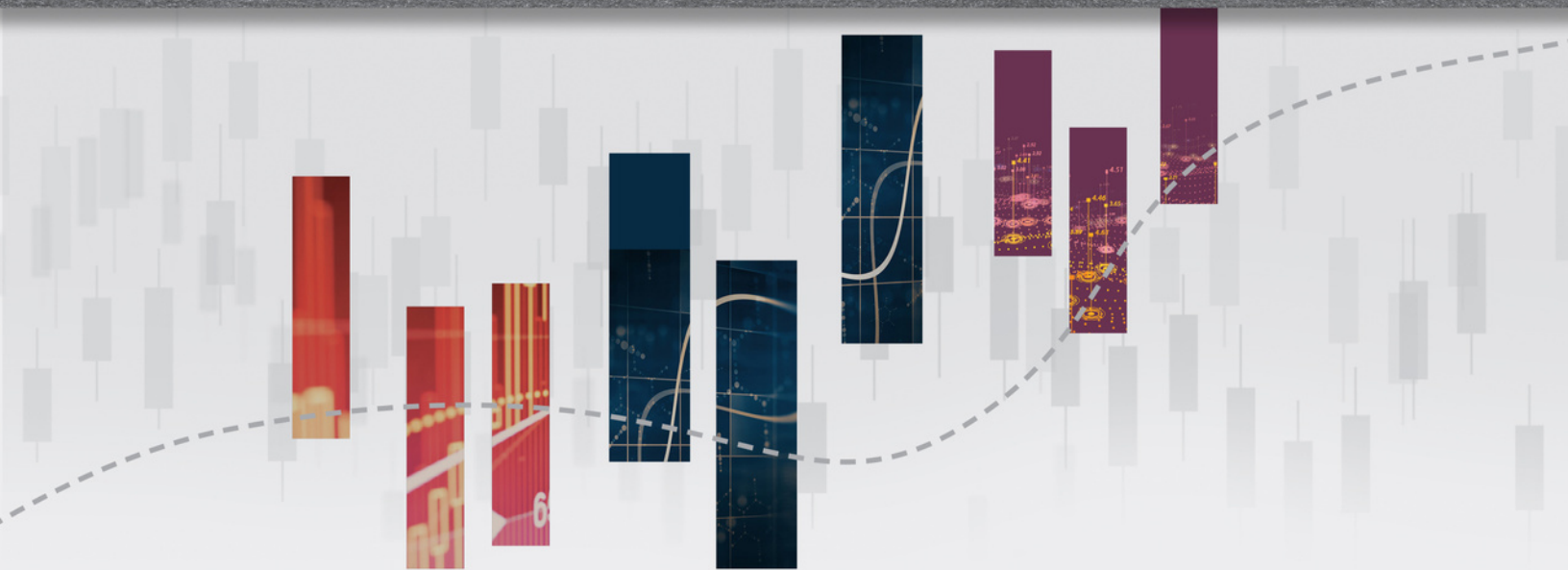


# Economy Tracker



THE INSTITUTE FOR PUBLIC POLICY & ECONOMIC DEVELOPMENT



## About The Quarterly Economy Tracker:

The Economy Tracker explores economic data, trends, and issues related to our region's economy. Subscribe for free at [www.institutepa.org](http://www.institutepa.org). In all its publications, The Institute uses the most current data available at the time of release.

