

# Employment

IN NEW YORK STATE

David A. Paterson, Governor  
M. Patricia Smith, Commissioner

## At a Glance

In July 2009, New York's seasonally adjusted unemployment rate was 8.6 percent, down from 8.7 percent in July 2008. (The nation's unemployment rate was 9.4 percent in July.) In July 2009, the state had 8,644,600 nonfarm jobs, including 7,089,500 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.2 percent from June, while the U.S. private sector job count decreased by 0.2 percent. From July 2008 to July 2009, the number of private sector jobs decreased by 2.7 percent in the state and decreased by 5.0 percent in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators increased at an annual rate of 1.2 percent in July 2009.

### Change in Nonfarm Jobs

July 2008 - July 2009

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	-171.6	-1.9%
Private Sector	-200.0	-2.7%
Goods-producing	-68.2	-7.4%
Nat. res. & mining	-0.3	-4.3%
Construction	-23.5	-6.2%
Manufacturing	-44.4	-8.3%
Durable gds.	-33.8	-10.6%
Nondurable gds.	-10.6	-4.9%
Service-providing	-103.4	-1.3%
Trade, trans. & util.	-63.6	-4.2%
Wholesale trade	-20.6	-5.8%
Retail trade	-31.9	-3.5%
Trans., wrhs. & util.	-11.1	-4.2%
Information	-9.1	-3.4%
Financial activities	-40.5	-5.5%
Prof. & bus. svcs.	-56.4	-4.8%
Educ. & health svcs.	31.2	2.0%
Leisure & hospitality	-3.1	-0.4%
Other services	9.7	2.6%
Government	28.4	1.9%

### Variety of Factors Confront Publishers...

## Stop the Presses: Publishing Sector Hard Hit

The nation's publishing sector has been battered in recent years by a combination of adverse factors. Of relatively recent vintage are declining sales and advertising revenue stemming primarily from the longest economic downturn in the U.S. since the 1930s. Other factors of longer duration reflect the shift toward digital books and the rapid growth in free content available on the Internet.

New York State and New York City, an international communications hub, have not escaped the turmoil affecting the sector. The City is home to approximately 1 in 12 publishing jobs in the U.S., and dominates the nation's periodical and book publishing

industries. In 2008, the Big Apple accounted for 1 in 5 U.S. jobs in the periodical publishing industry and about 1 in 6 U.S. jobs in book publishing.

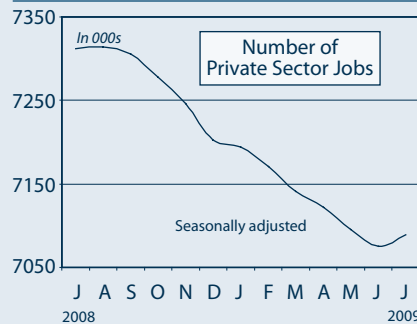
### The Publishing Environment

Declines in several key industry metrics highlight the serious crisis facing the publishing sector. For example, data from the Newspaper Association of America show newspaper print advertising revenue fell 29.9 percent for the first half of 2009 from the same period last year. As web-based news options have flourished, newspapers -- especially local and regional ones -- have

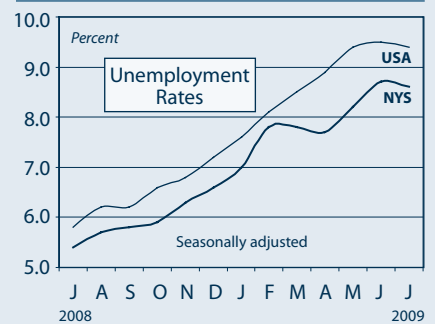
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### IN JULY...

