

# Quarterly Economy Tracker

A partnership among Keystone College, King's College, Luzerne County Community College, Marywood University, Misericordia University, Penn State Wilkes-Barre, The Commonwealth Medical College, University of Scranton & Wilkes University

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*The Economic Tracker is a quarterly publication of The Institute for Public Policy & Economic Development which seeks to explore economic data, trends, and issues related to our region's economy.*

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## High Education Careers Associated with Lower Unemployment in NEPA

In 2014, a total of 240,956 people were employed and 18,184 were unemployed in the Luzerne and Lackawanna counties. However, employment and unemployment are not evenly spread among all industries and occupations. In order to get a clear picture of unemployment issues in the region, it is important to determine which industries and occupations are most and least impacted by unemployment.

The data presented here shows each industry and each occupation's share of total region employment

compared with its share of total regional unemployment. For industries and occupations where the share of total unemployment is greater than the share of total employment, we can conclude that there is a disproportionately large degree of unemployment.

The five industries with the greatest positive and negative discrepancies between share of employment and share of unemployment are presented in the tables below. Management of Companies and Enterprises accounts for one percent of all jobs in the region, but zero

percent of those who are unemployed. Government workers account for 12 percent of employment, but only three percent of unemployment.

The largest industry by total employment to make the top five is Health Care and Social Assistance, which represents 17 percent of regional employment but only nine percent of regional unemployment.

On the other hand, Construction had the greatest negative discrepancy. It makes up four percent of all jobs in the region, but 11

### 5 Industries with Lowest Proportional Unemployment

Industry (2-digit NAICS)	Share of Total Employment	Share of Total Unemployment	Difference
Management of Companies and Enterprises	1%	0%	100%
Government	12%	3%	75%
Educational Services	5%	2%	60%
Wholesale Trade	4%	2%	50%
Health Care and Social Assistance	17%	9%	47%

### 5 Industries with Highest Proportional Unemployment

Industry (2-digit NAICS)	Share of Total Employment	Share of Total Unemployment	Difference
Construction	4%	11%	175%
Arts, Entertainment, and Recreation	1%	2%	100%
Administrative and Support and Waste Management	6%	9%	50%
Retail Trade	12%	14%	17%
Manufacturing	10%	11%	10%

Source: EMSI

## Unemployment (continued from Page 1)

percent of all unemployed workers.

Among occupations, the top four account for a combined 11 percent of employment and a negligible share of unemployment. On the other hand, Building and Grounds Cleaning and Maintenance Occupations accounted just three percent of all jobs in the region but nine percent of all unemployment.

In general, occupations and industries that are most disproportionately impacted by unemployment are made up of blue collar and service jobs filled mostly by low-skilled and semi-skilled workers. This trend is visible within health care: Healthcare Practitioners and Technical Occupations, which includes physicians, dentists, therapists, registered nurses, and medical technicians. These are generally high-skill jobs that

require postsecondary education. This occupation group accounts for a seven percent share of employment but only three percent of unemployment. This strength was not as apparent among Healthcare Support Occupations, such as home health aides, medical transcriptionists, and other healthcare assistants and

aides. This occupation group accounts for four percent each of employment and unemployment.

This trend of lower unemployment in higher-skill, higher-education occupations and industries is in accordance with national trends showing much lower unemployment rates among

more educated individuals. *A key component of addressing continuing unemployment challenges in the region is ensuring adequate education and training for workers.* ♦

*Detailed tables of this data are presented on Pages 6-7.*

5 Occupations with Lowest Proportional Unemployment			
Occupation	Share of Total Employment	Share of Total Unemployment	Difference
Computer and Mathematical Occupations	1%	0%	100%
Life, Physical, and Social Science Occupations	1%	0%	100%
Education, Training, and Library Occupations	6%	0%	100%
Personal Care and Service Occupations	3%	0%	100%
Healthcare Practitioners and Technical Occupations	7%	3%	57%

5 Occupations with Highest Proportional Unemployment			
Occupation	Share of Total Employment	Share of Total Unemployment	Difference
Building and Grounds Cleaning and Maintenance	3%	9%	200%
Arts, Design, Entertainment, Sports, and Media	1%	2%	100%
Food Preparation and Serving Related Occupations	8%	14%	75%
Transportation and Material Moving Occupations	10%	17%	70%
Management Occupations	3%	4%	33%

Source: EMSI

## Poverty Issues Persist in Region

Poverty can be loosely defined as a condition in which people cannot afford to meet their basic needs. It can be the result of structural or cyclical economic conditions or social factors.

