

EMPLOYMENT in New York State

George E. Pataki, Governor

May 2003

Linda Angello, Commissioner

Lowest Incidence Rate Since 1992...

Private Sector Injury and Illness Rate Drops

Priate sector work-related injuries and illnesses in New York State dropped to 214,400 in 2001, a decline of 15,800 cases from the 2000 level, according to the *2001 Annual Survey of Occupational Injuries and Illnesses*. This corresponds to a drop in the incidence rate (the number of injury and illness cases per 100 equivalent full-time workers) to 3.6 percent from 3.9 percent in 2000, and the lowest rate recorded since 1992. The State's rate has not only declined steadily since 1992, but has also remained well below the national rate. New York's 2001 injury-and-illness inci-

dence rate was the lowest rate of any state participating in the survey, as was its incidence rate for lost-workday cases (1.9).

Approximately 52 percent (110,900) of the injury and illness cases reported resulted in time lost from work, restricted work activity, or both. The other 48 percent were not serious enough to involve time away from work, but nevertheless required medical treatment beyond basic first aid.

Total lost-work-time cases occurred at a frequency of 1.9 cases per 100 equivalent

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At a Glance

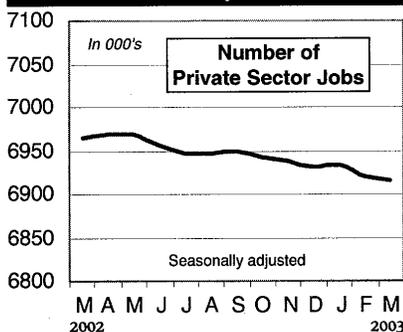
In March 2003, New York's seasonally adjusted unemployment rate was 6.0 percent, down from 6.1 percent in February. (The nation's unemployment rate was 5.8 percent in March.) In March 2003, the state had 8,390,200 nonfarm jobs, including 6,916,300 private sector jobs. In March, the number of private sector jobs decreased by 6,700 or 0.1 percent. (The nation's private sector job count also declined by 0.1 percent over the month.) From March 2002 to March 2003, the number of private sector jobs decreased by 0.7 percent in the state and 0.4 percent in the nation. In addition, the employment population ratio, a measure of labor force participation, inched down for the fourth month in a row.

Change in Nonfarm Jobs March 2002 - March 2003 (Data not seasonally adjusted, numbers in thousands)

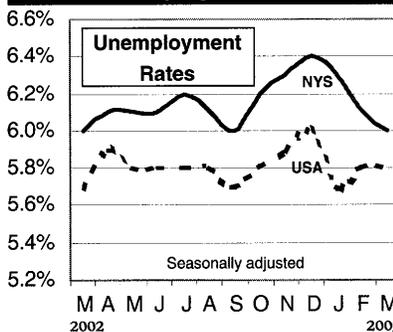
| | Net | % |
|---------------------------|-------|-------|
| Total nonfarm jobs | -64.2 | -0.8% |
| Private sector | -48.3 | -0.7% |
| Nat. resources & mining | 0.1 | 2.2% |
| Construction | -2.4 | -0.8% |
| Manufacturing | -37.8 | -5.7% |
| Durable goods | -26.4 | -6.9% |
| Nondurable goods | -11.4 | -4.1% |
| Trade, trans. & utilities | 7.4 | 0.5% |
| Wholesale trade | -2.5 | -0.7% |
| Retail trade | 7.7 | 0.9% |
| Trans., warehous. & util. | 2.2 | 0.8% |
| Information | -17.6 | -5.9% |
| Financial activities | -10.9 | -1.5% |
| Services | 12.9 | 0.4% |
| Prof. & bus. services | -19.5 | -1.9% |
| Educ. & health services | 25.0 | 1.7% |
| Leisure & hospitality | 4.6 | 0.8% |
| Other services | 2.8 | 0.8% |
| Government | -15.9 | -1.1% |

IN MARCH...

