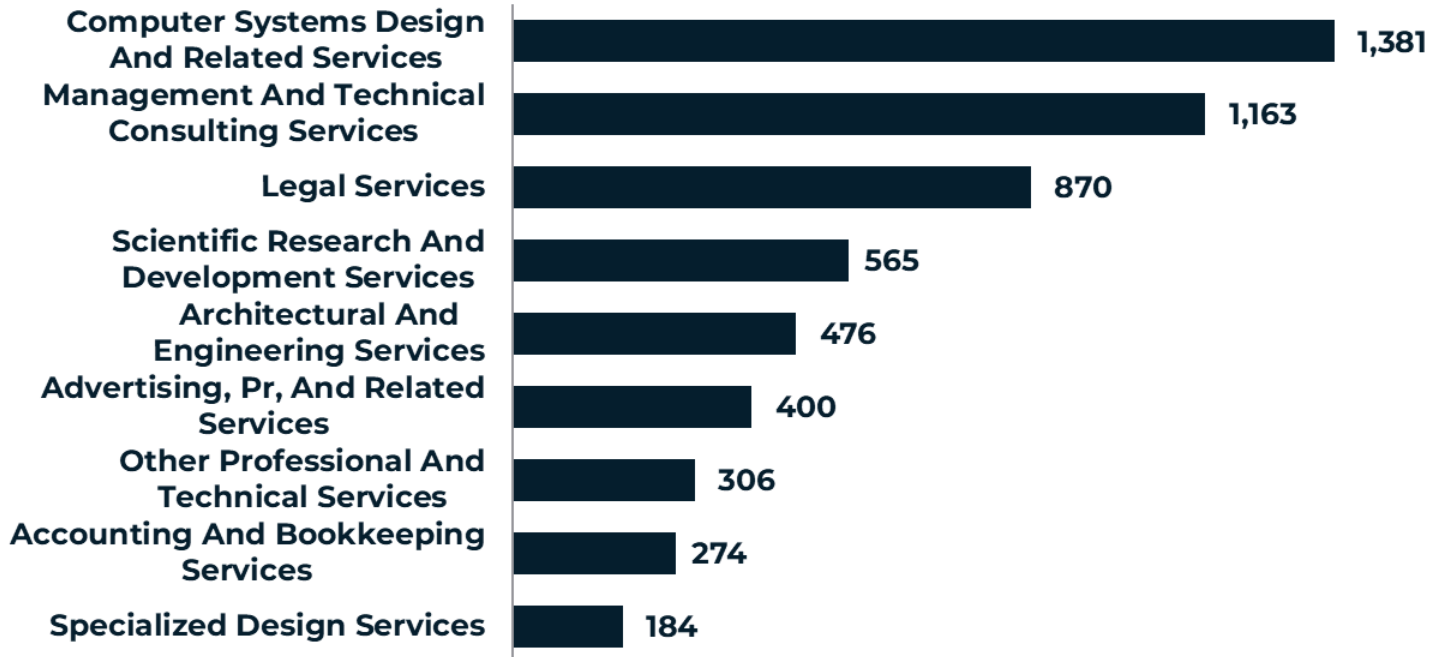
ESTABLISHMENTS

Professional services cover various company types, including Consulting and Architecture, but they all focus on providing specialized services rather than selling products. Across the sector, Computer Systems Design and Related Services has the largest number of establishments in Boston, with 1,381 firms as of September 2024. Management and Technical Consulting Services follows with 1,163 establishments, and Legal Services with 870 firms. Firms like Accenture and Boston Consulting Group (BCG) are examples of firms in Boston under these industries.



NUMBER OF ESTABLISHMENTS BY INDUSTRY

September 2024



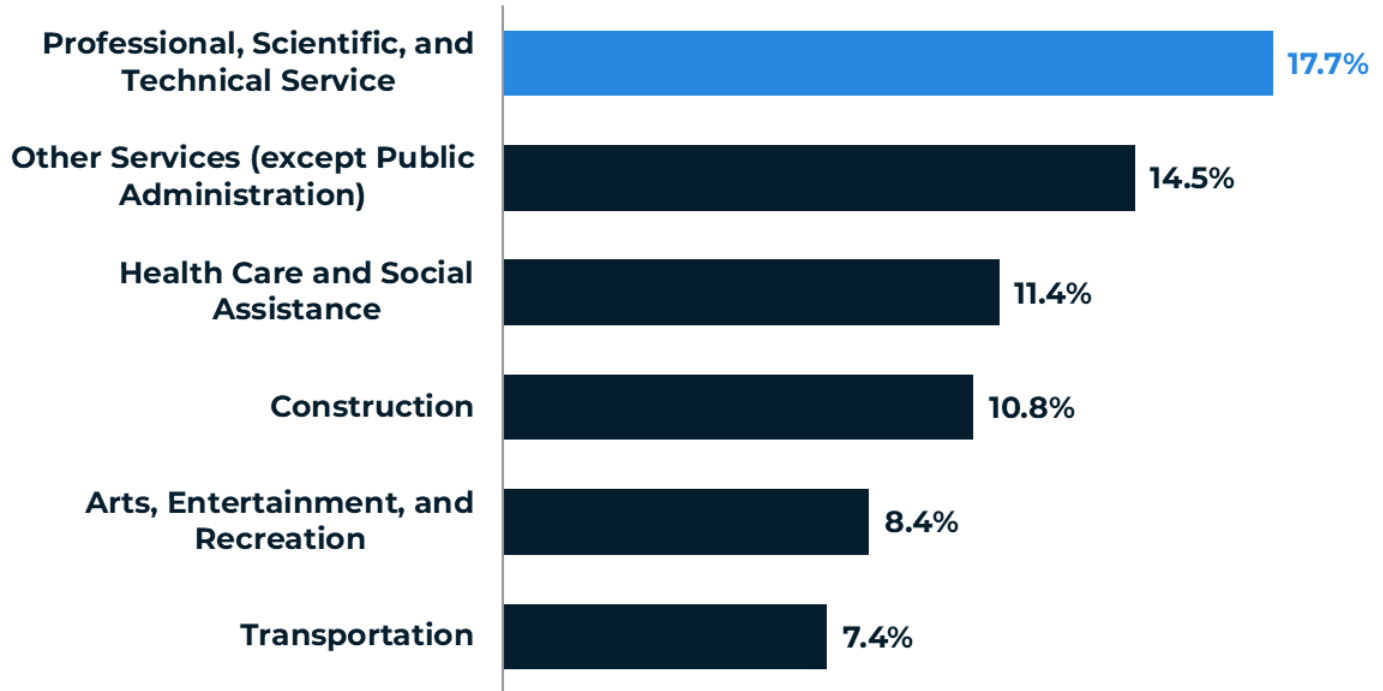
Source: MA Department of Economic Research 2025, City of Boston Planning Department Research Division Analysis.

