

Employment in New York State



Research and
Statistics

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Department of Labor

MAY 2017

At a Glance

New York State had 9,493,800 total nonfarm jobs in March 2017, including 8,040,800 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count decreased by 0.1% between February and March 2017, while the nation's job count increased by 0.1% over this period. From March 2016 to March 2017, the number of private sector jobs increased by 1.4% in the state and by 1.7% in the nation (not seasonally adjusted).

In March 2017, New York State's seasonally adjusted unemployment rate decreased from 4.4% to 4.3%. The comparable rate for the nation in March 2017 was 4.5%.

New York State's Index of Coincident Economic Indicators increased at an annual rate of 4.0% in March 2017.

Change in Nonfarm Jobs

March 2016 - March 2017

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	119.6	1.3%
Private Sector	111.1	1.4%
Goods-producing	-10.3	-1.3%
Nat. res. & mining	-0.1	-2.1%
Construction	3.3	0.9%
Manufacturing	-13.5	-3.0%
Durable gds.	-11.9	-4.5%
Nondurable gds.	-1.6	-0.9%
Service-providing	129.9	1.5%
Trade, trans. & util.	3.9	0.3%
Wholesale trade	-1.5	-0.4%
Retail trade	2.7	0.3%
Trans., wrhs. & util.	2.7	0.9%
Information	5.5	2.1%
Financial activities	0.8	0.1%
Prof. & bus. svcs.	35.4	2.8%
Educ. & health svcs.	61.0	3.1%
Leisure & hospitality	8.3	1.0%
Other services	6.5	1.6%
Government	8.5	0.6%

Fast-growing industry has many applications...

The Drone Industry Lifts Off in New York State

In August 1849, the Austrian army launched an attack that rained fire from the sky on the city of Venice. The army used 200 pilotless balloons that carried explosive payloads with time-delay fuses. This marked the earliest recorded use of an unmanned aerial vehicle (UAV), or "drone."

While the concept of UAVs has changed over the years, it wasn't until the early 1970s that we saw drones fitting the modern definition — machines that fly on their own. Today, drones have a wide array of military, commercial, civil and consumer applications that make them very popular. Thus, we expect them to have a significant economic impact in the years to come.

Why Drones?

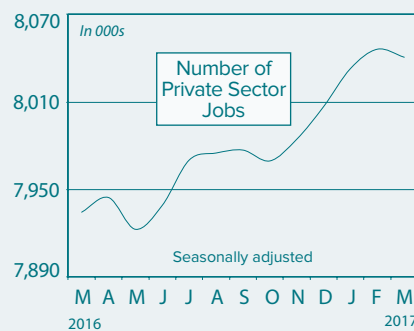
Armies may have used UAV technology for more than 150 years, but non-military uses are much more recent. We have seen consumer applications for drones only for the past decade or so.

Drone popularity has soared in recent years, a trend which is expected to continue. The Federal Aviation Administration (FAA) forecasts that, between 2016 and 2020, combined sales of hobbyist and commercial drones in the U.S. will almost triple — from 2.5 million to 7.0 million. Over this period, hobbyist drone sales are expected to grow from 1.9 million to 4.3 million, while commercial

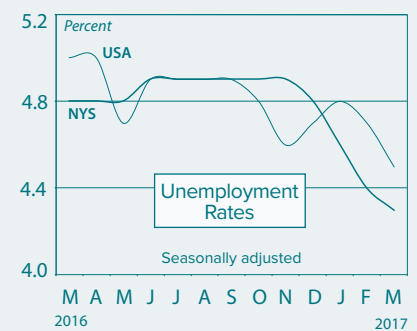
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In March...

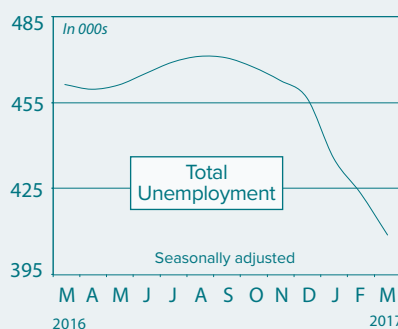
...NYS private sector jobs decreased



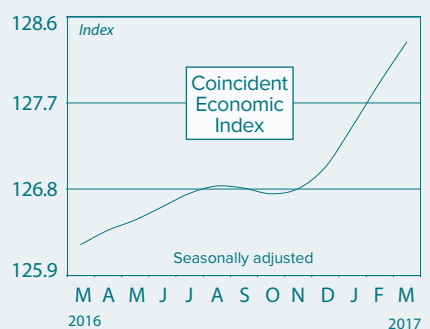
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index increased



Focus on the Finger Lakes

Health Care and Social Assistance Sector is Growing

by Tammy Marino, Labor Market Analyst, Finger Lakes

Labor market conditions in the nine-county Finger Lakes region continued to improve between the third quarter of 2015 (3q2015) and the third quarter of 2016 (3q2016). Data from the Quarterly Census of Employment and Wages show the region's private sector job count grew by 3,400, or 0.7%, to 473,200 over this time frame. This latest growth extends a period of robust job expansion that started in 2009. From the third quarter of 2009 to the third quarter of 2016, the region added more than 25,000 private sector jobs.

The improving private sector job count contributed in part to a decline in the region's unemployment rate. From 3q2015 to 3q2016, the unemployment rate in the Finger Lakes dropped from 4.8% to 4.7%.

More Health Care Jobs

Recent job growth in the Finger Lakes has been centered in the region's health care and social assistance sector, which saw its job count grow by 3,000 to 84,400. While the sector accounts for just under one in five private sector jobs in the Finger Lakes, it generated nearly 90% of the region's net private sector job growth from 3q2015 to 3q2016.

Within the sector, job growth in the region's hospital industry stands out. Hospitals added 1,200 jobs to reach a total of 29,500 in the third quarter of 2016. The three most common job titles in this industry are registered nurses, nursing assistants, and physicians and surgeons. All three titles are projected to experience above-average growth through 2022.

Hospitals also make an important contribution to the local economy in terms of the wages they pay out. From 3q2015 to 3q2016, hospital workers in the Finger Lakes earned a total of \$1.6 billion, or more than 7% of the region's total private sector wages.

Hospitals rank among the largest employers in the Finger Lakes region, according to the infoUSA employer database. Not only is the University of Rochester/Strong Health the area's largest employer, it also ranks among the largest employers in New York State. Other area hospitals, including Rochester General, Unity, and Highland Hospital, are also among the region's largest private sector employers.

Another growing segment of the region's health care and social assistance sector was ambulatory health care services. This industry includes the offices of health care practitioners, as well as medical and diagnostic labs and home health care services. Ambulatory health care services created 500 jobs over the time period, reaching a total of 21,300. Total wages paid by this industry over the study period were more than \$1 billion.

Growing Demand for Social Assistance

The Finger Lakes' social assistance industry also reported robust job growth over the study period. In 3q2015-3q2016, the industry's job count grew by 800 to reach 14,200. This industry is comprised of a dynamic group of employers that cover a wide variety of areas such as adoption services, senior citizen centers, child day



care and disaster relief services, among many others.

Job opportunities in this industry should continue to expand as demand is expected to continue to grow. In fact, a number of job titles in this field – such as home health aides, childcare workers, personal and home care aides, and social and human service assistants – are projected to be among the fastest growing occupations in the Finger Lakes through 2022.

Looking Ahead

The health care and social assistance sector has proven to be a very durable segment of the region's economy. A great deal of this resiliency stems from the fact that much of the job growth is driven more by demographics – like a growing number of aging Baby Boomers – than by fluctuations in overall economic activity.

Not only has the overall sector been a consistent source of job creation in recent years, its growth is expected to continue. Sector employment in the region is projected to expand by 15%, or 12,300, from 2012 to 2022. This is more than twice as fast as the projected rate of growth (7%) for overall employment in the Finger Lakes.

The Drone Industry Lifts Off... from page 1

drone sales are projected to grow from 600,000 to 2.7 million.

This growth trend is driven in part by strong demand from consumers who appreciate the affordability and many capabilities of drones. Hobbyists use their drones for aerial photography, racing, drone combat, and everything in between.

Companies and governments also use drones because they are cheap and versatile. For example, the utility company Peoples Gas is testing UAV technology to find gas leaks along their 14,000 miles of natural gas pipeline. It costs \$2,500/hour for helicopter crews to inspect pipelines. Using drones to

conduct inspections could save the company a great deal of money.

Police and fire departments are investing in drone technology, too. Bard College researchers found that the number of agencies that acquired drones more than doubled between 2015 and 2016. Public safety agencies like UAVs for many reasons. They can track suspects and stolen property, search for victims or missing persons, and scan fires for hot spots. Not only do drones save money, they avoid putting first responders in harm's way.

Most major industries can think of ways to deploy drones. The FAA reports the

most common commercial applications of drones include: aerial photography (34%), construction, industrial and utility inspection (26%), real estate (26%) and agriculture (21%). Many drones have multiple uses, and hence, the sum of the percentages exceeds 100%.

Wall Street also seems to have noticed the financial potential of drones. A report from Goldman Sachs estimates that global spending on drones will total \$100 billion over the next five years. Of that sum, military applications constitute the largest market, with a 70% share, as drones are considered a safer and cheaper alternative to manned military aircraft. The financial firm expects consumer

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	MAR '16	MAR '17		MAR '16	MAR '17		MAR '16	MAR '17
New York State	5.1	4.4	Hudson Valley	4.3	4.1	Finger Lakes	5.0	4.8
Capital	4.5	4.2	Dutchess	4.2	4.0	Genesee	5.4	5.1
Albany	4.1	3.8	Orange	4.3	4.2	Livingston	5.5	5.2
Columbia	4.1	4.0	Putnam	4.0	3.9	Monroe	4.7	4.6
Greene	5.7	5.1	Rockland	4.1	4.0	Ontario	4.9	4.7
Rensselaer	4.6	4.2	Sullivan	5.3	5.0	Orleans	6.4	6.0
Saratoga	4.1	3.9	Ulster	4.5	4.4	Seneca	5.5	4.7
Schenectady	4.5	4.2	Westchester	4.3	4.1	Wayne	5.5	5.2
Warren	6.5	5.8	Mohawk Valley	5.8	5.4	Wyoming	6.5	6.7
Washington	5.7	4.9	Fulton	6.4	5.9	Yates	4.9	4.7
Central New York	5.4	5.0	Herkimer	6.5	6.2	Western New York	5.5	5.4
Cayuga	5.8	5.3	Montgomery	6.7	6.0	Allegany	6.9	6.7
Cortland	6.5	6.2	Oneida	5.3	4.9	Cattaraugus	6.5	6.3
Madison	5.9	5.8	Otsego	5.4	5.1	Chautauqua	6.1	6.1
Onondaga	4.7	4.4	Schoharie	6.2	5.9	Erie	5.1	4.9
Oswego	7.1	6.5	North Country	7.0	6.7	Niagara	6.5	6.4
Southern Tier	5.7	5.3	Clinton	5.7	5.5	Long Island	4.2	4.0
Broome	5.8	5.4	Essex	6.6	6.3	Nassau	3.9	3.7
Chemung	6.2	5.5	Franklin	6.5	6.5	Suffolk	4.5	4.3
Chenango	5.7	5.6	Hamilton	9.4	9.7	New York City	5.4	4.1
Delaware	6.1	5.7	Jefferson	7.5	7.1	Bronx	7.4	5.7
Schuyler	7.4	6.7	Lewis	8.5	8.2	Kings	5.5	4.2
Steuben	6.6	5.9	St. Lawrence	7.3	6.9	New York	4.7	3.6
Tioga	5.9	5.5				Queens	4.7	3.6
Tompkins	4.0	3.8				Richmond	5.4	4.1

The Drone Industry Lifts Off... from page 2

spending will account for 17% of the drone market, and spending by businesses and governments will make up the remaining 13%.

Drones in New York

Whether they deliver your latest Amazon order to the front door, check your gutter or take a selfie for you, drones are mechanical “do-it-alls.” This flexibility, along with the favorable projections for drone adoption, offers a significant market opportunity — and New York State has taken notice.

The Central New York Regional Economic Development Council has made the drone industry a priority. They plan to invest nearly \$250 million towards drone R&D and manufacturing. In 2016, the region received \$5 million in seed money from the state to help grow the industry. This initial investment is expected to pay huge dividends down the road. The industry is expected to generate over 3,300 jobs and \$3.8 billion in leveraged private investment over the next 15 years.

Local businesses also have moved into this growing industry. Saab will move the headquarters for their Saab Defense and Security USA subsidiary to East Syracuse (Onondaga County). This will bring 260 high-tech jobs to the area. In addition, SRC Inc. in Cicero will develop and build systems for the U.S. Army that will detect small drones on the

battlefield. They will hire at least 50 engineers immediately and an additional 50-100 employees over the next few years.

The Mohawk Valley also has a growing drone industry. In 2013, the FAA made Rome (Oneida County) one of six national test sites to study integrating drones into the civilian aviation system at the former Griffiss Air Force Base. There, Gryphon Sensors has begun to work on the project and add new jobs in the region.

Several other local companies (SRC, Lockheed Martin and Saab) have ongoing drone-related projects at Griffiss. Now, Mohawk Valley Community College in Utica offers training in Unmanned Aerial Systems. The State Department of Labor awarded the City of Utica \$2 million to teach young refugees how to build drones as part of a summer jobs program.

Long Island is a third region where drones are poised to take off. Luminati Aerospace, a maker of unmanned aircraft, plans to buy 2,300 acres from the Town of Riverhead in eastern Suffolk County. The \$40 million deal may be one of the largest commercial land sales in Long Island’s history.

The site was once used by the U.S. Navy and Northrop Grumman for testing military aircraft. Luminati intends to use the site to create

mostly manufacturing jobs. Their emphasis is on building drones and solar electric-powered aircraft that can beam internet service to underdeveloped countries. Going forward, Luminati hopes to become a major part of the growing drone industry.

Summing Up

Drones are now everywhere because they are versatile, cost-effective and have a wide range of applications. With the demand for drones projected to grow throughout the next decade, they will have a significant economic impact. As an emerging leader in unmanned aerial systems technology, New York State is well-positioned to benefit from the success of the drone industry.

by Kevin Phelps and Kevin Alexander

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Regional Analysts' Corner

CAPITAL

James Ross — 518-242-8245

Private sector jobs in the Capital Region grew over the year by 4,700, or 1.1 percent, to 428,800 in March 2017. Growth was centered in trade, transportation and utilities (+1,900), leisure and hospitality (+1,200), educational and health services (+1,100), financial activities (+500) and natural resources, mining and construction (+500). Losses were greatest in professional and business services (-500).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

Private sector jobs in the Syracuse metro area rose over the year by 2,700, or 1.1 percent, to 257,600 in March 2017. Growth was centered in professional and business services (+2,500) and leisure and hospitality (+900). The largest job loss occurred in educational and health services (-400).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area decreased over the year by 3,900, or 0.9 percent, to 444,900 in March 2017. Job growth was concentrated in educational and health services (+700) and information (+200). Employment losses were greatest in leisure and hospitality (-2,400), manufacturing (-1,200) and trade, transportation and utilities (-900).

HUDSON VALLEY

John Nelson — 914-997-8798

Over the past year, private sector jobs in the Hudson Valley increased by 7,700, or 1.0 percent, to 775,900 in March 2017. Gains were largest in educational and health services (+5,200), professional and business services (+4,200), trade, transportation and utilities (+1,400) and other services (+900). Losses were centered in leisure and hospitality (-2,400) and manufacturing (-1,000).

LONG ISLAND

Shital Patel — 516-934-8533

Private sector jobs on Long Island increased over the year by 16,400, or 1.5 percent, to 1,120,700 in March 2017. Job growth was largest in educational and health services (+8,600), trade, transportation and utilities (+7,800) and professional and business services (+3,100). Losses were greatest in financial activities (-1,100), manufacturing (-1,000) and natural resources, mining and construction (-500).

MOHAWK VALLEY

Mark Barbano — 315-793-2282

Private sector jobs in the Mohawk Valley rose over the year by 2,000, or 1.4 percent, to 144,300 in March 2017. Growth was centered in educational and health services (+800), trade, transportation and utilities (+400), leisure and hospitality (+300), natural resources, mining and construction (+300) and professional and business services (+300). Losses were greatest in manufacturing (-300).

NEW YORK CITY

James Brown — 718-613-3971

Private sector jobs in New York City rose over the year by 56,600, or 1.5 percent, to 3,812,700 in March 2017. Gains were largest in educational and health services (+31,600), professional and business services (+15,700), leisure and hospitality (+5,800), information (+4,200), natural resources, mining and construction (+3,600) and other services (+2,700). Losses were greatest in trade, transportation and utilities (-6,600).

NORTH COUNTRY

Anthony Hayden — 518-523-7157

Over the past year, the private sector job count in the North Country rose by 1,000, or 1.0 percent, to 106,200 in March 2017. Job growth was centered in educational and health services (+600), trade, transportation and utilities (+400), leisure and hospitality (+300) and other services (+200). Losses were greatest in manufacturing (-300).

SOUTHERN TIER

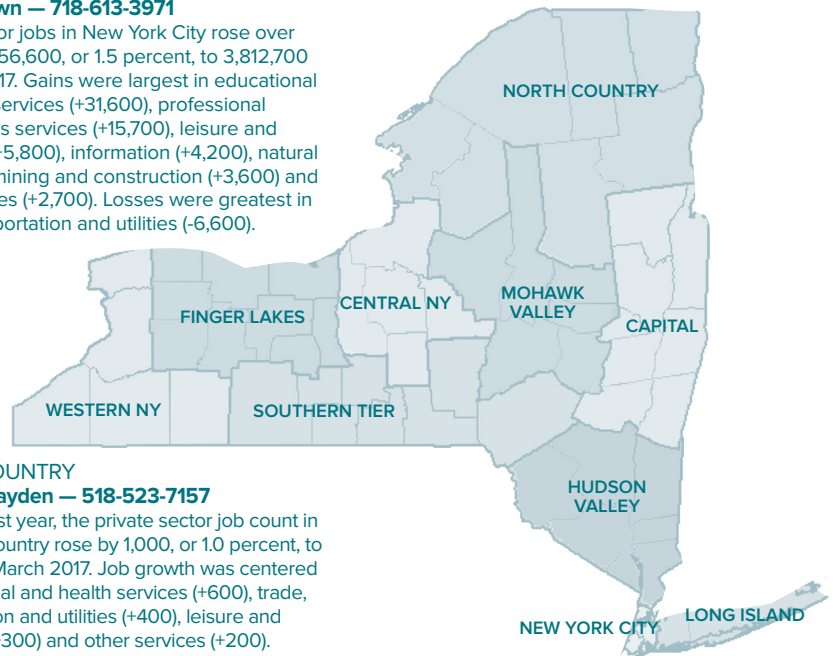
Christian Harris — 607-741-4485

For the year ending March 2017, private sector jobs in the Southern Tier rose by 1,500, or 0.7 percent, to 223,200. Gains were largest in educational and health services (+1,500), leisure and hospitality (+500), professional and business services (+400) and other services (+300). Job losses were greatest in manufacturing (-900) and trade, transportation and utilities (-300).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area rose over the year by 3,600, or 0.8 percent, to 464,400 in March 2017. Growth was centered in professional and business services (+1,800), educational and health services (+1,400), other services (+900) and leisure and hospitality (+800). Losses were greatest in natural resources, mining and construction (-900) and trade, transportation and utilities (-300).



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