

Economy Tracker

The Institute

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THE INSTITUTE FOR PUBLIC POLICY & ECONOMIC DEVELOPMENT

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About The Quarterly Economy Tracker:

The Economy Tracker is a quarterly publication of The Institute for Public Policy & Economic Development. It explores economic data, trends, and issues related to our region's economy. Subscribe for free at www.institutepa.org. In all its publications, The Institute uses the most current data available at the time of release.

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Healthcare Occupations: Supply & Demand

Among higher education graduates earning their degrees in Lackawanna and Luzerne Counties last year, the largest share were awarded in nursing, which comprised 7.3 percent of all degrees earned, compared to about six percent in business, four percent in accounting, and three percent in liberal arts.

Currently, there are 5,531 registered nurses employed in the Lackawanna-Luzerne County area. This total comprises 33.3 percent of all healthcare practitioners and technical occupations in the region. Over the past ten years, there has been a net decline of 165 registered nurse positions. At the state level, 145,837 registered nurses comprise 35.2 percent of healthcare practitioners and technical occupations. However, like the Lackawanna-Luzerne County area, Pennsylvania is expected to lose more registered nurse positions than it adds in the next year.

In contrast, Lackawanna and Luzerne Counties are expected to create 12 new nurse practitioner positions. Nurse practitioners differ from registered nurses because they are required to have a graduate degree. This degree gives nurse practitioners the ability to diagnose patients and prescribe medicine. In contrast, registered nurse generally provide patient care only.

Despite the contraction of registered nurse positions in Lackawanna and Luzerne Counties, the health care and social assistance industry remains the largest industry in the region with 44,447 employees.

(Continued on page 3)



Awarded Degrees

Lackawanna-Luzerne Counties

Total Awards		7,185
Registered Nursing/Registered Nurse	521	7.3%
Business Administration and Management, General	421	5.9%
Accounting	289	4.0%
Liberal Arts and Sciences/Liberal Studies	231	3.2%

Source: Jobs EQ

Healthcare Practitioners and Technical Occupations

Lackawanna-Luzerne Counties

Total - All Occupations		16,589
Registered Nurses	5,531	33.3%
Licensed Practical and Licensed Vocational Nurses	1,575	9.5%
Pharmacy Technicians	1,068	6.4%
Pharmacists	691	4.2%

Source: Jobs EQ

"Degree programs in the counties serve students from a larger region, so graduates will be seeking to fill jobs across a wider area."

Healthcare Occupations: Supply & Demand (cont.)

In the coming year, Lackawanna and Luzerne Counties are expected to have a total of 973 job openings for health care practitioners and technical occupations. Among these, over 30 percent are expected to be registered nurse positions. This total demand does not reflect new jobs that have been created in the region, but positions that have been vacated.

Despite registered nurses making up the largest share of health care job openings in the two counties, there exists a supply surplus of registered nurses in both counties (108 registered nurses). This means that the number of anticipated graduates from registered nurse programs outpaces projected openings in the two counties. However, it is critical to note that degree programs in the counties serve students from a larger region, so graduates will be seeking to fill jobs across a wider area. Accordingly, continuing to have a pipeline for this in-demand profession is important for the region's health outcomes as well as economic competitiveness.

Projected Healthcare Job Openings Lackawanna-Luzerne Counties		
Total Demand	973	
Registered Nurses	297	30.5%
Licensed Practical and Licensed Vocational Nurses	120	12.3%
Pharmacy Technicians	89	9.1%
Nurse Practitioners	33	3.4%

Source: Jobs EQ

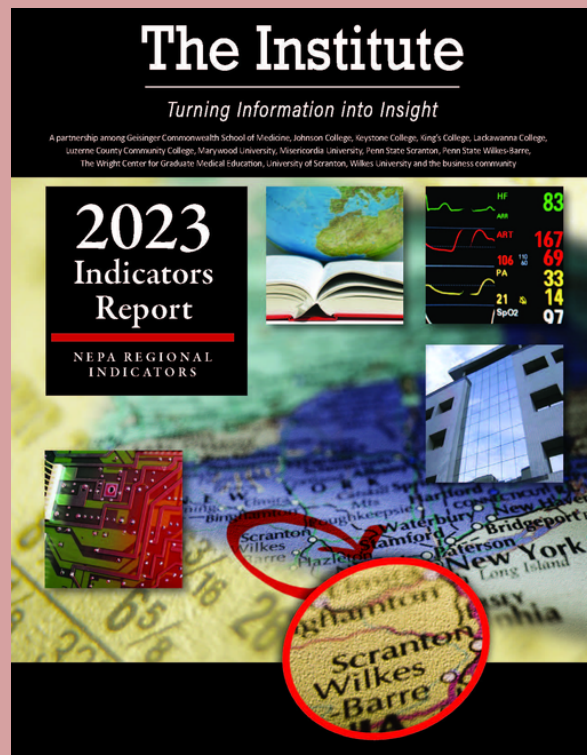
What's New at The Institute?

