

# Employment

IN NEW YORK STATE

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

## At a Glance

In August 2010, New York's seasonally adjusted unemployment rate was 8.3 percent, up slightly from July's level of 8.2. (The nation's unemployment rate was 9.6 percent in August.) In August 2010, the state had 8,522,100 nonfarm jobs, including 7,029,500 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by less than 0.1 percent from July, while the U.S. private sector job count increased by 0.1 percent. From August 2009 to August 2010, the number of private sector jobs increased by 0.7 percent in the state and increased by 0.3 percent in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators increased at an annual rate of 1.8 percent in August 2010.

### Change in Nonfarm Jobs

August 2009 - August 2010

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	-17.5	-0.2
Private Sector	48.3	0.7
Goods-producing	-8.8	-1.1
Nat. res. & mining	0.2	3.4
Construction	-3.7	-1.1
Manufacturing	-5.3	-1.1
Durable gds.	-2.3	-0.8
Nondurable gds.	-3.0	-1.5
Service-providing	-8.7	-0.1
Trade, trans. & util.	-8.8	-0.6
Wholesale trade	-5.6	-1.7
Retail trade	-4.3	-0.5
Trans., wrhs. & util.	1.1	0.4
Information	-2.0	-0.8
Financial activities	-4.4	-0.6
Prof. & bus. svcs.	12.3	1.1
Educ. & health svcs.	18.0	1.1
Leisure & hospitality	24.6	3.3
Other services	17.4	4.8
Government	-65.8	-4.4

A Look Back at the Past 10 years (Part 1)...

## Lost Decade for Jobs

In 2010, we end a very long decade for the U.S. economy. It began with great promise, but soon the Internet-fueled bubble of the late 1990s burst. Later, at the end of the decade, a housing and credit meltdown led to the longest national recession in more than 70 years. With two economic downturns bracketing this period, some analysts call 2000-2010 a "lost decade" for American workers.

A coming report from the New York State Department of Labor's Division of Research and Statistics -- "The Decade in Review" -- looks at what happened in New York State. Here, in a two-part series, we present some report highlights.

### The Big Picture

A few stats show how lackluster the past decade was for the state and national labor markets. From the first half of 2000 to the first half of 2010, New York State lost 134,600 private sector jobs, or 1.9%. This rate of job loss was better than the nation (-2.9%), and ranked us 24th among the 50 states. Thirty-two states lost private sector jobs over this period. The last year the state's private sector job count fell below decade-earlier levels was 1980.

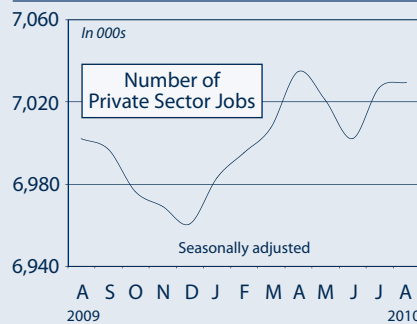
### Sector Losers and Gainers

Manufacturing, as expected, was the hardest-hit sector in the state. (See the table on

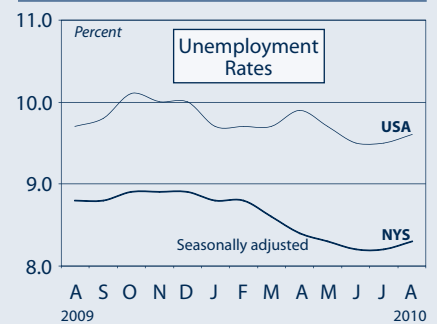
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### IN AUGUST...

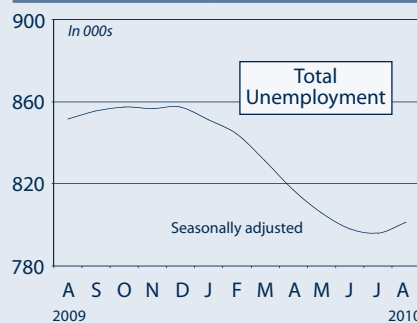
#### ...NYS private sector jobs increased



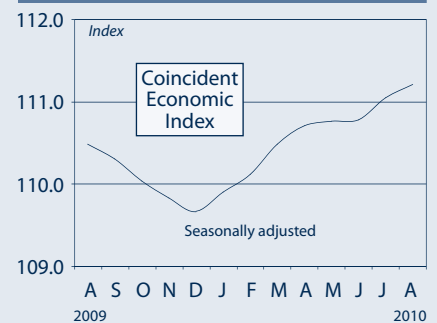
#### ...NYS unemployment rate increased



#### ...NYS unemployment increased



#### ...NYS economic index increased



## Focus on Central New York

Central New York's Slow and Steady Road to Recovery

by Karen Knapik-Scalzo, Associate Economist, Central New York Region

Central New York's economy seems to be in the early stages of a recovery from the longest national downturn since the 1930s. Despite some hopeful early signs, it may take some time for the area's economic recovery to shift into high gear.

### The Recovery by the Numbers

The national downturn hit the labor market hard in the Syracuse metro area (Madison, Onondaga and Oswego counties). In 2008, the local economy was on track to match – or even exceed – the area's record private sector job level, set in 2000. Then, the national downturn derailed that expansion. The recession hit the regional economy hardest in 2009.

From August 2008 to August 2010, the area lost 9,800 private sector jobs (-3.7%). Yet, the Syracuse area -- like many parts of Upstate New York -- outpaced the nation, which saw a private

sector loss of 5.5% during that time. Over just the past 12 months (August 2009-August 2010), the Syracuse metro area actually added 1,200 private sector jobs (+0.5%). This not only beat the nation's 0.3% growth rate, but also was the area's fourth straight month of year-over-year growth in private sector jobs.

In August 2010, the Syracuse area's unemployment rate stood at 7.6%. This was well below the comparable state (8.2%) and national (9.5%) rates. However, it was still the second highest August rate since 1990 for the area. For the last four months, Syracuse area unemployment rates ran below year-ago levels.

*"Despite some hopeful early signs, it may take some time for the area's economic recovery to shift into high gear."*

The industry sectors with the biggest job gains in the Syracuse metro area over the past year include:

- Leisure and hospitality (+1,300)
- Educational and health services (+600)
- Professional and business services (+600)
- Other services (+400)
- Natural resources, mining and construction (+300)

Conversely, the largest job losses were in:

- Trade, transportation and utilities (-1,000)
- Manufacturing (-600)

Though the local economy is starting to add jobs, businesses remain cautious in their hiring.

### Recovery Signs

Local economic activity is picking up, as companies begin to invest in area projects. Commercial construction has geared up at schools, colleges, hotels, hospitals and mixed-use buildings

with renovations, additions and construction of new facilities. Area developers give Syracuse's urban core a boost as they convert buildings into living and retail space. CNN Money recently ranked Syracuse as the most affordable city in the U.S. Low housing costs (median home price of \$88,000) add to this appeal.

National retailers Ultimate Electronics, Urban Outfitters and 77Kids opened local stores, boosting the area's slumping retail sector. Restaurant chains CiCi's Pizza, Five Guys Burgers and Fries, and La Taqueria have also come into the area. Also, several of the region's major employers (Lockheed Martin, Welch Allyn, SyrTech) have won valuable defense contracts.



"With the economic recovery underway in Central New York, job seekers and employers should take advantage of the many services offered by the State Department of Labor."

**Colleen C. Gardner,**  
Commissioner

### Nanotech Accelerates

The Syracuse area received some good news when the State of New York announced it will invest \$28 million to convert a former GE lab in Salina (Onondaga County) into a nanotech R&D center. The new facility (called the Nanotechnology Innovation and Commercialization Excelsator (NICE) at Electronics Park) may offer up to 250 jobs. NICE's early tenants include Lockheed Martin and Group4 Labs Inc. of California. Conversion could start in late 2010 and take about 18 months to complete.

### Challenges Ahead

Despite these improvements, the region still faces some major hurdles on its road to recovery. The biggest is the closing of Magna International's New Process Gear auto parts plant, set for 2011. It will affect several hundred workers. Local unemployment also remains painfully high, especially for those who have been jobless for a long time. Further, a lackluster national recovery has not boosted the region's job prospects. In spite of these challenges, the local economy points in a positive direction. We expect it to proceed at a slow and steady pace.

### A Look Back at the Past 10 Years (Part 1)... from page 1

page 3.) It lost 294,500 jobs (-39.1%) over the decade. (The U.S. lost 33.1% of its manufacturing jobs over the period.) The largest factory job losses in the state were registered in apparel (-48,500), machinery (-33,100), and computers and electronic products (-28,400). The steep losses in manufacturing jobs reflect long-term structural changes in the state's economy. Some jobs moved offshore or to other states, while others were replaced by technology. Most are not expected to return.

Job losses in trade, transportation and utilities (-95,200) were centered in wholesale and retail trade (-75,800). Employment levels in this economically sensitive sector tend to fluctuate with changes in consumer confidence.

The job count also declined in financial activities (-79,300) over the decade. Sector job losses were largest in banking (-34,400) and securities (-31,000). Banking has shed jobs for many years. In contrast, employment levels at securities firms peaked in 2000, declined

through 2004, and then picked up before the 2008 financial crisis hit.

Educational and health services (+309,500) had the largest job gains, helping to offset some of the losses over the past decade. Sector gains were centered in health care and social assistance (+210,700), while education added 98,800 jobs. The number of jobs in health services grew steadily over the decade, due to the rapid increase in the number of older New Yorkers. We are also spending more on health

Continued on page 3

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	AUG '09	AUG '10		AUG '09	AUG '10		AUG '09	AUG '10
<b>New York State</b>	<b>8.6</b>	<b>8.2</b>	<b>Hudson Valley</b>	<b>7.4</b>	<b>7.2</b>	<b>Finger Lakes</b>	<b>7.7</b>	<b>7.4</b>
<b>Capital District</b>	<b>6.8</b>	<b>6.7</b>	Dutchess	7.8	7.4	Genesee	6.8	6.2
Albany	6.8	6.7	Orange	7.9	7.8	Livingston	7.6	6.9
Columbia	7.1	6.8	Putnam	6.8	6.5	Monroe	8.1	7.6
Greene	7.7	7.5	Rockland	7.1	6.9	Ontario	6.5	6.1
Rensselaer	7.3	7.2	Sullivan	7.5	7.7	Orleans	9.0	9.4
Saratoga	6.0	5.9	Ulster	7.9	7.6	Seneca	7.0	7.1
Schenectady	7.3	7.5	Westchester	7.2	6.9	Wayne	7.5	8.0
Warren	6.4	6.5	<b>Mohawk Valley</b>	<b>7.3</b>	<b>7.4</b>	Wyoming	7.7	7.5
Washington	6.5	6.5	Fulton	8.8	9.0	Yates	6.3	5.7
<b>Central New York</b>	<b>7.8</b>	<b>7.6</b>	Herkimer	6.8	6.8	<b>Western New York</b>	<b>8.0</b>	<b>7.7</b>
Cayuga	7.7	7.2	Montgomery	8.5	8.7	Allegany	8.8	9.1
Cortland	8.5	8.1	Oneida	6.9	7.0	Cattaraugus	8.2	8.1
Madison	7.4	7.1	Otsego	6.8	6.9	Chautauqua	7.9	7.6
Onondaga	7.5	7.3	Schoharie	7.7	8.1	Erie	7.9	7.5
Oswego	8.9	9.2	<b>North Country</b>	<b>8.1</b>	<b>8.5</b>	Niagara	8.6	8.1
<b>Southern Tier</b>	<b>7.9</b>	<b>7.6</b>	Clinton	8.9	9.1	<b>Long Island</b>	<b>7.2</b>	<b>7.0</b>
Broome	8.0	7.8	Essex	7.0	7.0	Nassau	7.0	6.8
Chemung	8.6	7.8	Franklin	7.6	7.8	Suffolk	7.4	7.2
Chenango	8.1	7.7	Hamilton	4.2	4.9	<b>New York City</b>	<b>10.2</b>	<b>9.6</b>
Delaware	7.9	7.9	Jefferson	7.4	8.0	Bronx	13.1	13.0
Schuyler	7.2	6.9	Lewis	6.8	7.2	Kings	11.0	10.5
Steuben	9.1	8.7	St. Lawrence	9.6	9.9	New York	9.1	7.8
Tioga	7.5	7.3				Queens	9.1	8.5
Tompkins	6.4	6.1				Richmond	9.3	9.3

### A Look Back at the Past 10 Years (Part 1)... from page 2

## Employment (1000s) by Supersector, New York State, 2000 and 2010

Supersector	Employment*		Net Change	% Change
	2000	2010		
<b>Total Nonfarm</b>	<b>8,557.7</b>	<b>8,459.5</b>	<b>-98.2</b>	<b>-1.1</b>
<b>Total Private</b>	<b>7,078.9</b>	<b>6,944.3</b>	<b>-134.6</b>	<b>-1.9</b>
Natural Resources, Mining and Construction	314.2	299.6	-14.6	-4.6
Manufacturing	752.3	457.8	-294.5	-39.1
Durable Goods	430.1	267.6	-162.5	-37.8
Non-durable Goods	322.1	190.3	-131.8	-40.9
Trade, Trans. & Utilities	1,523.4	1,428.2	-95.2	-6.2
Wholesale and Retail Trade	1,244.2	1,168.4	-75.8	-6.1
Trans., Warehousing & Utilities	279.1	259.8	-19.3	-6.9
Information	312.8	250.0	-62.8	-20.1
Financial Activities	743.4	664.1	-79.3	-10.7
Professional & Business Services	1,097.4	1,082.3	-15.1	-1.4
Educational & Health Services	1,381.3	1,690.8	+309.5	+22.4
Educational Services	292.3	391.1	+98.8	+33.8
Health Care & Social Assistance	1,089.0	1,299.7	+210.7	+19.3
Leisure & Hospitality	618.2	704.7	+86.5	+14.0
Other Services	335.3	366.6	+31.3	+9.3
<b>Government</b>	<b>1,478.8</b>	<b>1,515.2</b>	<b>+36.4</b>	<b>+2.5</b>
Federal	153.3	138.2	-15.1	-9.8
State	260.5	256.4	-4.1	-1.6
Local	1,065.0	1,120.7	+55.7	+5.2

\* Average January-June job count.

care in general -- about \$2.6 trillion in the U.S. in 2010. Continuing shortages in nursing, home health care and related occupations illustrate the rapid increase in demand for health care.

Leisure and hospitality also grew over the decade (+86,500). Job gains were concentrated in accommodation and food services (+65,600). Rising employment levels reflect the long-term growth of the Empire State's tourism sector.

In our next issue, we will conclude our review of important trends in New York State's labor market over the past decade.

*by Angela VanDerwerken and Daniel Crosley*

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## REGIONAL ANALYSTS' CORNER

### CAPITAL DISTRICT

**James Ross — 518-462-7600**

From August 2009 to August 2010, private sector jobs in the Albany-Schenectady-Troy area rose 800, or 0.2 percent, to 336,400. Gains were concentrated in professional and business services (+2,300), educational and health services (+1,200), leisure and hospitality (+600), and other services (+600). Losses were greatest in trade, transportation and utilities (-3,100), manufacturing (-600), financial activities (-400), and information (-200).

### CENTRAL NY

**Roger Evans — 315-479-3388**

For the 12-month period ending August 2010, the private sector job count in the Syracuse metro area rose 1,200, or 0.5 percent, to 257,600. Job growth was concentrated in leisure and hospitality (+1,300), educational and health services (+600), professional and business services (+600), and other services (+400). The largest job losses were in trade, transportation and utilities (-1,000) and manufacturing (-600).

### FINGER LAKES

**Tammy Marino — 585-258-8870**

Private sector employment in the Rochester metro area declined over the year by 1,600, or 0.4 percent, to 421,100 in August 2010. Employment gains were concentrated in educational and health services (+1,600), professional and business services (+800), and other services (+700). Losses were greatest in manufacturing (-2,100), construction (-1,300), trade, transportation and utilities (-700), and financial activities (-600).

### HUDSON VALLEY

**John Nelson — 914-997-8798**

Private sector jobs in the Hudson Valley decreased 6,800, or 0.9 percent, to 718,100 for the 12-month period ending August 2010. Job gains were focused in leisure and hospitality (+1,500), educational and health services (+700), and other services (+500). Losses were greatest in natural resources, mining and construction (-3,500), trade, transportation and utilities (-2,400), manufacturing (-1,100), information (-1,000), and financial activities (-900).

### LONG ISLAND

**Gary Huth — 516-934-8533**

The private sector job count on Long Island rose over the year by 11,300, a 1.1 percent increase, to 1,038,600 in August 2010. Job gains were largest in trade, transportation and utilities (+6,800), educational and health services (+3,900), other services (+3,000), and leisure and hospitality (+1,100). Losses were greatest in manufacturing (-1,400), financial activities (-1,200), and natural resources, mining and construction (-700).

### MOHAWK VALLEY

**Mark Barbano — 315-793-2282**

For the 12-month period ending August 2010, the private sector job count in the Utica-Rome metro area decreased by 300, or 0.3 percent, to 98,000. Job gains occurred in educational and health services (+600). Losses were greatest in natural resources, mining and construction (-400), manufacturing (-200), and trade, transportation and utilities (-200).

### NEW YORK CITY

**James Brown — 212-775-3330**

Private sector employment in New York City rose by 48,500, or 1.6 percent, to 3,127,600 for the 12-month period ending August 2010. Growth occurred in educational and health services (+18,800), leisure and hospitality (+16,300), other services (+6,600), professional and business services (+6,100), and trade, transportation and utilities (+5,200). Job losses were greatest in manufacturing (-2,200) and information (-1,800).

### SOUTHERN TIER

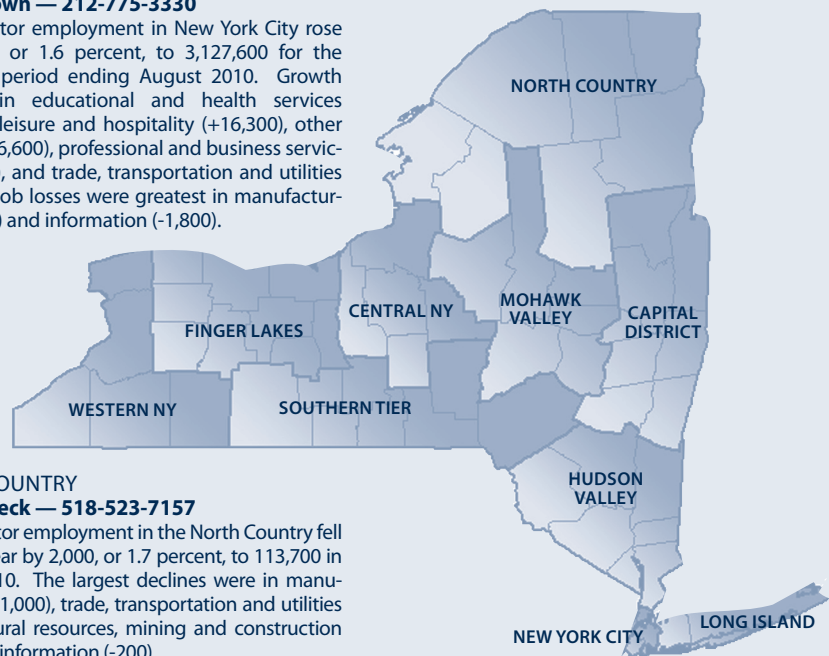
**Christian Harris — 607-741-4485**

Private sector employment in the Southern Tier decreased by 300, or 0.1 percent, to 228,600 over the 12 months ending August 2010. Job gains were centered in professional and business services (+700) and educational and health services (+600). Losses occurred in manufacturing (-1,200) and leisure and hospitality (-400).

### WESTERN NY

**John Slenker — 716-851-2742**

Private sector employment in the Buffalo-Niagara Falls metro area increased by 1,600, or 0.4 percent, to 445,900 over the 12 months ending August 2010. Job gains were centered in professional and business services (+1,200), leisure and hospitality (+1,100), other services (+800) and educational and health services (+500). Losses occurred in manufacturing (-1,300), financial activities (-400), and information (-300).



### NORTH COUNTRY

**Alan Beideck — 518-523-7157**

Private sector employment in the North Country fell over the year by 2,000, or 1.7 percent, to 113,700 in August 2010. The largest declines were in manufacturing (-1,000), trade, transportation and utilities (-500), natural resources, mining and construction (-300), and information (-200).