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# Industry Outlook

By: Teri Ooms, President & CEO

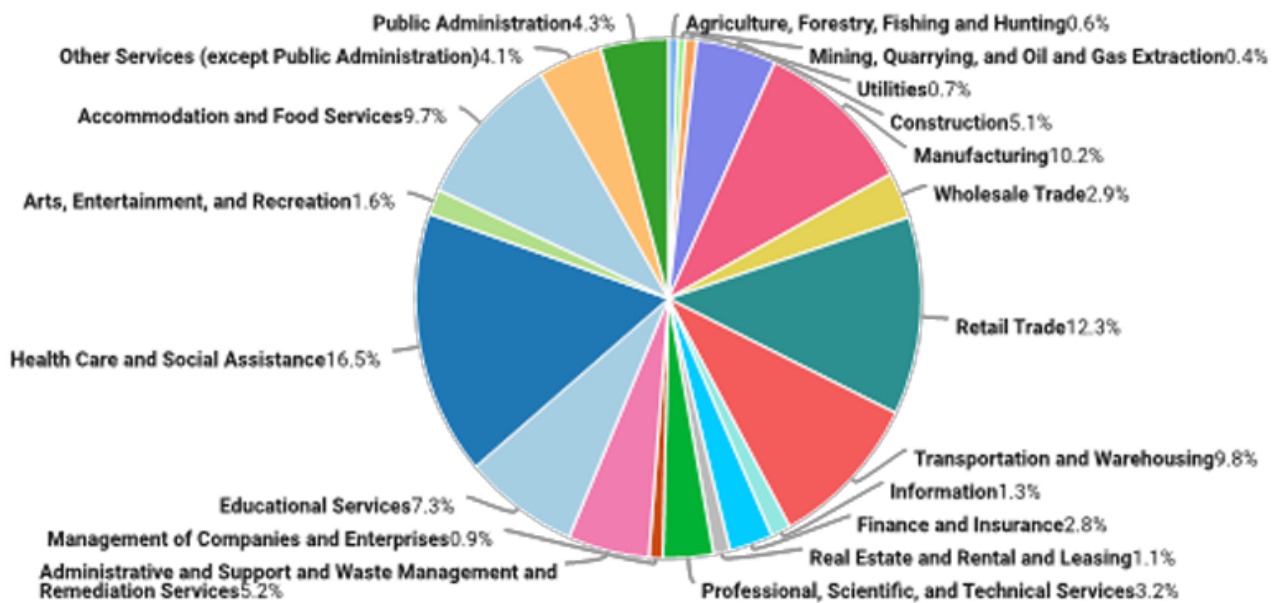


The graph below depicts the breakdown of employees by industry in the NEPA labor shed which (defined as Lackawanna, Luzerne, Monroe, Pike, Susquehanna, Wayne, and Wyoming Counties).

Health care and social assistance is by far the largest sector with retail and manufacturing falling closely behind to make up the top three. Health Care and Social Assistance, employs 59,948 workers. The next-largest sectors in the region are Retail Trade (44,781 workers) and Manufacturing (36,887). Location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Transportation and Warehousing (LQ = 1.97), Utilities (1.46), and Manufacturing (1.26).

Examining wages, the highest average wages per worker are Utilities (\$122,189), Management of Companies and Enterprises (\$90,379), and Mining, Quarrying, and Oil and Gas Extraction (\$80,982). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Transportation and Warehousing (+7,576 jobs), Manufacturing (+2,003), and Construction (+450).

Over the next 10 years, employment is projected to contract by 25,891 jobs. However, demand in all occupations will remain high as more people retire. Therefore, replacement demand, not industry growth will drive job opportunities for workers at all skill levels. In fact, the total demand for employees over the next 10 years is 377,190 compared to the 363,348 currently employed.



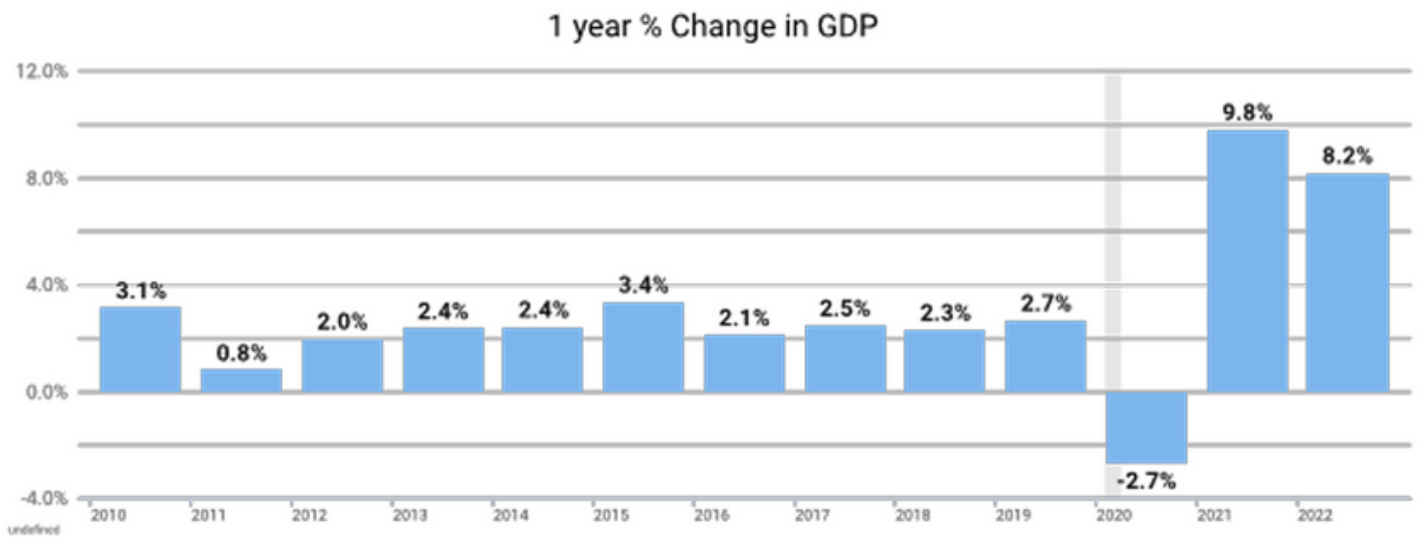
Data Source: JobsEQ

# Industry Outlook (cont.)

By: Teri Ooms, President & CEO



Manufacturing generates the largest share of the regional GDP in 2022 at over \$6.6 billion with health care generating nearly \$5 billion. Real estate, rental and leasing measured over \$3.6 billion with transportation and warehousing also over \$3.6 billion. Despite the dip in 2020 due to COVID, the region has recorded a strong GDP since 2012. Recovery was strong in 2021 and 2022 but will likely fall into a more consistent, slightly less robust return as the economy normalizes.



