

Employment

IN NEW YORK STATE

Andrew M. Cuomo, Governor
Peter M. Rivera, Commissioner

At a Glance

In April 2014, New York's seasonally adjusted unemployment rate was 6.7%, down from March 2014's level of 6.9%. The nation's unemployment rate was 6.3% in April 2014. New York State had 8,983,900 nonfarm jobs in April 2014, including 7,543,000 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by less than 0.1% in March-April 2014, while those in the nation increased by 0.2%. From April 2013 to April 2014, the number of private sector jobs increased by 1.3% in the state and 2.1% in the nation (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 1.4% in April 2014.

Change in Nonfarm Jobs

April 2013 - April 2014

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	89.5	1.0
Private Sector	93.5	1.3
Goods-producing	0.6	0.1
Nat. res. & mining	-0.1	-2.0
Construction	6.6	2.1
Manufacturing	-5.9	-1.3
Durable gds.	-3.3	-1.2
Nondurable gds.	-2.6	-1.4
Service-providing	88.9	1.1
Trade, trans. & util.	22.4	1.5
Wholesale trade	1.0	0.3
Retail trade	18.2	2.0
Trans., wrhs. & util.	3.2	1.2
Information	0.7	0.3
Financial activities	-1.1	-0.2
Prof. & bus. svcs.	19.9	1.7
Educ. & health svcs.	32.2	1.8
Leisure & hospitality	15.0	1.8
Other services	3.8	1.0
Government	-4.0	-0.3

U.S. Factories Much More Competitive...

New Report: U.S. Manufacturing Sector is a "Rising Star"

"The overall manufacturing-cost structure of ... the U.S. [has] significantly improved relative to nearly all other leading exporters across the globe. [...] Overall costs in the U.S. ... are 10-25% lower than those of the world's ten leading goods-exporting nations other than China."

Boston Consulting Group

A recent report from the Boston Consulting Group (BCG) found that U.S. manufacturers have grown more cost competitive over the past 10 years compared with most of the world's other major economies. In fact, the BCG report dubbed U.S. manufacturers a "rising star." This resurgence in U.S. manufacturing is driven by a combination of factors, including more competitive labor and energy prices here, productivity gains, rising product

quality, lower transportation costs and the desire by many U.S. companies to produce goods closer to home. According to BCG, in 2004 manufacturing costs in China were 14% less than those in the U.S. By 2014, China's cost advantage had narrowed to 5%.

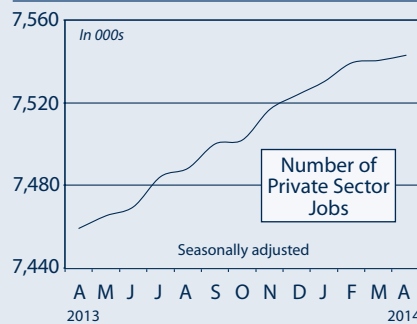
NYS Manufacturing

Today, the factory sector still accounts for 6.2% of private sector jobs in New York State and this share is much higher in certain Upstate counties. In fact, there are eight New York counties where manufacturing comprised more than 25% of private sector jobs in 2013: Tioga (36%), Chenango (36%), Delaware (30%), Washington (29%), Wayne (27%), Lewis (26%), Orleans (26%) and Seneca (26%).

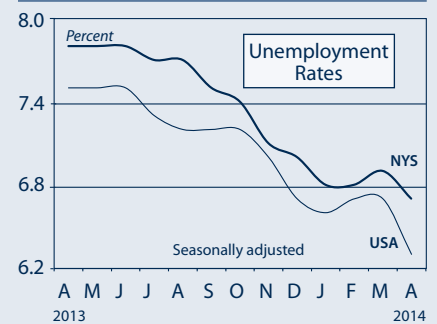
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IN APRIL...

