

# Employment

IN NEW YORK STATE

David A. Paterson, Governor  
Colleen C. Gardner, Commissioner

## At a Glance

In January 2010, New York's seasonally adjusted unemployment rate was 8.8 percent, down from 8.9 percent in December 2009. (The nation's unemployment rate was 9.7 percent in January.) In January 2010, the state had 8,486,400 nonfarm jobs, including 6,991,100 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.4 percent from December, while the U.S. private sector job count decreased by less than 0.1 percent. From January 2009 to January 2010, the number of private sector jobs decreased by 2.3 percent in the state and decreased by 3.5 percent in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators decreased at an annual rate of 0.2 percent in January 2010.

### Change in Nonfarm Jobs

January 2009 - January 2010

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	-183.9	-2.2
Private Sector	-161.5	-2.3
Goods-producing	-76.4	-9.4
Nat. res. & mining	-0.3	-6.3
Construction	-32.0	-10.3
Manufacturing	-44.1	-8.8
Durable gds.	-32.3	-10.8
Nondurable gds.	-11.8	-5.9
Service-providing	-107.5	-1.4
Trade, trans. & util.	-42.6	-2.9
Wholesale trade	-22.7	-6.7
Retail trade	-12.5	-1.4
Trans., wrhs. & util.	-7.4	-2.8
Information	-9.6	-3.7
Financial activities	-30.0	-4.3
Prof. & bus. svcs.	-28.9	-2.6
Educ. & health svcs.	18.2	1.1
Leisure & hospitality	9.4	1.4
Other services	-1.6	-0.4
Government	-22.4	-1.5

### Fewer Jobs and Higher Unemployment Rate...

## State's Recession Worsened in 2009

Revised job and unemployment numbers for 2009 and earlier years were recently released. They show how severely the national recession has affected New York State's economy. According to the new data, private sector jobs in the state peaked in April 2008. They then dropped by 352,700 (-4.8%) through December 2009. The state's annual average unemployment rate in 2009 was at its highest level since 1992. As bad as this may sound, in 2009 the economy in New York State and most of its regions declined less than in the nation as a whole.

### Payroll Employment Plummeted

Private sector jobs in the state fell by 3.4% (-245,400) in 2009. This was the steepest loss since 1991. Last year, jobs in the U.S. dropped by 5.2%. In 2009, total nonfarm jobs (including

government) in New York decreased by 2.7% (-236,900). The nation's nonfarm job count dropped by 4.3% between 2008 and 2009.

During 2008-2009, educational and health services added more jobs (+34,000) than any other sector in New York. Gains in this sector were biggest in health care and social assistance (+25,000).

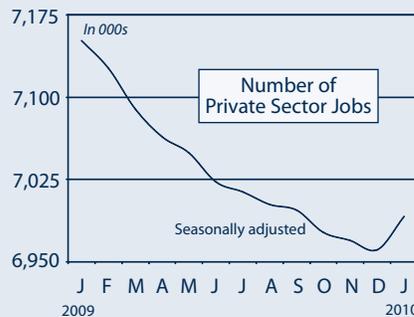
Government (+8,400) was the only other sector to add jobs over the year. Job gains in local government (+10,700), especially education (+3,600), were more than enough to offset losses at the federal (-100) and state (-2,300) levels.

The trade, transportation and utilities sector had the largest decline. It shed 66,800 jobs

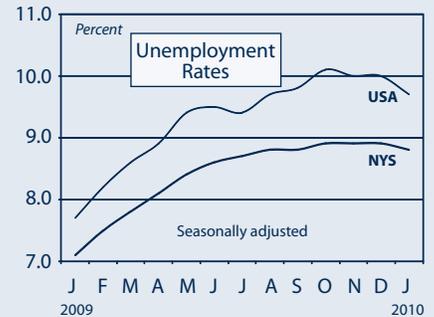
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### IN JANUARY...

