

# Employment

IN NEW YORK STATE

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

## At a Glance

In April 2010, New York's seasonally adjusted unemployment rate was 8.4 percent, down from March's 8.6 percent. (The nation's unemployment rate was 9.9 percent in April.) In April 2010, the state had 8,539,700 non-farm jobs, including 7,038,900 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.4 percent from March, while the U.S. private sector job count increased by 0.2 percent. From April 2009 to April 2010, the number of private sector jobs decreased by 0.3 percent in the state and decreased by 1.1 percent in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators increased at an annual rate of 5.1 percent in April 2010.

### Change in Nonfarm Jobs

April 2009 - April 2010

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	-52.0	-0.6
Private Sector	-23.0	-0.3
Goods-producing	-41.3	-5.1
Nat. res. & mining	0.2	3.8
Construction	-16.8	-5.3
Manufacturing	-24.7	-5.1
Durable gds.	-18.3	-6.4
Nondurable gds.	-6.4	-3.3
Service-providing	-10.7	-0.1
Trade, trans. & util.	-10.0	-0.7
Wholesale trade	-11.5	-3.5
Retail trade	7.1	0.8
Trans., wrhs. & util.	-5.6	-2.1
Information	-4.6	-1.8
Financial activities	-16.4	-2.4
Prof. & bus. svcs.	-4.9	-0.4
Educ. & health svcs.	37.1	2.2
Leisure & hospitality	14.6	2.1
Other services	2.5	0.7
Government	-29.0	-1.9

Challenging Economic Times for Class of '10...

## New College Graduates Face Grave New World

*"The recession may be just about over in the marketplace, but its effects linger on the nation's campuses. The largest graduating class in history ... is entering America's certified credential society and learning to its sorrow that a degree is no guarantee of a suitable job."*

Time magazine

Sadly, this excerpt sums up the grim jobs picture faced by many of the nation's 1.6 million college graduates who got their bachelor's degree this year. No doubt, they face the worst job market in many years, due to the lingering effects of the *Great Recession*.

According to one analysis, "The Great Recession may be over, but this era of high jobless-

ness is probably just beginning. Before it ends, it will likely change the life course and character of a generation of young adults."

### Fewer Jobs This Year

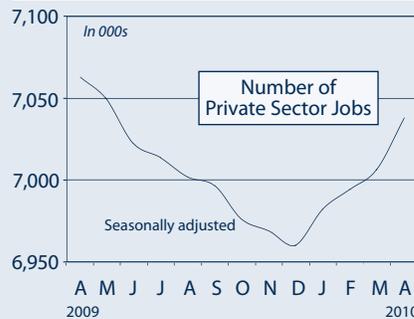
Data from the USDOL's Job Openings and Labor Turnover Survey highlight the cut-throat market for jobs. In April 2010, there were five unemployed persons per job opening in the U.S. This was nearly triple the December 2007 figure of 1.8, at the start of the latest downturn.

In April 2010, the unemployment rate for U.S. workers aged 16-24 reached 19.6%. It

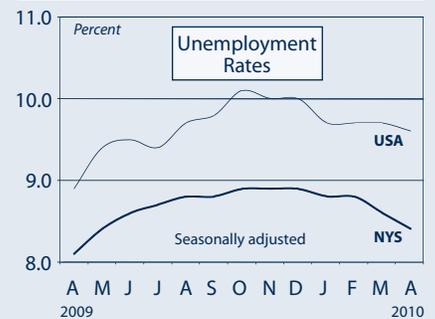
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### IN APRIL...

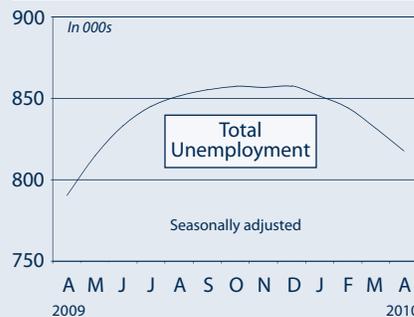
...NYS private sector jobs increased



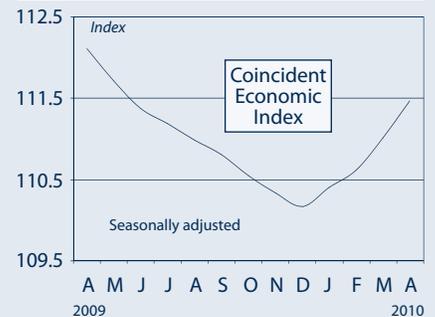
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index increased