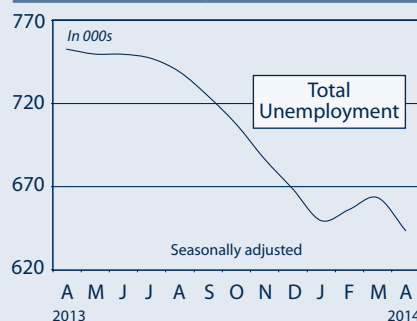
...NYS private sector jobs increased



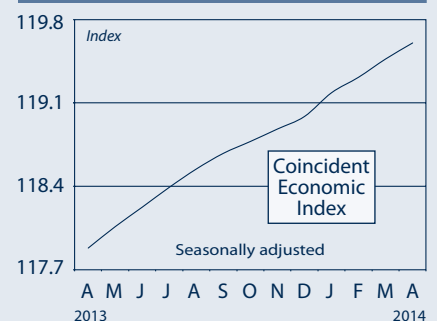
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index increased



Focus on the Hudson Valley

Hudson Valley Enjoys Broad-Based Job Growth
by John Nelson, Labor Market Analyst, Hudson Valley

The Hudson Valley's economy has steadily improved since the end of the recession in 2009. Between 2009 and 2013, the region's private sector job count grew by 25,000, or 3.6%, to 724,600, according to data from the Quarterly Census of Employment and Wages. Accompanying this private sector job growth was a sharp drop in the Hudson Valley's unemployment rate, which declined from 7.4% to 6.6% in 2009-2013. In 2013, private sector employers in the Hudson Valley paid out almost \$38.8 billion in total wages, a 10.4% gain over 2009 levels. Companies in the Hudson Valley paid their workers an annual average wage of \$53,530 in 2013.

Area Job Growth

Within the Hudson Valley region, the Poughkeepsie-Newburgh-Middletown (P-N-M) metro area (Dutchess and Orange counties) experienced the fastest job growth. Between 2009 and 2013, the P-N-M area's private sector job count grew by 7,600, or 4.0%, to 197,000. This rate of job growth was third fastest among metro areas in the state in 2009-2013, trailing only New York City and Nassau-Suffolk.

In the P-N-M metro area, education and health-care services added 2,800 jobs in 2009-2013. Marist College, a major area employer in that sector, embarked on a joint venture with IBM to develop cloud computing. Marist received a \$3 million grant through the Mid-Hudson Regional Economic Development Council (REDC), which will support a cloud computing center at its campus in Poughkeepsie. Another contributor

to sector growth is Touro College of Osteopathic Medicine (TouroCOM), which is based in New York City. TouroCOM, which received \$1 million through the Mid-Hudson REDC, is investing \$24 million to renovate the former Horton Hospital complex in Middletown. The project is expected to create 500 direct jobs and up to 300 indirect spinoff jobs. In addition, Crystal Run Healthcare is building a 65,250 square-foot facility in the Town of Newburgh. The company expects to add 237 jobs.

Retail trade employment in the P-N-M area grew by 2,500 jobs between 2009 and 2013, led by strong hiring at big-box retailers. Accommodation and food services was also in growth mode, expanding by 2,200 workers over this timeframe. Administrative and support services added 1,900 jobs in 2009-2013, buoyed by growing corporate profits and the need for additional support staff.

The Putnam-Rockland-Westchester (P-R-W) labor market area had the second fastest rate of private sector job growth (+3.9%) in the region in 2009-2013. This percentage increase translated into a net gain of 17,400 private sector jobs. P-R-W accounted for about 70% of all private sector jobs gained in the region between 2009 and 2013.

The strong job gains registered (+7,000) by the P-R-W area's accommodation and food services sector affirm its appeal as a destination for business and leisure travelers alike. There are currently many new hotel projects underway in Yonkers.



The job count in the region's closely-related retail trade sector (+5,400) has also strengthened over the past few years as consumer confidence has rebounded during the economic recovery. This sector is poised for continued growth. For example, the Ridge Hill complex in Yonkers has seen several new stores open recently. In addition, the Shops at Nanuet (the former Nanuet Mall) in Rockland County has become a premier shopping destination since opening in 2013. This outdoor shopping mall has added a few hundred jobs to the area's retail trade sector.

Private sector employment levels in the Kingston metro area (Ulster County) and Sullivan County were essentially unchanged in 2009-2013.

