

Employment

IN NEW YORK STATE

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

At a Glance

In June 2013, New York's seasonally adjusted unemployment rate was 7.5%, down from May 2013's level of 7.6%. The nation's unemployment rate was 7.6% in June 2013. New York State had 8,887,400 nonfarm jobs in June 2013, including 7,444,600 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state decreased by 0.1% between May 2013 and June 2013, while those in the nation increased by 0.2%. From June 2012 to June 2013, the number of private sector jobs increased by 1.5% in the state and 2.0% in the nation (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 1.3% in June 2013.

Change in Nonfarm Jobs

June 2012 - June 2013

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	93.8	1.1
Private Sector	110.5	1.5
Goods-producing	-8.4	-1.1
Nat. res. & mining	-0.2	-3.6
Construction	8.5	2.6
Manufacturing	-16.7	-3.6
Durable gds.	-10.3	-3.8
Nondurable gds.	-6.4	-3.3
Service-providing	102.2	1.3
Trade, trans. & util.	23.7	1.6
Wholesale trade	-3.0	-0.9
Retail trade	23.6	2.6
Trans., wrhs. & util.	3.1	1.2
Information	-7.2	-2.7
Financial activities	-2.7	-0.4
Prof. & bus. svcs.	35.9	3.0
Educ. & health svcs.	37.2	2.2
Leisure & hospitality	27.1	3.2
Other services	4.9	1.3
Government	-16.7	-1.1

Federal reports give different counts of self-employed...

How Many Self-Employed Workers in New York State? It Depends...

The question seems fairly straightforward: How many workers in New York State are self-employed? However, depending upon which particular federal statistical report is consulted, one can come away with very different answers.

Contributing to the confusion are differences in methodologies and definitions regarding self-employment. These are issues such as should workers at both incorporated and unincorporated businesses be counted and how to classify people with a full-time job who also work part-time at a second job.

In this article, we highlight some of the principal government sources of self-employment data, and look at what accounts for some of the reported differences in job counts.

Current Population Survey

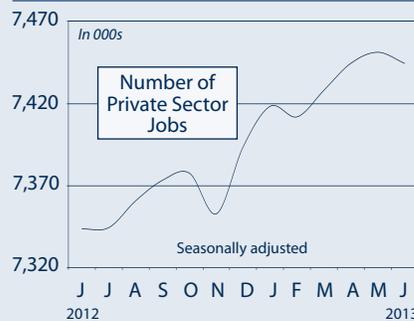
The Current Population Survey (CPS) contacts about 60,000 U.S. households each month, including 3,100 in New York. The survey distinguishes between unincorporated and incorporated self-employment, as well as farm and nonfarm self-employment. It is the primary survey most researchers rely upon when studying self-employment in the U.S.

According to the CPS, there were 801,500 self-employed workers in New York State in 2011 (latest year available), accounting for 9.2% (1 in 11) of overall employment in the state (see table). This total includes an estimated 480,300 nonfarm, self-employed individuals in unincorporated businesses in

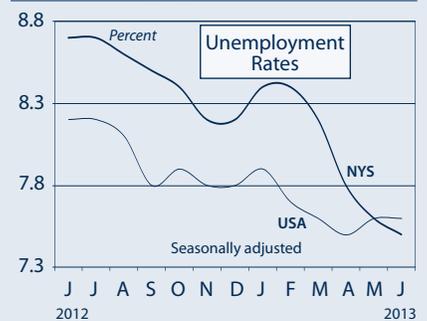
Continued on page 2

IN JUNE...