Poverty is defined here as the percentage of households with income below 100% of the federal poverty line, which varies by household size. Overall, between 11 and 12 percent of families in the region live in

poverty, accounting for about 16 percent of all residents.

However, the poverty rate is even higher among families with children. *In Lackawanna and Luzerne coun-*

*ties, about one in five families with children under 18 has an income below the poverty line.*

Poverty is particularly high in single-parent households. *In both counties, nearly half*

	Total Households		% in Poverty		% Receiving Food Stamps	
	Lackawanna	Luzerne	Lackawanna	Luzerne	Lackawanna	Luzerne
All Families	50,713	82,910	10.5%	12.0%	14.9%	21.5%
Families with Children	18,876	30,826	17.1%	22.5%	22.6%	31.1%
Married Couple with Children	13,206	17,619	7.0%	6.2%	11.0%	15.6%
Single Parent (Male) with Children	1,221	3,515	8.8%	27.2%	7.5%	27.3%
Single Parent (Female) with Children	4,449	9,692	46.0%	49.8%	55.6%	58.8%

Source: U.S. Census Bureau ACS 1-year Estimates

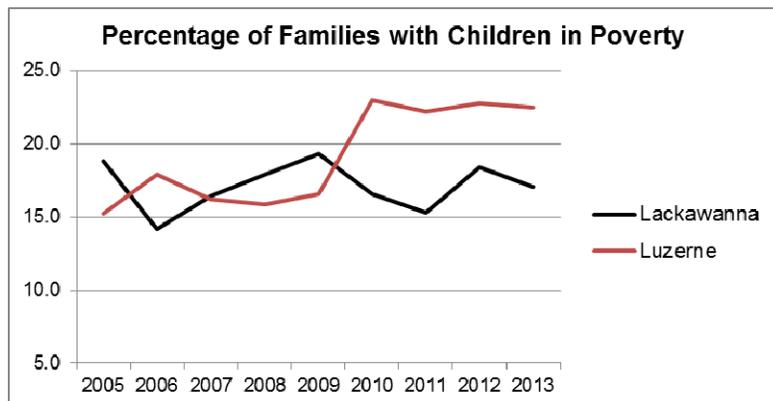
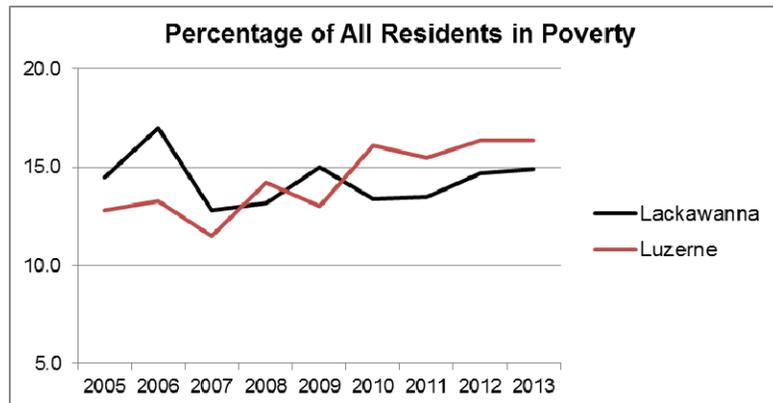
## Poverty (continued from Page 2)

of single parent households headed by women live in poverty, and over half of such households receive SNAP, also known as food stamps.

Over time, the percentage of families and individuals in poverty has fluctuated. However, an upward trend is apparent coinciding with the Great Recession, in 2007 to 2010. In Luzerne County, the rate of poverty has not yet experienced a significant recovery. ♦

Data Source: U.S. Census Bureau ACS 1-year Estimates

**15 Percent of the Region's Families Live in Poverty.**



## Home Ownership Remains Attainable in Region

Owning a home is the primary means in which many households accumulate wealth. To ensure a stable middle class and a strong economy, it is important that home ownership is an achievable goal for working families in the region.

