

# EMPLOYMENT

## in New York State

George E. Pataki, Governor

November 2005

Linda Angello, Commissioner

### State Ranks High in Federal Reserve Study...

## New York Has A High-Skill Workforce

One of the Empire State's greatest assets is its high-skill workforce. A recent analysis of U.S. Census data on educational attainment by the Federal Reserve Bank of Kansas City (FRB-KC) found that New York ranked sixth among all states in the percentage of workforce that is considered high skill.

Almost one-third (31.4 percent) of New York State's workforce was classified as high skill in 2000, while in the nation as a whole, high-skill workers accounted for 26.3 percent of the U.S. labor force. High-skill workers are defined in the FRB-KC study as those holding a bachelor's, graduate or professional degree.

Skills matter because they drive regional economies. Companies are attracted to areas with a workforce that possesses the skills they require. Workers with additional years of post-secondary education tend, on average, to earn more money, participate more in the labor force and are less likely to be unemployed. Consequently, workers in labor markets with higher-skill workforces earn higher average salaries, resulting in higher per capita incomes for the area.

For all 3,100+ counties in the U.S., the correlation between the share of county labor force classified as high skill and the per capita income was a significant

*Continued on page 3*

### At a Glance

In September 2005, New York's seasonally adjusted unemployment rate was 5.2 percent, up from 4.7 percent in August. (The nation's unemployment rate was 5.1 percent in September.) In September 2005, the state had 8,552,200 nonfarm jobs, including 7,063,100 private sector jobs, after seasonal adjustment. The number of private sector jobs in the state increased by 0.1 percent from August. (The nation's private sector job count decreased by 0.1 percent over the month.) From September 2004 to September 2005, the number of private sector jobs increased by 1.2 percent in the state and increased by 1.8 percent in the nation (not seasonally adjusted). In addition, New York's employment population ratio, a measure of labor force participation, increased in September.

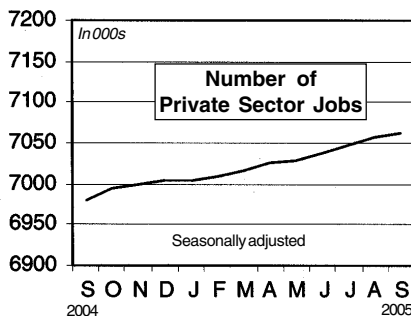
### Change in Nonfarm Jobs Sept. 2004 - Sept. 2005

Data not seasonally adjusted, numbers in thousands)

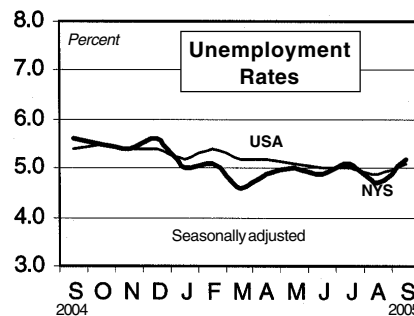
	Net	%
Total Nonfarm Jobs	79.6	0.9
Private Sector	80.7	1.2
Goods-producing	-10.3	-1.1
Nat. res. & mining	0.3	4.8
Construction	5.5	1.6
Manufacturing	-16.1	-2.7
Durable gds.	-7.5	-2.2
Nondurable gds.	-8.6	-3.4
Service-providing	89.9	1.2
Trade, trans., & util.	3.5	0.2
Wholesale trade	-2.5	-0.7
Retail trade	7.7	0.9
Trans., whrs., & util.	-1.7	-0.6
Information	-0.8	-0.3
Financial activities	13.1	1.9
Prof. & bus. svcs.	27.2	2.6
Educ. & health svcs.	31.1	2.1
Leisure & hospitality	12.1	1.8
Other services	4.8	1.4
Government	-1.1	-0.1

## IN SEPTEMBER...

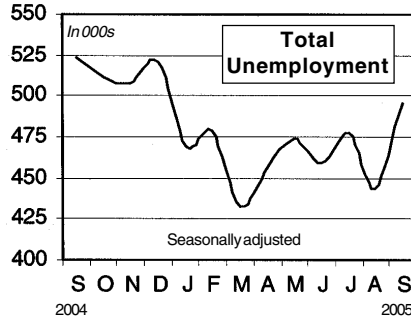
### ...NYS private sector jobs increased



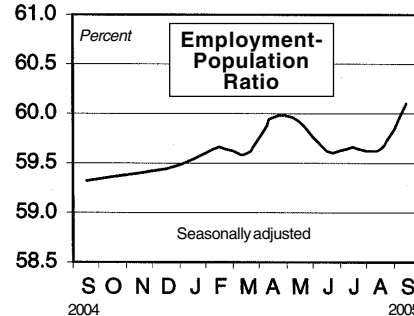
### ...NYS unemployment rate increased



### ...NYS unemployment increased



### ...NYS labor force participation rose



# Focus on the North Country

## Region Enjoys Steady Growth

by Alan Beideck, Labor Market Analyst, North Country

**T**he North Country regional economy has experienced slow but steady growth over the past two years. This expansion has resulted in both lower unemployment rates and higher private sector job counts. Between September 2003 and September 2005, the region's unemployment rate fell from 5.6 percent to 5.0 percent, its lowest September level since 2002. In addition, over this two-year period, private sector employment rose by 2,800, or 2.4 percent, to 118,400 in September 2005 — its highest level ever for the month.