Indicators 2023

The 2023 edition of the Northeastern Pennsylvania Regional Indicators event was held on May 3, 2023. For the first time, two sessions were held: a morning presentation in-person at The Woodlands Inn in Wilkes-Barre, and an afternoon virtual session presented in partnership with WVIA Public Media. Both sessions included highlights from this year's report, including critical data on demographics, economics, housing, health and more to serve as a regional report card.

The 2023 edition also expanded on indicators related to arts, culture, and recreation and social equity in response to growing interest to systematically measure the region's progress in these areas. In another first, this year's report expanded to include Wayne County to better reflect the region's interconnectedness.

The full report as well as interactive data tables are available at www.institutepa.org.



Labor Market at a Glance

A Quarterly Update on Unemployment & Workforce

Since 2020's significant spike in unemployment due to the COVID-19 pandemic, unemployment has trended steadily downward. The 2022 annual average unemployment rates were 4.7, 5.3, and 5.1 percent in Lackawanna, Luzerne, and Wayne County respectively. Lackawanna and Luzerne's unemployment rates for the year were below the 2019 averages, the last full year of data before the pandemic. This indicates the region remains in a very tight labor market.

The number of adults participating in the labor market is also on the rise. Comparing the first quarter of 2021 and first quarter of 2022, the number of people participating in the labor force (either working or seeking work) rose by 1,451 in Lackawanna County and 2,045 in Luzerne County. However, the number of people employed rose by larger margins: 1,573 and 2,340, respectively, consistent with an unemployment rate that is still trending down. Wayne County saw small decreases in both the labor force and employment during the same time period.

Unemployment Rate (Not Seasonally Adjusted)					
	Lackawanna	Luzerne	Wayne	Pennsylvania	United States
2018	4.7	5.6	4.9	4.4	3.9
2019	4.9	5.6	4.7	4.3	3.7
2020	9.5	10.7	9.0	8.9	8.1
2021	6.5	7.7	6.3	6.0	5.3
2022	4.7	5.3	5.1	4.4	3.6
Jan 2023	5.1	5.8	6.2	4.5	3.9
Feb 2023	5.1	6.0	6.5	4.6	3.9
Mar 2023	4.3	5.1	5.4	3.8	3.6
Apr 2023	3.5	4.1	3.9	3.2	3.1

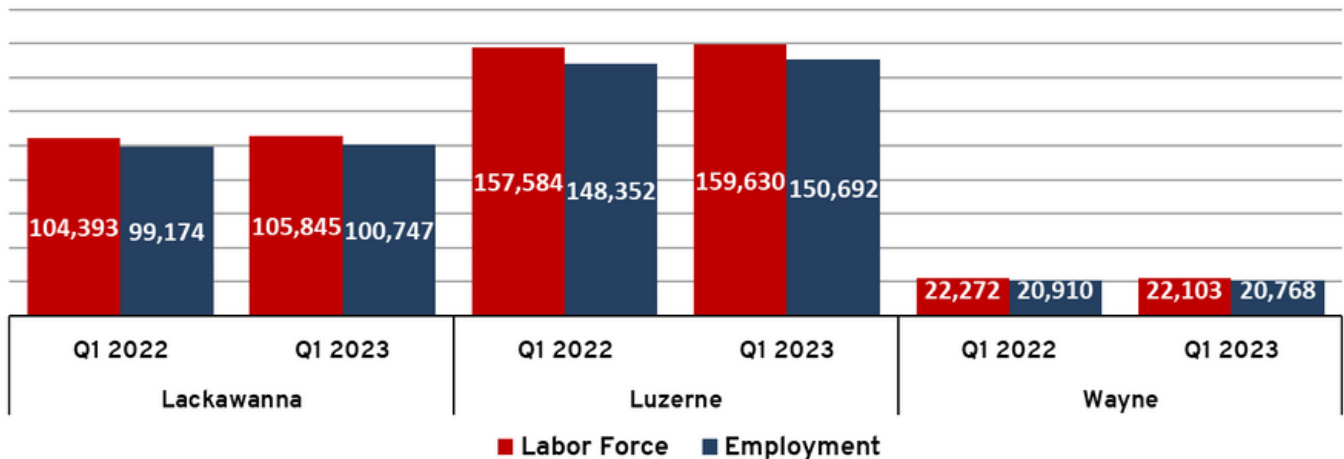
Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics

The 2022 annual average unemployment rates were 4.7, 5.3, and 5.1 percent in Lackawanna, Luzerne, and Wayne County respectively. Lackawanna and Luzerne's unemployment rates for the year were below the 2019 averages.

Labor Force & Employment						
	Lackawanna County		Luzerne County		Wayne County	
	Labor Force	Employment	Labor Force	Employment	Labor Force	Employment
2018	106,616	101,588	159,889	150,991	22,672	21,569
2019	106,490	101,312	160,335	151,281	22,776	21,702
2020	105,507	95,532	160,151	142,941	22,496	20,476
2021	103,916	97,207	157,636	145,451	22,588	21,175
2022	105,154	100,191	158,322	149,895	22,737	21,586
Jan 2023	105,906	100,542	159,600	150,397	22,293	20,910
Feb 2023	106,037	100,608	160,010	150,473	22,074	20,629
Mar 2023	105,591	101,092	159,279	151,206	21,941	20,766
Apr 2023	104,670	101,017	157,523	151,104	21,881	21,022

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

Q1 2022 - Q1 2023 Labor Market Indicators



Commuting Patterns Show Interconnectedness of Labor Markets



The latest data on workers' commuting patterns shows the highly interconnected nature of the regional economy. This suggests that economic and workforce development efforts must cross county lines, as labor markets do not stop at these boundaries.

Each table below shows counties that are the place of residence for at least one percent of workers in that county. Only workers' primary jobs are considered.

As of 2020, nearly 60 percent of workers at jobs* in Lackawanna County lived in the County. However, 13 percent reside in Luzerne County and significant shares come from Wayne, Wyoming, and Susquehanna Counties. In Luzerne County, over 60 percent live in the same county in which they work, but eight percent live in Lackawanna with large shares also residing in Schuylkill and Columbia Counties. In Wayne County, 55 percent of jobs are held by workers living in the county.

In total, about four in ten workers at jobs in Lackawanna and Luzerne County are held by someone residing in another county, and this share is higher (45 percent) in Wayne County. Conversely, when looking at each county's resident workers, 40 percent of Lackawanna County residents' primary jobs are in another county. This share is about 38 percent for Luzerne County. In Wayne County, nearly two-thirds of residents' primary jobs are in another county.

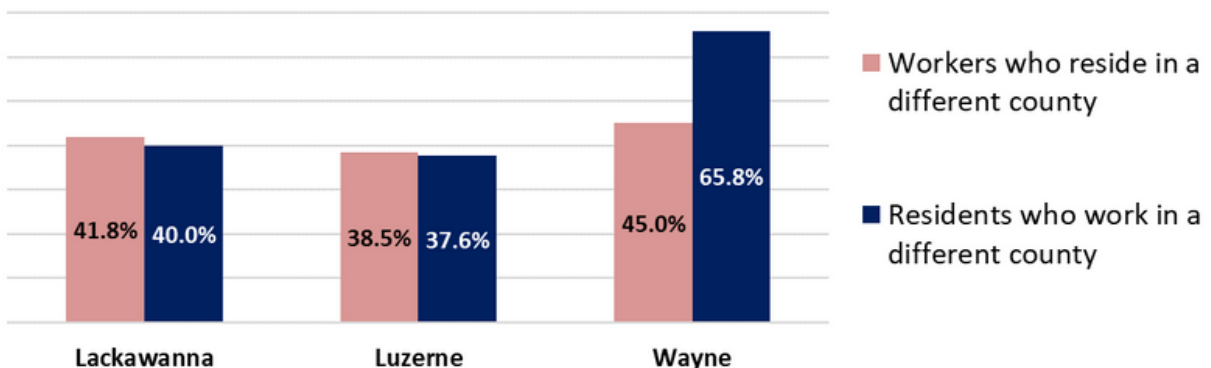
Lackawanna County: Worker Residence		
	Jobs	Share
Total Jobs*	84,296	100.0%
Lackawanna County	49,058	58.2%
Luzerne County	10,823	12.8%
Wayne County	3,201	3.8%
Wyoming County	2,128	2.5%
Susquehanna County	2,069	2.5%
Monroe County	1,381	1.6%
Pike County	1,169	1.4%
Lehigh County	983	1.2%
Philadelphia County	820	1.0%
Other Locations	12,664	15.0%