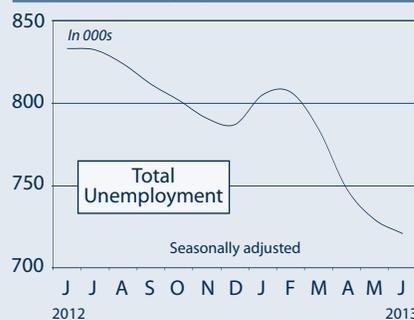
...NYS private sector jobs decreased



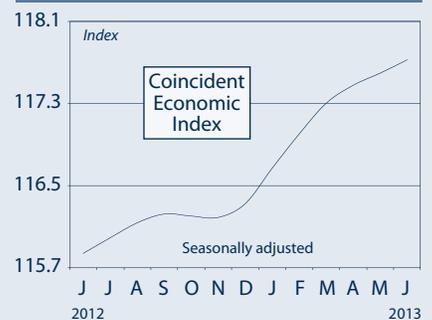
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index increased



Focus on the Hudson Valley

Hudson Valley Continues to Enjoy Job Growth
by John Nelson, Labor Market Analyst, Hudson Valley

The Hudson Valley regional economy continues to enjoy broad-based private sector job growth. For the 12-month period ending June 2013, the Hudson Valley's private sector job count grew by 14,900, or 2.0%, to 763,500. This strong rate of job growth ranks the Hudson Valley third among the state's ten labor market regions, trailing only New York City (+2.3%) and Long Island (+2.1%). Within the Hudson Valley, private sector job growth was most rapid in the Kingston metro area (+3.0%), the Putnam-Rockland-Westchester labor market area (+2.1%) and the Poughkeepsie-Newburgh-Middletown metro area (+1.7%).

Job Gainers

As noted above, private sector job growth in the Hudson Valley has been broad-based. Between June 2012 and June 2013, the largest job gains were recorded in professional and business services (+4,200), trade, transportation and utilities (+4,200), leisure and hospitality (+3,900), educational and health services (+2,600) and natural resources, mining, and construction (+1,500).

Professional and business services has benefited from strong hiring in administrative services, especially in the Putnam-Rockland-Westchester area, where temporary help agencies have increased their payrolls. Growth in this industry often precedes permanent hiring. Expansion at biopharmaceutical company Regeneron's corporate offices in Tarrytown (Westchester County) has also contributed to sector growth.

Retail trade accounted for nearly 85% of over-the-year job gains in the region's trade, transportation and utilities sector. Retail growth was pro-

pelled by strong hiring at big-box retailers such as Home Depot, Lowe's, and Wal-Mart. Looking ahead, Nanuet Mall in Rockland County underwent a \$150 million transformation and will reopen in October 2013 as The Shops at Nanuet, adding several hundred jobs.

Most job gains in leisure and hospitality were due to increased business activity at local area hotels. One of the biggest projects in the pipeline is the \$600 million Empire Resort, proposed for the site of the former Concord Resort Hotel in Kiamesha Lake (Sullivan County), which closed in 1998 and was subsequently demolished. Plans for the 1,500 acre site call for a hotel and conference center, racino/harness racetrack and indoor water park. Developers could break ground later this year and be completed in 18 months, creating several thousand jobs once in operation.

The job count in the region's educational and health services sector also expanded, mainly due to growth in health care. Several large medical offices are opening in the region, including Westchester Medical Center and Sloan-Kettering, which are planning outpatient centers in Westchester County. In addition, New Jersey-based Medical Missions for Children plans to open a \$95 million high-tech cancer treatment center in Orange County, creating 600 jobs. A \$24 million renovation is transforming the long-vacant Horton Hospital Complex in Middletown (Orange County) into a regional branch of Touro College of Osteopathic Medicine in New York City. The medical college is expected to open in fall 2014 and create 330 permanent jobs.



After posting 14 consecutive months of over-the-year job declines, the region's natural resources, mining and construction sector experienced a rebound in June 2013, growing by 3.5%. An additional boost will come from the \$3.14 billion construction of the new Tappan Zee Bridge, which is expected to create 6,000-8,000 construction jobs, according to published reports.

Manufacturing Job Losses

Like many areas in the nation, the region's factory sector has struggled, shedding 900 jobs between June 2012 and June 2013. Pharmaceutical giant Pfizer has reduced staffing levels at its plant in Pearl River (Rockland County) through several rounds of layoffs since it acquired Wyeth Pharmaceuticals. Another looming concern is IBM's recent announcement that it will lay off almost 700 employees in Dutchess County by September 2013.

Summary

The Hudson Valley region continues to rebound from the lingering effects of the worst national recession in 75 years. Between June 2012 and June 2013, the region added 14,900 private sector jobs. With broad-based employment growth extending throughout most of the region and a majority of industries, the Hudson Valley's labor market is well positioned for further expansion. ■

How Many Self-Employed... from page 1

New York State in 2011. Nearly all (97%) self-employment in New York State is found in nonfarm industries, and the majority (62%) of self-employed New Yorkers work in unincorporated businesses.

American Community Survey

The annual American Community Survey (ACS) is the largest household survey in the U.S. and collects information from 3.5 million households in this country. Self-employment, as measured by the ACS, includes all individuals self-employed in their own unincorporated business, professional practice, or farm. Based on this definition, there were just under 536,000 self-employed individuals in New York working in their own unincorporated business in 2011.

Proprietors Employment

The U.S. Department of Commerce's Bureau of Economic Analysis is another important source of self-employment data. They provide estimates of nonfarm and farm self-employment, which includes the number of sole proprietorships. A sole proprietorship is defined as an unincorporated business that is required to file a Schedule C of IRS Form 1040 (Profit/Loss from Business) or Schedule F (Profit/Loss from Farming).

According to these estimates, nonfarm proprietor employment in New York State was 2,285,289 in 2011, while farm proprietor employment was 32,075. Altogether, nonfarm businesses account for more than 98% of sole proprietorships in the state.

Nonemployer Statistics

The U.S. Census Bureau also measures self-employment based on the number of nonemployer businesses. A nonemployer business is defined as one that has no paid employees, but is subject to federal income tax. Most nonemployers are self-employed individuals operating unincorporated businesses (sole proprietorships), which may or may not be the owner's principal source of income. In 2011, there were almost 1.6 million nonemployer businesses in New York State.

IRS Schedule C Returns

IRS Schedule C (Form 1040) is used to report income or loss from a business operated as a sole proprietorship. According to tax return data, the

Continued on page 3

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	JUN '12	JUN '13		JUN '12	JUN '13		JUN '12	JUN '13
New York State	8.7	7.6	Hudson Valley	7.8	6.5	Finger Lakes	8.2	6.9
Capital	7.7	6.4	Dutchess	8.4	6.8	Genesee	7.4	6.2
Albany	7.8	6.4	Orange	8.6	7.3	Livingston	8.2	7.1
Columbia	7.4	6.3	Putnam	7.0	5.8	Monroe	8.2	7.0
Greene	9.3	7.6	Rockland	7.1	5.9	Ontario	7.5	6.2
Rensselaer	8.0	6.8	Sullivan	9.4	8.2	Orleans	10.4	8.4
Saratoga	7.0	5.7	Ulster	9.1	7.6	Seneca	8.0	6.4
Schenectady	8.1	6.9	Westchester	7.4	6.2	Wayne	8.7	7.1
Warren	7.5	6.3	Mohawk Valley	9.0	7.7	Wyoming	8.2	7.2
Washington	7.3	6.4	Fulton	10.6	8.7	Yates	7.2	5.9
Central New York	8.7	7.4	Herkimer	8.6	7.6	Western New York	8.5	7.4
Cayuga	8.1	6.9	Montgomery	10.2	8.7	Allegany	9.2	7.8
Cortland	9.0	7.8	Oneida	8.7	7.6	Cattaraugus	8.9	7.8
Madison	8.5	7.3	Otsego	8.0	6.6	Chautauqua	8.4	7.6
Onondaga	8.4	7.0	Schoharie	9.7	7.7	Erie	8.5	7.4
Oswego	10.7	9.4	North Country	9.8	8.8	Niagara	8.6	7.4
Southern Tier	8.6	7.5	Clinton	10.0	8.6	Long Island	7.5	6.1
Broome	9.0	7.8	Essex	9.1	7.9	Nassau	7.3	6.0
Chemung	8.8	8.1	Franklin	9.5	8.6	Suffolk	7.6	6.2
Chenango	8.5	6.9	Hamilton	6.7	6.0	New York City	9.6	8.7
Delaware	9.0	7.9	Jefferson	9.4	8.8	Bronx	13.0	11.8
Schuyler	8.0	7.0	Lewis	9.5	9.0	Kings	10.2	9.4
Steuben	9.6	8.7	St. Lawrence	10.8	9.6	New York	8.1	7.4
Tioga	8.4	7.6				Queens	8.6	7.8
Tompkins	7.0	5.7				Richmond	8.7	7.7