As of 2025, around 4% of the Professional, Scientific, and Technical service industry workers are self-employed and the sector represents around 17.7% of all self-employed businesses in Boston. In this industry, offices of Lawyers and Administrative Management and General Management Consulting Service represent around 36% of all self-employment.



SELF-EMPLOYMENT

Share of self-employment in Boston, 2025



Source: Lightcast 2025, City of Boston Planning Department Research Division Analysis.

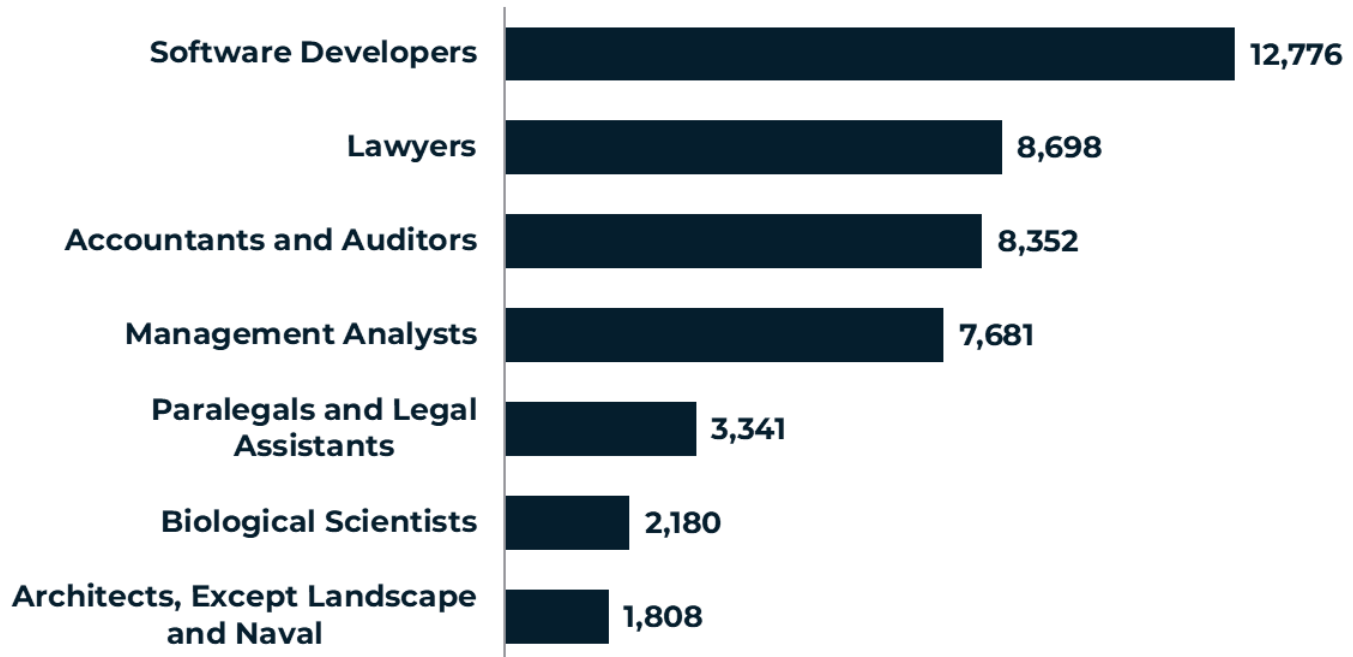
OCCUPATIONS

Boston's Professional, Scientific, and Technical service sector is driven by software developers, Lawyers, and Accountants and Auditors. Software developers have the highest employment at 12,776. Their high employment may be driven by advances in technology, such as AI, and growing integration of technology into almost every aspect of business operations. On the other hand, there were only 1,808 architects working in Boston in 2023.