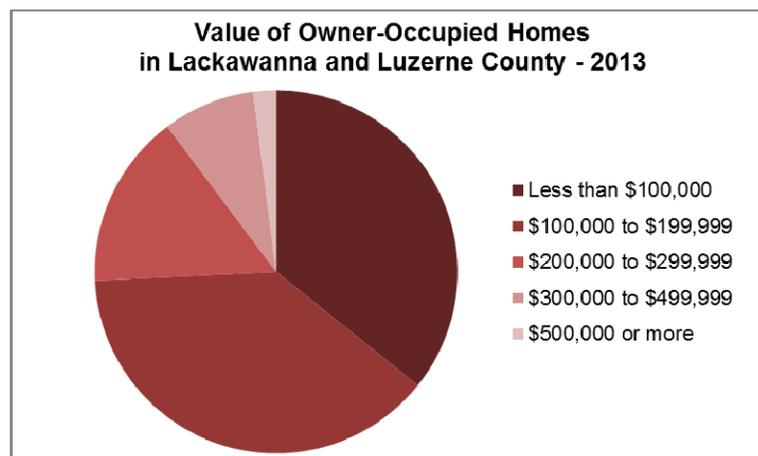
The median home price in both counties is well below the state and national medians. Furthermore, The median monthly ownership costs for homes with a mortgage (which include mortgage payments, taxes, home insurance, utilities, fuels, and condominium/mobile home fees, if applicable) was also lower in both counties than the national average. This indicates a relatively accessible housing market.

In Lackawanna and Luzerne counties, nearly three-quarters of all owner-occupied homes were

valued at less than \$200,000 as of 2013, as seen on the chart below. Only about one in ten homes were valued at more than \$300,000. The significant supply of homes at relatively low prices and the low monthly ownership costs compared to the national average indicate that the current housing market in Lackawanna

and Luzerne counties is supportive to those wishing to become homeowners, though high property taxes in municipalities and school districts may present a challenge to maintaining a home in the region in the next several years. ♦

Data Source: U.S. Census Bureau ACS 1-year Estimates.



## Selected Economic Indicators

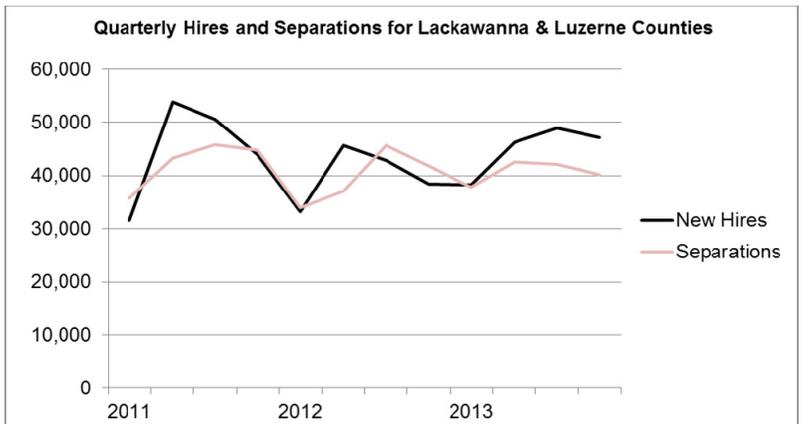
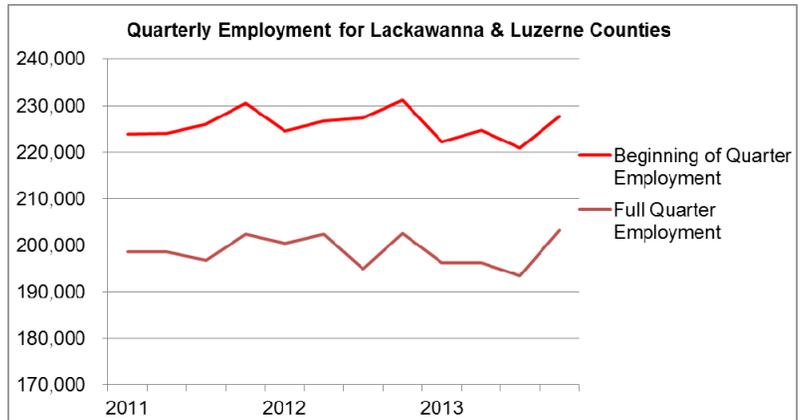
### Workforce Indicators

