

EMPLOYMENT in New York State

George E. Pataki, Governor

July 2006

Linda Angello, Commissioner

Diverse Set of Industries...

State's Travel and Tourism Sector Rebounds

What do Radio City Music Hall and your favorite restaurant around the corner have in common? How about the Buffalo Bisons baseball team, the Bronx Zoo, and the gas station down the block? The connection? They are all part of New York State's multi-faceted travel and tourism sector.

Travel and tourism is big business in the Empire State. Domestic and international travelers to New York spent \$35.4 billion (ranking the state third in the nation), and generated \$7.18 billion in tax receipts for government at all levels in 2003 (the most current year available), according to a

2005 report from the U.S. Chamber of Commerce and the Travel Industry Association of America.

New York's travel and tourism industries were hit hard by the combined effects of the 2001-2003 economic slowdown and the World Trade Center attacks, like the nation as a whole. Between 2000 and 2003, the number of travel and tourism jobs in New York dropped from 341,000 to 327,200, a loss of 13,800 or 4 percent. The sector's job count has since rebounded to 335,600 in 2005, with total wages of more than \$11 billion and an average salary of \$33,300.

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At a Glance

In May 2006, New York's seasonally adjusted unemployment rate was 4.6 percent, down from 4.9 percent in April 2006. (The nation's unemployment rate was also 4.6 percent in May.) In May 2006, the state had 8,585,100 nonfarm jobs, including 7,099,300 private sector jobs, after seasonal adjustment. The number of private sector jobs in the state increased by less than 0.1 percent from April. (The nation's private sector job count increased by 0.1 percent over the month.) From May 2005 to May 2006, the number of private sector jobs increased by 1.0 percent in the state and increased by 1.6 percent in the nation (not seasonally adjusted). In addition, New York's employment-population ratio, a measure of labor force participation, increased in May.

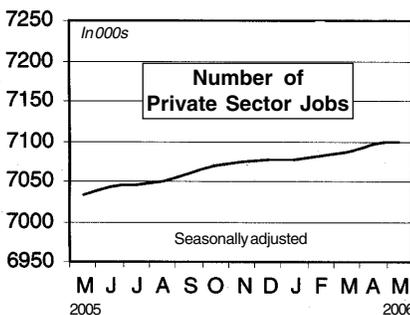
Change in Nonfarm Jobs May 2005 - May 2006

(Data not seasonally adjusted, numbers in thousands)

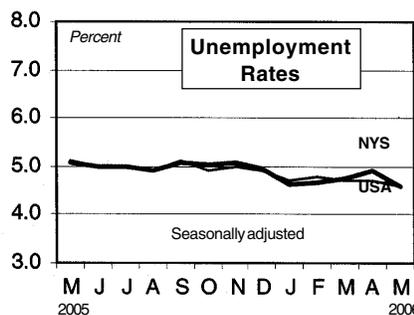
	Net	%
Total Nonfarm Jobs	73.9	0.9
Private Sector	70.8	1.0
Goods-producing	-12.1	-1.3
Nat. res. & mining	0.2	3.3
Construction	6.3	1.9
Manufacturing	-18.6	-3.2
Durable gds.	-12.1	-3.6
Nondurable gds.	-6.5	-2.6
Service-providing	86.0	1.1
Trade, trans., & util.	12.1	0.8
Wholesale trade	0.8	0.2
Retail trade	7.8	0.9
Trans., whrs., & util.	3.5	1.3
Information	2.3	0.9
Financial activities	13.8	1.9
Prof. & bus. svcs.	17.0	1.6
Educ. & health svcs.	29.1	1.9
Leisure & hospitality	5.1	0.7
Other services	3.5	1.0
Government	3.1	0.2

IN MAY...

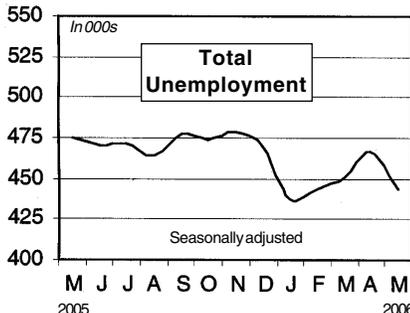
...NYS private sector jobs increased



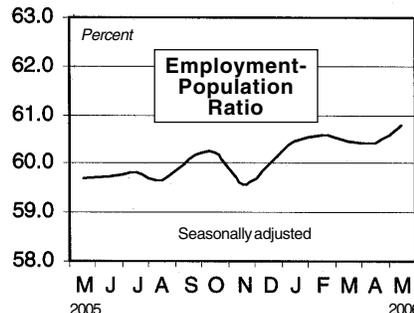
...NYS unemployment rate down



...NYS unemployment decreased



...NYS labor force participation up



Focus on the Finger Lakes

The Finger Lakes—A Region in Transition

by Tammy Marino, Labor Market Analyst, Finger Lakes Region

The economy of the Finger Lakes region is presently in transition. The local economic base, which was once dependent upon a few large manufacturing firms, has become much more diverse in recent years. A mix of small manufacturers and firms in a variety of service-producing industries are adding jobs, a trend that will likely continue.

Among the region's most important economic assets are its post-secondary educational institutions. Boasting 65,000 full-time and 23,000 part-time students enrolled at area colleges and universities, the educational services sector (private sector schools and colleges) has become an important source of job creation in the region. Between 2000 and 2005, employment in this sector increased by 9,000, or 15 percent, and presently accounts for nearly one out of every eight private sector jobs. Education also makes an important contribution to the local economy in terms of the wages it pays out: in 2005, this sector paid out over \$2.1 billion.

The University of Rochester/Strong Health (Monroe County) ranks as the region's largest employer, a position Eastman Kodak previously held for



“Recent technology initiatives and university-based collaborations will help support the region's economic and workforce growth in the future.”

Peter Pecor,
Regional Administrator,
Finger Lakes Region

decades, and ranks as one of the state's 10 largest employers, according to published reports. Other post-secondary educational institutions making the list of top 50 local private sector employers includes: Rochester Institute of Technology (Monroe County), Hobart & William Smith College (Ontario County), and St. John Fisher College (Monroe County).

A number of exciting new business ventures are underway, which are expected to eventually help expand the local employment base. Some of the higher-profile developments include the Center of Excellence in Photonics and Microsystems, the Cornell Agriculture and Food Technology

Park, the New York Wine & Culinary Center, and the Workforce Innovation in Regional Economic Development (WIRED) Initiative.

The four-year-old Center of Excellence in Photonics and Microsystems in Monroe County is a collaborative of businesses, universities and government designed to help accelerate innovative products to successful commercialization. Through the support the center provides, the risks associated with the development phase of launching a new product are reduced, increasing the possibility of commercial success for a product.

The 72-acre Cornell Agriculture and Food Technology Park in Geneva seeks to promote agriculture, food and bio-based technologies in the region by transferring innovative research and technology to the private sector for commercial development. The technology park, which opened in 2005, currently houses four start-up business ventures.

Promoting New York's food, wine and agriculture is the role of the New York Wine & Culinary Center in Ontario County. The recently-opened center offers educational resources for industry and public audiences designed to stimulate job growth in hos-

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New York State's Travel and Tourism Sector, 2005

10 Industries with Most Employment

	Employment
Hotels (except Casino Hotels) and Motels	73,060
Full-Service Restaurants	46,670
Scheduled Passenger Air Transportation	25,150
Limited-Service Restaurants	24,770
Promoters of Performing Arts, Sports, and Similar Events with Facilities	9,570
Fitness and Recreational Sports Centers	9,100
Gift, Novelty, and Souvenir Stores	8,910
Travel Agencies	8,580
Other Support Activities for Road Transportation	7,150
Food Service Contractors	6,850