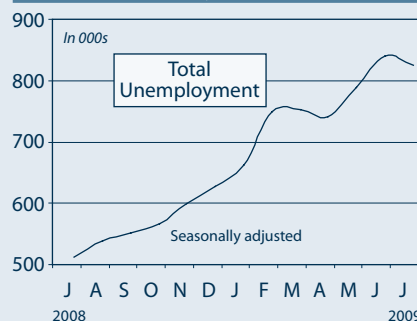
#### ...NYS private sector jobs increased



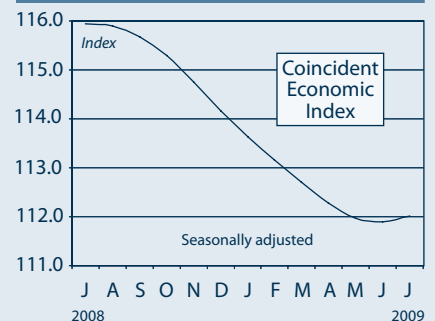
#### ...NYS unemployment rate decreased



#### ...NYS unemployment decreased



#### ...NYS economic index increased



# Focus on New York City

Two Years and Counting

by James Brown, Labor Market Analyst, New York City

Current events demonstrate that the New York City economy can change quickly. As recently as July 2007, the City's economic picture was quite bright, with an unemployment rate of 5.2 percent and the number of private sector jobs growing at a rate of 2.4 percent. Just one year later -- in July 2008 -- the unemployment rate was a little higher at 5.4 percent and private sector payrolls were above their July 2007 level. However, the backdrop had changed considerably. The finance and insurance sector had lost 2,700 jobs over the prior year with thousands more in future layoffs announced, and though not yet declared, a national recession was widely suspected.

While it was clear that the City's economy was poised to contract, the speed at which it happened was startling. After months of gradual slowing, the local economy plunged in the final quarter of 2008. By December, the unemployment rate was 7.0 percent and private sector payrolls were 1.4 percent below year-earlier levels.

## The Downturn Continues

As of July 2009, the City's unemployment rate was 9.6 percent and private sector payrolls were 2.9 percent below July 2008's level. Not surprisingly the financial activities sector has shed the most jobs (-37,400) over the last 12 months. The securities industry suffered the biggest loss (-27,700), but credit intermediation (primarily banks) also suffered a significant decline. Job losses in the financial sector can be expected to continue into 2010. Moreover, the real estate industry turned negative in 2008 and will remain weak next year, as

both the residential and commercial real estate markets are suffering.

The trade, transportation and utilities sector lost 29,000 jobs in the year ending July 2009. All three components of this sector -- wholesale and retail trade, transportation and warehousing, and utilities -- are economically sensitive and have lost jobs during the recession. Retailing lost 12,100 jobs since July 2008, despite continued store openings by national chains including Target, Costco and BJ's Wholesale Club. As in the last downturn, national chains, many of which are underrepresented in New York City, are continuing and even accelerating their local expansion plans. While this represents a vote of confidence in the City's future, expectations of an anemic Christmas season mean retail hiring will remain weak into next year.

*"The outlook for the City's job market remains dour."*

The professional and business services sector shed 28,900 jobs between July 2008 and July 2009. Many firms in this sector depend heavily on Wall Street for business and these, as well as other corporate clients, have cut spending after profits dropped sharply in 2007. Two component industries -- employment services (-15.5 percent) and scientific research and development services (-13.3 percent) -- led the job losers on a percentage basis. Over time, this sector has been a strong performer, but hiring activity will not resume until corporations begin to recover.

The information sector lost 4,300 jobs for the 12 months ending in July 2009, as declining advertising spending led to employment losses in publishing and broadcasting. The motion picture and sound recording industry added



"While there are some signs that the recession may end soon, it will likely be well into 2010 before improved business conditions are reflected in the City's labor market."

**Bruce Herman,**  
Deputy Commissioner for Workforce Development

jobs, but employment in this field is volatile and subject to sharp movements depending on the availability of tax credits.

On the positive side, job growth continued in educational and health services as well as in other services. However, cutbacks by state and local governments and the effects of financial turmoil on charitable giving have caused problems for some industries in these sectors.

The picture is more mixed for the leisure and hospitality sector. Employment was essentially flat (+600) for the 12-month period ending July 2009. This was certainly a respectable performance given the economic turmoil of the last year. Employment in this sector will probably weaken as business travel remains subdued and the holiday season hiring expectations are bleak.