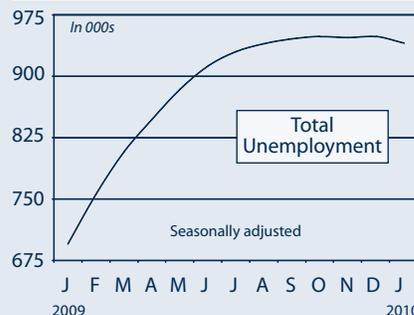
#### ...NYS private sector jobs increased



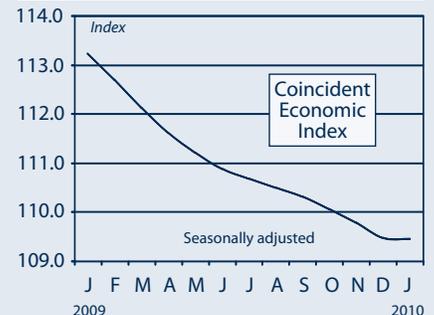
#### ...NYS unemployment rate decreased



#### ...NYS unemployment decreased



#### ...NYS economic index decreased



## Focus on the Southern Tier

Have We Hit Bottom Yet?

by Christian Harris, Labor Market Analyst, Southern Tier

The national recession has been hard on businesses and workers in the Southern Tier. In 2009, total nonfarm jobs in the region dropped by 3,800, or 1.3%. This was the steepest year-over-year drop in jobs since 2003, when they fell by 1.7%. Job losses in 2009 were focused in three sectors: manufacturing (-2,500); professional and business services (-1,000); and trade, transportation and utilities (-1,000).

The region's unemployment rate stood at 8.1% in 2009. This was its highest level in at least 20 years. More than 26,000 people were out of work in the Southern Tier last year.

In spite of all the bad news, there are a few signs the region's economy is improving. Now businesses rely less on layoffs to weather the nation's economic storm. Also, the number of Southern Tier jobs listed with the State Department of Labor grew by 75 percent between March 2009 and February 2010.

### Factories Take It on the Chin

Manufacturing accounted for about 65% of the region's job losses in 2009. Last year, total factory jobs dropped to 40,800, an all-time low. From 1990 to 2009, manufacturing jobs in the region fell by 26,000 (-39%). This was better than the state (-51%), but worse than the nation (-33%) over the same period.

Manufacturers continue to shed jobs. Lockheed Martin laid off over 1,000 highly paid workers in Owego (Tioga County). This hap-

pened after the U.S. Department of Defense canceled a multi-billion dollar contract. They dropped plans to replace the aging fleet of Presidential helicopters.

### Clean and Green

The federal government has put more emphasis on renewable energy sources. This focus on "clean and green" has led to more funds for R&D at several local colleges. Cornell University received grants to expand research in these green energy areas: fuel cells, biofuels, photovoltaic arrays and energy storage systems. Binghamton University received a \$4 million award. It went to researchers to improve the performance of certain solar power devices.

### Marcellus Shale

The push to drill for more natural gas in the Marcellus Shale formation is one of the most controversial economic issues to emerge here. This area is thought to be one of the largest sources of natural gas in the U.S. The part of New York State that may yield the most gas covers more than three million acres in 10 counties. Most of it lies within the Southern Tier.

The proposed drilling has put some local landowners at odds with environmentalists. Some local residents have signed leases with gas companies that pay as much as \$5,000-6,000 per acre plus a 20% royalty. Boosters point to billions of dollars that would spur the area's economy. They cite a September 2009 study

Revised jobs data for 2008 and 2009 were released on March 4, 2010. Visit [www.labor.ny.gov](http://www.labor.ny.gov) for more complete information.



"We are working with our partner agencies to help businesses and job seekers meet economic challenges in the Southern Tier."

**Colleen C. Gardner,**  
Commissioner

prepared for Broome County. It said gas companies could drill 2,000-4,000 wells just in Broome County over the next 10 years. That would create 800-1,600 jobs per year there over that time. The total payroll could reach \$400 million to \$800 million (about \$49,000 per job per year).