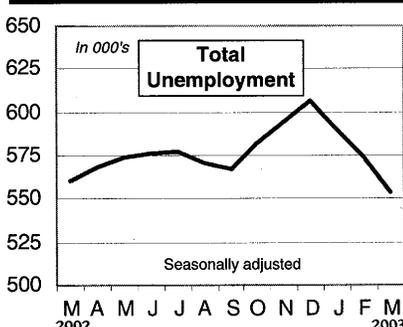
...Private sector jobs declined



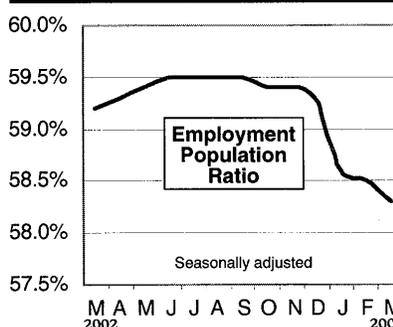
...NYS Unemployment rate down



...Unemployment decreased



...Labor force participation fell





FOCUS ON THE NORTH COUNTRY

Health Care and Social Assistance Emerge as Engines of Growth

by Katie Brennan, Research Analyst
North Country Region

Private sector employment in the North Country rose by 2,400 (+2.3 percent) from February 2000 to February 2003. Over this period, employment in service-providing industries climbed (+3.4 percent), led by strong gains in both professional and business services (+11.3 percent) and educational and health services (+10.8 percent), while employment in goods-producing industries fell (-5.7 percent).

Engines of Growth

Of the goods-producing industries, the natural resources, mining and construction supersector has added 500 jobs since February 2000. Construction was spurred on by the North Country's flourishing first- and second-home market, which has taken off over the last few years. The increased popularity of the region, low interest rates and poor returns in the stock market, have all made real estate a more attractive investment option. Among service-providing industries, the opening of Stream International, a multinational call center in Watertown (Jefferson County), gave a sizable boost to professional and business services. Stream, which began hiring in November 2002, currently employs about 300 individuals, and expects to hire up to 700 more people over the next three years as it expands.

The single largest contributor to employment growth in the North Country, however, was the health care and social assistance industry. This industry, which accounts for about 15 percent of the region's employment, has added 2,200 jobs (+11.4 percent) since February 2000.

Challenges and Trends in Health Care

Several factors are at work that help to explain the increased importance of health care to the North Country economy. The North Country's relatively small population (about 425,000

"The One Stop System and NYS DOL have teamed up with Iroquois Healthcare Association and Consortium for Worker Education. Together we are building partnerships to meet our North Country communities' health workforce needs through Health Care Career Opportunities in upstate New York."

John Masella,
DoES Manager

in 2000) is dispersed over a large geographic area, which puts many of the region's residents more than an hour's drive from a major hospital. This requires them to rely on clinics and small family health centers for most of their medical needs. Moreover, residents in need of major medical attention have historically needed to travel outside of the area, usually to Albany, Syracuse or Burlington, Vermont, to receive treatment. In response, the area's major hospitals have undertaken capital projects to increase the scope of treatments they can provide, as well as the volume of patients they can accommodate, bolstering health care-related employment in the region.

Another area of high growth, nursing and residential care facilities, is likely to climb even faster as the region's population ages. According to United States Census data, the nation's population forty years of age or older increased by 4.1 percent from 1990 to 2000. While New York State's gain was below the national level (3.1 percent), the North Country's gain outpaced that of the nation (6.9 percent), a result consistent with studies indicating that rural areas often have older populations, as younger local residents who are just entering the labor force tend to leave the area in search of work.

An aging general population is already a major issue looming over the health care system. This problem, coupled with an aging health care staff (the average age of working registered nurses in the United States will jump from 43 in 2002 to 50 by 2010), suggests the challenge of meeting the demand for health care workers will become more acute, increasing the number of openings in the field. In fact, occupational projections from 1998 to 2008 show that health care and social assistance occupations are among the fastest-growing occupations in the North Country. To give just two examples, the employment of licensed practical nurses and home health aides is projected to grow faster than the average growth rate for all occupations.

Despite these opportunities, many younger people are reluctant to enter into health care occupations. Their reasons include irregular hours, heavy workloads, a stressful working environment, and relatively low entry-level wages, especially in health care support and social service occupations. Indeed, staffing shortages in health care professions have already received much attention at the national, state and regional level. In various rounds of the North Country Job Vacancy Survey, employers consistently classified openings for nursing and health care professionals as "difficult to fill," with up to 100 percent of these positions considered as such. However, surveys also show that occupations in health care fields are more likely to offer health and pension benefits, even for part-time positions. This finding could prove important to jobseekers more concerned with the total compensation a position offers than its strict wage rate.

Looking Ahead

An increased demand for health care services, and attrition in the ranks of current employees, should keep

Continued on page 3

Unemployment Rates in New York State

Data Not Seasonally Adjusted

| | MAR '02 | MAR '03 | | MAR '02 | MAR '03 | | MAR '02 | MAR '03 |
|-------------------------|------------|------------|----------------------|------------|------------|-------------------------|------------|------------|
| New York State | 6.3 | 6.3 | Hudson Valley | 4.3 | 3.7 | Southern Tier | 6.6 | 5.6 |
| Capital District | 4.3 | 3.8 | Dutchess | 4.3 | 3.6 | Broome | 6.6 | 5.7 |
| Albany | 3.3 | 2.9 | Orange | 4.5 | 4.1 | Chemung | 7.3 | 5.9 |
| Columbia | 3.9 | 3.3 | Putnam | 3.5 | 3.0 | Chenango | 7.7 | 6.3 |
| Greene | 5.4 | 4.4 | Rockland | 3.8 | 3.4 | Delaware | 6.1 | 5.2 |
| Rensselaer | 5.0 | 4.2 | Sullivan | 6.6 | 5.5 | Otsego | 5.8 | 4.6 |
| Saratoga | 4.0 | 3.5 | Ulster | 4.3 | 3.6 | Schuyler | 10.1 | 7.7 |
| Schenectady | 4.1 | 3.8 | Westchester | 4.3 | 3.6 | Steuben | 9.1 | 8.2 |
| Warren | 7.2 | 6.4 | Mohawk Valley | 6.3 | 5.5 | Tioga | 6.2 | 6.2 |
| Washington | 5.8 | 5.1 | Fulton | 5.6 | 5.3 | Tompkins | 3.9 | 3.0 |
| Central New York | 6.0 | 5.3 | Herkimer | 7.0 | 6.0 | Western New York | 6.7 | 5.9 |
| Cayuga | 6.3 | 6.0 | Madison | 6.9 | 6.0 | Allegany | 7.3 | 7.0 |
| Cortland | 9.2 | 7.3 | Montgomery | 6.9 | 7.2 | Cattaraugus | 8.0 | 6.5 |
| Onondaga | 5.2 | 4.4 | Oneida | 5.7 | 4.8 | Chautauqua | 7.1 | 5.7 |
| Oswego | 8.0 | 7.7 | Schoharie | 8.6 | 6.1 | Erie | 6.2 | 5.5 |
| Finger Lakes | 6.3 | 5.6 | North Country | 8.7 | 7.4 | Niagara | 8.0 | 7.1 |
| Genesee | 7.9 | 7.2 | Clinton | 6.0 | 5.3 | Long Island | 4.2 | 3.9 |
| Livingston | 7.1 | 6.7 | Essex | 8.2 | 6.9 | Nassau | 4.1 | 3.5 |
| Monroe | 5.6 | 5.0 | Franklin | 8.4 | 7.3 | Suffolk | 4.3 | 4.2 |
| Ontario | 6.7 | 6.0 | Hamilton | 9.5 | 8.4 | New York City | 7.9 | 8.7 |
| Orleans | 7.7 | 7.8 | Jefferson | 10.2 | 8.6 | Bronx | 9.0 | 10.7 |
| Seneca | 6.5 | 5.7 | Lewis | 11.0 | 9.8 | Kings | 8.6 | 9.5 |
| Wayne | 8.0 | 6.9 | St. Lawrence | 9.5 | 7.8 | New York | 8.3 | 8.5 |
| Wyoming | 8.1 | 6.5 | | | | Queens | 6.7 | 7.3 |
| Yates | 6.1 | 5.5 | | | | Richmond | 6.1 | 7.4 |

Injuries and Illnesses...

From page 1

full-time workers, while the national average stood at 2.8. The State's 2001 incidence rate for no-lost-work-time cases remained, for the second consecutive year, at an all-time low of 1.8, compared with a national rate of 2.9.

Between 2000 and 2001, every industry sector in the state experienced a drop in its injury and illness incidence rate except agriculture, which increased from 4.7 to 5.7, and services, which remained unchanged at 3.2. (Note: industry data are based on the Standard Industrial Classification system.)

Services, which accounted for approximately 41 percent of the State's private sector employment in 2001, had more private sector injury and illness cases in New York in 2001 than any other industry. This industry division posted a total incidence rate of 3.5 in 1999, which declined to 3.2 in 2000 and remained unchanged in 2001. In contrast, seven of the ten most-hazardous industries in the

State (those with the highest total injury and illness incidence rates) were in manufacturing, which had only about 12 percent of total private sector employment in 2001. The three other most-hazardous industries were transportation by air, general merchandise stores, and food stores. Incidence rates for the most-hazardous industries ranged from 11.0 for transportation equipment manufacturing to 7.0 for food stores.

A more detailed report on occupational injuries and illnesses in New York State is available on-line at www.labor.state.ny.us/pdf/prsec2001.pdf.

by Marie Flom

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North Country...

From page 2

employment opportunities in this field strong for the foreseeable future. However, the North Country shares many of the demographic and geographic challenges particular to rural health systems, with the largest challenge likely to come from the intersection of an aging population with staffing shortages in key occupations.

Other industries have more mixed prospects, but even the worst-performing now show signs of promise. Manufacturing suffered the sharpest fall (-8.0 percent) of any industrial sector from February 2000 to February 2003, as many of the area's paper mills closed. Nevertheless, manufacturing appears to be rebounding, thanks to the availability of Empire Zone grants and the region's labor surplus, which has made it an attractive place for companies to relocate or establish manufacturing operations. Manufacturing employment rose by 300 from February 2002 to February 2003.

Leisure and hospitality industry employment dipped by 100 (-0.8 percent) from February 2000 to February 2003; however, the average February employment during this period hovered near the February 2000 figure. Travel to the North Country has remained relatively strong over the last few years. Recent investments in area attractions, combined with the region's easy accessibility by car from most of the Northeast, contribute to its continued popularity.



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REGIONAL ANALYSTS' CORNER

FINGER LAKES

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The unemployment rate in the Finger Lakes region (5.6%) fell to its lowest March level since 2001. Over-the-year job gains were posted in educational and health services (+1,100), financial activities (+600) and leisure and hospitality services (+600). Manufacturing continued its long-term decline; factory employment (90,900) was at its lowest level for the month in over 13 years.

CENTRAL NY

ROGER EVANS
(315)479-3388

The Syracuse area economy continues to show over-the-year improvement as private sector employment rose 900 (+0.3%) between March 2002 and March 2003. Job growth was concentrated in professional and business services, educational and health services, and leisure and hospitality. The area's unemployment rate fell to 5.2% in March 2003.

MOHAWK VALLEY

MARK BARBANO
(315)793-2282

Employment in the Utica-Rome area rose 1,000 (+1.0%) over the year. Gains were greatest in educational and health services (+900) mostly in health care. Leisure and hospitality rose 600 mostly in accommodation and food services. Trade, transportation and utilities increased by 500, with gains in retail trade outpacing losses in wholesale trade and transportation, warehousing and utilities. Losses were greatest in manufacturing (-900), due to plant closings.

NORTH COUNTRY

ALAN BEIDECK (518)891-6680

Private sector employment increased by 1,200 over the year to 108,900 in March 2003. Educational and health services (+800) recorded the largest increase, followed by manufacturing (+400) and professional and business services (+400). Manufacturing should continue to rise with the recent additions at Georgia Pacific in Plattsburgh.

CAPITAL DISTRICT

JAMES ROSS
(518)462-7600

Private sector businesses added 2,500 workers in the Albany-Schenectady-Troy area over the past year. The largest increase was in health care and social assistance (+1,600) and financial activities added 500 jobs. This brought private sector employment up to the record-high March level first reached in 2001.

HUDSON VALLEY

SEAN MacDONALD
(914)997-8798

Employment increased 2,400 (+0.3%) from March 2002 to 717,900 in March 2003. It grew in professional and business services (+3,000), natural resources, mining and construction (+2,000), educational and health services (+1,700), trade, transportation and utilities (+1,600), and other services (+1,100). The unemployment rate fell to 3.7% from 4.3% a year ago.

WESTERN NY

JOHN SLENKER
(716)851-2742

Employment in the Buffalo-Niagara Falls area dipped 200 over the year. Losses occurred in manufacturing (-1,800), trade, transportation and utilities (-1,400) and educational and health services (-400). Employment increased in leisure and hospitality (+1,200), financial activities (+1,100) and professional and business services (+200) over the year. The unemployment rate for the area was 5.8% in March 2003.

SOUTHERN TIER

JOSEPH KOZLOWSKI (607)741-4485

Employment declined 4,500 or 2.2% over the year to 198,200 in March 2003. Declines in manufacturing (-3,300), professional and business services (-1,500) and other services (-400) eclipsed new hiring in trade, transportation, and utilities (+400) and educational and health services (+300). The unemployment rate was 5.6% in March 2003.

NEW YORK CITY

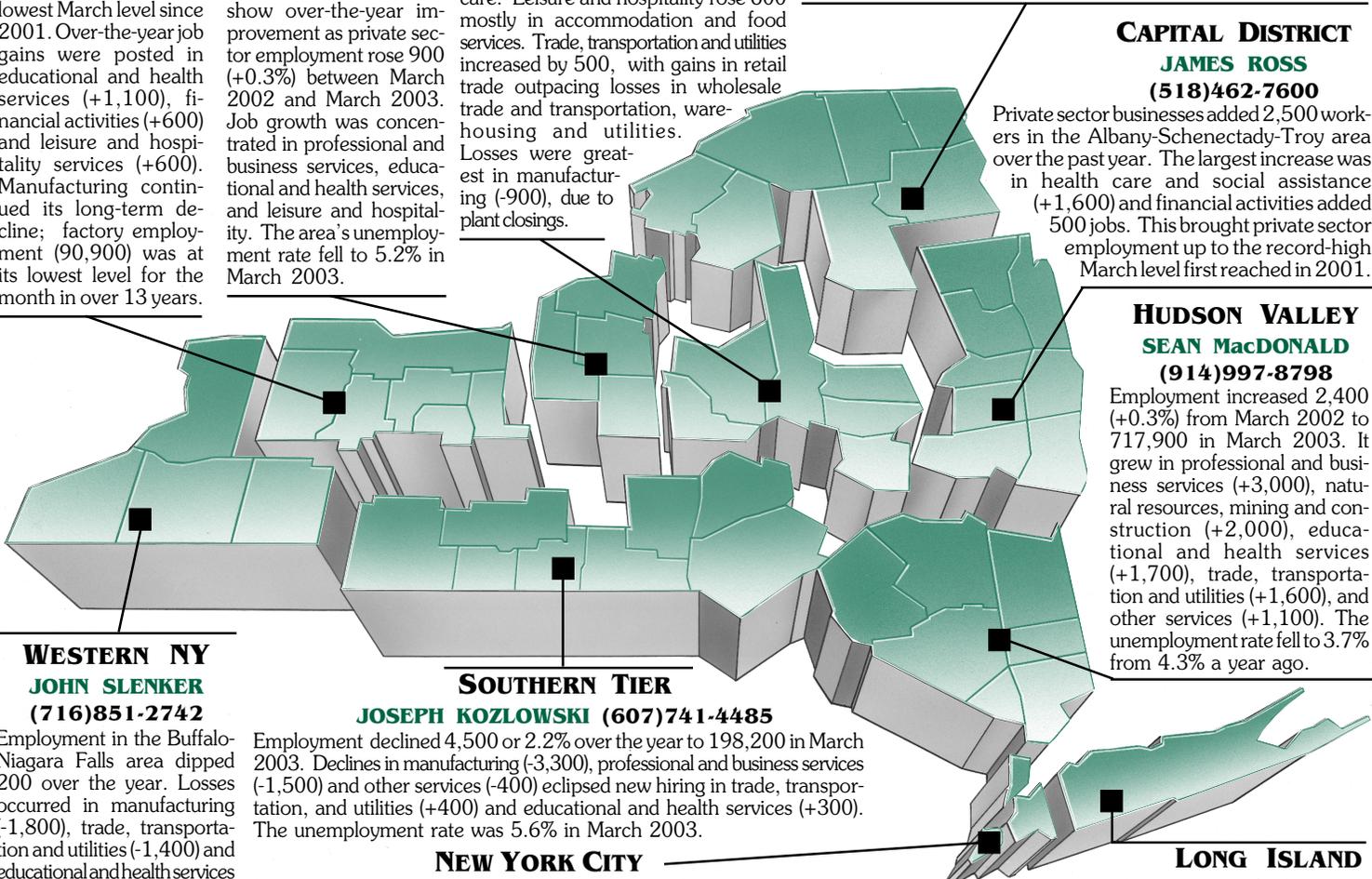
JAMES BROWN (212)352-6698

Private sector employment fell 50,000, or 1.7%, for the 12-month period ending March 2003. The loss was similar to February's, as the local economy remains weak. The industry detail shows continued weakness in most professional and financial industries, with the modest pace of national economic growth offering little hope for immediate improvement.

LONG ISLAND

GARY HUTH (516)934-8533

Private sector employment fell by 3,700 from March 2002. Losses in manufacturing (-5,600), professional and business services (-3,800), information (-1,000), natural resources, mining and construction (-1,000) and leisure and hospitality (-300) overshadowed growth in educational and health services (+3,100), other services (+2,300), financial activities (+1,300) and trade, transportation, and utilities (+1,300). The unemployment rate was 3.9% in March.



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