

Reconnecting Massachusetts' Gateway Cities City Profile: New Bedford

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This profile provides key economic and demographic trends faced by New Bedford 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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New Bedford is outperforming Greater Boston on job growth

The City of New Bedford actually outperformed Greater Boston between 2001 and 2005 on job growth, adding 1,000 new jobs—a 2.7 percent increase—compared to Greater Boston's 6.0 percent, 99,000-job loss over the same timeframe. Employment growth in New Bedford's surrounding towns gave the entire region a 1,600-job gain.

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

From 1960 to 2000, New Bedford lost 67 percent of its manufacturing employment, or 17,300 jobs, while Greater Boston lost 138,000 manufacturing jobs—a 48 percent loss

More recently, New Bedford has lost some of its knowledge industry employment

Between 2001 and 2005, both the City of New Bedford experienced a 3.5 percent decrease in knowledge industry jobs. Employment trends in the city's surrounding towns led to a 1.1 percent increase in knowledge jobs for the entire New Bedford region. New Bedford's loss of nearly 100 higher-paying jobs in the city was still not as great a rate of loss as the 7.9 percent, 38,000-job loss experienced in Greater Boston.

However, technology firms are beginning to locate there

Between 1991 and 2004, New Bedford doubled its tech firms from 9 to 18, according to CorpTech data. Likewise, the New Bedford region added 11 tech firms, bringing its total up from 13 to 24. This percentage increase for New Bedford 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.

Nevertheless, New Bedford's per capita income growth is relatively weak

New Bedford's real per capita income growth of 25.2 percent between 1980 and 2000 was slightly above the Gateway City average of 24.7 percent but was less than half that of Greater Boston's 59.1 percent gain. The New Bedford region fared somewhat better, with income growth of 42.4 percent.

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

At just 10.7 percent, the share of New Bedford's 25-and-older population that holds at least a bachelor's degree trails far behind Greater Boston's 41.6 percent figure. New Bedford's regional mark of 17.2 percent also falls well short of Greater Boston's attainment rate.

Meanwhile, New Bedford's population is decreasing, but at a slower rate than Greater Boston

New Bedford's population fell by 6.2 percent in the 1990s in contrast to Greater Boston's 4.5 percent increase. While New Bedford's population loss has continued, its 0.7 percent loss between 2000 and 2005 was less than the 1.4 percent loss experienced in Greater Boston.

Foreign-born residents continue to make up a significant share of the population

New Bedford's foreign-born resident share remained the same throughout the 1990's, increasing only from 23.4 percent to 23.5 percent over the decade. This high percentage demonstrates how large a part of the New Bedford population foreign-born residents continue to be. By comparison, Greater Boston's 2000 foreign-born share was 18.8 percent.

Housing prices in New Bedford are rapidly appreciating yet remain relatively affordable

From 2000 to 2005, real median home prices in the City of New Bedford rose 111 percent—three times Greater Boston's 37 percent increase. Yet even with the rapid appreciation, the median home price of \$247,000 in New Bedford remains much more affordable than the \$429,000 price tag in Greater Boston.

Moreover, housing unit production is quickly rising

According to Census building permit data, New Bedford is increasing its production of housing units significantly faster than Greater Boston. The city's 163-permit annual average between 2003 and 2005 represented a 90 percent jump over the 86-permit average in the years 2000 to 2002 compared to a 55 percent increase for Greater Boston.