Summary

The Hudson Valley region is poised for additional job growth. One catalyst will be mega projects, such as the construction of the new Tappan Zee Bridge and the development of two possible casinos. These could bring about job growth at rates the region has not seen in decades. Looking ahead, a major challenge will be for workforce partners to work together to develop the workforce needed to meet the ever-increasing challenges of the 21st century global economy. ■

U.S. Manufacturing... from page 1

eca (26%). Manufacturing also makes an important economic contribution in the relatively high wages it pays.

As U.S. manufacturers have become more competitive in recent years, so have New York factories. In fact, some companies are bringing jobs back from overseas to expand here. One such company is guitar string maker D'Addario & Co., which plans to open another factory in Suffolk County as part of an ongoing expansion that has brought manufacturing jobs to Long Island from other states and China. Pharmaceutical manufacturer MTC Industries is another. It plans to move its manufacturing operations from China to Suffolk County.

Between 2010 and 2013, 11 manufacturing industries in New York State added at least 500 jobs, including five that grew by at least 1,300.

The table on page 3 shows more details about these industries.

General purpose machinery had the largest statewide increase in manufacturing jobs (+2,020) between 2010 and 2013. This industry group is a catch-all that includes firms that make pumps, compressors, automatic sprinkler systems and industrial trucks. The largest industries here are miscellaneous general purpose machinery (24%) and air and gas compressors (22%).

Bakeries and tortilla makers had the second largest jobs increase (+1,770) in 2010-2013. Almost two in three (64%) industry jobs are in New York City or Long Island.

Dairy products had the third largest jobs increase (+1,720) between 2010 and 2013. This gain in part reflects the growth of the burgeoning Greek-style yogurt industry. Most industry jobs are in fluid

milk/yogurt manufacturing (56%) and cheese manufacturing (29%). Western New York and the Southern Tier together account for 52% of statewide jobs.

The fourth largest jobs increase was in machine shops and threaded products, which added 1,520 jobs. About 70% of jobs in this industry are at machine shops. Employment is spread across the state.

The fabricated metals industry rounds out the top five, with an employment increase of +1,300 between 2010 and 2013. Firms in this industry primarily manufacture metal valves and other fabricated material, such as ball and roller bearings and ammunition. Most (57%) jobs in the state are in the Western New York, Mohawk Valley and Hudson Valley regions.

Continued on page 3

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	APR '13	APR '14		APR '13	APR '14		APR '13	APR '14
New York State	7.4	6.1	Hudson Valley	6.4	4.8	Finger Lakes	7.1	5.5
Capital	6.5	5.0	Dutchess	6.6	4.9	Genesee	6.9	5.4
Albany	6.0	4.5	Orange	7.0	5.2	Livingston	7.7	5.7
Columbia	6.2	4.7	Putnam	5.8	4.2	Monroe	6.8	5.3
Greene	8.8	6.3	Rockland	5.6	4.4	Ontario	7.0	5.5
Rensselaer	6.5	5.0	Sullivan	8.8	6.8	Orleans	9.0	7.4
Saratoga	5.9	4.6	Ulster	7.6	5.6	Seneca	7.1	5.4
Schenectady	6.7	5.1	Westchester	6.0	4.6	Wayne	8.0	6.2
Warren	8.1	6.7	Mohawk Valley	8.2	6.3	Wyoming	8.1	6.4
Washington	7.3	5.8	Fulton	9.5	7.1	Yates	6.4	4.9
Central New York	7.5	5.8	Herkimer	8.7	7.1	Western New York	7.6	5.9
Cayuga	7.3	5.6	Montgomery	9.2	7.0	Allegany	7.4	6.0
Cortland	7.9	6.3	Oneida	7.9	5.9	Cattaraugus	8.4	6.5
Madison	7.9	6.5	Otsego	6.9	5.3	Chautauqua	7.8	6.3
Onondaga	6.9	5.2	Schoharie	8.9	7.0	Erie	7.4	5.6
Oswego	9.6	7.6	North Country	9.6	7.7	Niagara	8.2	6.5
Southern Tier	7.4	5.7	Clinton	9.0	6.7	Long Island	5.9	4.5
Broome	7.6	6.1	Essex	9.9	8.2	Nassau	5.7	4.2
Chemung	8.2	6.2	Franklin	9.5	7.5	Suffolk	6.1	4.7
Chenango	7.3	5.6	Hamilton	11.2	8.8	New York City	8.2	7.4
Delaware	8.0	6.2	Jefferson	10.1	8.2	Bronx	11.1	10.3
Schuyler	8.3	6.2	Lewis	10.5	8.7	Kings	8.9	7.9
Steuben	9.2	7.0	St. Lawrence	9.4	7.7	New York	6.9	6.0
Tioga	7.7	6.2				Queens	7.3	6.6
Tompkins	4.6	3.5				Richmond	7.2	6.7

