



BOSTON ECONOMIC VITAL SIGNS

May 2024

Prepared by the Research Division



LABOR MARKET

In March 2024, the Boston resident unemployment rate was 3.1%, marking 19 months of unemployment rates lower than 3.5%. However, April 2024 postings for jobs in Boston were lower than postings in March. Statewide, Black and Hispanic labor force participation and unemployment rates both rose.

	Month/ Quarter	Latest Month	Previous Month	Change from same month in 2019
Boston Payroll Employment	Dec-23	680,944	685,564	-0.1%
Metro Area Payroll Employment	Dec-23	2,814,700	2,829,700	-1.6%
Job Postings for jobs located in Boston	Apr-24	17,873	23,197	-21.0%
Boston Unemployment Rate	Mar-24	3.1%	3.2%	+0.4 percentage points
White Unemployment Rate (Massachusetts 12-month average)	Mar-24	2.9%	2.9%	-0.1 percentage points
Black Unemployment Rate (Massachusetts 12-month average)	Mar-24	5.1%	5.0%	+0.7 percentage points
Hispanic Unemployment Rate (Massachusetts 12-month average)	Mar-24	4.7%	4.5%	-0.1 percentage points
Boston resident labor force participants	Mar-24	401,521	394,690	+0.1%
White Labor Force Participation Rate (Massachusetts 12-month average)	Mar-24	64.9%	64.9%	-3.1 percentage points
Black Labor Force Participation Rate (Massachusetts 12-month average)	Mar-24	68.2%	67.4%	-1.3 percentage points
Hispanic Labor Force Participation Rate (Massachusetts 12-month average)	Mar-24	63.3%	63.0%	-6.4 percentage points

Sources: Massachusetts Executive Office of Labor and Workforce Development (EOLWD), Labor Insight, Burning Glass Technologies, BPDA Research Division Analysis.



ECONOMIC AND BUSINESS INDICATORS

Metropolitan Boston's year-over-year headline inflation rate increased to 3.3% in March 2024, up from 2.0% in January. Local demand remained robust with March consumer spending in Boston 2.1% higher than March 2019, slightly lower than February 2024 which exceeded 2019 levels by 2.8%. While 10 points lower than 2019 levels, the Business Confidence Index (BCI) of the Associated Industries of Massachusetts continued an optimistic stance above 50.

	Month/ Quarter	Latest Month	Previous Month	Change from same month in 2019
U.S. 30 Year Treasury Monthly Average Yield	Apr-24	4.7%	4.4%	+1.7 percentage points
Metropolitan Boston Inflation Rate (YoY)	Mar-24	3.3%	2.0% (January)	+1.2 percentage points
Boston in-person consumer spending as change from the same month in 2019	Mar-24	2.1%	2.8%	N/A
AIM Business Confidence Index (BCI)	Apr-24	51.9	52.2	-10.3 (from dec 2019)

Source: FRED, Federal Reserve Bank of St. Louis; U.S. Bureau of Labor Statistics (BLS), Mastercard Geographic Insights from Carto, The Associated Industries of Massachusetts Business Confidence Index (BCI) monthly report (2020-2024), BPDA Research Division Analysis.

DEVELOPMENT AND REAL ESTATE

Boston's office market continues to adjust to post-pandemic realities, with the vacancy rate increasing to 13% in April and leasing activity falling in Q1 2024. In May 2024 the amount of development approved by the BPDA Board but not yet permitted surpassed 60 million square feet while the amount of new development under review fell to 11.6 million square feet.

	Month/ Quarter	Latest Month	Previous Month	Change from same month in 2019
Office Vacancy Rate	Apr-24	13.0%	12.7%	+6.9 percentage points
Office Leasing Activity: SF leased per quarter	2024 Q1	635,657	1,025,101	-75.7%
Retail Vacancy Rate	Apr-24	2.2%	2.2%	+0.35 percentage points
Sq Ft of approved but not permitted projects in BPDA pipeline	May-24	60,662,596	50,951,990	
Sq Ft of projects under review at BPDA	May-24	11,550,598	13,346,714	
Sq Ft of research lab space under construction	May-24	4,551,565	4,535,474	
Amount of NIH funding granted per month to Boston researchers	Apr-24	\$170,497,651	\$154,979,050	-31.8%

Source: CoStar Real Estate Analytics, Boston Planning & Development Agency (BPDA) Development Review, National Institutes of Health (NIH), BPDA Research Division Analysis.



