

**FOR IMMEDIATE RELEASE**

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***UMass Amherst researchers release findings on the economic impacts of  
Encore Boston Harbor construction***

Researchers from the [UMass Donahue Institute](#) as part of the Social and Economic Impacts of Gambling in Massachusetts ([SEIGMA](#)) research study at UMass Amherst have released [findings](#) on the economic impacts of constructing Encore Boston Harbor after presenting these findings at [the Massachusetts Gaming Commission's public meeting on December 17, 2020](#). The meeting was conducted virtually due to the ongoing global pandemic. The SEIGMA study was established under the auspices of the [Massachusetts Gaming Commission](#) which has established the nation's most comprehensive research program to study, assess and prepare for the social and economic impacts of casino gambling.

"The release of today's report on the economic impacts of the construction of Encore Boston Harbor is an important milestone for the Massachusetts Gaming Commission and of our charge under the Expanded Gaming Act to design and execute on a robust research agenda," said Cathy Judd-Stein, chair of the Massachusetts Gaming Commission. "This research validates that both businesses and citizens of the Commonwealth were beneficiaries of this investment—in line with the goals set out by the Commonwealth with respect to casino gaming."

"A tremendous team effort went into the construction of Encore Boston Harbor to achieve these results," said Brian Gullbrants, Encore Boston Harbor President. "We are pleased to see that those efforts have made a significant impact on our local and state economies."

Specifically, these findings detail: 1) where the construction dollars were spent (regionally and statewide), 2) where the construction workers resided and whether it was a diverse workforce and 3) what were the total statewide economic impacts of constructing Encore Boston Harbor.

Rod Motamedi, senior research manager at the UMass Donahue Institute and lead author of the report, comments on the importance of this research:

"Due to hosting Encore Boston Harbor and its role as the economic hub of the Commonwealth, Metro Boston saw most of the economic benefits of the construction of the casino. Regardless of whether they received any contracts or were home to any workers, all counties in Massachusetts saw some benefits from construction spending and employment, which result from the economic linkages that connect all regions of the Commonwealth. We also found that the demographic characteristics of this project's workers were representative of statewide

construction workers in terms of race, gender and veteran status. Given the size of this project, this means hundreds of thousands of hours of work for people of color, women and veterans.”

Wynn invested a total of \$2.1 billion in Encore Boston Harbor. This study examines the \$1.6 billion that went into construction.

### **Where were the construction dollars spent?**

- Almost three-quarters of the construction budget (\$1.1B of \$1.6B) went to firms based in Massachusetts. Nearly 60 percent of Massachusetts’ share (\$662M or 40 percent of the total) remained in Middlesex and Suffolk Counties.
- Firms based in the City of Everett received \$32 million in contracts.
- The remaining quarter that went out of state (\$446M) was distributed among 36 states. Rhode Island, Connecticut, and New York accounted for over \$200M of that amount while \$71M went outside of the country.
- Thirteen percent of the total contract value went to firms that met at least one element of the diversity criteria while another fifth went to local businesses from the region.

### **Where did construction workers reside and was it a diverse workforce?**

- In total, half of in-state workers lived in Middlesex and Suffolk Counties. Residents of Everett did about five percent of all the work.
- Workforce diversity statistics suggest that the Encore Boston Harbor construction workforce largely reflected the composition of the populations from which they were drawn.
- Members of minority groups did one-quarter of the work on the Encore Boston Harbor construction site, which is similar to their share of statewide construction workers. Overall, the construction workers were over 90 percent male and non-veteran, which is also similar to statewide shares.
- The share of the work done by minority construction workers from Everett was less than the city’s minority share of working age population. Our findings showed that non-White workers did 46 percent of all the work compared to 63 percent of Everett’s working age population being Black, Hispanic, Native American, or Asian. We could not find reliable data on the racial/ethnic mix of only those workers who are in construction occupations.

### **What were the total statewide economic impacts of constructing Encore Boston Harbor?**

- Increases in company revenues and employment drive larger changes in the economy, which are estimated using an economic model.
- Overall, total statewide economic activity (also known as output) increased by \$2.6 billion over the five-year construction period.
- Net new economic activity (i.e., value added or gross state product) totaled almost \$1.6 billion. About 2,500 jobs were created or supported by this economic activity. These jobs accrued \$1 billion of income.
- When the estimates of total economic impacts are compared to Encore Boston Harbor’s construction expenditures, the results show that every \$1.55 of construction spending created about \$1 of additional economic activity in Massachusetts and every in-state job created another 0.85 jobs elsewhere in the Commonwealth.

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### **About MassGaming**

The mission of the Massachusetts Gaming Commission is to create a fair, transparent, and participatory process for implementing the expanded gaming law passed by the Legislature and signed by the Governor in November 2011. In creating that process, the Commission will strive to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of the new legislation, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality. For more information on MGC, please visit [MassGaming.com](http://MassGaming.com) or connect and share on Twitter ([@MassGamingComm](https://twitter.com/MassGamingComm)) or Facebook [www.facebook.com/MAGamingComm](http://www.facebook.com/MAGamingComm).

### **About the Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) research study**

The University of Massachusetts Amherst School of Public Health & Health Sciences (SPHHS) has been engaged by the Massachusetts Gaming Commission (MGC) to carry out a comprehensive, multi-year research project, believed to be the first of its kind, on the economic and social impacts of introducing casino gambling in Massachusetts. The project fulfills Section 71 of the 2011 Expanded Gaming Act, which requires the MGC to establish “an annual research agenda” to assist in understanding the social and economic effects of the introduction of casino gambling in MA, and in making annual scientifically-based recommendations to the Legislature. For more information on the SEIGMA research study, please visit <http://www.umass.edu/seigma> or connect on Twitter ([@ImpactsMA](https://twitter.com/ImpactsMA)).

### **About the University of Massachusetts Donahue Institute**

The University of Massachusetts Donahue Institute is an outreach and economic development arm of the University of Massachusetts. Established in 1971, the Institute strives to connect its clients with the resources of the University, bridging theory and innovation with real world public and private sector applications. For more information: [www.donahue.umassp.edu](http://www.donahue.umassp.edu) or visit [@UMASSDonahue](https://twitter.com/UMASSDonahue) on Twitter.

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