Over the September 2004-September 2005 period, job creation in the region occurred across a diverse set of industry groups, including educational and health services, professional and business services, construction, and retail trade. Manufacturing was the only sector to decline over the year.

Educational and health services continued its long-term upward trend, adding 600 jobs between September 2004 and September 2005, the most of any industry sector in the region. Claxton Hepburn Medical Center in Canton (St. Lawrence County) underwent a significant expansion this year. In 2006, Carthage Area Hospital (Jefferson County) plans to expand its surgical facilities and maternity ward, while Canton-Potsdam Hospital (St. Lawrence County) will renovate its medical building in Canton.



**“It is encouraging to see steady job growth coupled with the North Country's lowest unemployment rate in recent years. Continued retail growth and the expansion at Fort Drum will be important economic catalysts for the region in 2006.”**

David Wallingford, Regional Administrator, Capital/Northern Region

Employment in the wide-ranging professional and business services sector grew by 400 over the year, bolstered in large part by expansion at Stream International's call center in Watertown (Jefferson County). Stream plans to hire up to 600 workers in the fourth quarter of 2005. These new employees will primarily serve Stream's client Sirius Radio, a provider of satellite radio services, but will also work on the accounts of several health care and electronics companies.

The construction sector added 400 jobs over the year and should continue to grow. There is ongoing expansion at Fort Drum (Jefferson County), which needs

an additional 3,000 housing units as a result of the addition of a third brigade. This will create hundreds of construction jobs over the next few years. One of the largest projects is the Residential Communities Initiative, which will add 711 new housing units on the Army post. In addition, Fidelity American Holdings and Clover Construction Management plan privately funded housing projects in Jefferson County.

Retail trade added 1,500 jobs over the last two years, including 300 in the last year, totaling 22,000 jobs in September 2005. Gains over the past year were largely attributable to a new Home Depot store in Massena (St. Lawrence County) and an IGA supermarket opening in Hogansburg (Franklin County) in the first half of 2005.

The retail sector is poised for more growth in 2006 with the opening of several big-box stores. Wal-Mart will open a total of three stores in Lewis, Franklin, and St. Lawrence counties, and has proposed building supercenters (which sell groceries) in St. Lawrence and Jefferson counties. In addition, Lowe's Home Improvement Warehouse will open a site in Ogdensburg (St. Lawrence County) in early 2006, and plans a store for Ticonderoga (Essex County) that will open in late 2006.

*continued on page 3*

## Minimum Wage Changes Take Effect

**T**he next hike in the minimum wage increase enacted by the Legislature in 2004 will take effect January 1, 2006. At that time the minimum wage will increase from the current \$6.00 per hour to \$6.75 per hour. The wage will rise again to \$7.15 per hour on January 1, 2007. The law tied New York's minimum wage to the federal rate, so that any increase in the federal wage above the state rate will result in an increase in the state's minimum wage. Certain jobs in the restaurant, hotel, and building service industries, and miscellaneous industries and occupations are covered by provisions calling for the payment of the hourly rate plus overtime and

allowances contained in four General Industry Wage Orders.

The minimum wage order for farm workers applies only to people who work on farms with a total payroll over \$3,000 in the previous calendar year. This total does not include: members of the employer's immediate family and minors under 17 who work in hand harvesting with their parents/guardians and who get piece-rate wages at the same rate as adults.

The wage order permits specified allowances to be deducted from the minimum wage for meals and lodging supplied by an employer. However, an allowance for lodging is not permitted in the case of seasonal migrant workers. Payments in kind, of food and beverages,

may be permitted at not more than the farm market value.

Employees covered by the Federal Fair Labor Standards Act are also under the full protection of all provisions of the applicable New York State minimum wage orders, including their supplemental wage provisions. The requirements of the State law do not affect an employer's obligation to comply with any provision of the Federal law, which may result in a higher minimum wage. Higher wages apply, whether mandated by Federal or State law.

To print the required minimum wage poster for display at your location, go to the "Wages and Hours" page on our web site [www.labor.state.ny.us](http://www.labor.state.ny.us) and click on the "Minimum Wage" section.

