CAPE COD COMMISSION

Memorandum

DATE: October 30, 2026

TO: Barnstable County Economic Development Council Members

FROM: Cape Cod Commission Staff

RE: Regional Industries Analysis – Preliminary Findings and Next Steps

At the last meeting of the Barnstable County Economic Development Council (BCEDC), Cape Cod Commission staff presented an overview of, and received BCEDC member feedback on, a draft scope of work for conducting an analysis to identify the industries in the region that have been growing, industries the region should aim to attract and grow, and recommendations for doing so.

Task 1: Preliminary Findings

Following are preliminary findings for Task 1 of the project, which was to identify which industries have been growing in the region over the last 10+ years based on number of employees, percent of regional employment, wages, and regional gross domestic product. This task also included developing an understanding of the changing demographics in the region that may be relevant in thinking about future industry strength and growth. Staff will provide a more detailed presentation on the data at the November 4, 2026 meeting but below is a summary of the findings and feedback we are looking for from BCEDC members.

Top Industries

While there is some variation depending on which data are used, and there is some shuffling in terms of the ranking of the top industries, the region's top industries over the last couple of decades based on wages and employment data are consistently:

- Accommodation and Food Services
- Health Care and Social Assistance
- Retail Trade

- Educational Services
- Construction
- Public Administration

There is some subregional variation. For the Outer Cape, employment tends to be more heavily concentrated in Accommodation and Food Services compared to the rest of the region, and Arts, Entertainment, and Recreation also play a larger role.[1]

Regional GDP tells a slightly different story than wages and employment with the top two industries by share of regional GDP being somewhat different. Looking back to 2001, Real Estate and Rental and Leasing has consistently been the single largest contributor to the region's GDP, ranging from a low of under 23% in 2004 to a high of over 30% in 2023 and 2024. Government and Government Enterprises is consistently the second largest contributor. Other top contributors tend to mirror top industries by wages and employment and include Health Care and Social Assistance, Retail Trade, Accommodation and Food Services, Professional, Scientific, and Technical Services, and Construction. However, several of the region's top industries by their share of regional GDP, actually saw a decline in their share of the region's GDP between 2001 and 2024.[2]

Growing Industries

Many of the industries that saw the most rapid rates of growth over the last 20+ years were often industries that made up a smaller share of employment, wages, or GDP. For example, Arts, Entertainment, and Recreation increased its number of average monthly employees by 49% between 2001 and 2025 (going from 2,579 to 3,842) but only represents about 4% of the region's total average monthly employment. Agriculture, Forestry, Fishing and Hunting saw an increase in average monthly employment between 2001 and 2025 of 47%, but accounts for only 0.3% of the region's total average monthly employment.

Mining, quarrying, and oil and gas extraction saw the largest proportional increase from 0.2% of the region's GDP in 2001 to 0.6% in 2024, roughly tripling its share, though it remains a small fraction of the region's overall GDP. Manufacturing and Information (publishing, broadcasting, data processing, etc.) both almost doubled their shares of the region's GDP (increasing by 84% and 80%), though again each still only contributed less than 3% of the region's GDP in recent years. [3]

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[1] Massachusetts Department of Economic Research, Employment and Wages (ES-202) Data, Annual Reports, 2001 – 2025

[2] U.S. Bureau of Economic Analysis, "CAGDP9 Real GDP by county [1]", data for Barnstable County, 2001 - 2024

[3] Massachusetts Department of Economic Research, Employment and Wages (ES-202) Data, Annual Reports, 2001 – 2024 and U.S. Bureau of Economic Analysis, "CAGDP9 Real GDP by county [1]", data for Barnstable County, 2001 - 2024

Demographic Changes

The Cape's population has aged since 2010 with a larger proportion of residents 65 years of age and older (approximately 25% in 2010 compared to an estimated 36.6% in 2025). The percent of the population under 18 years of age has declined from about 17% to about 12.6%.[4] The makeup of households in the region reflects the older population. In 2010, 21.4% of households were estimated to have someone under the age of 18; by 2025 it was down to about 16.6%.[5]

As the population has aged, the labor force participation rate has declined for Cape Cod. In 2025 it was estimated to be 55.4% for the population 16 years and over, down from 58.6% in 2010.[6] Thinking about the region's future industry and employment opportunities, the aging and retiree population will continue to be an important consideration.

Feedback Requested

Based on the data analyzed thus far, the top industries in the region have remained relatively consistent over the last 10+ years and tend to broadly reflect what are thought of as the core industries for the region. Industries with the highest rates of growth tend to be industries that account for relatively small shares of employment, wages, or GDP. While these data provide a useful foundation for understanding the region's economy, Commission staff are looking for input from BCEDC members on the following:

- Which industries do you think should be prioritized for the region for the next 10+ years?
- Are there more details, specific data points, or trends that you feel are needed to better articulate what the priority industries should be?
- Task 2 of the project seeks to engage with other stakeholders, as appropriate, to identify which new or growing industries the region can and should attract.
  - Who should we be engaging?
  - How should we be engaging them?

[4] US Census Bureau, American Community Survey Table DP05, 2010 and 2025 1-year estimates
[5] US Census Bureau, American Community Survey Table DP02, 2010 and 2025 1-year estimates
[6] US Census Bureau, American Community Survey Table S2301, 2010 and 2025 1-year estimates