## Focus on Long Island

Long Island Economy Pushes into the 21st Century  
by Gary Huth, Labor Market Analyst, Long Island Region

The Long Island economy has begun to recover some of the jobs lost during the recession. From February 2008 to December 2009, Long Island lost 53,800 nonfarm jobs (-4.2%), on a seasonally adjusted basis. Over the December 2009-April 2010 period, the Island's nonfarm employment count rose by 19,400 jobs, a gain of 1.6%. In fact, recently the local economy has outperformed the nation. Total employment in the U.S. was only up 0.4% since December 2009.

The Island's economy received some other good news in April 2010. The local unemployment rate dropped over the year, for the first time since July 2007. In April 2010, the Island's unemployment rate was 6.6% – well below New York State (8.2%) and the U.S. (9.5%).

### How Strong Is This Recovery?

Despite the recent rebound in the local job market, there are lingering concerns regarding:

- The strength of the recovery
- The quality of jobs that will be created
- Whether this may be a jobless recovery

A large number of analysts believe many of the jobs that disappeared during the latest downturn were lost due to structural changes in the economy. Many of these lost jobs are not expected to return – even when the national and regional economies start growing again. These structural changes were due, in part, to technological change.

### Technology Is Everywhere

Technological change has been, and will continue to be, one of the key contributors to economic growth on Long Island. In the absence of significant local population gains, economic change

– in the form of innovation and increased productivity – is often the key to a rising standard of living. Increased productivity may generally be thought of as working harder, but most often it means working smarter.

The first decade of the 21st century underscored how quickly new technology and new trends can disrupt past patterns of economic growth. These forces have both good and bad effects on jobs. They may lead to job losses in some sectors

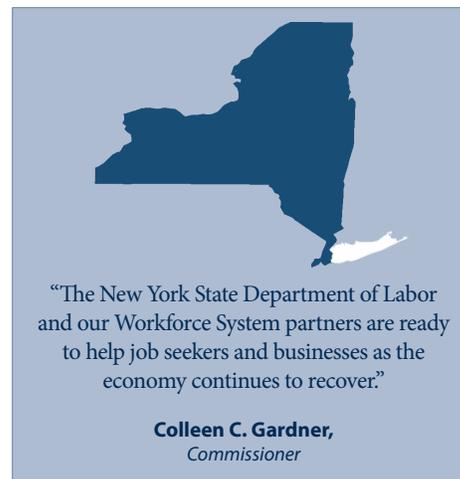
*“Businesses, educators and the workforce system must work together to meet the economic challenges of the 21st century.”*

(e.g., people download movies off the Internet and avoid the video store). At the same time, technological change often opens the door to new, good-paying jobs. We expect technology will nurture good-paying jobs in a wide range of industry sectors on Long Island including: energy, health care, manufacturing, information, and professional and business services.

### A Rich Heritage Continues

The Long Island region has a rich history of technology development. Local schools regularly produce the most Intel Science Award contestants – and winners – in the country. The Island is home to outstanding research institutions such as Cold Spring Harbor Laboratory, Brookhaven National Laboratories, and Stony Brook University's two Centers of Excellence (biotechnology and wireless technology). This mix combines to form a highly-skilled local workforce.

Technology-based jobs are most apt to grow in a couple key sectors. In health care, more than \$20 billion was allocated in the U.S. to develop electronic health records. Locally, the North Shore-Long Island Jewish hospital network announced a \$400 million project. Doctors in their



network will upgrade to digital medical records. This will help the medical system to comply with new federal rules by 2014. The project will help cut down on medical mistakes, reduce health care costs, and make the medical system more efficient.

Long Island's economy should benefit from expanded use of “green” technologies – such as solar, wind and geothermal – and more energy conservation efforts. This will help the environment and reduce energy costs. It should also create some good-paying jobs.

Some people assume manufacturing is dead or dying. But it still plays a leading role in Long Island's 21st century economy. Many of today's new technologies came out of the manufacturing sector. So did a lot of everyday products used in the retail sector, such as inventory control and handheld scanning devices.

