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Significant gains in financial and healthcare industries - by Roberto DaSilva

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The city of East Providence has made significant gains in two key industries, which are poised to grow in the future in both employment levels and capital investments.

The city is home to nearly 3,000 jobs in the emerging healthcare and finance fields. Specifically, in terms of financial institutions, East Providence is host to vital data and operation centers for three national banks.

A 2019 survey of financial service leaders indicate that the use of data and artificial intelligence ranked as the top priority for the industry. It has become very clear that the importance of data in the banking industry will serve as a driving force for financial institutions.

Over the next decade, it is projected that banks and financial institutions will invest heavily in technology to improve digital services, data analytics, cybersecurity and cognitive computing.

East Providence, a great place to not only live and work, but a great place to open a business, will benefit from this trend as businesses begin to deploy capital spending, support critical upgrades to operations centers and increase the employee base.

Regarding healthcare, the city has been very successful in attracting a wide range of top-tier medical providers to locate new treatment centers and office space in East Providence. In recent years, Lifespan, Coastal Medical, University Orthopedics and Brown Medicine, Brown Physicians Inc. have each added new medical centers in the city. These new state-of-the-art facilities provide remarkable medical care to our community, while also providing a significant boost to our tax base.

Demand for healthcare services has shown steady growth. Rising demand for healthcare services translates into rising demand for healthcare workers. Recent reports from the U.S. Bureau of Labor Statistics (BLS) indicate that total healthcare spending is projected to more than double from 2010 to 2026, when it will reach beyond \$5.7 trillion. These expenditures include payments for all

healthcare costs, including pharmaceuticals, equipment and technology. Labor, however, constitutes the single greatest cost for most healthcare organizations and the growing demand for the services of healthcare workers is a very significant reason.

According to the Bureau of Labor Statistics, the healthcare industry has added an average of 24,000 jobs each month nationally. East Providence is well positioned to participate in this rising trend that is likely to result in a number of employment opportunities.

The clustering of firms within the same industry and metropolitan region has several benefits for these private companies. The “agglomeration effect” of having industry-related companies operate in a dense area typically results in higher productivity and lower costs. In addition, it generates a large supply of readily available skilled labor to meet the demand for talented employees by employers, particularly for specialists.

Lastly, it results in the accumulation of industry-related knowledge and networks that can drive innovation and collaboration among these companies while also providing them with a competitive advantage to further expand and develop in East Providence.

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