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	SEP '04	SEP '05		SEP '04	SEP '05		SEP '04	SEP '05
<b>New York State</b>	<b>5.3</b>	<b>5.1</b>	<b>Hudson Valley</b>	<b>4.2</b>	<b>4.2</b>	<b>Southern Tier</b>	<b>4.4</b>	<b>4.5</b>
<b>Capital</b>	<b>3.8</b>	<b>4.0</b>	Dutchess	3.9	4.1	Broome	4.7	4.8
Albany	3.8	4.0	Orange	4.3	4.3	Chemung	5.3	5.1
Columbia	3.8	3.8	Putnam	3.8	3.8	Chenango	4.6	4.6
Greene	4.4	4.6	Rockland	4.3	4.3	Delaware	3.7	4.1
Rensselaer	3.9	4.1	Sullivan	4.6	4.5	Otsego	3.7	3.9
Saratoga	3.3	3.5	Ulster	4.6	4.2	Schuyler	4.6	4.8
Schenectady	4.1	4.2	Westchester	4.2	4.3	Steuben	5.2	5.3
Warren	3.6	4.0	<b>Mohawk Valley</b>	<b>4.6</b>	<b>4.7</b>	Tioga	4.5	4.5
Washington	4.2	4.2	Fulton	4.9	5.2	Tompkins	3.3	3.2
<b>Central New York</b>	<b>4.8</b>	<b>4.8</b>	Herkimer	4.5	4.8	<b>Western New York</b>	<b>5.0</b>	<b>5.1</b>
Cayuga	4.4	4.3	Madison	4.6	4.5	Allegany	4.9	5.0
Cortland	4.8	4.4	Montgomery	4.8	5.0	Cattaraugus	5.1	4.9
Onondaga	4.8	4.6	Oneida	4.5	4.7	Chautauque	4.7	4.6
Oswego	5.4	5.7	Schoharie	4.4	4.3	Erie	5.1	5.2
<b>Finger Lakes</b>	<b>4.8</b>	<b>4.8</b>	<b>North Country</b>	<b>5.1</b>	<b>5.0</b>	Niagara	5.0	5.3
Genesee	4.7	4.2	Clinton	4.8	4.7	<b>Long Island</b>	<b>4.3</b>	<b>4.3</b>
Livingston	4.5	4.7	Essex	4.0	4.6	Nassau	4.4	4.3
Monroe	4.9	4.9	Franklin	5.1	5.1	Suffolk	4.3	4.3
Ontario	4.3	4.4	Hamilton	3.6	3.9	<b>New York City</b>	<b>6.5</b>	<b>5.9</b>
Orleans	5.0	4.9	Jefferson	5.4	5.1	Bronx	8.4	7.7
Seneca	4.5	4.3	Lewis	5.2	5.0	Kings	7.1	6.3
Wayne	4.9	4.7	St. Lawrence	5.4	5.2	New York	5.8	5.3
Wyoming	4.7	4.7				Queens	5.8	5.3
Yates	3.9	4.1				Richmond	5.7	5.3

### North Country...

from page 2

Manufacturing, which lost 700 jobs over the year, continues to be the weak link in the North Country's economy. The sector received a shock on October 11 when Wyeth Pharmaceuticals announced it will close its plant in Rouses Point (Clinton County) by the end of 2008. The plant currently employs about 1,250 workers, according to published reports. Wyeth will cut 200 jobs in 2006, 275 jobs in 2007, and the balance in 2008. Company officials blamed the cuts on a drop in sales of Premarin, an estrogen-replacement drug. Premarin manufacturing will be transferred to Ireland.

Despite the Wyeth announcement, a number of manufacturers in the region have expanded recently. For example, Primo Foods, a kosher cheese maker, and defense contractor Meg-Eng, both in Ogdensburg (St. Lawrence County), increased their local workforces. Employment has also grown at New York Air Brake's plant in Watertown and at CoolBrands, a yogurt manufacturer in St. Lawrence County.

In conclusion, a wide range of industries contributed to recent job growth in the North Country region. Among the most important is retail trade, which should continue to grow in 2006 as a number of big-box stores open. In addition, the North Country will receive an economic stimulus with the arrival of 6,000 soldiers, due to the expansion at Fort Drum.

### NY has a High-Skill Workforce... from page 1

+0.70 in 2000. For New York State's 62 counties, this statistical relationship was even more robust, approaching +.90. A correlation of +1.0 indicates a perfect positive relationship.

Eighteen counties in New York had workforce skill levels higher than the national average in 2000. These counties accounted for more than three-quarters of the state's labor force that year. Based on the FRB-KC's methodology, the labor force in New York County (Manhattan) had, by far, the highest-skill level in the state, with almost three-fifths (58.2 percent) of its residents possessing at least a bachelor's degree. Completing the list of top five counties were: Westchester, 45.7 percent; Rockland, 41.1 percent; Tompkins, 40.6 percent; and Nassau, 39.7 percent.

Between 1990 and 2000, share of workforce classified as high skill increased in the nation and in most (52) New York counties. Of special note are seven counties, all in metro areas, that experienced double-digit percentage point increases over this period, including: Albany, Dutchess, Monroe, Ontario, