

Reconnecting Massachusetts' Gateway Cities City Profile: Fall River

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This profile provides key economic and demographic trends faced by Fall River relating to the MassINC / Brookings Institution report "Reconnecting Massachusetts' Gateway Cities: Lessons Learned and an Agenda for Renewal." To read the entire report, see www.massinc.org or www.brookings.edu/metro/massgateways.htm.

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In recent years, Fall River has lost jobs just as fast as Greater Boston

Between 2001 and 2005 the City of Fall River lost 2,400 jobs—a 6 percent loss. This matched Greater Boston's 6 percent, 99,000-job decline. Additional job loss in Fall River's surrounding towns resulted in a 2,500-job loss for the entire Fall River region.

But since 1960, the city has lost over half its manufacturing jobs

From 1960 to 2000, Fall River lost 53 percent of its manufacturing employment, or nearly 12,800 jobs, while Greater Boston lost 138,000 manufacturing jobs—a 48 percent loss.

More recently, though, Fall River has added knowledge industry employment

Between 2001 and 2005, the City of Fall River generated a 7.1 percent increase in knowledge industry employment, while the Fall River region recorded a 26.5 percent increase. This respectful gain of 450 higher-paying jobs for the city and 2,400 jobs for the region contrasts starkly with the 7.9 percent, 38,000-job loss in Greater Boston.

Furthermore, technology firms are continuing to locate there

Fall River was home to 9 tech firms in 1991; by 2004, that number had grown to 14 according to CorpTech data. Likewise, the Fall River region added 22 tech firms, bringing its total up from 33 to 55. This significant percentage increase for Fall River and its surrounding towns—like most other Gateway Cities and regions—is overshadowed by the enormous gains in Greater Boston, where almost 1,600 new tech firms were established. In fact, Greater Boston increased its share of the state's tech firms from 53 to 60 percent in the 13-year period.

Fall River's per capita income growth is relatively strong, but lags well behind Greater Boston

Fall River's real per capita income growth of 35.2 percent between 1980 and 2000 was considerably higher than the Gateway City average of 24.7 percent, but still trailed Greater Boston's 59.1 percent gain. The Fall River region fared somewhat better, with income growth of 43.7 percent.

And less than one in nine adults in the city holds a bachelor's degree

At just 10.7 percent, the share of Fall River's 25-and-older population that holds at least a bachelors degree trails Greater Boston's 41.6 percent figure by more than 30 percentage points. Even Fall River's regional mark of 19.6 percent is less than half of Greater Boston's attainment rate.

Meanwhile, Fall River's population is still decreasing, although at a slower rate in recent years

Fall River experienced 0.8 percent population loss in the 1990s, in contrast to Greater Boston's 4.5 percent increase. Fall River's 0.1 percent loss between 2000 and 2005, while still a decline, bettered the 1.4 percent loss in Greater Boston over the same period.

Foreign-born residents make up a significant share of the city's population

Fall River was the only Gateway City to experience a decrease in its foreign-born resident share in the 1990s—a slight 0.4 percent decline over the decade from 21.1 to 20.7 percent. However, the city's share of foreign-born residents exceeds Greater Boston's 18.8 percent mark.

Housing prices in Fall River are rapidly appreciating yet remain relatively affordable

From 2000 to 2005, real median home prices in the City of Fall River rose a remarkable 94 percent—more than double Greater Boston's 37 percent increase. Yet even with the rapid appreciation, the median home price of \$260,000 in Fall River remains much more affordable than the \$429,000 price tag in Greater Boston.

Moreover, housing unit production is rising

According to Census building permit data, Fall River is increasing its production of housing units significantly, although not at as quickly as Greater Boston. The city's 202-permit annual average between 2003 and 2005 represented a 33 percent jump over the 152-permit average in the years 2000 to 2002. This compares to a 55 percent increase for Greater Boston.