TRANSIT AND TOURISM

Boston's foot traffic is 7.4% below pre-pandemic levels, with foot traffic in Downtown lagging even more at -19.6% of 2019 levels. MBTA gated station boardings in April were up slightly from March 2024, but down 47.8% from April 2019. However, Logan Airport passengers continue to be very similar to pre-pandemic levels with a 26% increase in March from February of this year. Following seasonal patterns, hotel room occupancy was higher in March than in February.

	Month/ Quarter	Latest Month	Previous Month	Change from same month in 2019
Boston foot traffic compared to same month in 2019	Apr-24	-7.4%	-6.1%	N/A
Gated Station Boardings MBTA Subway	Apr-24	4,434,223	4,296,992	-47.8%
Fairmount Commuter Rail Line monthly passengers	Mar-24	86,935	73,361	N/A
Logan passengers per month	Mar-24	3,455,477	2,748,925	-0.05%
Hotel room occupancy (Pinnacle)	Mar-24	78.0%	55.2%	-3.2% percentage points

Source: Cuebiq, Massachusetts Bay Transportation Authority (MBTA) Blue Book Open Data Portal, Massachusetts Port Authority, Aviation General Management (Massport), The Pinnacle Perspective Boston Monthly Report, BPDA Research Division Analysis.



EMPLOYMENT BY INDUSTRY

	Dec-23	Nov-23	Previous Month Change	Year-over -Year Change	Jobs Lost, Pre-Pandemic (Feb-20) to Trough (May-20)	Jobs Regained, May-20 to Dec-23	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Dec-23
FIRE	82,950	83,062	-0.13%	0.83%	2,692	3,821	142%	1,129
Finance and insurance	68,117	68,229	-0.16%	0.25%	1,250	1,916	153%	666
Real estate and rental and leasing	14,833	14,833	0.00%	3.55%	1,442	1,905	132%	463
Services	580,408	585,848	-0.93%	-1.06%	89,533	92,162	103%	2,629
Information	22,635	22,778	-0.63%	-0.10%	2,847	2,857	100%	10
Professional and Business	139,111	139,730	-0.44%	-2.57%	10,305	12,432	121%	2,127
Professional and technical services	101,519	101,783	-0.26%	-2.74%	2,529	8,635	341%	6,106
Management of companies and enterprises	7,467	7,449	0.24%	4.99%	1,211	-426	-35%	-1,637
Administrative and waste services	30,125	30,498	-1.22%	-3.71%	6,565	4,223	64%	-2,342
Educational services	42,735	45,842	-6.78%	-1.92%	7,303	5,863	80%	-1,440
Health care and social assistance	149,973	149,690	0.19%	2.53%	7,675	14,393	188%	6,718
Arts, entertainment, and recreation	10,817	11,317	-4.42%	-2.85%	5,684	5,558	98%	-126
Accommodation and food services	54,932	55,883	-1.70%	-2.75%	37,657	31,811	84%	-5,846
Other services	21,094	20,878	1.03%	0.66%	7,757	6,816	88%	-941
Trade	37,698	37,221	1.28%	-4.62%	10,829	2,080	19%	-8,749
Retail trade	28,921	28,476	1.56%	-5.03%	9,789	2,226	23%	-7,563
Wholesale Trade	8,777	8,745	0.37%	-3.24%	1,040	-146	-14%	-1,186
Manufacturing	8,118	8,097	0.26%	1.08%	1,396	2,014	144%	618
Transportation and Utilities	24,085	23,492	2.52%	11.99%	5,404	8,600	159%	3,196
Transportation and Warehousing	22,133	21,540	2.75%	11.06%	5,395	8,233	153%	2,838
Utilities	1,952	1,952	0.00%	23.78%	9	367	4078%	358
Natural Resources, Mining, Logging, and Construction	14,779	15,237	-3.01%	-0.97%	3,760	3,578	95%	-182
Total Private	608,929	613,226	-0.70%	-0.19%	103,309	99,825	97%	-3,484
Government	72,015	72,338	-0.45%	3.28%	1,359	2,725	201%	1,366
Total	680,944	685,564	-0.67%	0.16%	104,668	102,550	98%	-2,118

Source: CES Employment Estimates, BPDA Research Division Analysis.



City of Boston
Mayor Michelle Wu