The tables below show key workforce indicators by quarter. Employment is measured quarterly for both jobs at the beginning of the quarter, and full quarter jobs, which lasted for at least the duration of the quarter. In Lackawanna County, beginning of quarter jobs and full quarter jobs were both lower at the end of 2013 than at any time in 2011. In Luzerne County, both statistics were higher than in any other quarter analyzed.

Over the time period analyzed, hires (a person starting a new job) and separations (a person leaving a job) fluctuated slightly, but new hires outpaced separations over the last several quarters of 2013.

The turnover rate measures the rate at which employees begin and end jobs. A higher turnover rate can indicate that workers have more confidence in the job market, and therefore are more willing to leave a job to find a new one.

*Data Source: U.S. Census Bureau Local Employment Dynamics Quarterly Workforce Indicators*



Quarterly Workforce Indicators - Lackawanna County												
	2011				2012				2013			
	1	2	3	4	1	2	3	4	1	2	3	4
Employment (Beginning of Quarter)	93,663	94,354	94,905	95,279	92,781	93,473	93,434	95,617	92,642	93,295	90,109	91,353
Employment (Full Quarter)	83,961	84,036	82,054	84,620	82,603	83,115	80,426	84,647	82,521	80,515	78,455	81,290
Hires	11,976	19,508	20,164	16,257	14,003	18,654	18,777	16,534	16,015	18,428	18,851	19,913
Separations	13,662	15,728	20,000	16,924	14,639	15,418	19,202	16,871	15,302	18,882	17,998	16,569
Turnover Rate	0.085	0.082	0.099	0.097	0.086	0.096	0.099	0.100	0.106	0.096	0.098	-

Quarterly Workforce Indicators - Luzerne County												
	2011				2012				2013			
	1	2	3	4	1	2	3	4	1	2	3	4
Employment (Beginning of Quarter)	130,171	129,696	131,037	135,286	131,807	133,279	133,838	135,543	129,487	131,473	130,752	136,351
Employment (Full Quarter)	114,653	114,549	114,747	117,693	117,727	119,250	114,517	117,915	113,706	115,749	114,903	121,863
Hires	19,572	34,399	30,354	27,584	19,248	27,072	24,028	21,900	22,264	27,790	30,051	27,190
Separations	22,116	27,522	25,777	27,851	19,315	21,695	26,438	24,945	22,491	23,622	24,062	23,573
Turnover Rate	0.088	0.081	0.109	0.096	0.086	0.095	0.100	0.099	0.091	0.090	0.094	-

Quarterly Workforce Indicators - Pennsylvania												
	2011				2012				2013			
	1	2	3	4	1	2	3	4	1	2	3	4
Employment (Beginning of Quarter)	5,306,726	5,424,147	5,416,042	5,467,580	5,318,061	5,426,176	5,410,383	5,481,130	5,357,492	5,464,997	5,476,861	5,533,488
Employment (Full Quarter)	4,784,699	4,833,517	4,753,103	4,811,249	4,802,843	4,828,806	4,661,749	4,862,975	4,812,385	4,866,087	4,818,588	4,984,252
Hires	709,715	1,077,429	1,052,552	921,716	758,530	1,045,315	964,727	887,143	845,728	1,053,040	991,551	949,079
Separations	707,465	875,938	1,014,340	973,037	720,083	865,206	1,045,915	907,884	772,688	873,887	953,592	857,727
Turnover Rate	0.086	0.082	0.100	0.088	0.088	0.092	0.096	0.091	0.088	0.087	0.091	-

## Selected Economic Indicators

### Gross Regional Product / Gross Domestic Product

Gross Regional Product measures the total value of all production within a region. Over time, change in GRP (called GDP at the national level) is a useful metric of economic growth. In the region, real GRP (adjusted for inflation) dropped significantly between 2007 and 2009. It has recovered somewhat, but a steep drop in goods-producing industries leaves regional GRP lower in 2013 than in 2007. Compared with Pennsylvania as a whole, the metro area has seen minimal overall growth since 2010.

