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## **Part III: The Economic Implications of Telework**

### **Background**

This report is the final installment in a three-part series on the implications of telework for the Commonwealth of Massachusetts. MTF's [initial report](#) provided an overview of the current policy landscape as it pertains to telework. Our [second report](#) explored how the location of an employee can impact Massachusetts's authority to impose various taxes and what the fiscal impacts of those potential changes could be. In this report, we explore what the trend toward telework could mean for the broader Massachusetts economy.

### **Introduction**

The COVID-19 pandemic has greatly accelerated teleworking, also commonly referred to as remote working or telecommuting, which is the act of performing job responsibilities at a place other than the employer's offices. Some people distinguish telework as working remotely but in geographic proximity while they view telecommuting as working from anywhere, but we make no such distinction, and use the terms interchangeably. This trend began more than a decade ago and its widespread adoption has profound implications for how we live and work in a post-pandemic world. The personal advantages of telework are numerous-flexible workdays, elimination and/or reduction of commuting time and work-related expenses such as clothing, personal care, and parking. Employers also benefit from the need for less office space and lower overhead, less reimbursement for travel and increased employee productivity. Society benefits from reduced congestion, less wear and tear on our roads and cleaner air. In addition, telework opens up new areas of the state for residential and business locations.

Telework could cause seismic shifts in the state's economy. This report will frame some of these potential economic impacts. While MTF does not have all the answers, what follows is an outline of some of the profound changes taking place in our economy that policymakers must consider as we position the Massachusetts economy for a post-pandemic recovery.

### **Telework implications for Massachusetts workforce**

The secret sauce of the Massachusetts economy has always been our human talent. From colonial times, Massachusetts has led the nation in innovation and ideas. Blessed with world-renowned colleges and universities, academic medical centers, a robust cultural scene and active civic institutions, there is an ecosystem of learning, growing, and thriving that has fostered innovation and entrepreneurship for generations. As a result, people have wanted to physically locate in Massachusetts for the synergy these entities provide and the opportunity they invite.

In his most recent State of the Commonwealth address, Governor Baker squarely acknowledged the importance of our skilled workforce to the state’s economic vitality. He noted,

*“Make no mistake, we have always lived by our wits. Figured out the future and got there first. This time will be no different.”*

Figuring out the future ahead of competitors and getting there first is made more complicated by the remote working trend. The human talent that powers our industries and institutions can now do so remotely like never before, and this represents a material change. As Governor Baker acknowledged,

*“Many people have gotten used to working remotely and may not want to go back to [the] office five days a week. Businesses big and small have learned how to attract new customers and support their existing ones without being physically with them. Virtual conferences have replaced in person ones. It’s critical that we understand this – and lean into what this reset means – so that we create the community building, housing, economic development and transportation programs that align with these changes.”*

MTF could not agree more with the need to fully understand and appreciate the potential impacts of telework and the opportunities for mobility it has unleashed. It fundamentally changes the dynamic between employers and their employees, as well as the social contracts that bind employers and employees to their communities.

### **Increased Mobility Leads to More Choices for Employees and Employers**

Ironically, the pandemic and its shutdown have prompted a surge in mobility by fundamentally altering how Americans work and live. There was a seven percent increase in permanent moves between counties from 2019 to 2020, after a drop of two percent from 2018 to 2019. Year-over-year increases topped 10% in each of the last four months of 2020, peaking at 28% in December.<sup>1</sup> This pattern is an acceleration of the longer-term growth in the South and Midwest at the expense of the Northeast. While this trend may have begun as a flight from higher cost jurisdictions to lower ones, telework could prolong and exacerbate this trend. Fully-remote workers can now decide where to live, unencumbered by worksite proximity considerations. Telework has removed barriers to moving that existed previously for a broad segment of the workforce.<sup>2</sup> No longer tethered to a physical worksite, teleworkers are moving to the location of their choice. Recent data show the emigration of workers from California and New York to lower cost jurisdictions like Texas and Florida.<sup>3</sup>

Migration to lower-cost or higher quality of life jurisdictions does not mean people are sacrificing career opportunities. To the contrary, telework expands employment choices for

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<sup>1</sup> Stephan Whitaker, a policy economist at the Federal Reserve Bank of Cleveland, analyzed U.S. Postal Service data to uncover recent migration trends.

<sup>2</sup> Id

<sup>3</sup>North American Moving Services, [Key-Takeaways---2020-migration-report.pdf \(windows.net\)](https://www.namoving.com/key-takeaways---2020-migration-report.pdf)

qualified employees. Even for those workers following a hybrid model in which they will work part-time remotely and part-time at the worksite, such an arrangement provides a degree of freedom not found before. It allows more flexibility and potentially more distance between one's home and workplace. These hybrid teleworkers may consider interstate commuting, i.e., residing in one state and working in another, to reduce living costs while maximizing compensation. In a geographic area like New England with close proximity to neighboring states, Massachusetts runs the risk of losing more residents to lower cost and/or lower tax jurisdictions, such as New Hampshire, than we already have.

Employers can also benefit from telework as they will be able to access a larger talent pool than they could before. This may prove important for future economic growth, given the number of currently available jobs in the Commonwealth that are going unfilled<sup>4</sup> and Massachusetts shrinking workforce.<sup>5</sup> If employers chose to ignore the telework trend, they could find talent recruitment may become more difficult. Increasingly, skilled employees are demanding flexibility in their work arrangements. According to a recent survey, the vast majority of respondents viewed a hybrid work model as optimal.<sup>6</sup>

This telework trend holds promise for communities in Western Massachusetts that have experienced population declines in recent years. Both employers and employees in Berkshire, Franklin, Hampden and Hampshire counties may find it an attractive and cost-effective place to locate given the option to telework, which could stem the tide of working-age people leaving.

Telework also raises questions about employee compensation and benefits. Employers will need to determine whether the amount a person is paid should be based on the cost of living and market conditions of the location of the employer or the employee. Health plan design may need to be altered to ensure network adequacy across a greater geographic area and injuries on the job covered by worker's compensation may need to be rethought if people's homes are increasingly also their worksite.

### **Does City Living Continue to Hold the Same Appeal?**

Perhaps the most significant change from the pandemic and the trend toward telework is the pause of urbanization. Prior to the pandemic, more people were living in cities than rural areas for the first time in history.<sup>7</sup>

This wave of urban growth was in sharp contrast to what many sociologists thought would happen with the widespread adoption of the internet and interconnected technologies. They predicted it would enable people to live and work anywhere. That didn't happen. Workers in the innovation economy wanted proximity to each other in order to be more productive, more

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<sup>4</sup> According to the Bureau of Labor Statistics, the job openings rate (defined as the number of job openings on the last business day of the month as a percentage of total employment plus job openings) for the Northeast as of March 31, 2021 was 5.4 percent. [Job Openings and Labor Turnover Summary \(bls.gov\)](https://www.bls.gov/news.release/jobopenings/20210331.pdf)

<sup>5</sup> Based on Moody's Analytics data, MTF estimates that the Massachusetts workforce age population (20 – 64) peaked in 2018, will drop 48,000 by 2021, and is projected to decline another 54,000 by 2025.

<sup>6</sup> Accenture PLC survey of 9,000 workers, as reported in the Wall Street Journal, "Firms Brace for Hybrid Workers," May 26, 2021

<sup>7</sup> <https://www.usnews.com/news/cities/articles/2018-10-02/the-urbanization-of-the-globe-what-it-means-for-our-growing-cities>

creative and further stimulated. Another cause for urbanization is the growing number of single adults, particularly in the US and Europe, who seek out cultural activities, availability of leisure amenities and active social scenes.

Concern about telework on cities could be similarly misunderstood or overblown as we tease out its specific impacts from those of the pandemic more broadly. One thing is clear; however, a burst of mobility is accelerating changes in where and how Americans live, and among them is a move out of cities.<sup>8</sup> Recently released data indicate that big cities, including Boston, saw net population losses as more people emigrated than immigrated. It is worth noting that this data does not account fully for the pandemic's impact or the effect that telework will have on people's freedom to move.<sup>9</sup> It is also notable that losses were greatest in cities with higher concentrations of COVID-19 cases and occupations conducive to teleworking.<sup>10</sup>

### Changing Housing Demands

The adoption of telework has exacerbated existing trends in the housing market. New housing units have not kept pace with population growth since the end of the great recession. In fact, a recent study estimates an almost 4 million unit housing shortage in the U.S. In Massachusetts, local zoning laws, a complex permitting process and the cost of building have all stymied housing production, and inflated the price of the existing housing stock for decades. These factors have resulted in record-high prices<sup>11</sup> and made city living cost-prohibitive for a growing segment of the population. A recently enacted law to ease zoning restrictions may provide some relief.<sup>12</sup>

Telework could alleviate some of these cost pressures in cities, while also contributing to the skyrocketing price for suburban and rural homes. Demand is up in these areas as more people choose suburban and rural living for the larger housing stock and green space it affords.<sup>13</sup> This desire for more space, coupled with low mortgage interest rates and more affordable housing, has caused the price of houses in the suburbs to skyrocket.<sup>14</sup> The median price in Massachusetts for a single-family home spiked 21.1 percent on a year-over-year basis to \$508,000, up from \$430,000 in April 2020 and up 32.6 percent from April 2019<sup>15</sup>. It is unclear what the long-term impact of telework will be on the housing market, but in the short-term this pattern out of the city is likely to continue. According to Daryl Fairweather, Chief Economist at Redfin:

*“Between that potentially permanent work flexibility and the millions of millennials forming new families, the urban migration away from high-priced city centers and into lower-cost suburbs and*

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<sup>8</sup> Wall Street Journal, [The Pandemic Changed Where Americans Live - WSJ](#), April 29, 2021

<sup>9</sup> Id.

<sup>10</sup> Id.

<sup>11</sup> The Warren Group [reported](#) Tuesday morning that the median sale price for a single family home in Massachusetts during April sailed past the \$500,000 mark for the first time, resting at \$508,000.

<sup>12</sup> <https://malegislature.gov/Laws/SessionLaws/Acts/2020/Chapter358>

<sup>13</sup> Wall Street Journal analysis of U.S. Postal Service permanent change-of-address data through 2020 provides the clearest picture yet of how millions of domestic moves during the pandemic supercharged demographic shifts. From coast to coast, Americans migrated toward less-dense, more-affordable areas as they sought more space and, in some cases, became untethered by the ability to work from anywhere.

<sup>14</sup> The Boston Globe, April 11, 2021, [In Suburbs, Homes Are Going For Well Over Asking Price](#)

<sup>15</sup> The Boston Globe, April 7, 2021 [The demand for homes in Greater Boston is high, but few owners are selling](#)

*ever farther out exurbs appears likely to continue in 2021. For the longest time, people couldn't compromise too much because they had to commute back into the office every day — they were kind of tethered to being within at least an hour of wherever their office was...but that tether was broken by COVID. So I think people are going to move further out, and it's going to be more affordable because they'll have more housing options available to them.''*

This migration away from high-cost urban areas that is underway,<sup>16</sup> could pose new challenges for city leaders if it takes hold long term.<sup>17</sup> Cities that are already burdened by outdated and overcrowded transportation systems, rising homelessness and growing income inequality could now be confronted with insufficient resources to tackle these problems if property values diminish and fewer property owners and residents contribute to city coffers.

On the other hand, telework has prompted many people who are not moving and spending more time at home to make home improvements. Residential owners are expanding their home's footprint, renovating and/or upgrading contents. That could explain the surge in sales tax on durable goods.<sup>18</sup> These upgrades could increase property values and augment municipal property tax collections.

It is too early to predict the long-term impacts of telework and whether it will further accelerate this trend away from cities spawned by the pandemic or cause people to return to the amenity-rich urban core. It is likely that Massachusetts will experience both behaviors, as people react differently to these changing circumstances. It bears careful monitoring on a macro level. It may require more frequent review of migration patterns than the 10-year census tracking, and scenario-planning to prepare for both possibilities.

### **Uncertain Demand for Commercial Real Estate**

The impact of telework on commercial real estate could be even more pronounced than on residential real estate. Many large employers have already indicated that their commercial footprint will decrease considerably;<sup>19</sup> however, the nature of commercial leases means that this downsizing will likely occur over several years. According to recent statistics from Colliers International, the amount of available commercial property (including sublets) in Q1 of 2021 is almost 16% of the total, up from 8.7% a year ago, driven in part by lingering uncertainty about future occupancy rates.<sup>20</sup>

An optimistic view regarding the future demand for commercial real estate predicts that the post-pandemic demand for office space may not look so different from recent years.<sup>21</sup> A company's real estate footprint may not change dramatically, but the way that space is used will. Far lower occupancy levels will be offset by dedicating more space to each workstation with employees dividing their time between working from home and the office. We will see even greater

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<sup>16</sup> Id.

<sup>17</sup> <http://www.freddiemac.com/research/insight/20200227-the-housing-supply-shortage.page>

<sup>18</sup> April 2021 revenue collections as reported by DOR: <https://www.mass.gov/doc/april-2021-mid-month-revenue-report/download>

<sup>19</sup> Massachusetts Business Roundtable survey of 50 large MA employers indicates that 40% of them are planning to decrease their office footprint. April 2021

<sup>20</sup> <https://www.colliers.com/en/research/boston/2021-q1-market-report-boston-colliers>

<sup>21</sup> See JLL's global research piece on [The Future of Office Demand](#)

emphasis placed on creating the best possible human experience, with more focus on supporting learning and development, and creativity and collaboration – the real reasons people and businesses want to work together.<sup>22</sup> This vision is consistent with the preliminary thinking of some of Massachusetts’ largest employers<sup>23</sup> but it will be the conduct of small and medium-sized firms which make up the majority of lessees that determine the future demand for commercial space.

The reality on the ground in Massachusetts indicates a more pessimistic outlook. More than 4 million square feet of office space in Boston has hit the market since the pandemic began, as employers rethink their needs for a post-pandemic world.<sup>24</sup> Employer survey results are indicating that many companies will not return to in-person working in the foreseeable future. Without the critical mass of office workers that in-person work generates, retailers and other vendors are suffering from the diminished customer base, leading to more vacant storefronts. This puts additional downward pressure on retail/commercial space.

### **Transportation Impacts**

Prior to the pandemic, reducing congestion was a top public policy priority in the Commonwealth. Incessant traffic was negatively impacting commerce, productivity, and our quality of life. Businesses went so far as to change meeting start times in an attempt to alleviate employees’ growing frustration with driving during rush hour.

There was growing consensus that Massachusetts needed to increase investments in its public transportation infrastructure to make public transit more attractive in order to take cars off the road, and concerted efforts to find solutions. MTF convened a group of varied stakeholders to work on a sustainable plan for improving our public transit system by identifying necessary capital investments and the revenue sources to pay for them while improving services and reducing carbon emissions. The Governor introduced, and the legislature enacted, a bond bill for transportation improvements. The House passed a transportation financing bill, and the Senate formed a working group to consider transportation funding options.

The pandemic and the switch to remote working for large segments of the workforce changed all that. Ridership on the MBTA is currently at 26.3% of pre-pandemic levels and the commuter rail’s ridership stands at about 11.2% of what it was in February of 2020.<sup>25</sup> As the economy re-opens, the ridership numbers are certain to increase, but what amount of permanent fall-off results from telework is still unknown. In addition to reducing daily ridership, telework changes the economics of purchasing a monthly pass. People commuting only occasionally may no longer derive financial benefit from a monthly pass, and employers may no longer provide paid monthly passes as a benefit, further eroding the fare revenue base for the MBTA. Regional transportation authorities will face a similar challenge.

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<sup>22</sup> [Why global cities will flourish in a post-COVID-19 future | World Economic Forum \(weforum.org\)](https://www.weforum.org/articles/2020/04/why-global-cities-will-flourish-in-a-post-covid-19-future/)

<sup>23</sup> MBR survey indicates 69% of respondents plan to decrease office density while redesigning space to foster collaboration.

<sup>24</sup> <https://www.bostonglobe.com/2021/04/17/business/downtown-office-market-stalls-new-towers-still-rise/>

<sup>25</sup> See <https://cdn.mbta.com/sites/default/files/2021-03/2021-03-08-fmcb-F-report-from-general-manager.pdf> slide 6

At the same time, there is growing demand to reduce or eliminate transit fares amid the rising awareness of the disparate impact the pandemic has had on low-income earners and people of color. This could further reduce the money available to pay for operating expenses and infrastructure improvement. MTF estimates the operational revenue shortfall will be at least \$250 million by FY24 without taking these revenue reductions into account. All of these recent developments could represent a temporary blip or more permanent commuting pattern changes. But what future service at the MBTA looks like and what capital investments are necessary to support this future system must be carefully considered. We do not want to be basing sizeable investments on dated assumptions. It is incumbent upon elected officials to articulate a future vision for public transit and a plan to implement it. A reconvening of the Commission on the Future of Transportation to review and revise its long-term vision for transportation and its well-received recommendations for how to move forward in light of recent changes to commuting patterns would be an important first step.

## **Workforce Development**

The biggest challenge for Massachusetts posed by the telework trend is its ability to attract and retain a skilled workforce. Telework, in combination with remote learning, may reduce the number of immigrants, student enrollment and the student spending in Massachusetts.

Massachusetts' numerous private and public institutions of higher learning have long served as a talent pipeline for Massachusetts employers. Students who came to Massachusetts for college are often lured by the varied job opportunities here and stayed in Massachusetts after graduation to begin their careers. But even that dynamic has been upended by the pandemic and could be permanently altered by telework options. Telework opens this Massachusetts talent pool to the entire country, and perhaps the world, where talent often costs less than the Boston metro area. Retention may become more challenging as a result, as remote workers will be in higher demand due to more employer access. On the flip side, employers will have greater access to available talent both nationally and internationally.

The pandemic has caused both a decline in enrollment at Massachusetts colleges and universities and an escalation in remote learning. The Massachusetts the Department of Higher Education (DHE), in its most recent analysis of fall undergraduate enrollment trends at Massachusetts public colleges and universities, confirmed that enrollments, already in decline for several years due to population and demographic changes in the state, were significantly impacted by the pandemic for fall of 2020 enrollment.<sup>26</sup> Students of color and other marginalized students were affected most of all.

Across all segments of the public higher education system, the decline in first-year enrollment is most striking with freshmen class declines averaging 16.0%.<sup>27</sup> Students faced with the prospect that their first-year experience would be far from the norm experienced by prior classes, chose not to enroll. The question is whether these potential students will enroll when the conditions return to normal or will they become a "lost cohort." It is also important to track and better

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<sup>26</sup> [2020 Fall Enrollment / Data Center / Massachusetts Department of Higher Education](#)

<sup>27</sup> Id.

understand the implications of remote learning. If it were to emerge as a more cost-effective and convenient option for some portion of future students who would have come to Massachusetts otherwise, it could have damaging consequences for the state's talent pipeline.

Immigration is another way that Massachusetts has augmented its talent pool in years past. Recent federal policies restricting immigration have resulted in fewer immigrants for Massachusetts in the recent past and the pandemic intensified that trend. Telework could further reduce the number of immigrants coming to the Commonwealth if people are able to work fully remotely for Massachusetts employers without relocating.

The temporary ban on travel the pandemic has induced means that fewer international students are enrolled in our colleges and universities. This could have a devastating effect on our educational institutions who heavily rely on the influx of international students, particularly from India and China, and the higher per-student net revenues that they provide. If this trend continues, our broader economy would be impacted as international students also have significant purchasing power that is spent in the Massachusetts economy. While telework is unlikely to directly affect college enrollment, the more general trend toward using technology that telework has prompted, could impact future in-person enrollment trends if extended to learning models.

## **Tourism and Travel**

According to the World Travel & Tourism Council's (WTTC) annual Economic Impact Report (EIR), travel and tourism supported more than 16.5 million jobs in 2019, a number that declined 33.2 percent to 11.1 million last year. The sector saw a decrease of a staggering 62 million jobs in 2020 around the world. The domestic travel spending market took a 37.1 percent hit last year due to [travel restrictions](#) and mandatory quarantines, but it was international visitor spend that took the biggest hit, dropping by 76.7 percent. International visitor spending fell from \$181.2 billion in 2019 to just \$42.2 billion in 2020.

While Massachusetts' share of this revenue is relatively small, tourism is a key industry for the Commonwealth and an integral part of the state's economy. The Massachusetts Office of Travel and Tourism indicates that tourism generates \$1.5 billion in state and local taxes and \$22.9 billion in travel related expenditures, and supports 149,400 in-state jobs. More broadly, the Commonwealth's Leisure, Hospitality and Tourism (LHT) industry employs some 376,000 workers and generates more than \$28 billion in economic output, while the indirect spending and economic activity associated with LHT spins off another 232,000 jobs and \$41 billion in additional output in industries that benefit from its presence.

This sector has been especially hard-hit during the pandemic, due to the required shutdowns, restrictions on global travel and the cancellation of in-person functions. According to the airlines, business trips remain 70% below pre-pandemic levels.<sup>28</sup> As the economy re-opens, it is expected that this sector will bounce back. The early indications are positive, with American Airlines reporting that 47 of its 50 largest corporate accounts planning to resume business travel later this

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<sup>2828</sup> *Business Travel Starts to Make a Comeback*, Wall Street Journal, June 2, 2021.

year.<sup>29</sup> The extent of the recovery, however, maybe tied to the extent that telework takes hold. While few employed in the LHT sector will be able to do their job remotely, the indirect impacts of telework could be substantial if companies opt for more convenient and lower-cost alternatives to business travel and entertaining. Fewer people working at worksites translates into fewer business lunches, more reliance on technology and less need for business travel. Businesses have discovered that virtual meetings are an efficient and lower cost alternative to in-person meetings requiring cross-country travel. There are likely to be fewer conferences and trade shows for the same reason, at least in the short-term, as organizations determine the right balance between remote and in-person meetings. As a result, business travel will likely take time to recover.

MassPort data indicate that air travel is down significantly. Domestic flights in January of 2021 were down by 62% from January of 2020.<sup>30</sup> While much of this is due to COVID-19 related emergency orders that limited travel, and volume is expected to return to pre-pandemic levels in the near term, many airlines are not waiting for that day to arrive. They have begun to revamp their travel routes in response to this shift from business to leisure travel, and they are flying smaller planes to leisure destinations to accommodate more tourist travel. Figuring out how much of this change in travel is due to the pandemic and how much of it is due to the telework shift will be difficult to do, but having a clear sense of that is important as we develop strategies for helping the LHT sector recover.

### **Greater Sensitivity to Cost of Living Differences among the States.**

Mobility sensitizes people to the cost-of-living differences among the states. Massachusetts' high cost of living has existed for decades, but we have long rationalized that it does not discourage people from moving here because our high-cost structure is offset by the state's numerous other positive attributes (good jobs, skilled workforce, world-class universities and hospitals, vibrant cultural scene, proximity to mountains and the ocean). The job opportunities that Massachusetts employers offered lured people here despite our high-cost structure. Telework could alter that equation. People may no longer have to choose between a lower cost of living and higher quality of life and are increasingly finding they can enjoy both by relocating to mid-size cities throughout the United States. Telework enables more people to follow suit.

Telework is more prevalent among higher-wage earners and those with higher educational attainment, making it particularly troublesome for a high-income state such as Massachusetts. Per census data, 73.1% of the highest-earning households - those with annual incomes of \$200,000 or more –switched to telework during the pandemic. In contrast, only 12.7% of households earning under \$25,000 were able to telework.<sup>31</sup> If a sizeable cohort of high-income teleworkers in the Commonwealth opt to relocate, that could have a disproportionate impact on tax revenue collections.

Telework has also heightened employers' sensitivity to cost variations among the states and provides many companies with more opportunity to choose lower cost jurisdictions. According

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<sup>29</sup> Id.

<sup>30</sup> <http://massport.com/media/kapmxbds/0121-avstats-airport-traffic-summary.pdf>

<sup>31</sup> <https://www.census.gov/library/stories/2021/03/working-from-home-during-the-pandemic.html>

to a recent survey conducted by the Massachusetts Competitive Partnership, many large employers in the Commonwealth are considering it. More than one-fourth of companies surveyed by the MACP said they are considering moving jobs or offices out of state due to its higher costs.<sup>32</sup>

Massachusetts must take measures to ensure that the cost of living and the cost of doing business are not impediments to job creation and employee retention.

### **What Does It All Mean?**

This report does not attempt to predict what the future of work will look like. It is impossible to tease out what economic changes were caused by the pandemic and which relate to the telework trend. Instead, we attempt to lay out some of the possible scenarios that the telework trend could prompt, depending on the work attendance model chosen by a large segment of the state's employment base. The effects of telework will largely be determined by the model that is adopted, the extent it takes hold and the mobility that it affords. If employers adopt a hybrid model allowing employees to work some portion of the workweek from home and some portion in the office, there would be direct impacts on traffic, congestion, commercial real estate and the customer base for downtown retail and restaurants but less emigration of workers. If, however, companies allow employees to work remotely full-time, that could trigger emigration out of the Commonwealth to other jurisdictions with cascading impacts on the state's economy. This transitional time in our economy has long-term implications and warrants careful planning to align state policy with the changing economic context. As the Governor indicated, it is critical that Massachusetts figure out the future and get there first.

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<sup>32</sup> MACP survey results December, 2020: <https://www.masscompetes.org/copy-of-covid19-survey-results-1>