## Summing Up

The outlook for the City's job market remains dour. Key sectors, including finance and professional services, are still shedding jobs. While there are some signs that the national recession may be ending, it could be well into 2010 before improved business conditions are reflected in the City's labor market. ■

Stop the Presses... from page 1

**Table 1:**  
New York State's Publishing Industries, 2008

Industry	Employment	Wages (\$ bns)
Periodicals	34,400	\$3.89
Newspapers	23,300	\$1.50
Books	15,600	\$1.36
Directory and Mailing List Publishers	3,000	\$0.22
Other Publishers	1,000	\$0.05
<b>Total</b>	<b>77,300</b>	<b>\$7.03</b>

Source: Quarterly Census of Employment and Wages

**Table 2:**  
New York City's Largest Publishing Establishments, 2008

Company	Employment
Time Inc.	5,000
Fortune Magazine	5,000
New York Times Co.	4,000
McGraw-Hill Co. Inc.	2,500
Hearst Corp.	2,500
Conde Nast Publications	2,200
News Corp.	2,000
Scholastic Inc.	2,000
Random House Inc.	1,900
Lagardere Groupe North America	1,860

Source: New York City Labor Market Information Service analysis of data from Dun & Bradstreet and ReferenceUSA

Continued on page 3

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	JUL '08	JUL '09		JUL '08	JUL '09		JUL '08	JUL '09
<b>New York State</b>	<b>5.5</b>	<b>8.6</b>	<b>Hudson Valley</b>	<b>5.2</b>	<b>7.6</b>	<b>Finger Lakes</b>	<b>5.5</b>	<b>8.1</b>
<b>Capital District</b>	<b>5.0</b>	<b>7.1</b>	Dutchess	5.4	8.0	Genesee	4.9	7.0
Albany	5.1	7.0	Orange	5.6	8.3	Livingston	5.7	8.1
Columbia	4.8	7.5	Putnam	4.7	6.9	Monroe	5.7	8.4
Greene	5.7	8.2	Rockland	5.2	7.4	Ontario	4.7	6.9
Rensselaer	5.3	7.8	Sullivan	5.9	7.9	Orleans	7.1	9.3
Saratoga	4.4	6.3	Ulster	5.7	8.1	Seneca	5.1	7.4
Schenectady	5.2	7.4	Westchester	5.0	7.3	Wayne	5.4	8.0
Warren	4.6	6.7	<b>Mohawk Valley</b>	<b>5.6</b>	<b>7.7</b>	Wyoming	5.3	8.1
Washington	5.0	7.2	Fulton	6.2	9.1	Yates	4.3	6.6
<b>Central New York</b>	<b>5.6</b>	<b>8.2</b>	Herkimer	5.4	7.0	<b>Western New York</b>	<b>5.9</b>	<b>8.6</b>
Cayuga	5.2	8.1	Montgomery	6.8	9.0	Allegany	6.4	9.1
Cortland	5.8	9.1	Oneida	5.2	7.2	Cattaraugus	5.8	8.6
Madison	5.7	7.8	Otsego	5.3	7.2	Chautauqua	5.4	8.1
Onondaga	5.3	7.9	Schoharie	6.2	8.5	Erie	5.8	8.4
Oswego	6.7	9.5	<b>North Country</b>	<b>6.2</b>	<b>8.6</b>	Niagara	6.6	9.4
<b>Southern Tier</b>	<b>5.4</b>	<b>8.3</b>	Clinton	6.4	9.3	<b>Long Island</b>	<b>5.1</b>	<b>7.4</b>
Broome	5.6	8.3	Essex	5.2	7.8	Nassau	4.9	7.2
Chemung	5.6	9.2	Franklin	6.1	8.0	Suffolk	5.2	7.6
Chenango	5.9	8.6	Hamilton	3.4	4.5	<b>New York City</b>	<b>5.7</b>	<b>9.8</b>
Delaware	5.8	8.5	Jefferson	6.0	7.8	Bronx	7.7	12.5
Schuyler	5.1	7.5	Lewis	5.7	7.7	Kings	6.3	10.6
Steuben	5.8	9.7	St. Lawrence	7.0	9.9	New York	4.9	8.9
Tioga	4.9	8.2				Queens	5.1	8.8
Tompkins	4.6	6.3				Richmond	5.6	8.9

### Stop the Presses... from page 2

fared worse than magazines. Newspapers across New York State have experienced many layoffs. Also, to increase revenue, both The New York Times and News Corp., publisher of *Barron's* and the *Wall Street Journal*, plan to start charging for access to their web sites.