Gross Regional Product for Scranton-Wilkes-Barre-Hazleton MSA (Millions of Chained 2009 Dollars)							
	2007	2008	2009	2010	2011	2012	2013
Total for All Industries	20,563	19,820	19,385	20,000	20,016	20,029	20,041
Private Goods Producing Industries	4,123	3,918	3,758	3,751	3,696	3,720	3,721
Private Services Producing Industries	13,900	13,343	13,071	13,739	13,872	13,904	13,913

Change in Real GRP for Scranton-Wilkes-Barre-Hazleton MSA							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2007 - 2013
Total for All Industries	-3.6%	-2.2%	3.2%	0.1%	0.1%	0.1%	-2.5%
Private Goods Producing Industries	-5.0%	-4.1%	-0.2%	-1.5%	0.6%	0.0%	-9.8%
Private Services Producing Industries	-4.0%	-2.0%	5.1%	1.0%	0.2%	0.1%	0.1%

Statewide GRP Change							
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2007 - 2013
Total for All Industries	0.4%	-2.1%	2.3%	1.4%	1.2%	0.7%	3.9%
Private Goods Producing Industries	-4.1%	-7.0%	2.1%	0.9%	3.3%	0.8%	-4.3%
Private Services Producing Industries	1.6%	-1.1%	2.6%	2.1%	1.0%	0.8%	7.2%

Data Source: Bureau of Economic Analysis Regional Economic Accounts

## Housing Costs

The median home value in both counties are substantially lower than the national average. This is positive in that low house prices contribute to a lower cost of living and lower barriers to entry to the housing market. However, it can be a negative in that it indicates a limitation on the equity of property owners.

Monthly owner costs represent the cost of home ownership, including mortgage payments, taxes, insurance, utilities, fuels, and condominium or mobile home park fees, if applicable. The median monthly owner cost for both counties is lower than the statewide and national median for homes with a mortgage. However, for homes without a mortgage, monthly owner costs in Lackawanna and Luzerne counties were higher than the national median. This indicates that non-mortgage costs, particularly taxes, make up a disproportionately large share of homeownership costs in Lackawanna and Luzerne counties.

In Lackawanna and Luzerne counties, gross rent, which includes utility costs, is also lower than the statewide and national medians.

Housing Costs - 2013				
	Lackawanna County	Luzerne County	Pennsylvania	United States
Median Home Value	\$146,300	\$125,100	\$164,200	\$173,900
Median Monthly Owner Costs				
Homes with a Mortgage	\$1,293	\$1,170	\$1,373	\$1,436
Homes without a Mortgage	\$539	\$458	\$481	\$439
Median Gross Rent	\$674	\$684	\$828	\$905

Data Source: U.S. Census Bureau ACS 1-year Estimates

## Selected Economic Indicators

### Unemployment by Industry

The following tables show the total number of unemployed individuals from each industry group as of May 2014 as well as the percentage of total unemployment represented by that group at both the county and national level. Retail Trade represents the highest total number of unemployed workers in both counties.

<b>Unemployment by Industry - Lackawanna County</b>			
Industry (2-digit NAICS)	Total Unemployed (May 2014)	Share of County Unemployment	Share of National Unemployment
Crop and Animal Production	4	0%	1%
Mining, Quarrying, and Oil and Gas Extraction	15	0%	1%
Utilities	6	0%	0%
Construction	775	11%	8%
Manufacturing	753	11%	9%
Wholesale Trade	146	2%	2%
Retail Trade	1,008	14%	12%
Transportation and Warehousing	331	5%	3%
Information	62	1%	2%
Finance and Insurance	232	3%	3%
Real Estate and Rental and Leasing	49	1%	1%
Professional, Scientific, and Technical Services	185	3%	4%
Management of Companies and Enterprises	7	0%	0%
Administrative and Support and Waste Management	606	9%	8%
Educational Services	203	3%	2%
Health Care and Social Assistance	690	10%	7%
Arts, Entertainment, and Recreation	112	2%	2%
Accommodation and Food Services	611	9%	9%
Other Services (except Public Administration)	198	3%	4%
Government	204	3%	7%
No Previous Work Experience/Unspecified	868	12%	15%

