

**Parkman House
Presentation
September 16, 1994**

I. Cover Three Things

- **Who am I and what do I see as important for the Boston Fed**
- **What's the general state of the national and local economy as a backdrop for**
- **Where do I think I and Boston Fed can add value in the regional community**

II. I'm a thoroughly experienced policy and management specialist who through dint of hard work and a lot of luck happen to have the best job in the world

- **Diverse responsibilities**
- **3 legged stool**
- **Significant management challenge - employees, landlord**

- **Chance to make a difference**
 - **within region**
 - **within Federal Reserve System**
 - **within national/international**

- **In fact I believe there is no reason to have the Federal Reserve Bank of Boston unless we as an organization and as individuals add value**

- **Strategic Plan**
 - **policy**
 - **operations**
 - **community involvement**

- **Fed as a resource to regional community--economic information, publications and as corporate citizen**

III. Now for a couple of minutes I'm going to be a resource for all of you on economic data, because I think it will make you understand some areas of local involvement I have in mind a little better

- National economy - doing okay - about 4 years or better into an economic recovery - fairly old by historical standards, but also fairly weak. Right now we're on the horns of a dilemma of how to balance things to achieve what you could call economic perfection - nearly full employment, no major inflation evident, economic growth slowing to potential, capacity utilization high, consumer sentiment high, etc. Sure there are problems--the value of the dollar, the status of the U.S. as the largest debtor nation, national budget deficits--but all in all the national scene is looking pretty good

- Locally (charts) - Much the same - a solid recovery with some signs of moderation

Local Initiatives

- **School to Work**

Boston - \$1.2 million - 5 objectives - 5 schools, expand Protech, work with Nat'l Academy schools, revise curriculum, coordinate all programs involving S-t-w

Statewide

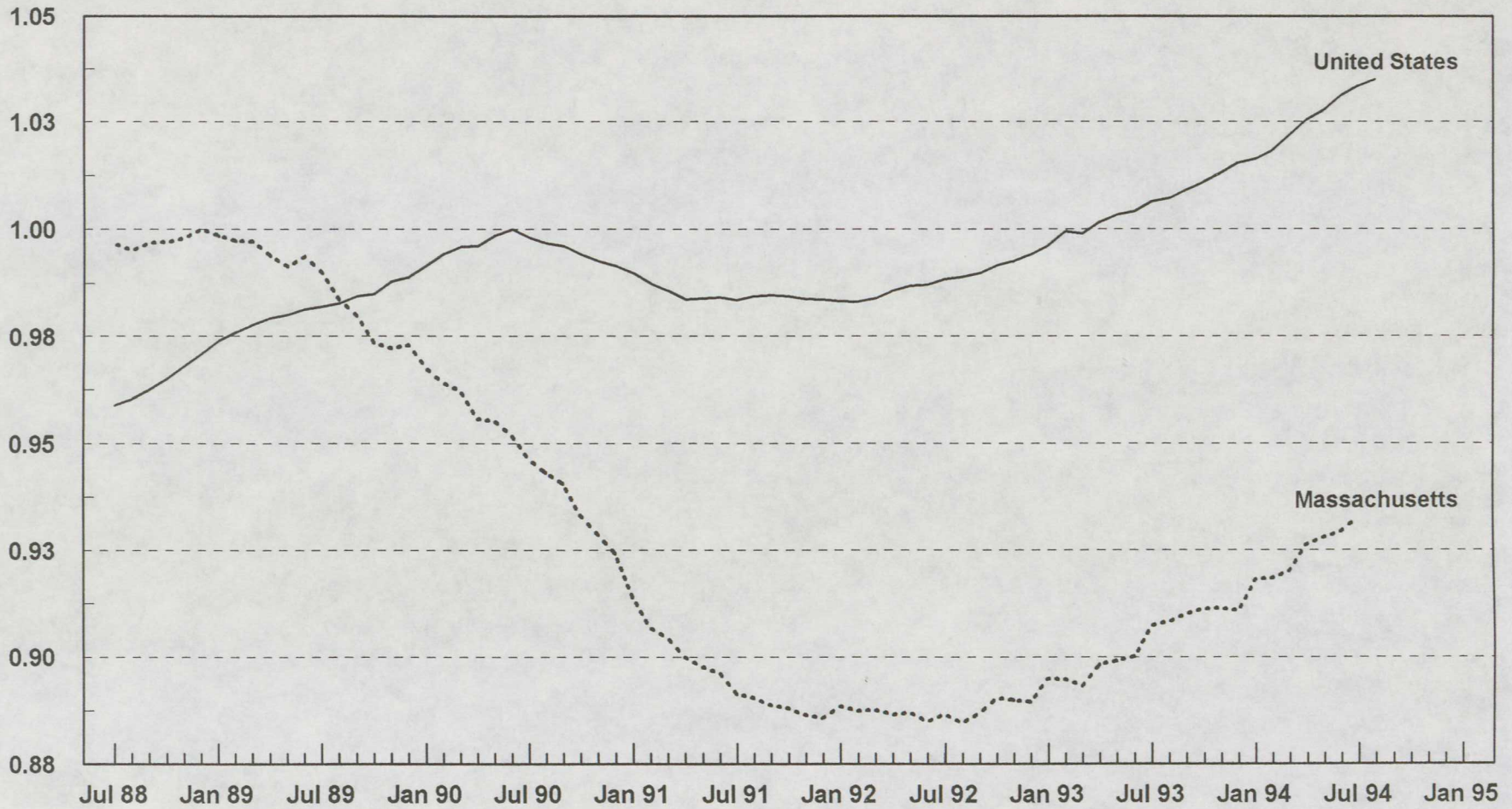
- **Piedad Robertson/Spring**
- **Use Boston model**
- **Empowerment Zone**
 - **Boston**
 - **3 others - Hartford, Providence, Bridgeport**
 - **17 Empowerment Communities**
- **Lot of planning - shame to see it wasted if don't win grant - money largely for social services - economic development part coming from local Bank contributions and small business growth within the zone**
- **I'd like to see us leverage the plan regardless of what happens into a roadmap for collaboration between business and the city on economic development in Boston**

Selected Charts
to Accompany Remarks by
Cathy E. Minehan

September 16, 1994

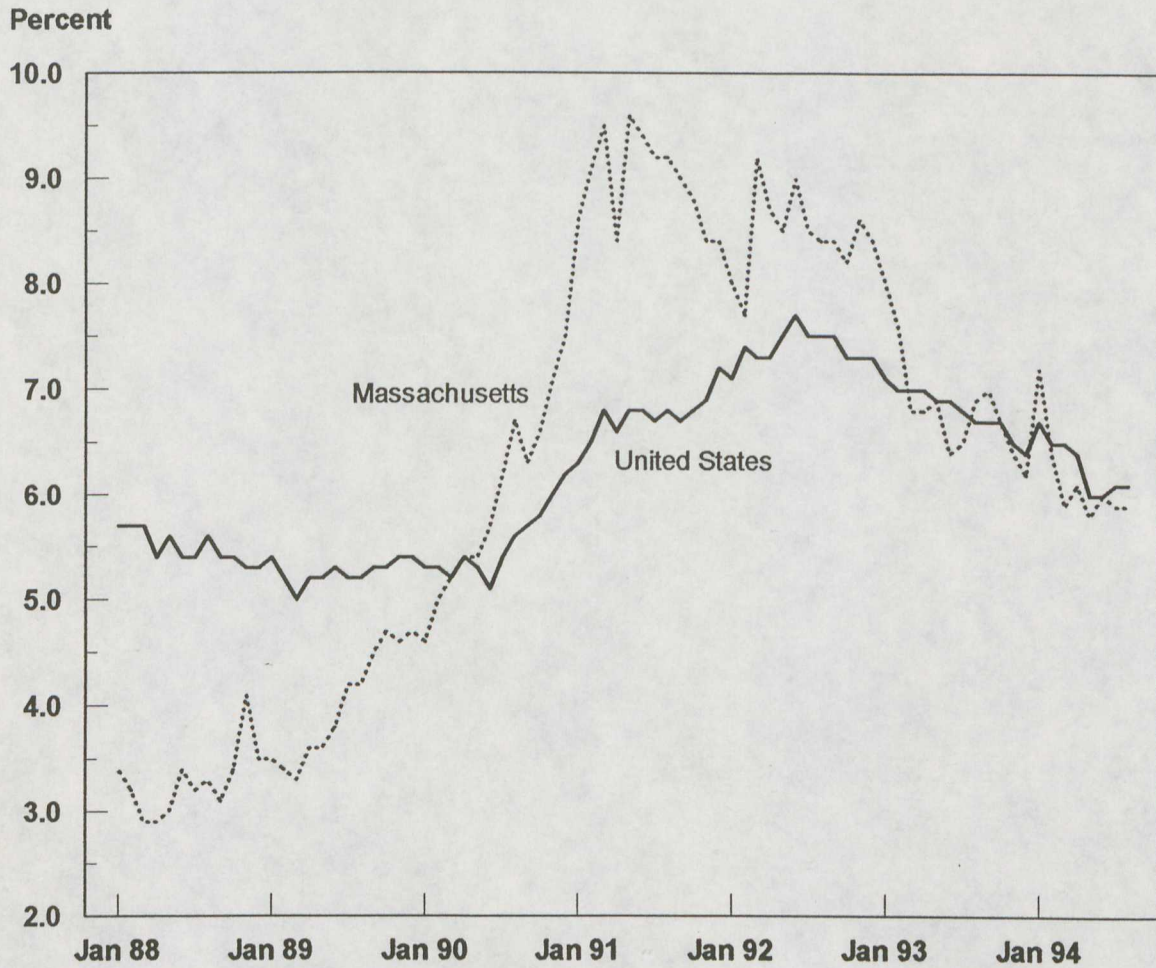
Chart 1
Nonfarm Payroll Employment in Massachusetts and the United States

Index, Each Area's Employment Peak = 1



Source: U.S. Bureau of Labor Statistics.

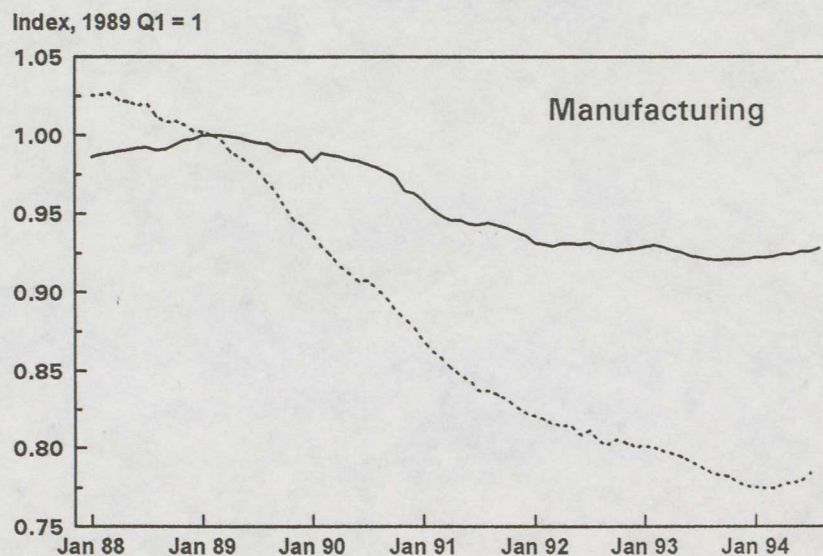
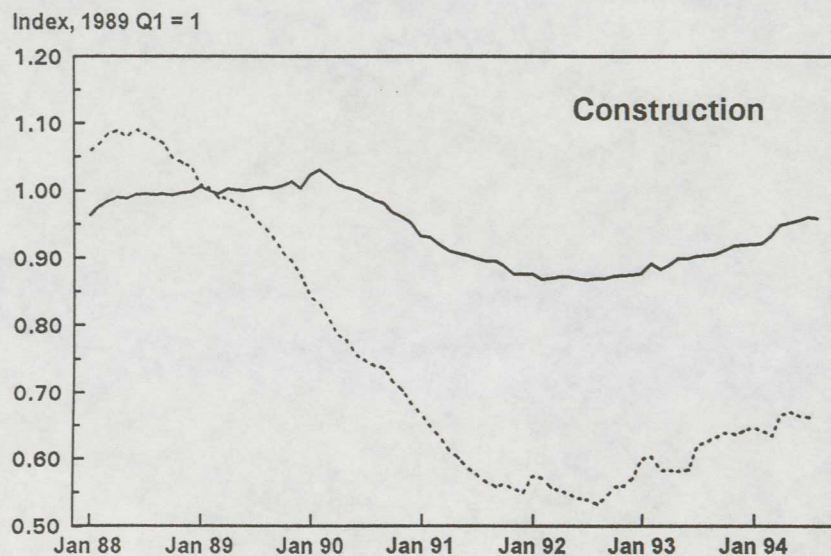
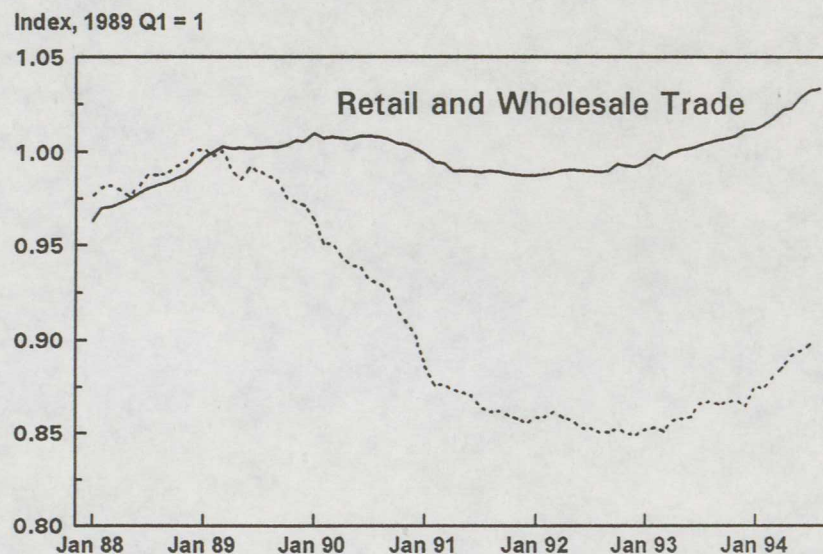
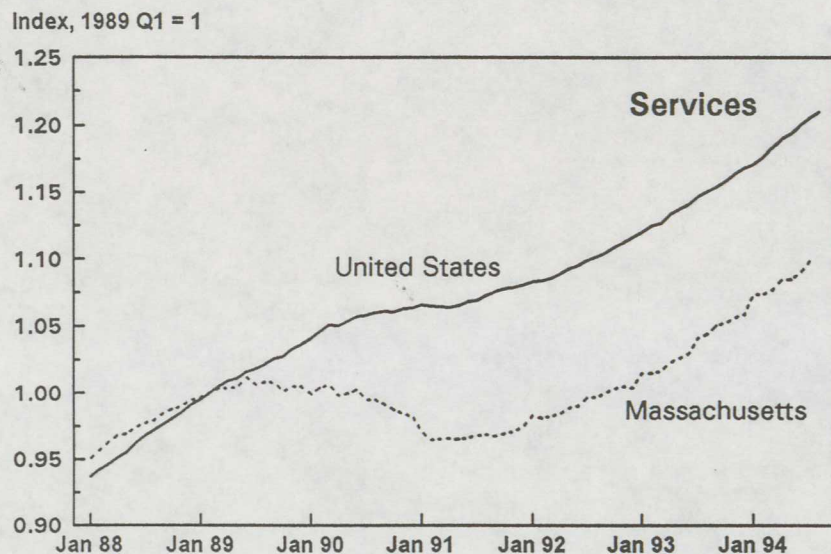
Chart 2 Unemployment Rate



Note: Data beginning January 1994 reflect the redesigned CPS survey and are not strictly comparable to data for 1993 and earlier years.

Source: U.S. Bureau of Labor Statistics.

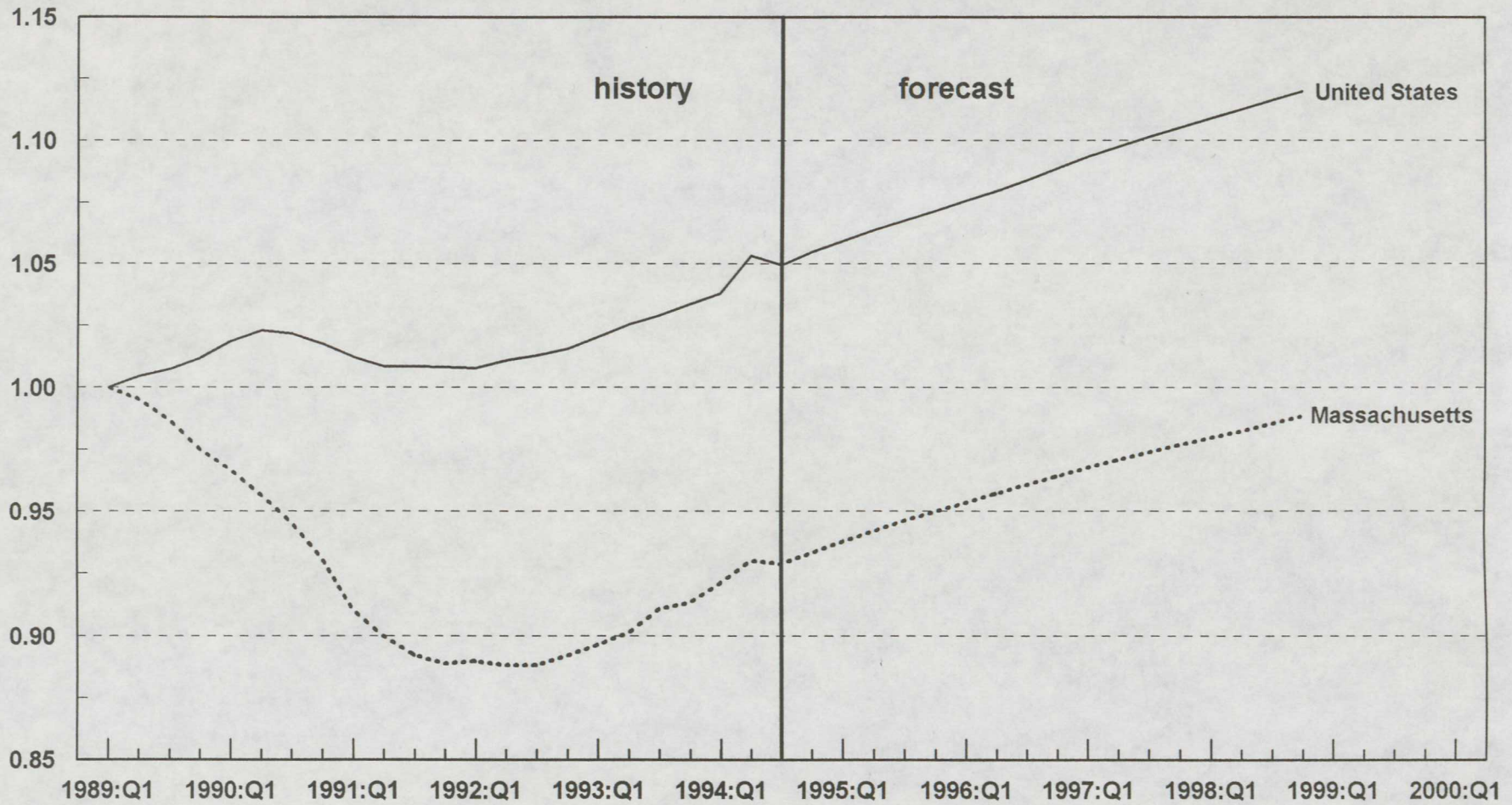
Chart 3 Sources of Employment Growth by Sector



Source: U.S. Bureau of Labor Statistics.

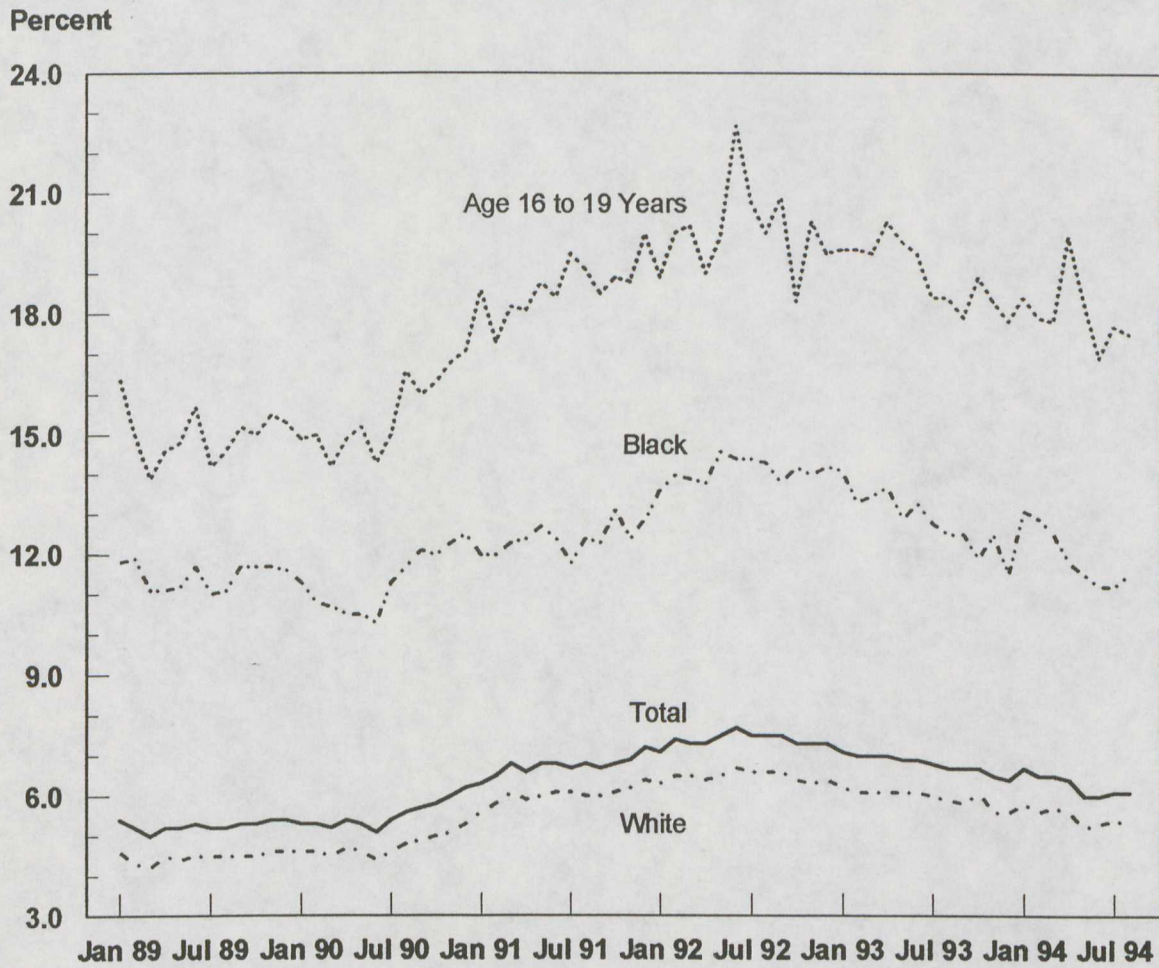
Chart 4
New England Economic Project Forecast
Employment in Massachusetts and the United States

Index, 1989 Q1 = 1



Source: New England Economic Project and U.S. Bureau of Labor Statistics.

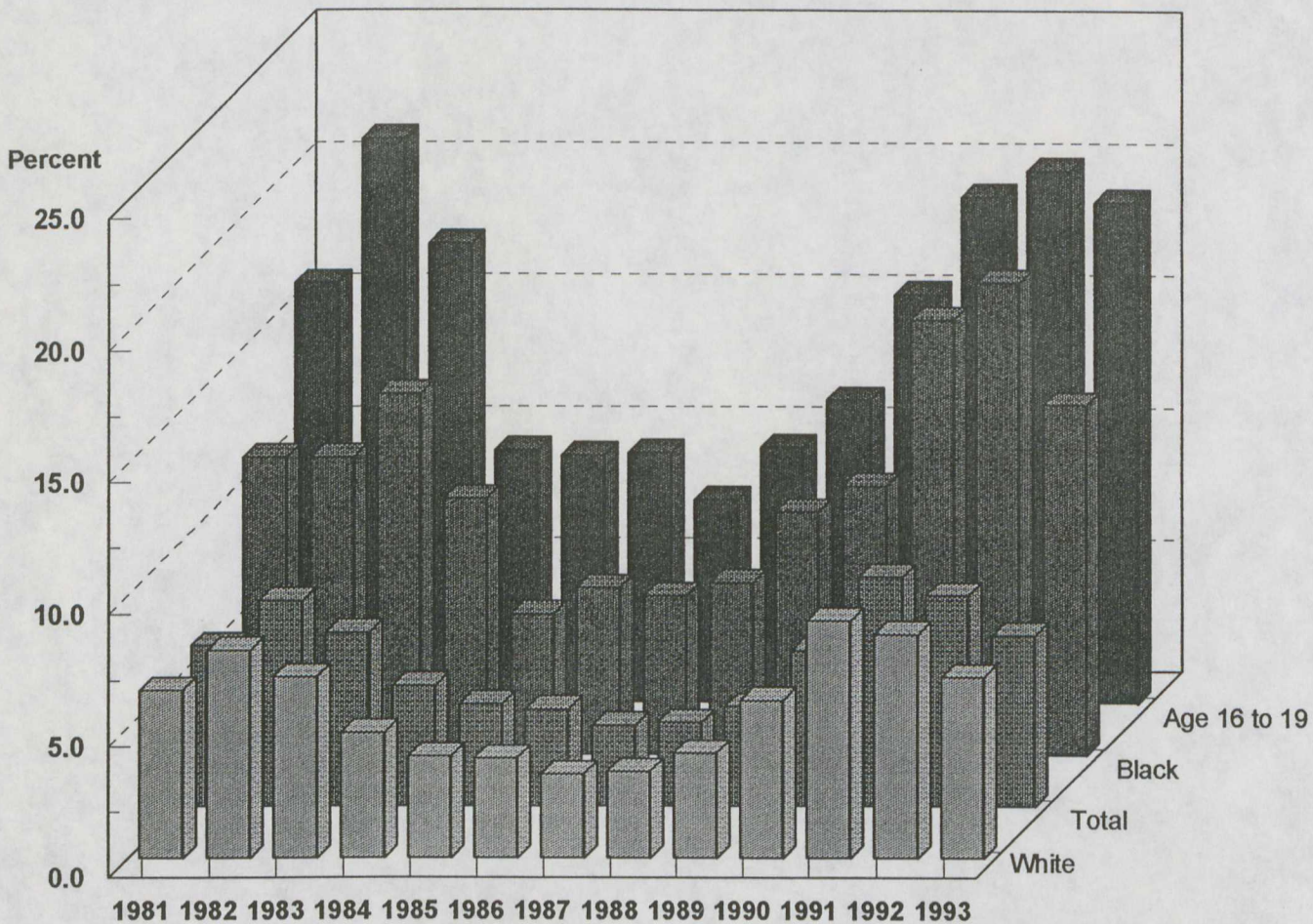
Chart 5
Unemployment Rate by Race and Age
United States



Note: Data beginning January 1994 reflect the redesigned CPS survey and are not strictly comparable to data for 1993 and earlier years.

Source: U.S. Bureau of Labor Statistics.

Chart 6
Unemployment Rate by Race and Age
Massachusetts



Source: U.S. Bureau of Labor Statistics.