Magazines have faced similar pressures. According to the Association of American Publishers, advertising revenue for the first half of 2009 declined 21.2 percent from the same period last year. Even the iconic Reader's Digest (headquartered in Westchester County), with one of the largest circulations in the U.S., recently filed for bankruptcy protection in the face of falling print circulation.

### Publishing by the Numbers

In 2008, New York State's publishing sector employed more than 77,000 and paid out more than \$7 billion in wages (see Table 1 on page 2 for details). Annual average wages topped \$90,000 last year. About three-quarters of New York State's publishing employment is concentrated at periodical publishers (34,400) and newspaper publishers (23,300). Other publishing industries and their statewide employment counts in 2008 include: book publishing (15,600); directory and mailing list publishers (3,000); and other publishers (1,000).

As expected, New York City had the lion's share of statewide publishing employment (67.0 percent)

and wages (81.0 percent) in 2008. This employment share jumps to approximately 80 percent at both periodical publishers and book publishers. Table 2 on page 2 lists ten of the largest newspaper, periodical, and book publishers in New York City (all in Manhattan) in 2008 from an analysis by the New York City Labor Market Information Service using data from Dun & Bradstreet and ReferenceUSA.

The importance of the periodical and book publishing industries to the New York City economy is also demonstrated by their relatively high location quotients (LQ). These measure area employment concentration and help identify key export industries. (Note: LQs are the ratio of employment share in an area industry divided by the same share for the nation. Values above 1.25 indicate a strong regional advantage for that industry.) In 2008, the City's periodical publishing industry had a location quotient of 7.40, while the comparable figure for book publishing was 5.57.

Over the longer term, the state's publishing job count fell by 12,700, or 14.1 percent, between 2001 and 2008. This percentage decline was slightly smaller than in the nation as a whole (-17.2 percent) over the same period. Industries with the biggest drops in statewide publishing employment between 2001 and 2008 include: periodical publishers (-4,600); newspaper publishers (-4,300); book

publishers (-2,500); and, directory and mailing list publishers (-1,000).

### Summary

Without a doubt, the publishing sector is operating in its toughest economic environment in many years. In particular, companies cutting back on advertising spending and readers increasingly turning to the Internet for free content have negatively affected the sector recently. International communications hub New York City, home to about 1 in 12 publishing jobs in the U.S., has high concentrations of periodical and book publishing jobs. Throughout the Empire State, newspapers have been hit by numerous layoffs and unpaid furloughs. ■

by Kevin Jack

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## REGIONAL ANALYSTS' CORNER

### CAPITAL DISTRICT

#### James Ross -- 518-462-7600

From July 2008 to July 2009, the number of private sector jobs in the Albany-Schenectady-Troy area fell 9,400, or 2.7 percent, to 337,100. Job gains were focused in educational and health services (+1,500). Losses were greatest in trade, transportation and utilities (-2,400), natural resources, mining and construction (-2,200), leisure and hospitality (-1,800), professional and business services (-1,800), and manufacturing (-1,400).

### CENTRAL NY

#### Roger Evans -- 315-479-3388

For the 12-month period ending July 2009, the private sector job count in the Syracuse metro area fell 6,300, or 2.4 percent, to 260,200. Growth was concentrated in educational and health services (+600). Job losses were greatest in trade, transportation and utilities (-2,400), manufacturing (-2,300), professional and business services (-700), financial activities (-600), and information (-500).

### FINGER LAKES

#### Tammy Marino -- 585-258-8870

Private sector jobs in the Rochester metro area declined over the year by 10,300, or 2.3 percent, to 430,900 in July 2009. Gains were focused in educational and health services (+1,900). Job losses were greatest in manufacturing (-4,600), professional and business services (-2,900), trade, transportation and utilities (-2,200), construction (-900), financial activities (-700), and leisure and hospitality (-700).

### HUDSON VALLEY

#### John Nelson -- 914-997-8798

Private sector employment in the Hudson Valley decreased by 17,900, or 2.3 percent, to 745,100 for the 12-month period ending July 2009. Gains were limited to educational and health services (+3,700). The largest declines were in trade, transportation and utilities (-5,500), professional and business services (-4,200), manufacturing (-4,100), leisure and hospitality (-2,700), natural resources, mining and construction (-2,100), and financial activities (-1,900).