<b>Unemployment by Industry - Luzerne County</b>			
Industry (2-digit NAICS)	Total Unemployed (May 2014)	Share of County Unemployment	Share of National Unemployment
Crop and Animal Production	0	0%	1%
Mining, Quarrying, and Oil and Gas Extraction	65	1%	1%
Utilities	151	1%	0%
Construction	1,137	10%	8%
Manufacturing	1,269	11%	9%
Wholesale Trade	261	2%	2%
Retail Trade	1,460	13%	12%
Transportation and Warehousing	839	8%	3%
Information	78	1%	2%
Finance and Insurance	266	2%	3%
Real Estate and Rental and Leasing	76	1%	1%
Professional, Scientific, and Technical Services	183	2%	4%
Management of Companies and Enterprises	12	0%	0%
Administrative and Support and Waste Management	1,120	10%	8%
Educational Services	157	1%	2%
Health Care and Social Assistance	905	8%	7%
Arts, Entertainment, and Recreation	263	2%	2%
Accommodation and Food Services	861	8%	9%
Other Services (except Public Administration)	241	2%	4%
Government	357	3%	7%
No Previous Work Experience/Unspecified	1,420	13%	15%

Source: EMSI

## Selected Economic Indicators

### Unemployment by Occupation

The following tables show the total number of unemployed individuals from each occupation group as of May 2014 as well as the percentage of total unemployment represented by that group at both the county and national level. Office and Administrative Support Occupations represent the highest total unemployment of all occupations and the most disproportionate share compared to the national average.

<b>Unemployment by Occupation - Lackawanna County</b>			
Occupation (2-digit SOC)	Total Unemployed (May 2014)	Share of County Unemployment	Share of National Unemployment
Management Occupations	313	4%	5%
Business and Financial Operations Occupations	191	3%	3%
Computer and Mathematical Occupations	0	0%	1%
Architecture and Engineering Occupations	46	1%	1%
Life, Physical, and Social Science Occupations	4	0%	0%
Community and Social Service Occupations	132	2%	1%
Legal Occupations	49	1%	1%
Education, Training, and Library Occupations	9	0%	2%
Arts, Design, Entertainment, Sports, and Media Occupations	160	2%	2%
Healthcare Practitioners and Technical Occupations	240	3%	2%
Healthcare Support Occupations	353	5%	2%
Protective Service Occupations	102	1%	1%
Food Preparation and Serving Related Occupations	1,008	14%	8%
Building and Grounds Cleaning and Maintenance Occupations	630	9%	5%
Personal Care and Service Occupations	9	0%	3%
Sales and Related Occupations	9	0%	11%
Office and Administrative Support Occupations	1,557	22%	14%
Farming, Fishing, and Forestry Occupations	0	0%	1%
Construction and Extraction Occupations	24	0%	8%
Installation, Maintenance, and Repair Occupations	191	3%	2%
Production Occupations	5	0%	6%
Transportation and Material Moving Occupations	1,029	15%	8%
No Previous Work Experience/Unspecified	1,003	14%	11%

<b>Unemployment by Occupation - Luzerne County</b>			
Occupation (2-digit SOC)	Total Unemployed (May 2014)	Share of County Unemployment	Share of National Unemployment
Management Occupations	469	4%	5%
Business and Financial Operations Occupations	307	3%	3%
Computer and Mathematical Occupations	0	0%	1%
Architecture and Engineering Occupations	82	1%	1%
Life, Physical, and Social Science Occupations	6	0%	0%
Community and Social Service Occupations	185	2%	1%
Legal Occupations	61	1%	1%
Education, Training, and Library Occupations	12	0%	2%
Arts, Design, Entertainment, Sports, and Media Occupations	220	2%	2%
Healthcare Practitioners and Technical Occupations	326	3%	2%
Healthcare Support Occupations	443	4%	2%
Protective Service Occupations	176	2%	1%
Food Preparation and Serving Related Occupations	1,450	13%	8%
Building and Grounds Cleaning and Maintenance Occupations	961	9%	5%
Personal Care and Service Occupations	12	0%	3%
Sales and Related Occupations	14	0%	11%
Office and Administrative Support Occupations	2,400	22%	14%
Farming, Fishing, and Forestry Occupations	0	0%	1%
Construction and Extraction Occupations	38	0%	8%
Installation, Maintenance, and Repair Occupations	358	3%	2%
Production Occupations	8	0%	6%
Transportation and Material Moving Occupations	2,015	18%	8%
No Previous Work Experience/Unspecified	1,577	14%	11%

Source: EMSI

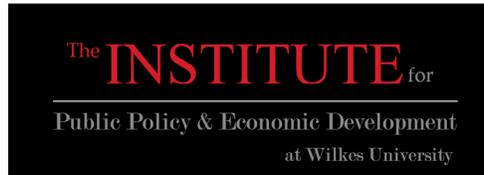
Signature Underwriter



The Willary Foundation is a family foundation dedicated to developing ideas and projects that are interesting, creative and imaginative and which benefit communities in Northeastern Pennsylvania. Willary seeks to foster groups with unique, innovative or unusual ideas and efforts.

The Foundation is disposed to leveraging the impact of its grants by encouraging efforts that could have a ripple effect in the community or by supporting projects in conjunctions with other sources of funding. The Foundation wishes to promote the special qualities of the people of Northeastern Pennsylvania. Willary is particularly interested in projects that support leadership and the development of leadership in business, the economy, education, human services, government, the arts, media, and research.

Supporting Underwriter



A partnership among Keystone College, King's College, Luzerne County Community College, Marywood University, Misericordia University, Penn State Wilkes-Barre, The Commonwealth Medical College, University of Scranton & Wilkes University

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## Labor Market at a Glance

According to preliminary figures from the Bureau of Labor Statistics, in December 2014, the unemployment rate in Lackawanna County was 5.2 percent, minimally higher than the prior month. In Luzerne County, the unemployment rate was 5.8 percent, also slightly higher than November. Both counties' unemployment rates are significantly lower than 2012 and 2013. However, unemployment in both counties is higher than the statewide rate, which has held steady at 4.6 percent.

In both counties, the labor force has remained persistently lower in 2014 compared with 2013. This means that fewer people are searching for jobs. In both counties, total employment remains lower than in 2007 or 2008, but trended upward somewhat in fall 2014, likely due in part to increased retail hiring for the holiday season. ♦

	Unemployment Rate (Not Seasonally Adjusted)			
	Lackawanna	Luzerne	Pennsylvania	United States
2007	4.7	5.0	4.4	4.6
2008	5.9	6.3	5.3	5.8
2009	8.1	8.9	7.9	9.3
2010	9.1	9.9	8.5	9.6
2011	9.2	9.5	8	8.9
2012	9.0	9.7	7.9	8.1
2013	8.6	9.3	7.4	7.4
Sept '14	5.6	6.1	4.9	5.7
Oct '14	5.3	5.7	4.6	5.5
Nov '14	5.1	5.7	4.6	5.5
Dec '14*	5.2	5.8	4.6	5.4

December 2014 figures are preliminary.

Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics

	Labor Force & Employment			
	Lackawanna County		Luzerne County	
	Labor Force	Employment	Labor Force	Employment
2007	106,692	101,625	158,796	150,934
2008	108,507	102,152	161,720	151,524
2009	107,289	98,601	161,425	147,088
2010	106,945	97,210	160,736	144,844
2011	107,170	97,354	160,302	145,122
2012	107,463	97,800	161,481	145,746
2013	107,236	97,981	160,957	146,015
Sept '14	104,044	98,264	155,953	146,437
Oct '14	104,015	98,521	155,638	146,820
Nov '14	104,576	99,230	156,833	147,877
Dec '14*	104,442	99,037	156,676	147,589

December 2014 figures are preliminary.

Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics