

EMPLOYMENT in New York State

George E. Pataki, Governor

November 2004

Linda Angello, Commissioner

New List of Areas...

New Metropolitan and Micropolitan Areas in NYS

Every decade the U.S. Office of Management and Budget (OMB) updates its statistical area classifications based on new Census commutation data. OMB has recently redrawn existing statistical areas, while adding, dropping and merging others. Additionally, OMB designated several new area types.

These area changes affect a wide range of government statistical programs including two monthly labor series, non-farm jobs and local area unemployment statistics. Both series start using the new definitions with the publishing of January 2005 data.

At the heart of the new area designations is the Core Based Statistical Area (CBSA). A CBSA consists of a county or associated

counties where at least one core area has a minimum population of 10,000, plus adjacent, outlying counties that have a high degree of social and economic integration with the core. An outlying county is included in the CBSA if at least 25 percent of its employed residents work in the central county (or counties) or if not less than 25 percent of the jobs in the outlying county are held by residents of the central county (or counties).

The two new main categories of CBSAs are *Metropolitan* and *Micropolitan* Statistical Areas. A core in a *Metropolitan* area (MSA) has a population of 50,000 or higher, while a core in a *Micropolitan* area has a population of 10,000 to 49,999.

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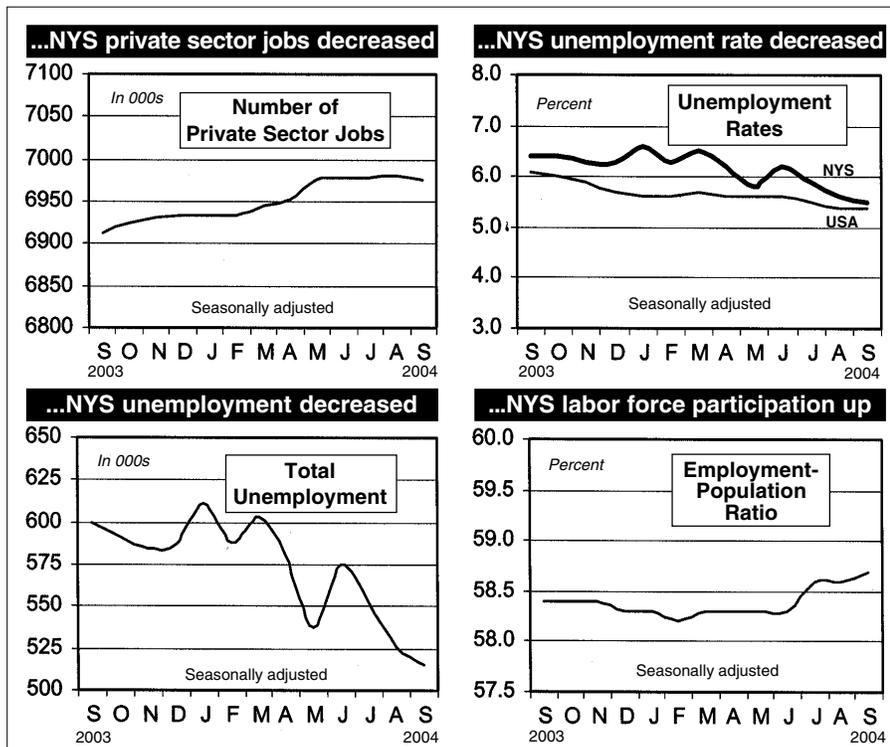
At a Glance

In September 2004, New York's seasonally adjusted unemployment rate decreased to 5.5 percent from 5.6 percent in August, leaving the rate at lowest level since October 2001. (The nation's unemployment rate was unchanged over the month.) In September 2004, the state had 8,452,900 nonfarm jobs, including 6,975,600 private sector jobs, after seasonal adjustment. The number of private sector jobs in the state decreased by 0.1 percent from August. (The nation's private sector job count increased by 0.1 percent over the month.) From September 2003 to September 2004, the number of private sector jobs increased by 0.9 percent in the state and increased by 1.5 percent in the nation (not seasonally adjusted). In addition, New York's employment-population ratio rose slightly in September.

Change in Nonfarm Jobs Sept. 2003 - Sept. 2004 (Data not seasonally adjusted, numbers in thousands)

	Net	%
Total Nonfarm Jobs	56.0	0.7%
Private Sector	63.5	0.9%
Goods-Producing		
Nat. res. & mining	-0.1	-1.7%
Construction	7.6	2.3%
Manufacturing	-16.1	-2.6%
Durable gds.	-5.3	-1.5%
Nondurable gds.	-10.8	-4.1%
Service-providing	64.6	0.9%
Trade, trans., & util.	5.0	0.3%
Wholesale trade	-2.5	-0.7%
Retail trade	8.7	1.0%
Trans., whrs., & util.	-1.2	-0.5%
Information	2.5	0.9%
Financial activities	8.3	1.2%
Prof. & bus. svcs.	17.8	1.7%
Educ. & health svcs.	23.4	1.6%
Leisure & hospitality	12.8	1.9%
Other services	2.3	0.7%
Government	-7.5	-0.5%

IN SEPTEMBER...



Focus on the Finger Lakes

Region Poised for Future

by Tammy Marino, Research Analyst, Finger Lakes

The Finger Lakes regional economy continues to reposition itself for the future. Its employment base once dominated by large manufacturers, is transforming itself to where job creation is increasingly driven by knowledge- and technology-based industries. The region can point to a number of recent developments that are hastening this transformation and helping to diversify the region's employment. Moreover, an expected \$10 million in spending on defense-related manufacturing and homeland security will boost the region's manufacturing sector.

From fuel cell development to nuclear fusion, the area has established itself as a leader in innovative, high-tech research. New and existing firms alike are at work developing applications using the latest technologies. General Motors and the Fusion Science Center at the University of Rochester are just a few of the local organizations working on innovative solutions for renewable, inexpensive and pollution-free forms of energy.

General Motors' research facility in Ontario County has made great strides in fuel cell development. In the not-too-distant future, fuel cells may power many of our vehicles, homes and office buildings. However, before this day dawns, GM will continue its multifaceted investigation into the fuel cell field. The chief areas of research include hydrogen



“The Finger Lakes region has always been a leader in technology and research. With an educated workforce, well-respected institutions of higher learning, and companies currently performing cutting-edge research, the region’s economy is well positioned to take advantage of new technologies, creating a more diverse employment and industry base.”

*Peter Pecor,
Regional Administrator*

storage, cost reduction, durability, and infrastructure development. All of these research areas are addressed in the Finger Lakes.

Scientists at The Fusion Science Center at the University of Rochester's Laboratory for Laser Energetics are trying to replicate and control nuclear fusion as a source of renewable energy. Federal funding totalling \$5.5 million will attract top researchers from across the nation to Rochester.

On other fronts, over the 12 months ending in September 2004, educational and health services registered the largest employment gain of any sector in the region (+1,600). This sector accounts for the most employment in the region; with 105,100 workers, or over 22 percent, of the region's private sector workforce in September 2004. More than two-thirds of the workers in this sector are employed in health care and social assistance. Responding to an increasing need for the care of the region's aging population, 1,600 new jobs were created over the year in hospitals and nursing and residential care facilities. Recent expansions at Park Ridge Hospital and Strong Memorial Hospital, both in Rochester, will allow more patients to be treated at area hospitals, and boost employment in the region.

Another sector adding jobs over the year, albeit at a more modest pace, was financial activities (+300). Several banks, including Charter One and Fleet, shed local jobs due to consolidations and mergers. But steady expansion by other financial firms helped employment reach its highest September level since 1996. Washington Mutual, which has a substantial mortgage processing operation in the region, expanded during the year and announced plans to hire additional workers in the coming year.

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New Metropolitan Statistical Areas in New York State from Census 2000

Region/MSA	Counties	Change from 1990/Comment
Upstate Region:		
Albany-Schenectady-Troy	Albany, Rensselaer, Saratoga, Schenectady, Schoharie	MSA no longer includes Montgomery
Binghamton	Broome, Tioga	Unchanged
Buffalo-Niagara Falls	Erie, Niagara	Unchanged
Elmira	Chemung	Unchanged
Glens Falls	Warren, Washington	Unchanged
Ithaca	Tompkins	New MSA
Kingston	Ulster	New MSA
Poughkeepsie-Newburgh-Middletown	Dutchess, Orange	There were formerly two separate PMSAs: Dutchess Co. PMSA and Newburgh PMSA (Orange Co. and Pike Co., PA)
Rochester	Livingston, Monroe, Ontario, Orleans, Wayne	MSA no longer includes Genesee
Syracuse	Madison, Onondaga, Oswego	MSA no longer includes Cayuga
Utica-Rome	Herkimer, Oneida	Unchanged
Downstate Region:		
Nassau-Suffolk Metro Division*	Nassau, Suffolk	Formerly the Nassau-Suffolk PMSA
New York State portion of New York-Wayne-White Plains, NY-NJ Metro Division*	New York City (Bronx, Kings, New York, Queens, Richmond), Putnam, Rockland, Westchester	NYS counties in Division formerly comprised the 8-county New York PMSA

*These metro divisions are part of the New York-Newark-Bridgeport, NY-NJ-CT-PA Combined Statistical Area.

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	SEPT '03	SEPT '04		SEPT '03	SEPT '04		SEPT '03	SEPT '04
New York State	6.3	5.4	Hudson Valley	4.3	4.1	Southern Tier	5.4	4.4
Capital District	3.8	3.4	Dutchess	3.9	3.8	Broome	5.7	4.5
Albany	3.8	3.3	Orange	5.0	4.7	Chemung	6.4	5.3
Columbia	3.2	3.0	Putnam	3.5	3.2	Chenango	5.8	4.6
Greene	4.2	4.0	Rockland	4.3	3.9	Delaware	4.2	3.7
Rensselaer	4.1	3.7	Sullivan	4.7	4.5	Otsego	3.7	3.6
Saratoga	3.3	3.0	Ulster	4.5	4.6	Schuyler	5.9	4.7
Schenectady	4.2	3.8	Westchester	4.2	3.9	Steuben	7.9	5.4
Warren	4.1	3.3	Mohawk Valley	5.1	4.4	Tioga	5.5	4.6
Washington	3.9	4.1	Fulton	6.2	4.9	Tompkins	3.4	3.3
Central New York	6.0	5.3	Herkimer	4.4	4.4	Western New York	6.3	5.6
Cayuga	5.7	4.7	Madison	5.6	5.0	Allegany	7.6	6.3
Cortland	6.3	6.2	Montgomery	6.2	4.7	Cattaraugus	6.5	6.2
Onondaga	5.5	5.1	Oneida	4.8	4.1	Chautauqua	6.3	5.0
Oswego	8.9	6.4	Schoharie	4.0	4.1	Erie	6.1	5.6
Finger Lakes	5.8	5.0	North Country	6.0	5.5	Niagara	7.0	5.4
Genesee	5.7	5.9	Clinton	6.0	5.1	Long Island	4.3	3.9
Livingston	5.4	4.5	Essex	3.5	3.4	Nassau	4.1	3.8
Monroe	6.0	5.1	Franklin	5.5	4.8	Suffolk	4.4	4.1
Ontario	5.0	4.6	Hamilton	2.4	3.2	New York City	8.4	6.9
Orleans	6.4	5.1	Jefferson	5.8	5.8	Bronx	10.6	8.8
Seneca	4.9	4.7	Lewis	5.4	6.2	Kings	9.2	7.6
Wayne	6.0	5.4	St. Lawrence	7.4	6.5	New York	8.3	6.6
Wyoming	5.1	4.4				Queens	6.8	5.5
Yates	3.3	3.3				Richmond	7.5	6.1

Finger Lakes...

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Employment losses in manufacturing (-4,400) continue to be the largest drag on the region's economy. Losses are expected to persist as the Eastman Kodak Co. continues with its plans to shed additional jobs as consumers switch from film to digital photography much faster than expected. Despite these losses, the manufacturing sector remains important to the region. It continues to employ a large segment of the local workforce; 18.3 percent of private sector jobs in September 2004, and pays average weekly wages (\$985) considerably higher than the \$677 average for all workers (2003 data).

Area business conditions slowly show signs of improvement. While the region has not realized substantial hiring, more firms report that business conditions are on the upswing, and many have announced their intentions to hire additional workers in the coming year. The number of people receiving unemployment insurance benefits has been below comparable year-ago levels for the past 15 consecutive months, and the number of persons exhausting benefits have also declined.

In summary, steady improvement in the national economic picture should translate into brighter economic prospects for the Finger Lakes region. Ongoing research in a variety of high-tech areas, as well as the area's increasingly diverse economy, bode well for the Finger Lakes.

New List of Areas...

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With these new standards, the Primary Metropolitan Statistical Area (PMSA) designation will be replaced by a new Metro Division label.

The table on page 2 lists New York State metropolitan areas based on 2000 Census data. Under the new guidelines, the following changes will occur in upstate New York: the Albany, Rochester, and Syracuse MSAs all lose single counties; Jamestown loses MSA status altogether; the Dutchess and Newburgh (Orange County only) PMSAs merge into one new MSA; new MSAs in Ithaca and Kingston are created; and five areas remain unchanged.

In the 10-county downstate New York region, the Nassau-Suffolk PMSA and New York PMSA (New York City, Putnam, Rockland, and Westchester counties) designations will be replaced by the Nassau-Suffolk Metro Division, and New York-Wayne-White Plains, NY-NJ Metro Division, respectively. Both metro divisions, in turn, are part of the overarching New York-Newark-Bridgeport, NY-NJ-CT-PA Combined Statistical Area. (Note: separate non-farm job estimates will be published for Nassau-Suffolk, New York City, and Putnam-Rockland-Westchester.)

The 15 new micropolitan areas in New York State are listed in the following table. For more information on these and all area changes, see www.labor.state.ny.us, select "Labor Market Information," then "LMI by Subject," and then click on "M" for metropolitan and micropolitan areas.

New Micropolitan Areas in NYS

Area Name	County
Amsterdam	Montgomery*
Auburn	Cayuga*
Batavia	Genesee*
Corning	Steuben
Cortland	Cortland
Gloversville	Fulton
Hudson	Columbia
Jamestown-Dunkirk-Fredonia	Chautauqua*
Malone	Franklin
Ogdensburg-Massena	St. Lawrence
Olean	Cattaraugus
Oneonta	Otsego
Plattsburgh	Clinton
Seneca Falls	Seneca
Watertown-Fort Drum	Jefferson

*Counties formerly part of MSAs based on 1990 Census data.

by Joseph Nardone and Peter Agakpe

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Private sector employment in the Rochester area dropped over the year to 448,900 in September 2004. Job gains in educational and health services (+1,600), financial activities (+400) and construction (+200) were more than offset by employment declines in manufacturing (-4,500), professional and business services (-800) and trade, transportation and utilities (-600).

CENTRAL NY
ROGER EVANS
315-479-3388

Syracuse area private sector jobs rose 3,400, or 1.2 percent, over the 12 months ending September 2004. Job gains were largest in leisure and hospitality (+1,400), educational and health services (+1,200), professional and business services (+1,100), and natural resources, mining and construction (+900). Manufacturing (-1,800) lost jobs over the year.

MOHAWK VALLEY
MARK BARBANO
315-793-2282

The Utica-Rome area's private sector job count increased over the year by 0.3 percent to 101,200 in September 2004. Gains in educational and health services (+300), trade, transportation, and utilities (+300), and natural resources, mining and construction (+200) outpaced declines in manufacturing (-300) and smaller drops in leisure and hospitality and professional and business services.

NORTH COUNTRY
ALAN BEIDECK 518-891-6680

Private sector employment in the North Country region increased over the year by 1,500 in September 2004. Trade, transportation and utilities (+1,000) and educational and health services (+500) added the most jobs, while manufacturing (-700) lost jobs.

CAPITAL DISTRICT
JAMES ROSS
518-462-7600

Albany-Schenectady-Troy area private sector jobs increased over the 12 months ending September 2004 by 5,100, or 1.5 percent, to 355,500, a record high for the month. Job gainers were led by educational and health services (+1,600), financial activities (+900), professional and business services (+900), leisure and hospitality (+800), and trade, transportation and utilities (+600).

HUDSON VALLEY
SEAN MacDONALD
914-997-8798

Private sector jobs increased 14,600, or 2 percent, to 751,400 over the 12 months ending September 2004, a record high for the month. Job growth was strongest in trade, transportation and utilities (+4,800), educational and health services (+3,300), professional and business services (+2,500), and leisure and hospitality (+2,400). Manufacturing (-1,300) lost jobs over the year.

WESTERN NY
JOHN SLENKER
716-851-2742

Private sector employment in the Buffalo-Niagara Falls area declined by 2,300, or 0.5 percent, to 452,600 over the 12 months ending September 2004. Gains in professional and business services (+700) and educational and health services (+400) were offset by losses in manufacturing (-2,100), leisure and hospitality (-500), natural resources, mining and construction (-500) and trade, transportation and utilities (-500).

SOUTHERN TIER
JOSEPH KOZLOWSKI 607-741-4485

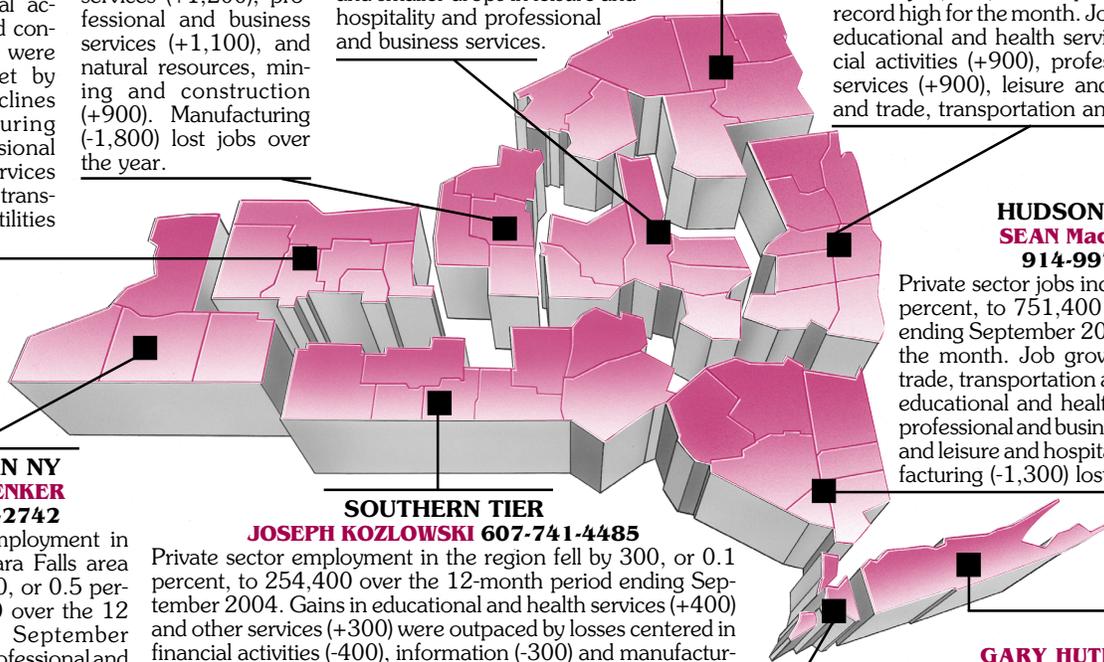
Private sector employment in the region fell by 300, or 0.1 percent, to 254,400 over the 12-month period ending September 2004. Gains in educational and health services (+400) and other services (+300) were outpaced by losses centered in financial activities (-400), information (-300) and manufacturing (-300).

NEW YORK CITY
JAMES BROWN 212-352-6666

The City's economy remained strong in September. The unemployment rate, at 6.9 percent, was down 1.5 percentage points from September 2003, while private sector jobs grew by 1.2 percent over the same period. The professional and business services, leisure and hospitality, and information sectors increased the most over the year.

LONG ISLAND
GARY HUTH 516-934-8533

Private sector employment increased over the year by 11,300, or 1.1 percent, to 1,042,400 in September. Gains were greatest in educational and health services (+3,900), professional and business services (+3,300), leisure and hospitality (+2,200), trade, transportation and utilities (+2,000), and natural resources, mining and construction (+1,100). Employment dropped in manufacturing (-1,500) and information (-1,100).



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