### LONG ISLAND

#### Gary Huth -- 516-934-8533

The private sector job count on Long Island declined over the year by 36,300, or 3.4 percent, to 1,041,100 in July 2009. Employment grew in educational and health services (+3,800) and other services (+300). The largest losses occurred in trade, transportation and utilities (-16,700), natural resources, mining and construction (-7,000), manufacturing (-4,900), professional and business services (-4,800), and financial activities (-3,000).

### MOHAWK VALLEY

#### Mark Barbano -- 315-793-2282

For the 12-month period ending July 2009, the private sector job count in the Utica-Rome metro area decreased by 2,400, or 2.4 percent, to 98,200. Job gains were centered in educational and health services (+300). Losses were largest in manufacturing (-700), trade, transportation and utilities (-700), professional and business services (-600), leisure and hospitality (-300), and information (-200).

### NEW YORK CITY

#### James Brown -- 212-775-3330

Private sector employment in New York City fell by 93,200, or 2.9 percent, to 3,134,200 for the 12-month period ending July 2009. Growth was largest in educational and health services (+25,500). Losses were greatest in financial activities (-37,400), trade, transportation and utilities (-29,000), professional and business services (-28,900), and manufacturing (-12,600).

### SOUTHERN TIER

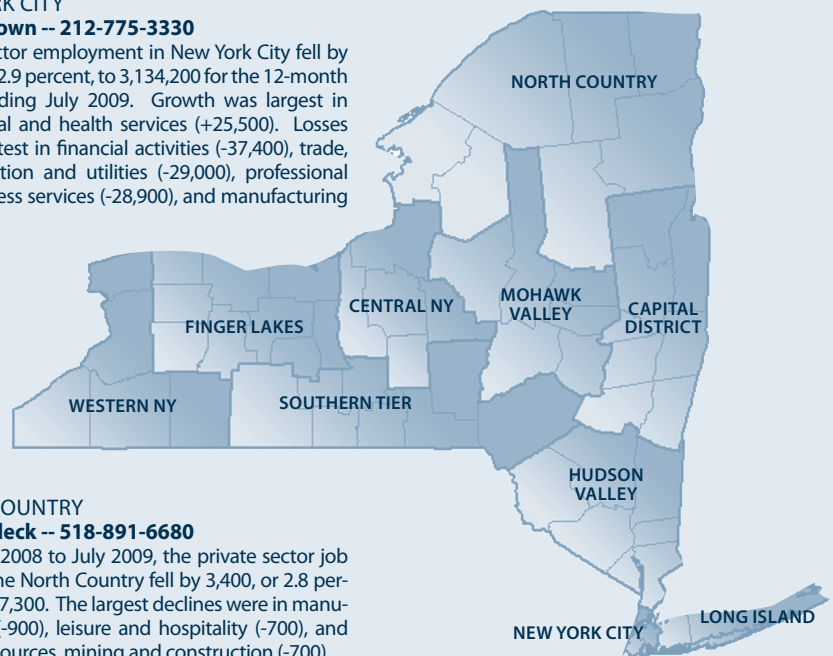
#### Christian Harris -- 607-741-4485

The private sector job count in the Southern Tier declined over the year by 8,300, or 3.4 percent, to 232,900 in July 2009. Job gains were centered in educational and health services (+1,000). Losses occurred in manufacturing (-4,500), professional and business services (-1,700), trade, transportation and utilities (-1,400), natural resources, mining and construction (-600), leisure and hospitality (-600), and financial activities (-300).

### WESTERN NY

#### John Slenker -- 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls area decreased by 12,600, or 2.7 percent, to 448,500 over the 12 months ending July 2009. Area gains were centered in leisure and hospitality (+1,200). Employment losses were greatest in manufacturing (-4,500), trade, transportation and utilities (-3,600), natural resources, mining and construction (-2,600), professional and business services (-2,400), and financial activities (-400).



### NORTH COUNTRY

#### Alan Beideck -- 518-891-6680

From July 2008 to July 2009, the private sector job count in the North Country fell by 3,400, or 2.8 percent, to 117,300. The largest declines were in manufacturing (-900), leisure and hospitality (-700), and natural resources, mining and construction (-700).