### Looking Ahead

It takes up-to-date technical skills to find and keep a good job in the 21st century. This also means keeping the workforce and education systems current. It is a challenge to get more students, especially women, to enter the STEM fields – Science, Technology, Engineering and Math. Businesses, educators, and the workforce system must work together to meet the economic challenges of the 21st century. ■

### Grave New World... from page 1

was the highest jobless rate for this age group on record. (Data go back to 1948.) Previously, the peak jobless rate for 16-24 year-olds in the U.S. was 19.0%. That happened at the end of the national recession in 1981-82.

National data show that younger workers (16-24 year-olds) were overrepresented among the long-term jobless (unemployed for 27 weeks or more) during this downturn. In 2009, this group made up 19.5 percent of all long-term jobless. But they were only 13.9 percent of the labor force. Youths typically account for an above-average share of the long-term jobless during

### Unemployment Rate by Age Group, New York State, 2009

Age Group	Unemployment Rate
Total	8.3%
16 to 24 years	17.9%
25 to 34 years	9.0%
35 to 44 years	7.2%
45 to 54 years	5.9%
55 years and over	5.4%

Source: Current Population Survey

recessions. The long-term unemployment rate of U.S. 16-24 year-old workers (the share of this group's labor force that was unemployed for 27 weeks or more) skyrocketed during the recession. It more than tripled, from 13% in 2007 to 41% in 2009.

There are no comparable monthly unemployment statistics for New York State. However, annual figures show that the jobless rate for 16-24 year-olds in New York rose from 11.9% in 2007 to 17.9% in 2009. Not only did this group have the highest unemployment rate, but also it was

Continued on page 3

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	APR '09	APR '10		APR '09	APR '10		APR '09	APR '10
<b>New York State</b>	<b>7.7</b>	<b>8.2</b>	<b>Hudson Valley</b>	<b>6.8</b>	<b>6.9</b>	<b>Finger Lakes</b>	<b>7.4</b>	<b>7.5</b>
<b>Capital District</b>	<b>6.7</b>	<b>6.7</b>	Dutchess	6.8	7.2	Genesee	7.4	7.1
Albany	6.2	6.2	Orange	7.5	7.6	Livingston	7.8	8.0
Columbia	6.9	6.9	Putnam	6.2	6.4	Monroe	7.2	7.3
Greene	8.5	8.1	Rockland	6.6	6.5	Ontario	6.9	7.2
Rensselaer	7.2	7.0	Sullivan	8.3	8.8	Orleans	9.5	9.1
Saratoga	6.0	6.2	Ulster	7.0	7.2	Seneca	7.2	7.3
Schenectady	6.8	6.9	Westchester	6.5	6.6	Wayne	8.3	8.3
Warren	8.1	8.3	<b>Mohawk Valley</b>	<b>7.8</b>	<b>7.7</b>	Wyoming	8.7	8.6
Washington	7.4	7.4	Fulton	9.4	9.5	Yates	6.6	6.3
<b>Central New York</b>	<b>7.7</b>	<b>7.8</b>	Herkimer	8.2	8.2	<b>Western New York</b>	<b>8.2</b>	<b>7.9</b>
Cayuga	8.3	8.0	Montgomery	9.4	8.9	Allegany	8.1	8.7
Cortland	8.6	8.4	Oneida	7.0	6.8	Cattaraugus	8.5	8.4
Madison	7.6	7.6	Otsego	7.4	7.0	Chautauqua	8.3	8.3
Onondaga	7.1	7.3	Schoharie	8.6	8.5	Erie	7.9	7.5
Oswego	9.3	9.1	<b>North Country</b>	<b>9.2</b>	<b>9.7</b>	Niagara	9.5	9.0
<b>Southern Tier</b>	<b>7.7</b>	<b>7.7</b>	Clinton	9.2	10.1	<b>Long Island</b>	<b>6.7</b>	<b>6.6</b>
Broome	7.5	8.1	Essex	10.1	9.9	Nassau	6.6	6.4
Chemung	8.8	7.9	Franklin	8.6	8.9	Suffolk	6.8	6.9
Chenango	8.3	8.5	Hamilton	9.7	9.7	<b>New York City</b>	<b>8.4</b>	<b>9.4</b>
Delaware	8.4	8.2	Jefferson	8.8	9.3	Bronx	10.5	12.5
Schuyler	8.7	8.0	Lewis	9.3	9.2	Kings	9.0	10.2
Steuben	9.7	9.4	St. Lawrence	9.5	10.0	New York	7.5	7.9
Tioga	7.6	7.3				Queens	7.6	8.7
Tompkins	5.0	5.1				Richmond	7.6	8.5

### Grave New World... from page 2

more than twice as high as the state's overall unemployment rate (8.3%) in 2009.