How Many Self-Employed...from page 2

Estimates of Self-Employment in New York State, by Source*

	2009	2010	2011
Current Population Survey	924,100	851,300	801,500
Unincorporated	553,000	524,300	499,600
Farm (unincorporated)	15,500	16,600	19,400
Nonfarm (unincorporated)	537,500	507,600	480,300
Incorporated	371,200	327,000	301,800
Farm (incorporated)	4,300	2,600	1,100
Nonfarm (incorporated)	366,900	324,400	300,700
American Community Survey	564,422	553,872	535,996
Proprietors Employment	2,219,615	2,275,635	2,317,364
Nonfarm Proprietors	2,187,110	2,243,320	2,285,289
Farm Proprietors	32,505	32,315	32,075
Nonemployer Statistics	1,543,657	1,575,780	1,596,899
Schedule C Returns	1,452,349	1,459,587	NA**
Self-Employment Tax Returns	1,197,844	1,239,881	NA**

*Data may not sum to total due to rounding

**Data not available

number of full-year, resident personal tax returns filed in New York State that included at least one IRS Schedule C totaled 1.46 million in 2010 (most recent data available). This represented a small increase (+7,200) over the number of such filings in 2009.

Self-Employment Tax Returns

Taxpayers who are self-employed are required to pay their own FICA taxes, which are used to fund the Social Security and Medicare programs. Counting the number of full-year, resident personal income tax returns that report adjustments for

self-employment tax provides another measure of the number of self-employed workers. There were almost 1.25 million such tax filings in New York State in 2010 (most recent data available).

Summary

The varying estimates of self-employment in New York State make it difficult to arrive at a concrete total for this group. As noted above, these differences stem from varying definitions and methodologies used in counting the self-employed. However, regardless of which survey or definition we use, it is clear that self-employed workers play a significant and vital role in New York State's economy. ■

by Megan Olsen

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.

New York State Department of Labor
Division of Research & Statistics, Pubs. Unit
Building 12, State Office Campus
Albany, NY 12240

Deputy Director
Editor
Ass't. Dir. of Communications
Graphic Design
Editorial Advisor

Bohdan M. Wynnyk
Kevin Jack
Chris White
Jeff Mosher
Lesley Paporone



REGIONAL ANALYSTS' CORNER

CAPITAL

James Ross — 518-462-7600

From June 2012 to June 2013, the Capital Region's private sector job count grew by 5,600, or 1.3 percent, to 425,800. Gains were largest in educational and health services (+3,000), leisure and hospitality (+2,700), manufacturing (+600) and natural resources, mining and construction (+600). The trade, transportation and utilities (-1,100) and information (-600) sectors lost jobs over the year.

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

For the 12-month period ending June 2013, the private sector job count in the Syracuse metro area rose 2,900, or 1.1 percent, to 260,400. Growth was concentrated in leisure and hospitality (+2,200), trade, transportation and utilities (+1,100) and educational and health services (+600). Job losses were greatest in manufacturing (-700) and professional and business services (-600).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area rose over the year by 1,700, or 0.4 percent, to 439,200 in June 2013. Gains were concentrated in professional and business services (+2,100), construction (+1,600), financial activities (+900) and trade, transportation and utilities (+600). Losses were centered in manufacturing (-3,300).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending June 2013, private sector jobs in the Hudson Valley increased by 14,900, or 2.0 percent, to 763,500. Gains were strongest in professional and business services (+4,200), trade, transportation and utilities (+4,200), leisure and hospitality (+3,900), educational and health services (+2,600) and natural resources, mining and construction (+1,500). Losses were centered in information (-1,600) and manufacturing (-900).

LONG ISLAND

Shital Patel — 516-934-8533

Over the past year, the number of private sector jobs on Long Island increased by 22,900, or 2.1 percent, to 1,103,400 in June 2013. Gains were strongest in leisure and hospitality (+7,000), trade, transportation and utilities (+6,800), educational and health services (+6,100) and professional and business services (+5,900). Manufacturing (-2,800) and other services (-1,900) had the largest declines.

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending June 2013, the private sector job count in the Mohawk Valley increased by 500, or 0.3 percent, to 149,800. Job gains were centered in leisure and hospitality (+1,000), trade, transportation and utilities (+600) and other services (+200). Losses were greatest in professional and business services (-700), manufacturing (-300), financial activities (-200) and information (-200).

NEW YORK CITY

James Brown — 212-775-3330

Private sector jobs in New York City rose by 78,400, or 2.3 percent, to 3,428,000 for the 12-month period ending June 2013. Growth was centered in educational and health services (+33,400), professional and business services (+17,500), trade, transportation and utilities (+11,100) and leisure and hospitality (+8,800). Losses were greatest in information (-5,300) and manufacturing (-2,000).

SOUTHERN TIER

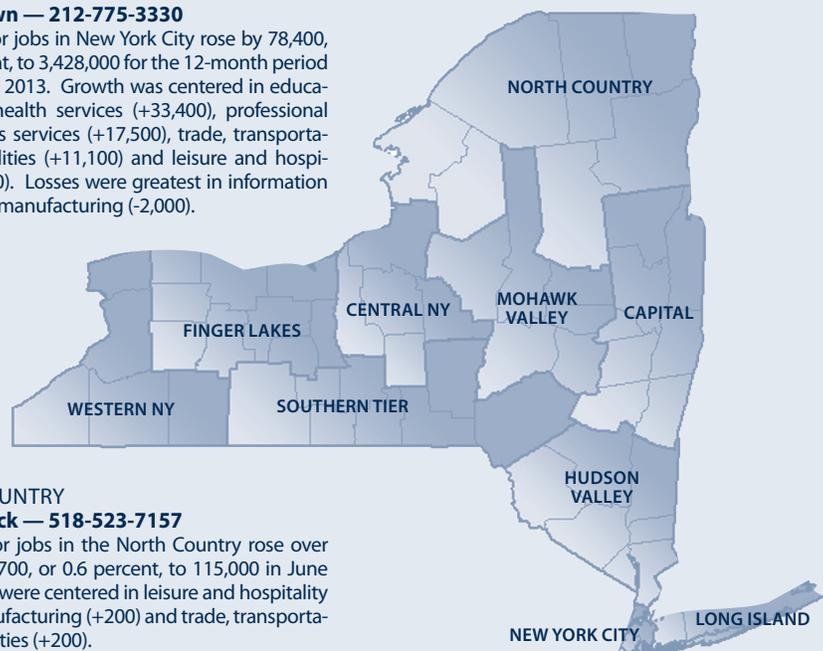
Christian Harris — 607-741-4485

Private sector jobs in the Southern Tier rose over the year by 400, or 0.2 percent, to 233,400 in June 2013. Job gains were largest in leisure and hospitality (+1,000), natural resources, mining and construction (+600) and other services (+300). Employment losses were greatest in financial activities (-500), trade, transportation and utilities (-400), educational and health services (-300) and manufacturing (-300).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area increased by 5,800, or 1.3 percent, to 466,000 over the 12 months ending June 2013. Gains were centered in educational and health services (+2,500), leisure and hospitality (+2,400), professional and business services (+2,300) and trade, transportation and utilities (+700). Losses were greatest in manufacturing (-900) and natural resources, mining and construction (-900).



NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector jobs in the North Country rose over the year by 700, or 0.6 percent, to 115,000 in June 2013. Gains were centered in leisure and hospitality (+400), manufacturing (+200) and trade, transportation and utilities (+200).