People who oppose drilling note that much of the gas is hard to get at. Drillers must use hydraulic fracturing (also called "fracking") to release the gas. This process requires them to pump millions of gallons of water, sand and chemicals to break up the shale. Side effects include threats to drinking water and other long-term health hazards. Right now, the drilling there is "on hold." The New York State Department of Environment Conservation needs to complete its review before any more drilling takes place.

### Summary

The region's economy seems to be in the first steps of a recovery from a deep recession. The push to develop new green energy sources and more drilling in the Marcellus Shale may help speed the Southern Tier's return to a healthy economy. ■

### State's Recession Worsened... from page 1

from 2008 to 2009. Losses in that sector were greatest in wholesale and retail trade (-55,300). The second biggest job loss in 2008-2009 was in professional and business services (-60,300). That sector covers a wide variety of industries, from temporary help agencies to scientific research and development. Manufacturing had the third largest set of job losses in New York. Between 2008 and 2009, we lost 54,800 factory jobs. Most losses in this sector were in durable goods (-35,400). Fabricated metals (-6,000) and transport equipment (-5,400) had the biggest over-the-year job declines in durable goods.

Financial activities (-42,500) had the next highest number of losses. Within that sector, the high-wage securities and brokerage industry (-20,000) and banking (-11,400) experienced the largest job declines. Construction (-35,800) rounded out the list of the five sectors with the largest job losses between 2008 and 2009. Declines in specialty trade contractors (-24,800) accounted for about two-thirds of the construction losses. There is more statewide industry detail in the table on page 3.

Every region in the state lost jobs in 2009. Job losses were slower in the 52-county Upstate region (-2.5%) than in the 10-county Downstate

region (-3.5%). Downstate's losses were centered in the suburban counties. Among the state's metro areas, jobs fell most rapidly in Putnam-Rockland-Westchester (-4.6%), Binghamton (-4.3%), Nassau-Suffolk (-3.7%), and Kingston (-3.6%) in 2009.

### Unemployment Rate Climbs

The unemployment rate in New York State increased from 5.3% in 2008 to 8.4% in 2009. This was the highest annual rate in the state since 1992, when it was 8.6%. From 2008 to 2009, the U.S. jobless rate climbed from 5.8% to 9.3%.

The U.S. Bureau of Labor Statistics calculates a

*Continued on page 3*

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	JAN '09	JAN '10		JAN '09	JAN '10		JAN '09	JAN '10
<b>New York State</b>	<b>7.7</b>	<b>9.4</b>	<b>Hudson Valley</b>	<b>6.9</b>	<b>8.1</b>	<b>Finger Lakes</b>	<b>7.9</b>	<b>8.8</b>
<b>Capital District</b>	<b>7.0</b>	<b>8.1</b>	Dutchess	7.2	8.4	Genesee	8.8	9.1
Albany	6.5	7.3	Orange	7.3	8.6	Livingston	9.1	10.1
Columbia	7.1	8.3	Putnam	6.1	7.4	Monroe	7.3	8.3
Greene	8.1	9.2	Rockland	6.3	7.5	Ontario	7.9	9.2
Rensselaer	7.3	8.5	Sullivan	9.7	10.3	Orleans	10.1	11.1
Saratoga	6.4	7.5	Ulster	7.6	8.8	Seneca	8.3	9.2
Schenectady	6.9	8.2	Westchester	6.7	7.7	Wayne	9.0	10.0
Warren	9.7	10.2	<b>Mohawk Valley</b>	<b>8.9</b>	<b>9.4</b>	Wyoming	10.5	11.1
Washington	8.1	9.1	Fulton	10.3	11.3	Yates	7.7	8.3
<b>Central New York</b>	<b>8.3</b>	<b>9.2</b>	Herkimer	9.0	9.8	<b>Western New York</b>	<b>8.7</b>	<b>9.3</b>
Cayuga	8.8	9.8	Montgomery	10.4	11.0	Allegany	9.4	10.1
Cortland	10.0	11.0	Oneida	7.9	8.4	Cattaraugus	8.7	9.9
Madison	8.9	9.7	Otsego	8.8	9.1	Chautauqua	8.3	10.0
Onondaga	7.2	8.3	Schoharie	10.8	11.1	Erie	8.3	8.9
Oswego	10.6	11.6	<b>North Country</b>	<b>10.2</b>	<b>10.9</b>	Niagara	10.4	10.3
<b>Southern Tier</b>	<b>8.3</b>	<b>9.4</b>	Clinton	9.7	10.9	<b>Long Island</b>	<b>6.8</b>	<b>7.8</b>
Broome	8.2	9.8	Essex	10.5	10.9	Nassau	6.5	7.4
Chemung	8.7	9.4	Franklin	9.7	10.1	Suffolk	7.1	8.2
Chenango	9.7	10.4	Hamilton	9.8	10.6	<b>New York City</b>	<b>7.8</b>	<b>10.5</b>
Delaware	9.3	9.9	Jefferson	10.1	10.8	Bronx	10.3	14.1
Schuyler	9.4	10.6	Lewis	11.0	11.0	Kings	8.3	11.2
Steuben	9.7	10.9	St. Lawrence	10.7	11.5	New York	7.1	9.0
Tioga	8.5	9.5				Queens	7.1	9.6
Tompkins	5.5	6.5				Richmond	6.9	9.4

### State's Recession Worsened... from page 2

#### Change in Annual Average Jobs by Industry: New York State, 2008-2009 (data in thousands)

	Annual Average Jobs		Net	%
	2008	2009	Change	Change
Total Nonfarm	8,792.8	8,555.9	-236.9	-2.7%
Private Sector	7,277.3	7,031.9	-245.4	-3.4%
Natural Resources & Mining	6.3	5.4	-0.9	-14.3%
Construction	359.7	323.9	-35.8	-10.0%
Manufacturing	531.9	477.1	-54.8	-10.3%
Durable Goods	316.9	281.5	-35.4	-11.2%
Non-durable Goods	214.9	195.6	-19.3	-9.0%
Trade, Trans. & Utilities	1,522.8	1,456.0	-66.8	-4.4%
Wholesale Trade	351.6	330.5	-21.1	-6.0%
Retail Trade	895.4	861.2	-34.2	-3.8%
Trans., Warehousing & Utilities	275.8	264.3	-11.5	-4.2%
Information	263.6	253.7	-9.9	-3.8%
Financial Activities	720.4	677.9	-42.5	-5.9%
Professional & Business Services	1,156.6	1,096.3	-60.3	-5.2%
Educational & Health Services	1,631.2	1,665.2	34.0	2.1%
Educational Services	375.7	384.7	9.0	2.4%
Health Care & Social Assistance	1,255.5	1,280.5	25.0	2.0%
Leisure & Hospitality	717.2	711.2	-6.0	-0.8%
Other Services	367.6	365.1	-2.5	-0.7%
Government	1,515.5	1,523.9	8.4	0.6%

Source: New York State Department of Labor, Division of Research and Statistics

broader gauge of unemployment and under-employment called "U-6". It covers unemployed people and those who have stopped looking for work and part-time workers who want to work full-time. This wider jobless measure hit 14.3% in New York State in 2009. It was up from the 2008 level of 9.6%. The nation's U-6 rate was 16.2% in 2009.

The average duration of unemployment for jobless New Yorkers was 26.5 weeks in 2009. This increased by 6.4 weeks between 2008 and 2009. The average spell of unemployment in the nation was shorter (24.4 weeks) than in New York State last year.

by Kevin Hannel and Daniel Crosley

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## REGIONAL ANALYSTS' CORNER

### CAPITAL DISTRICT

**James Ross — 518-462-7600**

From January 2009 to January 2010, the number of private sector jobs in the Albany-Schenectady-Troy area fell 7,600, or 2.3 percent, to 322,800 – its lowest level for the month since 2003. Job gains were limited to educational and health services (+1,000) and leisure and hospitality (+700). Job losses were greatest in trade, transportation and utilities (-4,000), manufacturing (-1,600), professional and business services (-1,300), financial activities (-700), information (-700), other services (-600), and natural resources, mining and construction (-400).

### CENTRAL NY

**Roger Evans — 315-479-3388**

For the 12-month period ending January 2010, the private sector job count in the Syracuse metro area fell 4,800, or 1.9 percent, to 250,900. Job growth was concentrated in educational and health services (+1,200), leisure and hospitality (+700), and natural resources, mining and construction (+400). The largest job losses occurred in trade, transportation, and utilities (-2,300), manufacturing (-2,200), financial activities (-1,000), professional and business services (-1,000), and information (-400).

### FINGER LAKES

**Tammy Marino — 585-258-8870**

Private sector employment in the Rochester metropolitan area declined over the year by 10,600, or 2.5 percent, to 409,900 in January 2010. Employment gains were concentrated in educational and health services (+1,700). Losses were greatest in manufacturing (-6,700), professional and business services (-2,300), trade, transportation and utilities (-1,700), information (-700), and construction (-500).

### HUDSON VALLEY

**John Nelson — 914-997-8798**

Private sector employment in the Hudson Valley decreased 23,100, or 3.2 percent, to 689,900 for the 12-month period ending January 2010. Job growth was concentrated in educational and health services (+2,500). The largest job losses were in natural resources, mining and construction (-8,200), trade, transportation and utilities (-5,300), manufacturing (-4,500), professional and business services (-4,100), financial activities (-1,700) and information (-1,300).

### LONG ISLAND

**Gary Huth — 516-934-8533**

The private sector job count on Long Island declined over the year by 9,700, or 1.0 percent, to 995,400 in January 2010. Jobs grew in leisure and hospitality (+4,300) and educational and health services (+3,000). The largest losses were in manufacturing (-5,300), natural resources, mining and construction (-4,300), and trade, transportation and utilities (-4,000).

### MOHAWK VALLEY

**Mark Barbano — 315-793-2282**

For the 12-month period ending January 2010, the private sector job count in the Utica-Rome metro area increased 200, or 0.2 percent, to 94,600. Job gains occurred in educational and health services (+1,400) and leisure and hospitality (+400). Losses were centered in manufacturing (-900) and trade, transportation and utilities (-400).

### NEW YORK CITY

**James Brown — 212-775-3330**

Private sector jobs in New York City fell by 78,100, or 2.5 percent, to 3,061,100 for the 12-month period ending January 2010. Growth was centered in educational and health services (+13,300). Losses were greatest in professional and business services (-25,600), financial activities (-24,800), and trade, transportation and utilities (-17,600).

### NORTH COUNTRY

**Alan Beideck -- 518-523-7157**

Private sector employment in the North Country fell over the year by 4,100, or 3.8 percent, to 104,900 in January 2010. The largest declines were in trade, transportation and utilities (-1,400), manufacturing (-1,200), and natural resources, mining and construction (-900).

### SOUTHERN TIER

**Christian Harris — 607-741-4485**

Over the past 12 months, private sector employment in the Southern Tier declined by 6,300, or 2.8 percent, to 220,900 in January 2010. Job gains were focused in educational and health services (+500). Job losses were largest in manufacturing (-4,500), trade, transportation and utilities (-1,000), professional and business services (-500) and information (-400).

### WESTERN NY

**John Slenker — 716-851-2742**

Private sector employment in the Buffalo-Niagara Falls metro area decreased by 7,600, or 1.7 percent, to 429,300 over the 12 months ending January 2010. Job gains were centered in other services (+600). Losses occurred in manufacturing (-6,000), leisure and hospitality (-900), information (-400), trade, transportation and utilities (-400), and financial activities (-300).

