

# EMPLOYMENT in New York State

George E. Pataki, Governor

January 2003

Linda Angello, Commissioner

## Local Workforce Surveys Highlight Need for Training...

### Qualified Workers Crucial to Economic Growth

The availability of qualified workers is widely regarded as a significant factor influencing economic growth during the early 21<sup>st</sup> century. Shortages of qualified workers can cause production, service delivery, or innovation bottlenecks and slow the introduction of the latest technologies into the workplace. Furthermore, employer needs concerning qualified workers tend to be tied to a specific job or employer.

Consequently, the only way to collect good intelligence concerning the training needs of local employers is to ask the employers themselves. The New York State Department of Labor's Division of

Research and Statistics has completed 12 workforce development surveys for local workforce investment boards in the past 2 1/2 years.

The surveys originally grew out of a cooperative effort between the department's Hudson Valley Region office and local economic developers. The questions are largely based on information the economic developers wanted to know. They address issues such as the number of permanent and temporary workers; commutation; recruitment methods; how businesses train their employees; skill deficiencies of job applicants and newly hired workers; types of train-

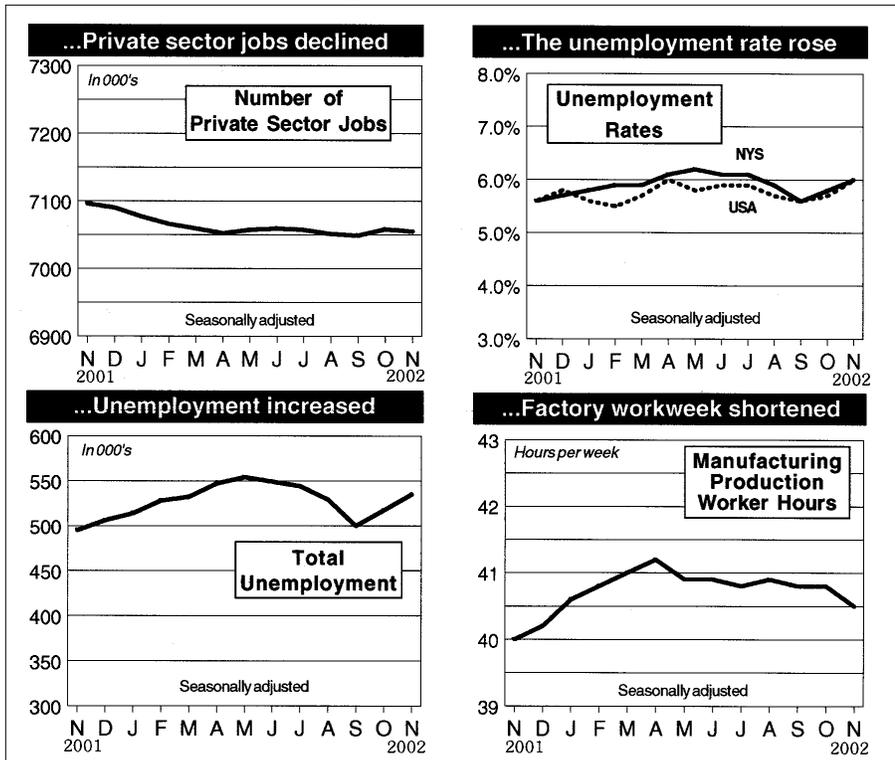
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### At a Glance

In November 2002, New York's seasonally adjusted unemployment rate was 6.0 percent, up from 5.8 percent in October. (The nation's unemployment rate was also 6.0 percent in November.) The November rate was 8.0 percent in New York City (up from 7.8 percent in October) and 4.7 percent in the remainder of the state (up from 4.4 percent in October). The length of the factory workweek declined to 40.5 hours in November from 40.8 hours in October. Factory hours have trended downwards since April.

In November 2002, the state had 8,534,100 nonfarm jobs, including 7,055,300 private sector jobs. In November, the number of private sector jobs decreased 2,900 over the month as employment fell in wholesale and retail trade, manufacturing, and transportation and public utilities. (The nation's private sector job count declined 48,000 over the month.) From November 2001 to November 2002, the number of private sector jobs decreased 0.6 percent in the state and 0.4 percent in the nation. (Above data are seasonally adjusted.)

## IN NOVEMBER...



### Change in Nonfarm Jobs Nov. 2001 - Nov. 2002 (Data not seasonally adjusted, numbers in thousands)

	Net	%
Total nonfarm jobs	-41.9	-0.5%
Private sector	-42.4	-0.6%
Mining	0.3	6.0%
Construction	4.3	1.2%
Manufacturing	-35.7	-4.3%
Durable goods	-24.8	-5.7%
Nondurable goods	-10.9	-2.8%
Transportation & pub. util.	-12.7	-2.9%
Trade	-9.4	-0.5%
Wholesale	-4.2	-1.0%
Retail	-5.2	-0.4%
Finance, ins. & real estate	-7.7	-1.1%
Services	18.5	0.6%
Government	0.5	0.0%



# FOCUS ON MOHAWK VALLEY

## **Technology and Tourism: New Growth Sectors Emerge**

by Mark Barbano, Labor Market Analyst  
Mohawk Valley Region

**T**he Mohawk Valley region endured a series of layoffs and plant closings in the mid-1990s. Defense cut-backs hit especially hard, affecting both Lockheed Martin, which was then the Mohawk Valley's largest manufacturer, and Griffiss Air Force Base, which closed. Since that time much has happened to reinvigorate the region's economy.

Private sector employment in the Mohawk Valley region rose from 141,231 in 1997 to 146,658 in 2002, a gain of 5,427 (+3.8 percent). (Based on data from state unemployment insurance tax records for the first quarter of each year.) Overall, employment in services grew while manufacturing declined, a trend mirrored throughout the state and nation. Two important sectors of the local economy enjoyed greater-than-average growth over the 5-year period — tourism and high technology.

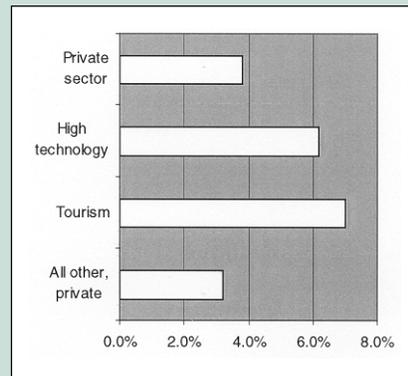
### **Tourism**

Tourism, as defined by the New York State Department of Empire State Development, includes 26 primary travel- and tourism-related industries. Tourism-related employment in the Mohawk Valley region rose from 15,800 in 1997 to 16,900 in 2002, a gain of 1,100 (+7.0 percent). The gains were concentrated in hotels and motels and amusement and recreation services and reflected the continued expansion at the Oneida Indian Nation's Turning Stone Casino. Turning Stone opened in July 1993 as a relatively small casino, but has managed to consistently expand its gaming operations, and now boasts a hotel, golf courses, and an RV park.

**“A continued emphasis on reducing regulation and lowering taxes has paved the way for a more broad-based expansion of private sector job growth in the Mohawk Valley.”**

*Jerome F. Donovan,  
Regional Administrator*

**Job Growth in Selected Industries  
Mohawk Valley Region, 1997 - 2002  
(First quarter of each year)**



The tourism industry is expected to add as many as 1,000 jobs by the end of 2004, when the final phase of the Oneida Indian Nation's further \$308 million expansion is scheduled for completion. Current plans for this expansion include two golf courses, two hotels, an events center and a parking garage.

Eating places, the largest tourism-related industry in both the state and Mohawk Valley region, grew locally from 8,900 in 1997 to 9,300 in 2002, an increase of 400 (+4.1 percent).

### **High technology**

High technology employment in the Mohawk Valley region rose from 9,900 in 1997 to 10,500 in 2002, a gain of 600 (+6.2 percent), the third-highest rate of growth posted by one of the state's 10

regions. (High technology industries are defined here as the 31 industries identified by the U.S. Bureau of Labor Statistics in the June 1999 *Monthly Labor Review* article, "High-technology employment: a broader view.")

Mirroring the trends in services and manufacturing, employment increased in high technology industries in services and decreased in high-tech manufacturing firms. Services-related high-technology industries such as engineering and architectural, research and testing, and management and public relations, rose 1,400 (+49 percent) while employment in high-technology manufacturing firms fell 700 (-10.4 percent). However, employment did not decline in all high-tech manufacturing components. Bucking the broader trend in high-tech manufacturing employment, four components of the instruments and related products industry combined for a gain of 300 in the five-year period.) The largest gain in high technology occurred in computer and data processing, which added 600 jobs — an increase of more than 40 percent!

High technology in the region should continue to grow. Scienx, a high-tech firm, recently announced plans to move into the Griffiss Business and Technology Park. The firm, a start-up company specializing in optical imaging software and anti-counterfeiting technology, will immediately create 45 jobs. Employment at Scienx is expected to nearly triple to 120 by June 2004, and may swell to 500 within three years.

### **All other industries**

From 1997 to 2002, job growth in "all other" private sector industries excluding tourism and high technology increased 3.2 percent (+3,700) and was

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# Unemployment Rates in New York State

Data Not Seasonally Adjusted

	NOV '01	NOV '02		NOV '01	NOV '02		NOV '01	NOV '02
<b>New York State</b>	<b>5.5</b>	<b>5.9</b>	<b>Hudson Valley</b>	<b>3.7</b>	<b>3.7</b>	<b>Southern Tier</b>	<b>5.3</b>	<b>5.4</b>
<b>Capital District</b>	<b>3.4</b>	<b>3.4</b>	Dutchess	3.6	3.7	Broome	5.3	5.6
Albany	2.7	2.8	Orange	4.0	3.8	Chemung	6.2	6.3
Columbia	2.8	2.8	Putnam	2.8	3.0	Chenango	5.6	5.2
Greene	4.5	4.3	Rockland	3.4	3.5	Delaware	4.0	4.7
Rensselaer	4.1	3.9	Sullivan	5.3	4.6	Otsego	4.3	4.0
Saratoga	3.3	3.2	Ulster	3.7	3.8	Schuyler	8.5	7.4
Schenectady	3.1	3.4	Westchester	3.8	3.7	Steuben	7.5	7.7
Warren	5.9	5.8	<b>Mohawk Valley</b>	<b>4.7</b>	<b>4.9</b>	Tioga	5.2	5.1
Washington	3.7	4.2	Fulton	4.6	4.6	Tompkins	3.2	3.0
<b>Central New York</b>	<b>5.3</b>	<b>5.1</b>	Herkimer	4.8	5.5	<b>Western New York</b>	<b>5.5</b>	<b>5.5</b>
Cayuga	5.0	4.9	Madison	5.1	5.3	Allegany	5.4	5.7
Cortland	7.3	6.3	Montgomery	5.1	5.3	Cattaraugus	7.3	5.9
Onondaga	4.8	4.5	Oneida	4.6	4.7	Chautauqua	6.0	5.6
Oswego	6.9	7.1	Schoharie	3.6	4.2	Erie	5.1	5.1
<b>Finger Lakes</b>	<b>5.1</b>	<b>5.4</b>	<b>North Country</b>	<b>6.7</b>	<b>6.4</b>	Niagara	6.5	6.8
Genesee	6.0	6.2	Clinton	4.1	4.4	<b>Long Island</b>	<b>3.8</b>	<b>3.9</b>
Livingston	4.8	5.3	Essex	6.3	5.6	Nassau	3.7	3.6
Monroe	5.0	5.1	Franklin	6.5	5.7	Suffolk	3.9	4.1
Ontario	5.0	4.8	Hamilton	6.5	6.5	<b>New York City</b>	<b>7.1</b>	<b>8.0</b>
Orleans	5.7	6.6	Jefferson	8.9	8.1	Bronx	8.4	10.2
Seneca	4.8	5.5	Lewis	7.5	7.1	Kings	7.8	8.9
Wayne	6.2	6.8	St. Lawrence	6.9	6.8	New York	7.2	7.6
Wyoming	5.4	5.5				Queens	6.2	6.7
Yates	4.2	4.6				Richmond	5.3	6.7

## Mohawk Valley...

From page 2

notably slower than growth in high technology (6.2 percent) and tourism (7.0 percent). However, this "all other" category comprises over 8 out of every 10 private sector jobs in the region, so it must not be discounted as a valuable source of job opportunities.

The services sector accounted for most of the "all other" job gain from 1997 to 2002. Despite a drop in the region's residents, health services continued to grow due to the increased medical needs of an aging population. Employment in social and educational services increased as well.

General merchandise stores, which includes department stores as well as distribution centers (the region has three Wal-Mart distribution centers alone), led the growth in the trade sector.

Hiring in the construction and transportation, communication and public utilities sectors rounded out the private-sector gains.

## Conclusion

Although private-sector employment rose in the past five years, two emerging sectors — tourism and high technology — grew at a faster rate than the rest of the economy; growth in these both sectors should continue in the years ahead.

## Workforce Surveys...

From page 1

ing needed; occupations in demand; and the reasons why workers leave their jobs. The analysis of the survey data offers local Workforce Investment Boards fresh, concrete, and detailed information that can be applied to a variety of circumstances: addressing hiring trends; identifying critical training needs; influencing training programs at local high schools, colleges, vocational and technical schools; and directing training dollars to meet the needs of local businesses.

In the most recent surveys (Herkimer-Madison-Oneida and Chenango-Delaware-Otsego), most employers were far more likely to indicate a lack of "job-specific" skills among both their job applicants and current workers than a lack of basic or social skills. However, their responses regarding what sort of training would be most beneficial to their firm ranged more widely, from general skills such as problem-solving to computer skills such as Windows. They also indicated a desire to provide numerous forms of skills training, suggesting recognition of the need for lifelong learning and continual skills improvement.

The surveys are completed at no charge to local boards. Local partners are asked only to review and enhance mailing addresses for employers in the sample and to provide advance publicity among local businesses to boost response rates.

## Electronic surveys

In addition, the department has recently begun to conduct local, customized, real-time, web-based surveys. These surveys take little time to complete and provide immediate summary results on the same web site. In the last year, the web-based surveys have quickly provided local information about trends in hiring, wages and benefits, training availability, and the impact of a plant closing.

The department expects to continue to provide these important services at the request of local workforce investment boards. Contact your local labor market analyst ([http://www.labor.state.ny.us/labor\\_market/LMI\\_business/local\\_labor.html](http://www.labor.state.ny.us/labor_market/LMI_business/local_labor.html)) to arrange a survey.

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# REGIONAL ANALYSTS' CORNER

## FINGER LAKES

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**(585)258-8870**

Private sector employment declined 6,600 (-1.4%) in the year ending November 2002. Cutbacks in manufacturing (-6,000), transportation and public utilities (-1,800), construction (-900) and trade (-800) overshadowed hiring in services (+2,100) and finance, insurance and real estate (+600). The unemployment rate was 5.4% in November, up from 5.1% a year ago.

## CENTRAL NY

**ROGER EVANS**

**(315)479-3388**

The Syracuse area's private sector job count declined 1,800 (-0.6%) over the year ending November 2002. Job losses in manufacturing and transportation and public utilities, outpaced gains in construction, wholesale trade, retail trade and services. The area's unemployment rate was 5.0% in November, down from 5.2% a year ago, continuing improvement begun in October 2002.

## MOHAWK VALLEY

**MARK BARBANO**

**(315)793-2282**

Private sector jobs in the Utica-Rome area fell 800 (-0.8%) from November 2001 to 106,500 in November 2002. Employment in services rose by 500 as lodging places, health services, and social services added workers. Layoffs in textiles and apparels, primary metals, instruments, and miscellaneous manufacturing pushed down employment in manufacturing (-700). Employment in trade (-300), transportation and public utilities (-200) and finance, insurance and real estate (-100) also declined. The area's unemployment rate was 4.8% in November.

## NORTH COUNTRY

**ALAN BEIDECK (518)891-6680**

Private sector employment in the North Country reached a new high for November in 2002. Compared with a year ago, private sector employment rose 500 to 115,000. Employment increased in services, trade and manufacturing. The unemployment rate in the seven-county region was 6.4% in November, down from 6.7% a year ago.

## CAPITAL DISTRICT

**JAMES ROSS**

**(518)462-7600**

Private sector jobs in the Albany-Schenectady-Troy area rose 1,300 from October to November, a below average increase for this time of the year, largely attributed to cautious hiring in retail. Despite this, the area's 3.4% unemployment rate was well below the nation's rate of 5.7%.

## HUDSON VALLEY

**SEAN MACDONALD**

**(607)741-4485**

The number of private sector jobs in the region increased 1,300 from October to November 2002 to reach 743,500. Wholesale and retail trade (+3,200) hiring overcame cutbacks in construction (-900) and services (-900) over the month. The unemployment rate rose to 3.7% in November from 3.6% in October.

## WESTERN NY

**JOHN SLENKER**

**(716)851-2742**

In the year ending November 2002, private sector employment in the Buffalo-Niagara Falls area fell 3,900 (-0.8%). Employment decreased in manufacturing (-3,500), transportation and public utilities (-1,200), trade (-400) and construction (-400), and increased in services (+1,200) and finance, insurance and real estate (+400). The unemployment rate was 5.4%, unchanged from a year ago.

## SOUTHERN TIER

**JOSEPH KOZLOWSKI (607)741-4485**

Private sector employment in the region has declined by 6,600 since November 2001. Cutbacks in manufacturing (-5,700), services (-800), construction (-100) and transportation and public utilities (-100) overshadowed hiring in finance, insurance and real estate (+100). The region's unemployment rate rose to 5.4% in November 2002 from 5.3% one year earlier.

## NEW YORK CITY

**JAMES BROWN (212)352-6698**

Private sector employment fell 30,700 or 1.0% over the 12-month period ending November 2002. Still, this was the smallest year-to-year loss since August 2001. The unemployment rate was 8.0% in November, up from 7.1% last year. Post-Christmas layoffs and previously announced cutbacks by airlines and investment firms should push the rate higher in the coming year.

## LONG ISLAND

**GARY HUTH (516)934-8533**

Private sector employment fell by 2,600 or 0.2% in the year ending November 2002. Manufacturing, construction and retail trade all exhibited weakness in November. The November 3.9% unemployment rate was up slightly from 3.8% in October 2001.