NUMBER OF JOBS BY OCCUPATION

2023



Source: Lightcast Q1, City of Boston Planning Department Research Division Analysis.

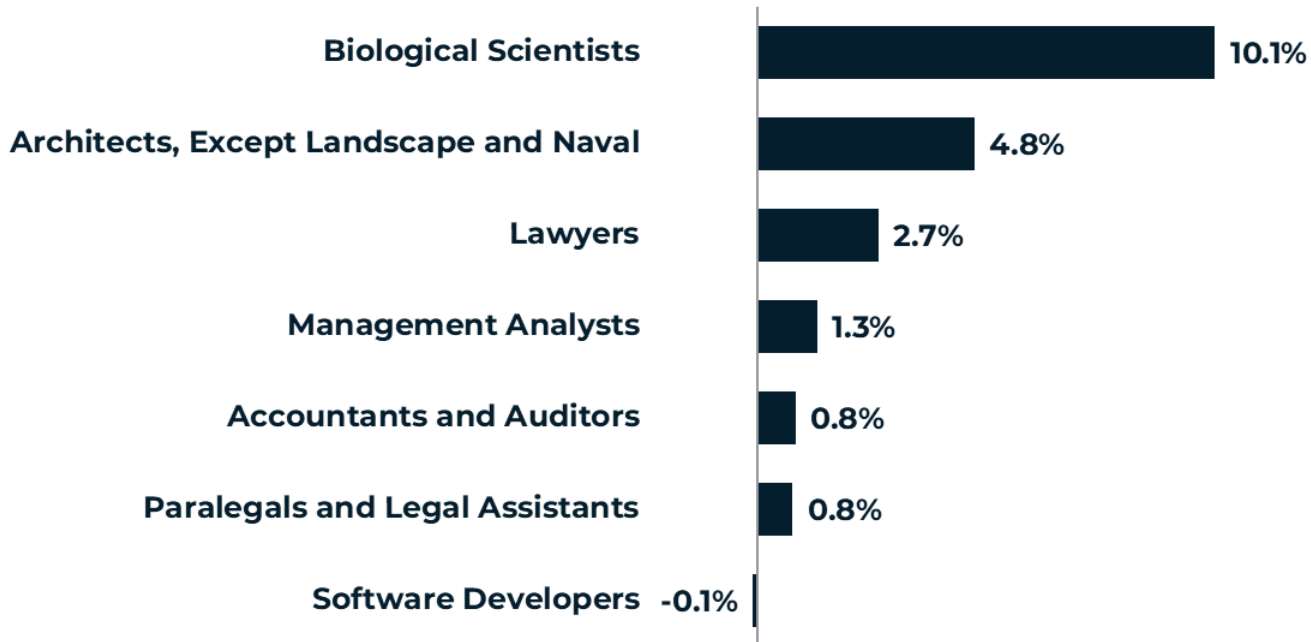
Occupations in the Professional, Scientific, and Technical sector experienced various changes in employment numbers. Biological scientists experienced the largest positive change in employment, with a 10.1% growth in 2023 from 2022. Architects experienced the second largest change in employment from 2022 to 2023 - with an increase of 4.8% - followed by the lawyers, with 2.7%. Software developers experienced a decline of 0.1%, possibly reflecting the massive tech layoffs occurring during this time period.²

² <https://www.bizjournals.com/boston/news/2023/12/29/total-boston-tech-layoffs-2023-annual.html>



CHANGE IN NUMBER OF JOBS BY OCCUPATION

2022-2023



Source: Lightcast Q1, City of Boston Planning Department Research Division Analysis.

Many occupations in the Professional Service sector require higher degrees and longer years of training, and their high average annual earnings reflect these skills, knowledge, and demand. Lawyers earn the highest average annual earnings of \$206,977 followed by Software Developers with earnings of \$154,984.

Employment in the Professional, Scientific, and Technical service sector typically demands a high level of education and specialized training. For example, Lawyers are required to have at least a doctoral or professional degree and most occupations in this sector require at least a bachelor's degree.³ Additionally, many of these occupations require additional work aside from education. As an instance, Lawyers need to pass the Massachusetts Bar Exam and Accountants and Auditors benefit by pursuing additional certifications like the CPA. Boston's Professional, Scientific, and Technical service industry benefits from its neighboring institutions, as new graduates join the sector after graduation. For example, Harvard Law School had the highest bar pass rate in 2024 of 97.86% and many colleges in Boston are known for technical and science degrees that serve as a pipeline into the industry.⁴