Luzerne County: Worker Residence		
	Jobs	Share
Total Jobs*	127,806	100.0%
Luzerne County	78,594	61.5%
Lackawanna County	10,469	8.2%
Schuylkill County	4,110	3.2%
Columbia County	3,234	2.5%
Lehigh County	2,080	1.6%
Carbon County	1,928	1.5%
Monroe County	1,801	1.4%
Wyoming County	1,793	1.4%
Philadelphia County	1,370	1.1%
Berks County	1,262	1.0%
Other Locations	21,165	16.6%

Wayne County: Worker Residence		
	Jobs	Share
Total Jobs*	12,369	100.0%
Wayne County	6,800	55.0%
Lackawanna County	1,767	14.3%
Pike County	1,077	8.7%
Luzerne County	372	3.0%
Monroe County	347	2.8%
Susquehanna County	308	2.5%
Sullivan County, NY	126	1.0%
Other Locations	1,572	12.7%

* Only primary jobs are included.
Source: Census Bureau LEHD

Regional Labor Patterns:
2020, Primary Jobs



Task Force Report Addresses Regional Economic Development

This year's report of the Jobs, Economy, and Economic Development (JEED) Task Force was presented at the Regional Indicators event on May 3. The study is meant to serve as a blueprint for regional economic development by identifying growth opportunities and providing a guide for increasing economic diversity (defined as economic activity spread across a greater variety of industry sectors). The report explores recent data on wages by occupation and industry, to determine how the region compares to state and national benchmarks. It also explores data on the current industry composition and location quotients in the region. These insights support identification of opportunities in targeted industry sectors in Northeastern Pennsylvania, within a context of national and global economic forces.

The top four industries in the Scranton—Wilkes-Barre area are health care and social assistance (45,094 employees), transportation and warehousing (29,799 employees), retail trade (29,559 employees), and manufacturing (29,421 employees). In terms of average annual wages by industry, utilities offer the highest wages in the Scranton—Wilkes-Barre area (\$121,802).

In terms of employment by occupation, a large share of the area's workers are employed in transportation and material moving occupations (37,729 employees). At the state and national levels, majority shares of workers are employed in office and administrative support occupations (780,937 employees and 19,617,880 employees, respectively).



In the Scranton—Wilkes-Barre area, the highest paid entry level positions are management occupations, which pay about \$51,800 annually. Similarly, management occupations also pay the most at the state and national levels (\$55,700 and \$49,500, respectively).

In the previous ten years, employment in the Scranton—Wilkes-Barre area has increased by 523 occupations. Transportation and material moving occupations have grown most, with 10,142 positions added. This growth is consistent with the region's geography, as it is home to multiple major highways, such as Interstates 80 and 81, and the Pennsylvania Turnpike.

Location quotient relates to the relative concentration of an industry or occupation in a specific region compared to the national average. A location quotient of 1.00 means that that industry has the same share of total employment in the region as the national average. In the Scranton—Wilkes-Barre area, the industries that surpass the national average location quotients include transportation and warehousing (2.31), utilities (1.64), manufacturing (1.40), health care and social assistance (1.21), and retail trade (1.13).