Significant hiring cutbacks by employers add to this year's labor market woes. For example, recent surveys by Monster.com and CareerBuilder found that only about 45% of employers plan to hire this year's grads.

### Other Issues

Other labor market indicators hint at how hard it is for recent college grads to find quality jobs. For example, the National Association of Colleges and Employers notes the average salary for Class of 2010 graduates was \$47,763, or 1.7% less than 2009.

This trend toward lower starting salaries does not bode well. Lisa Kahn at Yale found that graduating from college during tough times has long-term effects. She compared the salaries for students who finished college during the two recessions of the early '80s with those who got their degrees during the boom years at the end of the decade. Recession grads lost more than \$100,000 in salary over the next 15 years, compared to the second group.

As many 2010 college graduates must accept lower-paying jobs, they will play catch up throughout their careers. Many may never recover all of their lost earnings.

According to Professor Kahn, new graduates

who enter the job market during recessions "... get shifted down into a lower level and lower pay scale. They are working for worse firms, they're not learning as many skills and they're not moving up the career pyramid as quickly." She also found:

- People who entered the labor market during and immediately after a recession did not switch jobs as often as their counterparts.
- By mid-career, 1980s recession graduates were less likely to work in professional occupations.
- High joblessness among current graduates will likely change the course and character of their lives.

### What Lies Ahead?

While the U.S. recession appears to be over, at least technically, the economy has regained little of its pre-recession strength. One of the key remaining questions: What path will the current economic recovery take?

Some forecasters believe that unemployment will only drop a bit in the near future. For example, economists surveyed by Bloomberg News believe the average jobless rate for 2010 will be 9.6 percent. They expect it to slip to 9.1 percent in 2011 and 8.0 percent in 2012. They point out that the recovery could follow the same path it did after the 1991 and 2001 recessions. That could leave the 2014 unemployment rate at around 8%.

### Back to the Future?

However, we must remember that the U.S. has a very resilient labor market. While the above excerpt from *Time* rings true for 2010, it really was printed in May 1971. Then, it cost 8 cents to mail a letter, a gallon of leaded gasoline was 36 cents, \$11,000 was a respectable starting salary for newly minted engineers, and the base price of a new Ford Pinto (coupe model) was \$1,919 (a radio cost an extra \$61).

Since then, the nation has gone through five recessions and recoveries, with a sixth recovery underway. The more things change, the more they remain the same. ■

by Daniel Crosley

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## REGIONAL ANALYSTS' CORNER

### CAPITAL DISTRICT

**James Ross — 518-462-7600**

From April 2009 to April 2010, the number of private sector jobs in the Albany-Schenectady-Troy area fell 500, or 0.1 percent, to 333,300. Job gains were greatest in educational and health services (+1,100), leisure and hospitality (+800), and natural resources, mining and construction (+800). Job losses were greatest in trade, transportation and utilities (-2,500), manufacturing (-500), and financial activities (-200).

### CENTRAL NY

**Roger Evans — 315-479-3388**

For the 12-month period ending April 2010, the private sector job count in the Syracuse metro area fell 600, or 0.2 percent, to 255,700. Job growth was concentrated in educational and health services (+1,500), leisure and hospitality (+500), and natural resources, mining and construction (+400). The largest job losses occurred in trade, transportation, and utilities (-1,300), manufacturing (-900), and financial activities (-700).

### FINGER LAKES

**Tammy Marino — 585-258-8870**

Private sector employment in the Rochester metropolitan area declined over the year by 1,900, or 0.5 percent, to 416,600 in April 2010. Employment gains were concentrated in educational and health services (+2,900), other services (+300) and professional and business services (+200). Losses were greatest in manufacturing (-4,200), information (-500), and leisure and hospitality (-500).

### HUDSON VALLEY

**John Nelson — 914-997-8798**

Private sector employment in the Hudson Valley decreased 14,500, or 2.0 percent, to 703,900 for the 12-month period ending April 2010. Employment gains were focused in educational and health services (+2,500). Job losses were centered in natural resources, mining and construction (-5,500), manufacturing (-3,400), professional and business services (-3,400), and trade, transportation and utilities (-2,400).