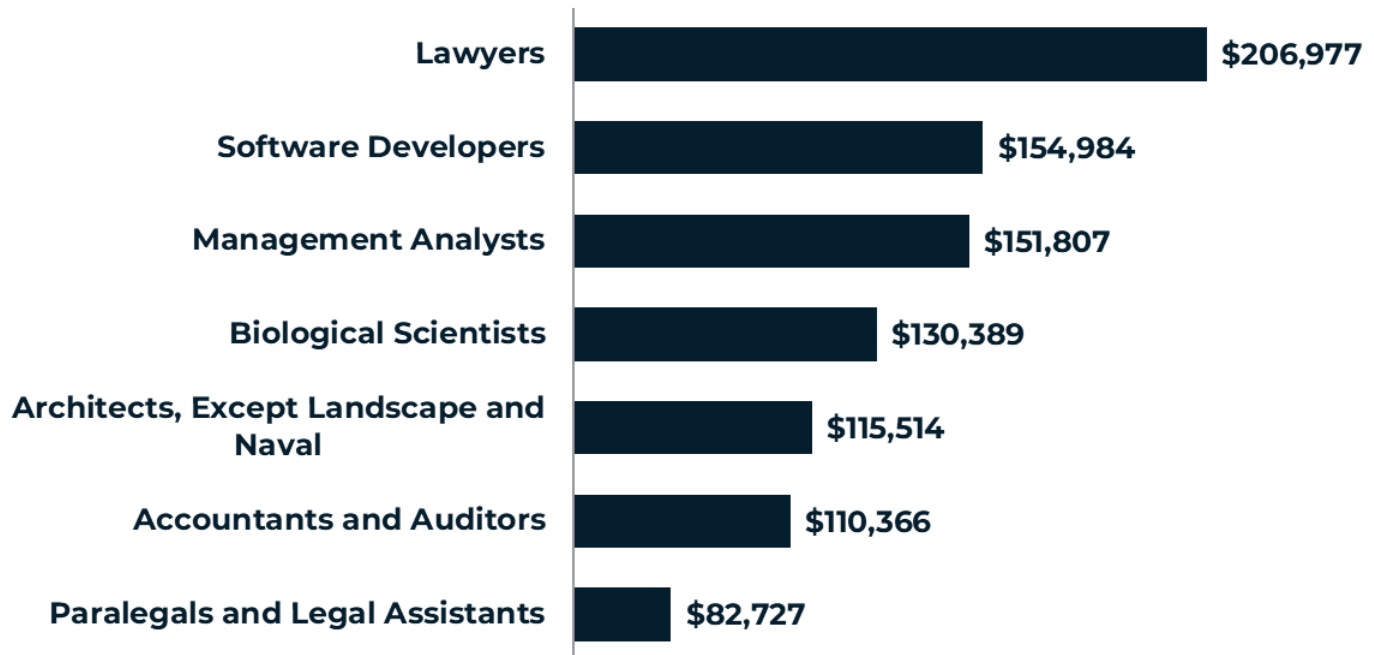
³ [Lightcast](#), 2025

⁴ <https://www.reuters.com/legal/government/these-us-law-schools-crushed-bar-exam-2024-2025-03-13/>



AVERAGE ANNUAL EARNINGS BY OCCUPATION

2023



Source: Lightcast, City of Boston Planning Department Research Division Analysis.

Following COVID-19, there was a rise of remote working, and the Professional, Scientific, and Technical service industry had the largest share of work from home shares in the nation from 17% in 2019 to over 39% in 2021.⁵ Boston's Professional, Scientific, and Technical service sector also had the highest share of residents working primarily from home of all industries in 2023. Around 29% of Boston residents working in Professional, Scientific, and Technical Services worked primarily from home in 2023, an increase of 21.1 percentage points from 2013. In comparison, only 14.7% of Boston resident workers worked primarily from home in 2023. Of those that work in this industry, Software Developers, Management Analysts, and Lawyers have the highest share of remote workers.

5

<https://www.bls.gov/opub/btn/volume-13/remote-work-productivity.htm#:~:text=Professional%2C%20scientific%2C%20and%20technical%20services,than%2017%20percent%20in%202019>



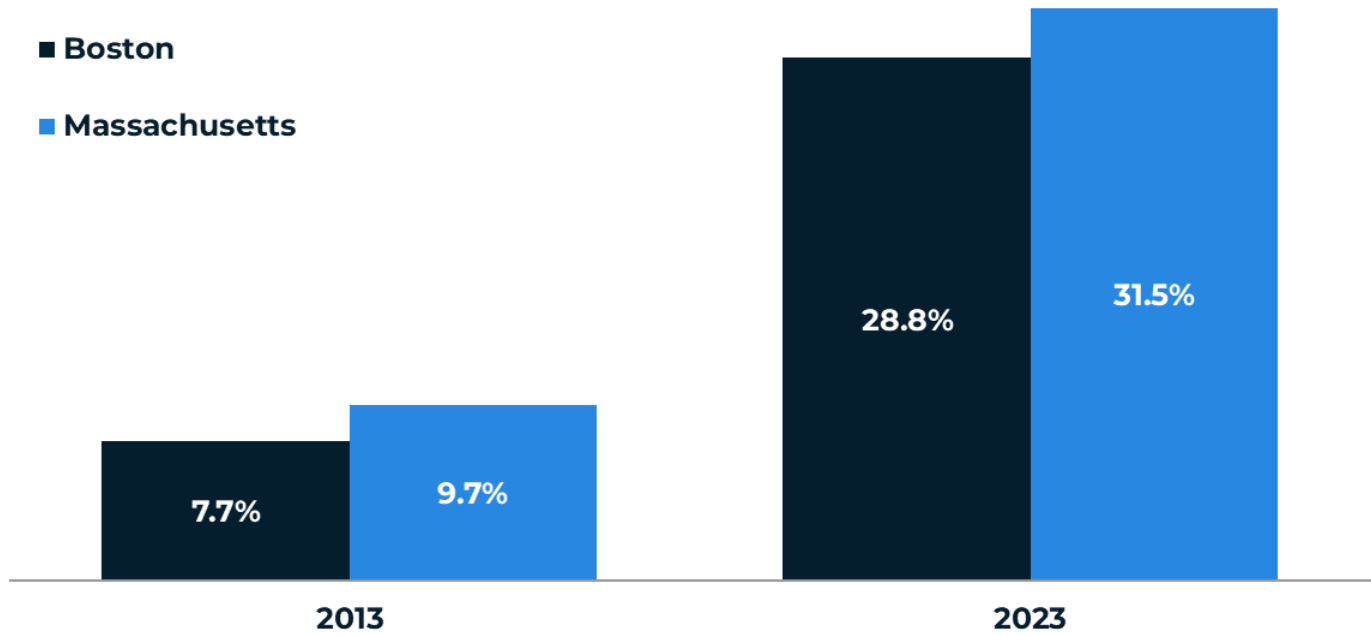
City of Boston
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RESEARCH DIVISION

9

WORKING FROM HOME

Share of residents in the Professional Service industry working from home



Source: U.S. Census Bureau, 2009-2013 5-Year & 2023 1-Year American Community Survey, City of Boston Planning Department Research Division Analysis.

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B **INDUSTRY PROFILES 2025:** **INDUSTRIAL SECTOR IN BOSTON**

City of Boston Planning Department Research Division

INDUSTRIAL SECTOR

Spanning mining, utilities, construction, manufacturing, wholesale trade, transportation and warehousing, Boston's industrial sector is robust and diversified. Today, it continues to evolve—integrating new technologies, adapting to global supply chain dynamics, and contributing critical infrastructure to the region's growth.

The city's industrial base remains a vital component of both its workforce and land use. From the active waterfront terminals to legacy manufacturing corridors in neighborhoods like Roxbury and Dorchester, industrial operations sustain good-paying jobs, support local and regional supply chains, and play a key role in Boston's economic resilience and climate adaptation strategies. Understanding the scale, scope, and trajectory of the industrial sector is essential for shaping inclusive and sustainable growth across the city.

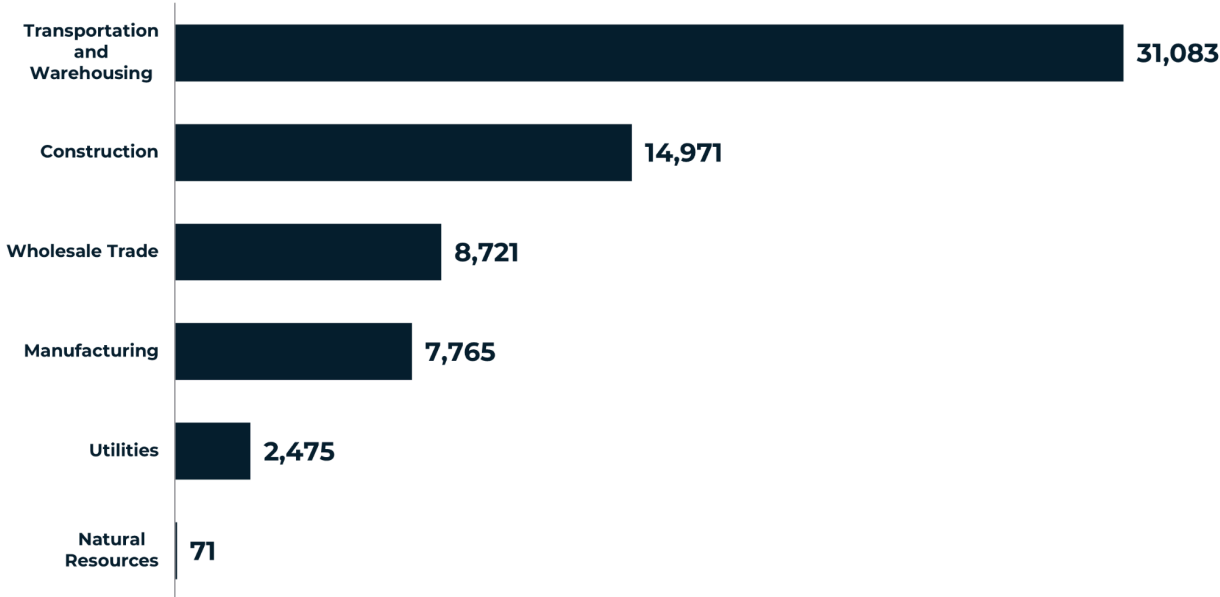


INDUSTRIAL EMPLOYMENT

Boston’s industrial sector—spanning mining, utilities, construction, manufacturing, wholesale trade, and transportation and warehousing (NAICS 21, 22, 23, 31-33, 42, 48-49)—plays a foundational role in the city’s economy. These industries not only support essential infrastructure and logistics but also provide a wide range of accessible, good-paying jobs across Boston’s neighborhoods.

NUMBER OF JOBS BY SECTOR

Average monthly employment in 2024 (Third Quarter)



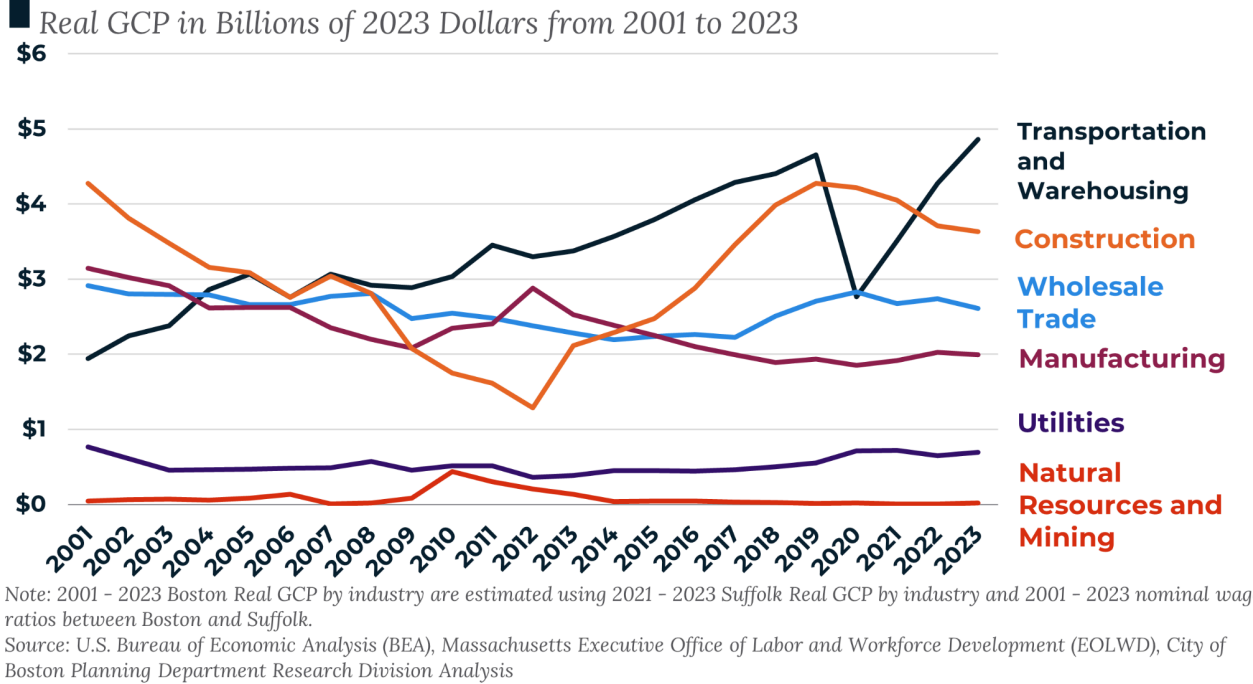
Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

As of the third quarter of 2024, this sector supported over 65,000 jobs, with Transportation and Warehousing alone accounting for nearly half of total industrial employment at 31,083 jobs. This segment has grown in importance due to the rising demand for logistics and last-mile delivery services, reflecting broader national trends in e-commerce and supply chain adaptation. Construction represents the second-largest industrial employer with 14,971 jobs, underscoring Boston’s ongoing infrastructure investments and robust development pipeline. Meanwhile, Wholesale Trade and Manufacturing continue to provide critical support to the city’s supply networks and innovation ecosystem, employing 8,721 and 7,765 workers respectively.

CONTRIBUTION TO GROSS CITY PRODUCT (GCP)

In 2023, Boston’s industrial sector contributed 7.9% of the city’s Real Gross City Product (GCP). Transportation and warehousing has emerged as a leading driver of industrial GCP, more than doubling its contribution—from under \$2 billion in 2001 to nearly \$5 billion in 2023—highlighting its increasing importance in the era of e-commerce and logistics. Construction also rebounded strongly after a sharp decline during the 2008 financial crisis, peaking around 2020 before slightly tapering off. In contrast, traditional manufacturing experienced a steady decline, dropping from over \$3 billion in 2001 to under \$2 billion in the following decades, reflecting broader deindustrialization trends. Wholesale trade remained relatively stable with modest fluctuations, while utilities showed gradual growth. Natural resources and mining remained a minimal component throughout the period. These trends illustrate a shift in Boston’s industrial economy toward sectors aligned with infrastructure development and modern supply chains.