10 Industries with Highest Average Salaries

	Average Wage
Sports Teams and Clubs	\$226,000
Air Traffic Control	\$143,700
Independent Artists, Writers, and Performers	\$143,500
Agents and Managers for Artists, Athletes, and Entertainers	\$98,200
Travel Agencies	\$59,300
Nonscheduled Chartered Passenger Air Transportation	\$56,900
Promoters of Performing Arts, Sports, and Similar Events with Facilities	\$56,300
Scheduled Passenger Air Transportation	\$54,600
Promoters of Performing Arts, Sports, and Similar Events without Facilities	\$52,600
Dance Companies	\$46,700

Source: Quarterly Census of Employment and Wages

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	MAY '05	MAY '06		MAY '05	MAY '06		MAY '05	MAY '06
New York State	4.8	4.4	Hudson Valley	3.9	3.8	Southern Tier	4.4	4.3
Capital	3.8	3.8	Dutchess	3.7	3.7	Broome	4.6	4.5
Albany	3.7	3.7	Orange	4.0	4.1	Chemung	5.3	5.0
Columbia	3.6	3.6	Putnam	3.6	3.5	Chenango	4.7	5.0
Greene	4.6	4.6	Rockland	4.0	3.7	Delaware	3.8	4.0
Rensselaer	3.9	3.9	Sullivan	4.6	4.8	Otsego	3.8	3.9
Saratoga	3.3	3.3	Ulster	4.0	4.0	Schuyler	4.9	4.5
Schenectady	4.0	4.0	Westchester	3.9	3.8	Steuben	5.4	5.1
Warren	4.1	4.3	Mohawk Valley	4.8	4.5	Tioga	4.5	4.0
Washington	4.3	3.8	Fulton	5.0	5.3	Tompkins	3.0	3.0
Central New York	4.7	4.5	Herkimer	4.5	4.6	Western New York	5.1	4.9
Cayuga	4.5	4.5	Madison	4.9	4.4	Allegany	5.2	4.8
Cortland	4.8	4.6	Montgomery	5.1	5.2	Cattaraugus	5.3	5.1
Onondaga	4.5	4.3	Oneida	4.7	4.2	Chautauqua	4.7	4.3
Oswego	5.9	5.2	Schoharie	4.3	4.2	Erie	5.1	4.9
Finger Lakes	4.5	4.5	North Country	5.5	5.3	Niagara	5.3	5.1
Genesee	4.5	4.3	Clinton	4.9	5.3	Long Island	3.9	3.8
Livingston	4.7	4.6	Essex	5.0	5.5	Nassau	4.0	3.9
Monroe	4.5	4.5	Franklin	5.8	5.4	Suffolk	3.9	3.8
Ontario	4.0	4.2	Hamilton	5.0	5.2	New York City	5.4	4.6
Orleans	5.4	5.4	Jefferson	5.8	5.3	Bronx	7.0	6.0
Seneca	4.3	4.4	Lewis	5.7	5.2	Kings	5.8	5.0
Wayne	4.6	4.6	St. Lawrence	5.7	5.4	New York	4.8	4.1
Wyoming	5.0	4.5				Queens	4.9	4.2
Yates	4.0	3.8				Richmond	4.9	4.1

Finger Lakes...

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pitality, agriculture, tourism, wine, food, health and nutrition.

In an attempt to boost regional collaboration, numerous community, business, and academic leaders from the entire nine-county region formed a group called the Finger Lakes Regional Partnership in order to apply for a WIRED grant. The U.S. Employment and Training Administration awarded the partnership a grant of \$15 million over three years, beginning in 2006. The partnership intends to achieve four goals: energize the region's entrepreneurial economy, catalyze regional innovation, empower workers to succeed in the global economy, and build 21st century innovation infrastructures.

As the area's employment base has shifted from one dominated by a few large manufacturers to one in which most job creation is due to service-providing industries, employment in the region has suffered. From 2000 to 2005, private sector employment declined by 20,000 or 4.1 percent. However, local economic development initiatives such as the recently-awarded WIRED grant and new university-based research institutes like Cornell's Agriculture and Food Technology Park are expected to give the region a boost. There is little doubt that these groups, working collaboratively, will play an important role in the area's future economic growth.

State's Travel and Tourism...

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How is the travel sector defined and which industries are included? Unlike most industries that are defined by the products they supply, travel and tourism is demand driven, defined by the customers to which it sells. An individual industry is recognized as part of the travel sector if it meets any of these criteria: frequently sells to travelers, derives most of its sales from travelers, or receives the largest proportion of travelers' expenditures.

The sector is diverse, consisting of 70 detailed (6-digit NAICS) industries, organized into five main groups. Those groups and their job totals in 2005 include: food services (91,600), accommodations (82,300), passenger transportation (74,300), culture, recreation and amusements (67,000), and travel retail (20,300). (See table on facing page for additional industry detail.)

Jobs data are pro-rated at the industry level to reflect the fact that not all sector employment is attributable to spending by visitors. For example, only 20 percent of food service jobs are counted as part of travel and tourism. In contrast, 100 percent of hotel jobs are included.

In terms of average wages, passenger transportation workers enjoyed the highest rate of pay (\$46,800) in 2005 among the five industry groups. This was due largely to the above-average salaries in the air traffic control (\$143,700) and scheduled passenger air transportation (\$54,600) industries.

A close second was culture, recreation and amusements, which had an average salary of \$46,300 in 2005. This group's average wage was bolstered in particular by three high-paying industries—sports teams and clubs (\$226,000), independent artists, writers, and performers (\$143,500), and agents and managers for artists, athletes, entertainers, and other public figures (\$98,200).

The Empire State's travel and tourism sector has proven resilient over the past few years, and should continue its recovery as the national economy improves.

For additional statistical information regarding the sector, please visit www.labor.state.ny.us/workforceindustrydata/index.asp.

by Kevin Jack

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REGIONAL ANALYSTS' CORNER

FINGERLAKES TAMMY MARINO 585-258-8870

Private sector employment in the Rochester area declined 7,600, or 1.7 percent, over the year to 428,200 in May 2006. Employment gains in educational and health services (+1,500) and professional and business services (+200) were more than offset by losses in manufacturing (-6,200), leisure and hospitality (-1,300), construction (-500), and information (-500).

CENTRAL NY ROGER EVANS 315-479-3388

For the 12-month period ending May 2006, the private sector job count in the Syracuse metro area rose 3,300, or 1.2 percent, to 267,800, the highest May level since 2001. Job creation was concentrated in trade, transportation, and utilities (+1,200), educational and health services (+1,000), leisure and hospitality (+500), and professional and business services (+500).

MOHAWK VALLEY MARK BARBANO 315-793-2282

The private sector job count in the Utica-Rome metro area increased over the year by 300, or 0.3 percent, to 100,600 in May 2006, its highest level for the month since 2003. Employment gains were largest in educational and health services (+500) and trade, transportation, and utilities (+300). Over-the-year losses occurred in manufacturing (-300) and leisure and hospitality (-200).

NORTH COUNTRY ALAN BEIDECK 518-891-6680

Private sector employment in the North Country region fell over the year by 200, or 0.2 percent, to 114,000 in May 2006. The largest gains were in trade, transportation, and utilities (+600) and professional and business services (+300). Losses were centered in manufacturing (-800) and financial activities (-200).

CAPITAL DISTRICT JAMES ROSS 518-462-7600

From May 2005 to May 2006, the number of private sector jobs in the Albany-Schenectady-Troy area increased by 3,900, or 1.1 percent, to 343,100, a record high for the month. Job gains were centered in professional and business services (+1,000), leisure and hospitality (+900), and trade, transportation and utilities (+900). Over-the-year losses occurred in manufacturing (-400) and information (-200).

HUDSON VALLEY JOHN NELSON 914-997-8798

Private sector employment in the Hudson Valley increased over the year by 7,000, or 0.9 percent, to 752,500 in May 2006. Job gains were largest in educational and health services (+2,500), natural resources, mining and construction (+2,500), professional and business services (+1,900), and financial activities (+1,500). Manufacturing (-1,900) and leisure and hospitality (-1,700) declined over the year.

WESTERN NY JOHN SLENKER 716-851-2742

The private sector job count in the Buffalo-Niagara Falls metro area was unchanged at 454,100 over the 12 months ending May 2006. Job gains were centered in professional and business services (+1,600), financial activities (+1,300), and other services (+400). Over-the-year employment losses were largest in manufacturing (-2,100) and leisure and hospitality (-500).

SOUTHERN TIER JOSEPH KOZLOWSKI 607-741-4485

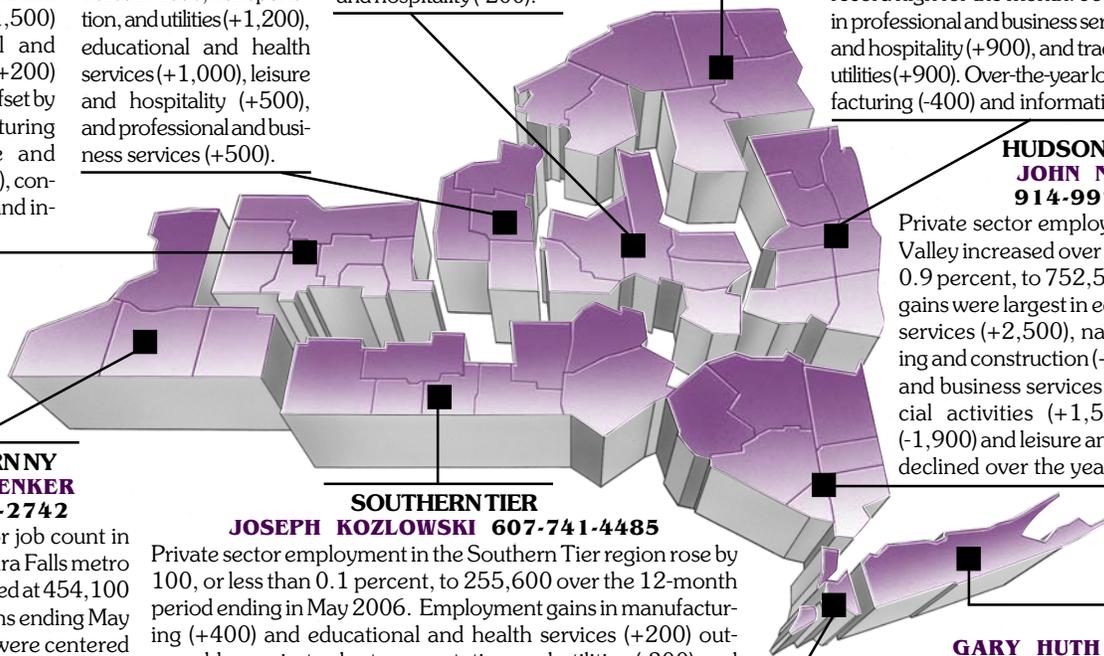
Private sector employment in the Southern Tier region rose by 100, or less than 0.1 percent, to 255,600 over the 12-month period ending in May 2006. Employment gains in manufacturing (+400) and educational and health services (+200) outpaced losses in trade, transportation and utilities (-300) and natural resources, mining and construction (-200).

NEW YORK CITY JAMES BROWN 212-621-9353

Private sector employment in New York City rose 57,500, or 1.9 percent, to 3,100,400 for the 12-month period ending May 2006. Job growth was centered in educational and health services (+19,400), professional and business services (+9,900), financial activities (+8,900), leisure and hospitality (+7,100), and trade, transportation and utilities (+5,800). Manufacturing (-4,000) was the only sector to lose jobs over the year.

LONG ISLAND GARY HUTH 516-934-8533

Private sector jobs on Long Island increased over the year by 6,700, or 0.6 percent, to 1,051,500 in May 2006, a new record for the month. Job gains were largest in educational and health services (+2,700), professional and business services (+2,400), natural resources, mining and construction (+900), and leisure and hospitality (+700). Manufacturing (-1,000) and financial activities (-300) lost jobs over the year.



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