### LONG ISLAND

**Gary Huth — 516-934-8533**

The private sector job count on Long Island rose over the year by 6,700, or 0.7 percent, to 1,020,600 in April 2010. Job gains were focused in leisure and hospitality (+5,500), educational and health services (+5,100), and trade, transportation and utilities (+3,300). Job losses were greatest in manufacturing (-3,900), natural resources, mining and construction (-1,600), and financial activities (-500).

### MOHAWK VALLEY

**Mark Barbano — 315-793-2282**

For the 12-month period ending April 2010, the private sector job count in the Utica-Rome metro area increased 300, or 0.3 percent, to 96,000. Job gains occurred in educational and health services (+700) and leisure and hospitality (+300). Losses were centered in manufacturing (-600) and financial activities (-200).

### NEW YORK CITY

**James Brown — 212-775-3330**

Private sector employment in New York City fell by 7,400, or 0.2 percent, to 3,117,100 for the 12-month period ending April 2010. Job growth occurred in educational and health services (+15,900) and leisure and hospitality (+9,300). Job losses occurred in financial activities (-11,100), professional and business services (-7,300), natural resources, mining and construction (-7,200), and trade, transportation and utilities (-3,300).

### SOUTHERN TIER

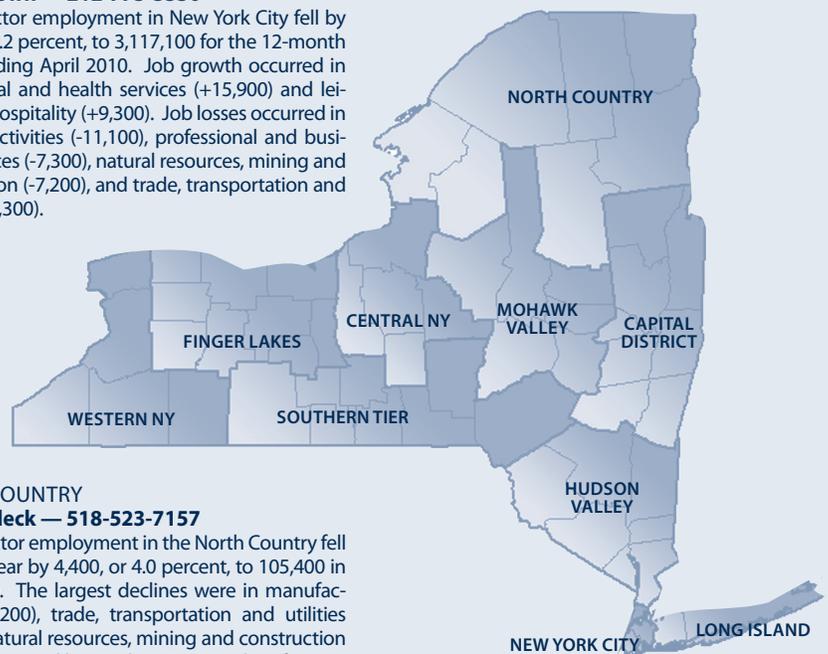
**Christian Harris — 607-741-4485**

Private sector employment in the Southern Tier declined over the year by 1,800, or 0.8 percent, to 227,900 in April 2010. Job gains remained largest in educational and health services (+1,000) and professional and business services (+500). Employment losses were greatest in manufacturing (-3,100) and trade, transportation and utilities (-200).

### WESTERN NY

**John Slenker — 716-851-2742**

Private sector employment in the Buffalo-Niagara Falls metro area decreased by 1,100, or 0.3 percent, to 438,100 over the 12 months ending April 2010. Job gains were centered in professional and business services (+1,800), trade, transportation and utilities (+800), and other services (+500). Losses occurred in manufacturing (-4,100), information (-400) and financial activities (-400).



### NORTH COUNTRY

**Alan Beideck — 518-523-7157**

Private sector employment in the North Country fell over the year by 4,400, or 4.0 percent, to 105,400 in April 2010. The largest declines were in manufacturing (-1,200), trade, transportation and utilities (-1,100), natural resources, mining and construction (-700), leisure and hospitality (-500), and professional and business services (-500).