BOSTON REAL GROSS CITY PRODUCT (GCP) BY INDUSTRY

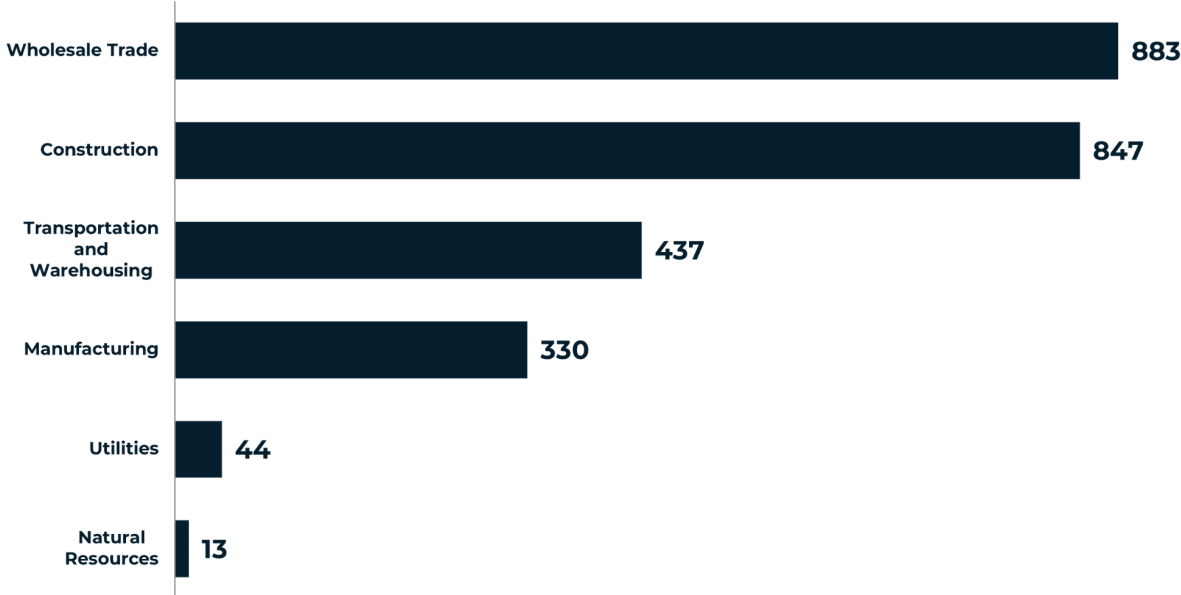


ESTABLISHMENTS

Boston is home to a wide range of industrial establishments, from large-scale logistics hubs and advanced manufacturing plants to smaller construction firms and wholesale distributors. Many of these businesses are clustered in key industrial areas such as the Newmarket Square District, the Raymond L. Flynn Marine Park, and along major freight corridors, reflecting the importance of access to transportation infrastructure, industrial zoning, and proximity to regional markets.

NUMBER OF ESTABLISHMENTS BY SECTOR

September 2024



Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

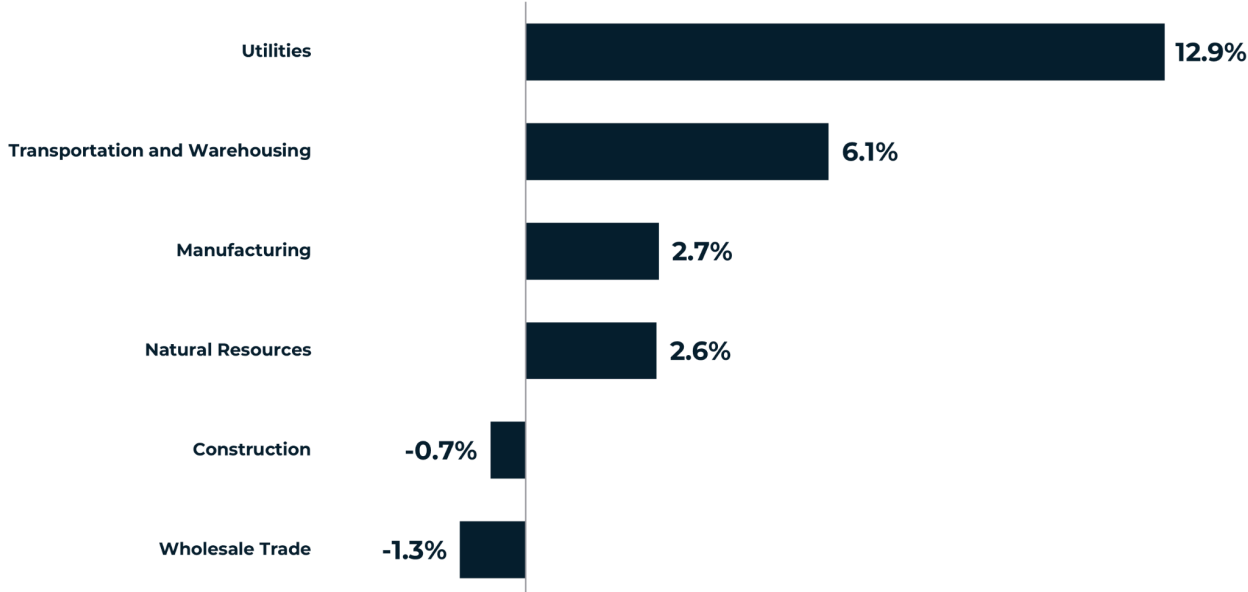
The composition of industrial establishments varies by subsector, with construction and wholesale trade dominated by numerous small and mid-sized firms, while transportation and warehousing includes both independent operators and large national logistics providers. This diversity of firm size and function enables Boston’s industrial economy to remain resilient—balancing legacy operations with newer, innovation-driven enterprises. Moreover, the presence of industrial land and businesses in Boston’s neighborhoods reinforces the importance of thoughtful land use planning and equitable development, ensuring that industrial employers continue to provide accessible opportunities for local residents and remain integrated into the city’s broader economic strategy.

EMPLOYMENT GROWTH BY INDUSTRY

Employment growth within Boston’s industrial sector has varied significantly by subsector, reflecting both national economic shifts and local development trends. Boston’s utilities subsector has seen the most substantial job gains in recent years, while natural resources remain minimal and largely symbolic in Boston’s modern industrial landscape. In addition, transportation and warehousing has grown substantially driven by the expansion of e-commerce, just-in-time delivery models, and the city’s role as a logistics hub for the region. As consumer behavior and supply chains continue to evolve, this subsector has expanded its footprint and workforce, positioning itself as a key engine of industrial job growth.

CHANGE IN NUMBER OF JOBS BY SECTOR

Percent Change, 2022-2023

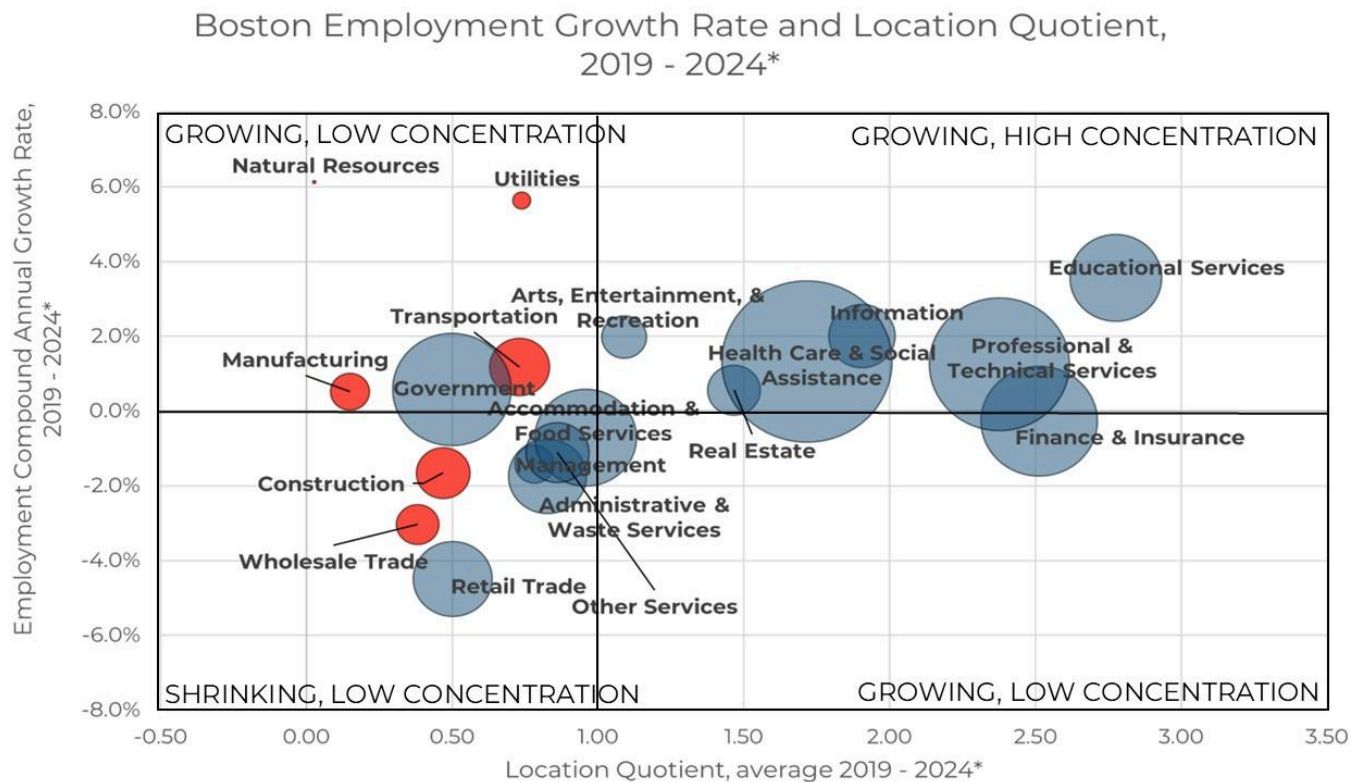


Source: MA Department of Economic Research, City of Boston Planning Department Research Division Analysis.

In contrast, sectors like manufacturing and construction have experienced more modest or stagnant employment growth, shaped by automation, global competition, and changing industry practices. However, niche areas within these sectors—such as advanced manufacturing and specialty distribution—continue to present targeted growth opportunities. Wholesale trade remains minimal and largely symbolic in Boston’s modern industrial landscape. Understanding these diverging growth patterns is critical for shaping workforce development strategies, industrial land use policy, and investments in job access and training pipelines tailored to Boston’s evolving economy.

BOSTON'S INDUSTRIAL SECTORS COMPARED TO THE US

To analyze Boston's competitiveness relative to the entire country in terms of these sectors, the Research Division calculated the average Location Quotient of each industry. Location Quotient ("LQ") quantifies the concentration of a specific industry within a region compared to the overall national or regional average.¹ We then charted this LQ score against employment growth rates. The result is a four quadrant chart between the years 2019 to 2024 where the top-right signifies growing employment and high concentration.



Note: Bubble size reflects employment size. Source: Bureau of Economic Analysis (BEA), Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Employment and Wage (ES-202), BPDA Research Analysis

This framework identifies which industrial subsectors are growing in Boston and if any are areas of relative concentration and specialization for Boston. All of the industrial subsectors have location quotients below one, indicating that Boston has a lower share of employment in these sectors than the country as a whole.

¹

<https://www.bls.gov/cew/about-data/location-quotients-explained.htm#:~:text=For%20example%2C%20Las%20Vegas%20will,%2D%2D%2D%2D%2D%2D%20=%200.12>

Transportation and warehousing has the largest employment in Boston, positive employment growth, and the largest location quotient. The strength of the transportation and warehousing sector reflects the rise of e-commerce, increasing freight activity through Boston’s port infrastructure, and the city's growing role as a regional logistics hub.

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