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Employment by Occupation Scranton--Wilkes-Barre, PA		
Total - All Occupations	259,314	
Transportation and Material Moving Occupations	37,729	14.5%
Office and Administrative Support Occupations	31,840	12.3%
Sales Related Occupations	23,366	9.0%
Production Occupations	19,439	7.5%
Food Preparation and Serving Related Occupations	19,145	7.4%

Source: Jobs EQ

Fastest Growing Occupations Scranton--Wilkes-Barre, PA	
Total Occupations Added	523
Transportation and Material Moving Occupations	10,142
Business and Financial Operations Occupations	2,344
Computer and Mathematical Occupations	1,605
Management Occupations	1,529
Healthcare Support Occupations	1,417

Source: Jobs EQ

Transportation and material moving occupations have grown most, with 10,142 positions added.

Task Force Report (cont.)

The Scranton—Wilkes-Barre area' workforce is more equally dispersed among its top four industries than its peer regions, with the exception of Binghamton, New York. Also, unlike its peer regions, the Scranton—Wilkes-Barre workforce encompasses a relatively large number of people in the transportation and warehousing industry (11.5 percent).

At the global level, Russia's war in Ukraine, economic policies aimed at containing high inflation, and supply chains disruptions resulting from lingering COVID-19 effects have negatively impacted current industrial trends. The top industries of the Scranton—Wilkes-Barre area are all likely to be impacted by these trends.

Recommendations

- A greater investment in the renewable energy industry will create an even more resilient economy
- Growth in the accommodation and food services industry expands the region's economic base and results in a significant ripple effect in other sectors.
- Focusing growth on industries already strong in the region allows the area to build upon its competitive advantages

The full task force study is available to read on www.institutepa.org.

Top 4 Industries	
Scranton--Wilkes-Barre, PA	
Total - All Industries	259,314
Health Care and Social Assistance	45,094 17.4%
Transportation and Warehousing	29,799 11.5%
Retail Trade	29,559 11.4%
Manufacturing	29,421 11.3%

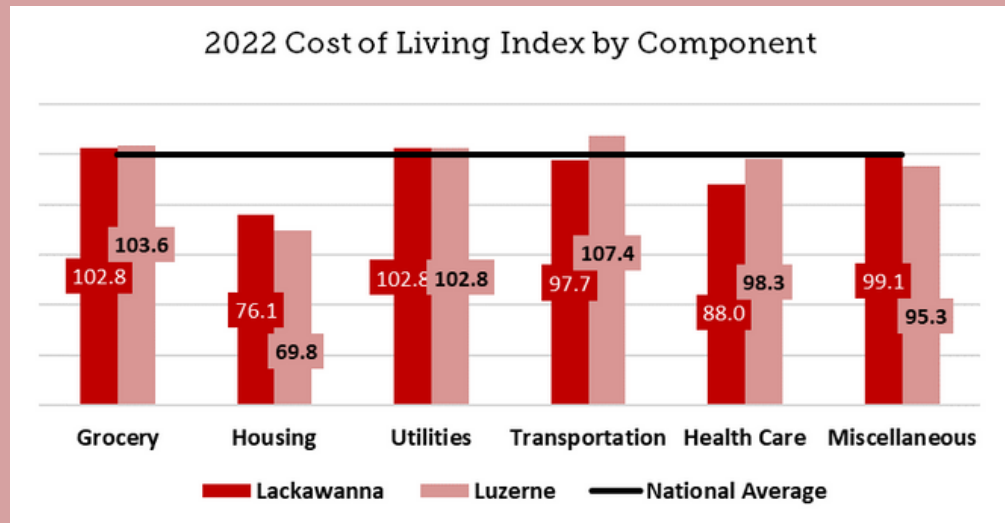
Source: Jobs EQ

Regional Cost of Living Update

The 2022 Cost of Living Index, published by the Council for Community & Economic Research, compares the region's cost of living at a fixed standard of living to a national benchmark of 100. Lackawanna had a cost of living of 92.9, or just under 93 percent of the nationwide average, and Luzerne's overall index was 91.3. Compared to other metro areas in Pennsylvania, the region had a higher cost of living than Erie but lower than Harrisburg and Allentown.

The region's relatively low cost of living is driven largely by low housing costs, at just 76 and 70 percent of the nationwide average in Lackawanna and Luzerne, respectively. The region also has lower cost of living in health care and miscellaneous goods and services. Groceries and utilities are marginally higher than the national average, while transportation was mixed.

2022 Cost of Living Index Overall Index	National Average	Lackawanna	Luzerne	Erie	Allentown	Harrisburg
	100.0	92.9	91.3	89.8	105.5	102.9



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