Data Source: JobsEQ

**Over the next 10 years, employment is projected to contract by 25,891 jobs. However, demand in all occupations will remain high as more people retire. Therefore, replacement demand, not industry growth will drive job opportunities for workers at all skill levels.**

# Region's Cost of Living Index Near National Average

By: Teri Ooms, President & CEO



The Cost of Living Index is a nationwide project aimed at benchmarking cost of living between regions. Prices of a series of goods and services are gathered three times per year, and an index score is calculated for each region in six categories as well as a composite overall score. The average of all 265 participating regions nationwide is 100.

Scranton and Wilkes-Barre had composite Cost of Living Index Scores of 91.2 and 91.1, respectively, in the third quarter of 2023 - indicating overall cost of living lower than previous years. It was over 100 in the third quarter of 2021. This year, The Institute began measuring Wayne County. Wayne County debuted at 88.3. NEPA's composite score shows more affordability than any other communities measured in PA.

The region has shown improvement in the cost of groceries over prior quarters and the past few years, and costs remain lower than the national average, but higher than those in Erie, Reading, Allentown, and Pittsburgh.

Housing has also improved dramatically over the past few years and remains more affordable than all Pennsylvania areas measured except for Erie. However, utility and transportation costs in the region (and most other PA communities) exceed the national average. Health care is more affordable in the region than most communities and the national average. Other goods and services such as clothing, personal care products, movies, veterinary services, and appliance repairs are higher in NEPA than most areas except Allentown, Philadelphia, and Reading.

	100% COMPOSITE INDEX	15.73% Grocery	28.10% Housing	9.06% Utilities	8.53% Transportation	4.83% Health Care	33.75% Miscellaneous
Allentown	103.4	97.7	104.7	104.8	98.9	92.7	107.4
Erie	86.2	95.8	56.1	108.1	113.4	87.5	93.8
Philadelphia	102.7	100.8	98.1	112.4	107.3	93.1	105.0
Pittsburgh	98.0	98.8	96.2	122.3	103.9	89.4	92.3
Reading	97.4	97.4	89.7	91.4	106.7	102.7	102.3
Scranton	91.2	98.3	73.4	104.6	100.9	83.0	97.9
Wilkes-Barre	91.1	99.1	71.8	104.6	109.5	91.8	95.0
Wayne County	88.3	98.1	67.1	104.6	92.0	98.0	94.6

Compared to the second quarter of 2023, all three communities showed reductions in the costs of all items, leading to a reduction in each of their composite scores. These decreases are vast improvements over the COVID era - particularly 2021 - when most of NEPA costs exceeded the national average.

# What's New at The Institute?

## Save the Date Indicators 2024

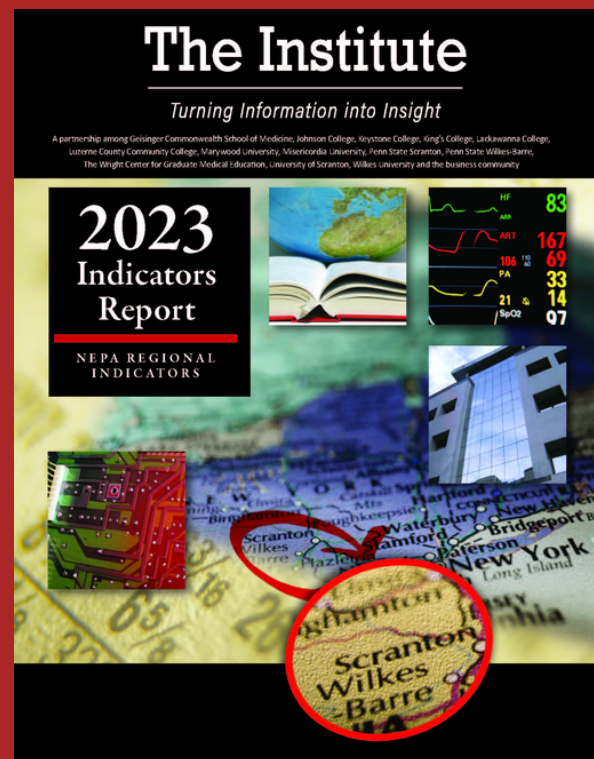
The 19th annual Indicators event will be held on **May 22nd, 2024 at the Woodlands Inn**. Stay tuned for more information. Registration to open soon.

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 the 2023 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 as well as social equity in response to growing interest in systematically measuring 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.

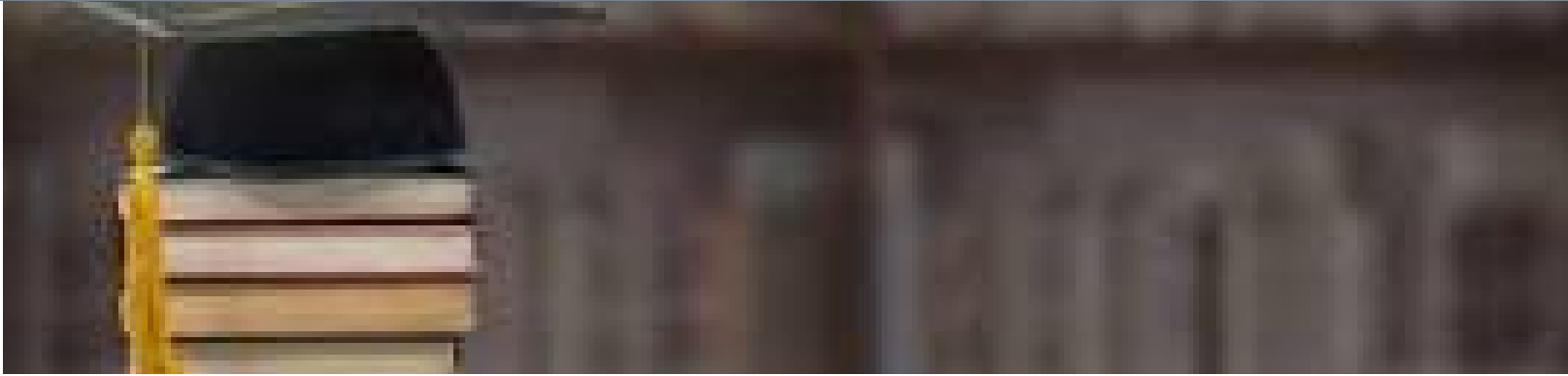
The full report and interactive data tables are available at [www.institutepa.org](http://www.institutepa.org).

The Institute's 2023 Task Force videos and other research briefs are available on The Institute's [YouTube](#) channel.



# Academic Awards and Gaps

By: Michael Shuba, Research Assistant



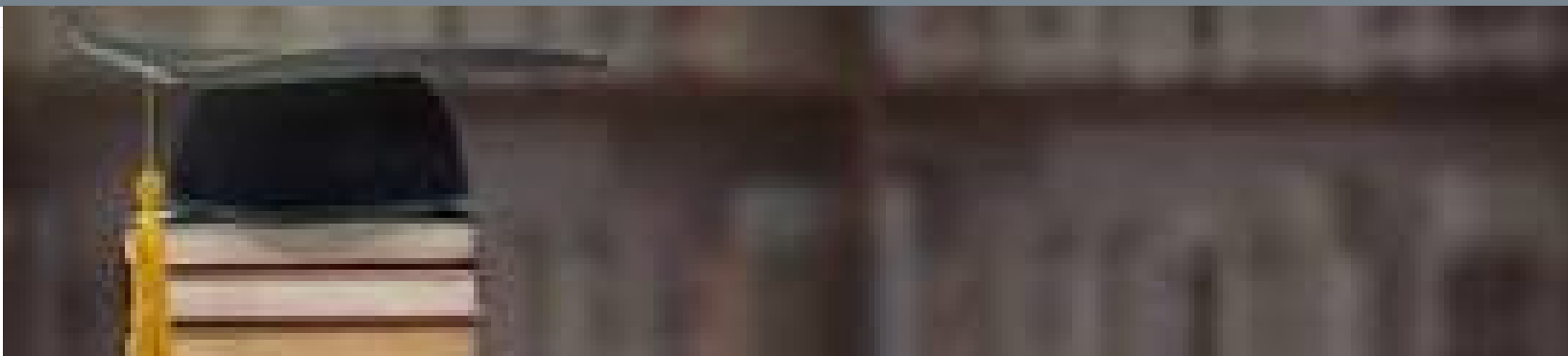
Graduation rates help track institutional productivity. Additionally, this data can also help to illustrate how many new professionals are entering the workforce as well as their potential career paths based on their educational backgrounds.

Over the five-year period, trends in educational attainment show varying shifts across distinct levels of education. The overall numbers of individuals within the population who have attained a higher educational degree has increased for the counties. Luzerne County has seen a 15.4 percent increase in associate degrees, a 6.2 percent increase in bachelor's degrees, and a 9.2 percent increase in graduate level degrees over that time interval. Lackawanna County has seen a 23.1 percent increase in associate degrees, a 2.9 percent increase in bachelor's degrees, and a 20.0 percent increase in graduate level or higher degrees over the past five years. Wayne County has seen a 31.6 percent increase in associate degrees, a two percent increase in bachelor's degrees, and an approximate four percent increase in the number of graduate level or higher degrees from 2017 to 2022. The overall increase of awards over the data series can indicate a shift in the value of higher education.

Luzerne (1Yr), Lackawanna (1Yr), and Wayne (5Yr) County Educational Attainment (Pop. 25yrs & over)							
		2017	2018	2019	2021	2022	Trendline
Population 25 years and over	Luzerne	227,239	227,418	227,307	233,076	232,117	
	Lackawanna	148,344	149,659	149,972	153,170	151,185	
	Wayne	39,052	39,119	39,271	39,333	39,339	
Less than 9th grade	Luzerne	7,651	6,767	6,727	8,810	8,776	
	Lackawanna	3,944	3,919	3,917	2,970	3,485	
	Wayne	1,147	1,051	1,104	960	701	
9th to 12th grade, no diploma	Luzerne	17,137	16,856	12,631	13,541	11,487	
	Lackawanna	7,998	8,904	9,052	9,213	8,722	
	Wayne	2,945	2,930	2,994	2,766	2,606	
High school graduate (includes equivalency)	Luzerne	87,470	89,206	90,591	85,883	86,695	
	Lackawanna	55,500	54,413	56,718	53,874	50,994	
	Wayne	16,962	17,118	16,836	17,422	17,328	
Some college, no degree	Luzerne	38,687	39,314	45,260	40,004	41,525	
	Lackawanna	25,524	23,404	23,460	23,762	25,831	
	Wayne	7,240	6,851	7,003	6,937	6,831	
Associate's degree	Luzerne	22,039	21,592	22,953	24,288	25,436	
	Lackawanna	12,140	15,925	13,133	16,630	14,949	
	Wayne	2,797	3,198	3,332	3,542	3,680	
Bachelor's degree	Luzerne	34,880	33,892	28,992	37,170	37,044	
	Lackawanna	27,390	27,313	27,364	27,649	28,179	
	Wayne	4,717	4,809	4,825	4,596	4,811	
Graduate or professional degree	Luzerne	19,375	19,791	20,153	23,380	21,154	
	Lackawanna	15,848	15,781	16,328	19,072	19,025	
	Wayne	3,244	3,162	3,177	3,110	3,382	
High school graduate or higher	Luzerne	x	203,795	207,949	210,725	211,854	
	Lackawanna	x	136,836	137,003	140,987	138,978	
	Wayne	x	35,138	35,173	35,607	36,032	
Bachelor's degree or higher	Luzerne	x	53,683	49,145	60,550	58,198	
	Lackawanna	x	43,094	43,692	46,721	47,204	
	Wayne	x	7,971	8,002	7,706	8,193	

Source: U.S. Census Bureau 2017-2022 ACS 1 & 5-Year Estimates

# Academic Awards and Gaps (cont.)



The following tables display the total academic awards and top ten awards attained from Luzerne, Lackawanna, and Wayne Counties for the 2021 to 2022 academic year. Awards for certificates and 2yr awards, 4yr awards, postgraduate awards, and total awards across the three counties signify the cumulative educational achievements within the region. These awards of the three-county area in the adjacent table demonstrate variation in overall educational attainment. There are approximately 70 percent and 36 percent more 4yr awards than certificates and 2yr awards and postgraduate degrees, respectively.

	<b>Certificates and 2yr Awards</b>	<b>4yr Awards</b>	<b>Postgraduate Awards</b>	<b>Total Awards</b>
<b>Total</b>	<b>1643</b>	<b>3403</b>	<b>2358</b>	<b>7404</b>

*Source: JobsEQ*

Registered Nursing/Registered Nurse have the highest number of total awards (591), accounting for approximately six percent of all academic awards issued for the study area.

Additionally, this title was issued 99 certificates and two-year awards, 357 four-year awards, and 135 postgraduate awards.

Furthermore, graduates with a Registered Nursing/Registered Nurse degree are employed mainly by General Medical and Surgical Hospitals, accounting for almost half of all jobs employed by this degree title. Following this are Outpatient Care Centers and Nursing Care Facilities at 11.4 percent and 6.9 percent, respectively.

Business Administration and Management (general) account for the second largest total awards (441), or approximately eight percent of all academic awards issued for the study area. Additionally, this title was issued 51 certificates and two-year awards, 275 four-year awards, and 115 postgraduate awards.

Furthermore, graduates with a Business Administration and Management (general) degree are employed mainly by other institutions not listed within the data, accounting for 58 percent of all jobs employed by this degree title. Warehousing and storage and management of companies and enterprises comprise 3.9 percent respectively.

Accounting has the third largest number of total awards (252), totaling approximately eight percent of all academic awards issued for the study area.

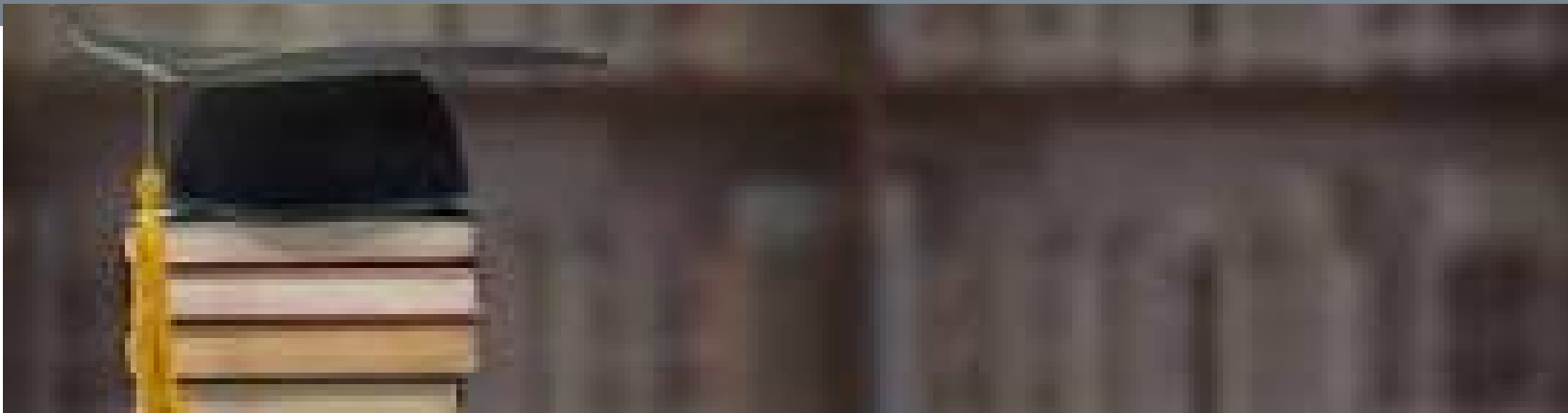
Additionally, this title was issued for 20 certificates and two-year awards, 148 four-year awards, and 84 postgraduate awards.

Furthermore, graduates with an Accounting degree are employed mainly by other institutions not listed within the data, comprising 37.7 percent of all jobs employed by this degree title. Accounting, Tax Preparation, Bookkeeping, and Payroll services represent the next most considerable quantity at 20.5 percent.

	<b>Certificates and 2yr Awards</b>	<b>4yr Awards</b>	<b>Postgraduate Awards</b>	<b>Total Awards</b>
Registered Nursing/Registered Nurse	99	357	135	591
Business Administration and Management, General	51	275	115	441
Accounting	20	148	84	252
Liberal Arts and Sciences/Liberal Studies	143	87	0	230
Psychology, General	14	166	2	182
Biology/Biological Sciences, General	4	152	0	156
Health Professions and Related Clinical Sciences, Other	0	156	0	156
Health/Health Care Administration/Management	0	49	100	149
Physician Associate/Assistant	0	0	144	144
Educational/Instructional Technology	0	0	128	128

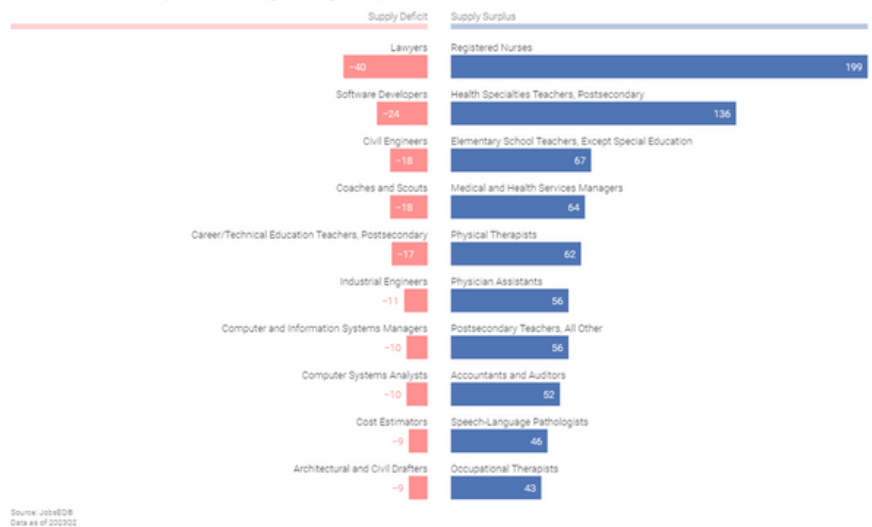
*Source: JobsEQ*

# Academic Awards and Gaps (cont.)



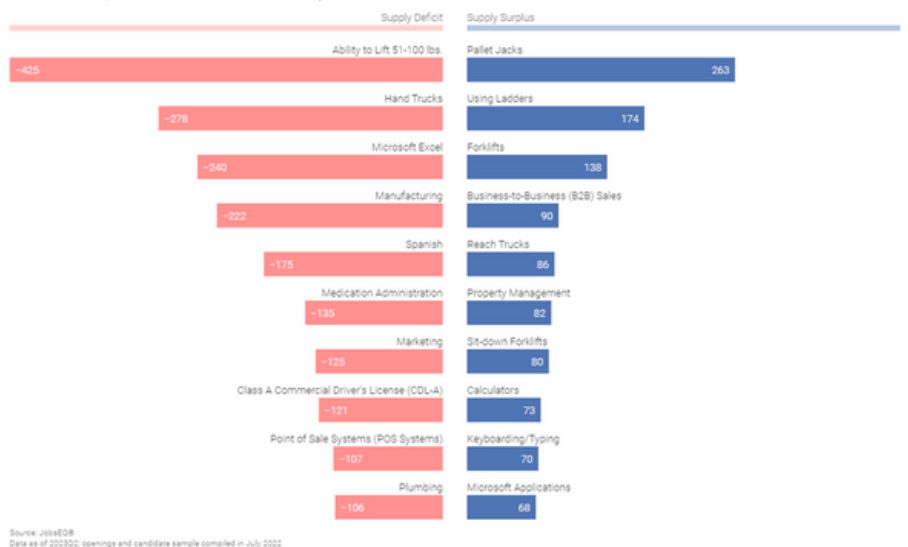
The charts on this page emphasize the surpluses and deficits of specific degree awards and skills to highlight unequal distributions. Understanding awards gaps is essential for understanding disparities in educational attainment. The most prominent deficits include lawyers, software developers, and civil engineers (-40, -24, and -18, respectively). A lack of science, math, and computer science degrees may contribute to the supply deficit. Registered nurses comprise the most considerable quantity of surplus at 199. Additionally, an abundance of awards has been attained for the health and medical field.

Award Gaps  
Luzerne-Lackawanna-Wayne, Two-Year Degree or Higher Only



Highlighting skills gaps is crucial for identifying areas where there is a mismatch between the skills possessed by the workforce and those demanded by employers. The most prominent deficits involve lifting one to 100 lbs., hand trucks, and Microsoft Excel (-425, -278, and -240, respectively). An overall deficit of computer skills as well as skilled manual labor-intensive jobs have also been revealed by the data. Conversely, use of pallet jacks and ladders are the two most significant surpluses at 263 and 174, respectively.

Skill Gaps  
Total - All Occupations, Luzerne-Lackawanna-Wayne



\*Note: Industry distribution for occupations data is from 2023Q2.

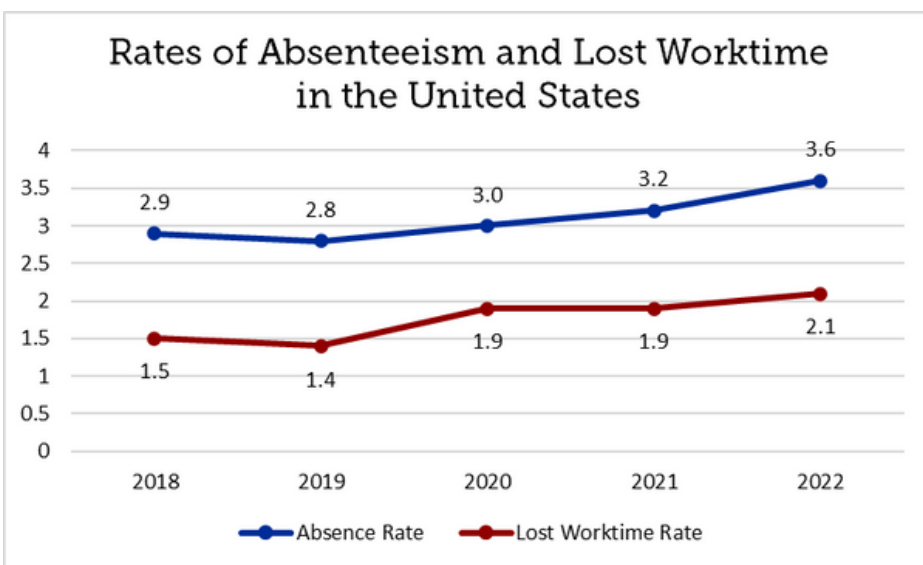


# Workforce Challenges: Absenteeism in the Workplace

By: Ethan Van Gorden, Research Analyst



Some of the most prevalent challenges in the current workforce landscape include understaffing, burnout, ineffective leadership, insufficient training, and lack of diversity and inclusion. Challenges exacerbated during the COVID-19 pandemic include absenteeism and lost work time. For instance, as of 2022, the total absence rate in the United States is 3.6 percent and the total lost work time rate is 2.1 percent. Prior to the pandemic, however, the total absence rate was 2.8 percent and the total lost worktime rate was 1.4 percent.



As demonstrated in the table on the right, there has been a slight increase in absenteeism rates and lost work time since 2020.

Service occupations have the highest absence rate (4.7 percent) across all occupations. Furthermore, they have the highest rate of lost work time (2.7 percent). Although the rate of absence was also highest among service occupations in 2021 (4.2 percent), it increased slightly in 2022. At 4.1 percent and 2.6 percent, production, transportation, and material moving occupations have similar rates of absence and lost work time, respectively.

Absence & Lost Worktime Rates by Occupation and Industry (2022 - USA)						
	Absence rate			Lost worktime rate		
	Total	Illness or Injury	Other reasons	Total	Illness or Injury	Other reasons
All employment	3.6	2.6	1.0	2.1	1.5	0.6
<b>OCCUPATION</b>						
Management, professional, and related	3.1	2.1	1.0	1.8	1.1	0.6
Service	4.7	3.5	1.2	2.7	2.0	0.7
Sales and office	3.9	2.8	1.1	2.1	1.5	0.6
Natural resources, construction, and maintenance	3.5	2.8	0.7	2.1	1.8	0.3
Production, transportation, and material moving	4.1	3.3	0.8	2.6	2.2	0.4
<b>INDUSTRY (Private sector)</b>						
Agriculture and related industries	3.4	2.7	0.7	1.5	1.4	0.2
Mining, quarrying, oil and gas extraction	2.1	1.5	0.6	1.3	0.8	0.5
Construction	3.2	2.5	0.7	1.8	1.5	0.3
Manufacturing	3.4	2.6	0.8	2.1	1.6	0.5
Wholesale and retail trade	3.9	2.9	0.9	2.2	1.7	0.6
Transportation and utilities	3.3	2.6	0.7	2.1	1.7	0.4
Information	3.1	2.1	1.1	1.9	1.2	0.7
Financial activities	2.9	2.0	0.9	1.6	1.1	0.5
Professional and business services	3.0	2.1	1.0	1.7	1.1	0.6
Education and health services	4.2	2.9	1.3	2.5	1.7	0.8
Leisure and hospitality	3.9	2.8	1.1	2.0	1.5	0.5
Other services	3.6	2.6	1.0	1.9	1.4	0.5

Data Source: U.S. Bureau of Labor Statistics

# Workforce Challenges: Absenteeism in the Workplace (cont.)

By: Ethan Van Gorden, Research Analyst



These occupations also had the second-highest absence rate in 2021 as well. However, production, transportation, and material moving occupations had the highest rate of lost work time in 2021 (2.7 percent). Lesser rates of absence and lost work time are found in sales and office occupations, and management, professional, and related occupations.

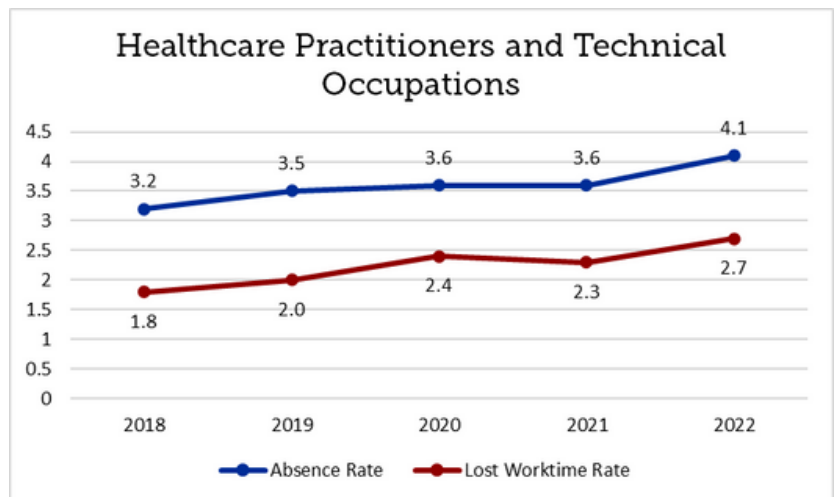
On average, the rates of absence and lost worktime at the occupational level were slightly higher in 2022 compared to the previous year.

At the industry level, the educational and health services sector has the highest rates of both absence and lost work time (4.2 percent and 2.5 percent, respectively). Comparatively, the leisure and hospitality industry had the highest rate of absence in 2021, at 3.7 percent, whereas the transportation and utilities industry had the highest rate of lost worktime, at 2.3 percent. Conversely, the mining, quarrying, oil and gas extraction industry has the lowest absence and lost work time rates in 2022 (2.1 percent and 0.8 percent, respectively). Though this was also the case in 2021 in terms of the lowest absence rate, the financial activities industry had the lowest lost worktime rate at 1.3 percent. On average, the rates of absence and lost worktime at the industry level were slightly higher in 2022 compared to the previous year.

As noted previously, the educational and health services industry has the highest absence and lost worktime rates as of 2022. Specifically, rates of absence and lost work time among healthcare practitioners and technical occupations has steadily increased since 2018 (except for 2021, in which the total absence rate was maintained, and the lost work time rate slightly decreased).

Studies show a positive association between unplanned work absenteeism and the COVID-19 pandemic. Contributing factors to workplace absenteeism among healthcare workers include increased stress due to additional working hours, potential exposure to COVID-19, and subsequent COVID-19 related illness. Consequently, high rates of burnout among healthcare workers have been reported, which further compounds the issues of absenteeism and lost work time.

For example, a 2022 survey of over 1,500 U.S. physicians found that 63 percent reported feelings of burnout when trying to address their patients' social determinants of health (SDOH). These determinants, which include elements such as access to food and health services, education, employment, environmental conditions, income, housing, and relationships, were significantly impacted by the pandemic as well. While the United States has since transitioned toward recovery from the COVID-19 pandemic, the workforce landscape - particularly the health services industry - continues to feel its impacts.



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