U.S. Manufacturing... from page 2

Manufacturing Industries with Largest Job Gains, New York State, 2010-2013

Industry	Job Gain, 2010-2013	Jobs, 2013	Average Annual Wage, 2013
General Purpose Machinery	+2,020	14,730	\$73,700
Bakeries & Tortilla Makers	+1,770	21,320	\$28,900
Dairy Products	+1,720	9,470	\$54,200
Machine Shops & Threaded Products	+1,520	14,700	\$50,000
Fabricated Metal Products	+1,300	7,930	\$59,400
Miscellaneous Manufacturing	+670	19,050	\$50,300
Beverages	+630	6,760	\$47,200
Office Furniture	+630	5,350	\$46,600
Semiconductors & Electronic Components	+510	20,020	\$75,400
Converted Paper Products	+510	11,610	\$51,100
Wood Products	+510	5,080	\$38,900

Source: Quarterly Census of Employment and Wages

Exports Important to Manufacturing

Exports are a critical component of manufacturing in the U.S. and New York State. According to an analysis by the U.S. Department of Commerce (USDOC), every \$1 billion in merchandise exports supported 5,359 U.S. jobs in 2012 (2013 results are not yet available). U.S. jobs supported by exports reached more than 11 million in 2013, up 1.6 million since 2009.

In 2013, merchandise exports from New York State totaled just under \$84 billion, according to preliminary data provided by the New York State Department of Economic Development (sources: USDOC and WISERTrade.org). Our state's top 5 foreign markets for merchandise exports in 2013 were: China (including Hong Kong), \$14.3 billion; Canada, \$14.2 billion; Switzerland, \$10.4 billion; Israel, \$5.2 billion; and United Kingdom, \$5.0 billion.

Exporting activity supports thousands of businesses in the state and sustains significant employment in the private sector. Based on analysis by the USDOC, 24.2% of all manufacturing workers in New York depended on exports for their jobs in 2011 (latest available data).

Looking Ahead

The BCG report referenced above estimates that if current trends continue, U.S. manufacturing will be less expensive than China's by 2018. Expanding our country's exports abroad will be a key component to maintaining a vibrant factory sector here in New York State and in the nation as a whole. For more information regarding the BCG report, visit www.BCG.com. ■

by Louis Solano and Kevin Jack

Employment in New York State is published 12 times a year. To request a change of address, write to the address below and provide your old and new addresses.

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REGIONAL ANALYSTS' CORNER

CAPITAL

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For the 12-month period ending April 2014, the Capital Region's private sector job count grew by 700, or 0.2 percent, to 413,400. Gains were largest in natural resources, mining and construction (+1,900), trade, transportation and utilities (+700) and leisure and hospitality (+500). Losses were greatest in professional and business services (-2,300).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

For the 12-month period ending April 2014, the private sector job count in the Syracuse metro area declined by 1,000, or 0.4 percent, to 255,700. Job growth was concentrated in trade, transportation and utilities (+800), other services (+300) and professional and business services (+300). The largest job losses occurred in educational and health services (-1,200) and manufacturing (-500).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area increased over the year by 2,000, or 0.5 percent, to 435,500 in April 2014. Gains were concentrated in educational and health services (+3,500) and leisure and hospitality (+2,700). Losses were largest in trade, transportation and utilities (-1,200), construction (-1,100), professional and business services (-1,000) and manufacturing (-900).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending April 2014, private sector jobs in the Hudson Valley increased by 5,800, or 0.8 percent, to 748,300. Gains were strongest in educational and health services (+4,500), leisure and hospitality (+1,700) and trade, transportation and utilities (+1,300). Losses were largest in natural resources, mining and construction (-1,000) and manufacturing (-900).

LONG ISLAND

Shital Patel — 516-934-8533

Private sector jobs on Long Island rose over the year by 14,000, or 1.3 percent, to 1,087,600 in April 2014. Job gains were centered in trade, transportation and utilities (+7,000), educational and health services (+5,000), leisure and hospitality (+1,300) and other services (+900). Losses were greatest in financial activities (-1,600).

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending April 2014, the private sector job count in the Mohawk Valley increased by 500, or 0.3 percent, to 145,000. Job gains were centered in leisure and hospitality (+700) and educational and health services (+500). Losses were greatest in professional and business services (-300) and other services (-200).

NEW YORK CITY

James Brown — 212-775-3330

Private sector employment in New York City rose by 65,400, or 1.9 percent, to 3,479,400 for the 12-month period ending April 2014. Growth was strongest in educational and health services (+21,600), trade, transportation and utilities (+14,600), professional and business services (+12,200), leisure and hospitality (+4,900) and natural resources, mining and construction (+3,800).

SOUTHERN TIER

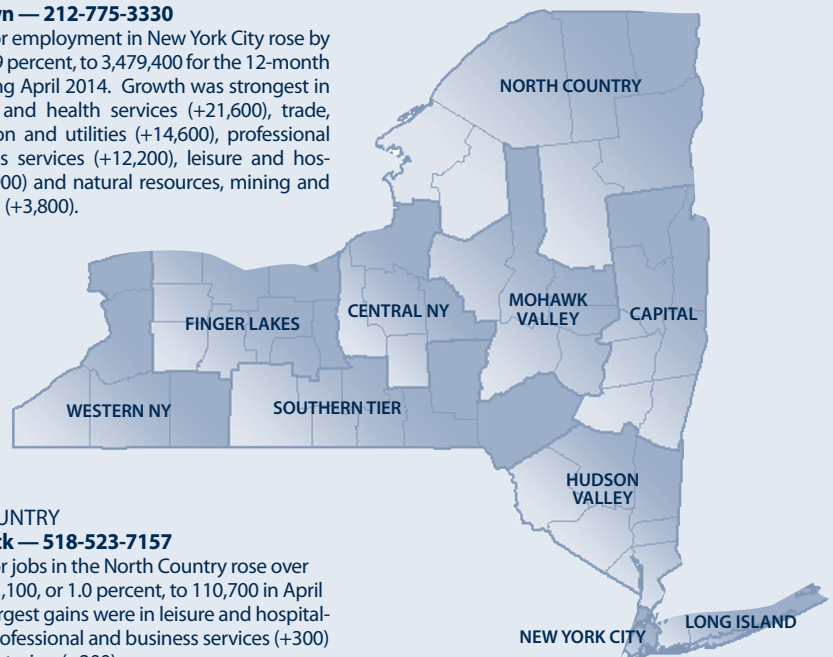
Christian Harris — 607-741-4485

Private sector jobs in the Southern Tier fell over the year by 600, or 0.3 percent, to 234,000 in April 2014. Employment increases were centered in leisure and hospitality (+1,000). Job losses were greatest in educational and health services (-1,500).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area grew by 3,400, or 0.8 percent, to 455,400 over the 12 months ending April 2014. Gains were centered in trade, transportation and utilities (+1,300), natural resources, mining and construction (+1,200), educational and health services (+1,100) and professional and business services (+1,100). Losses were greatest in financial activities (-1,200).



NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector jobs in the North Country rose over the year by 1,100, or 1.0 percent, to 110,700 in April 2014. The largest gains were in leisure and hospitality (+400), professional and business services (+300) and manufacturing (+200).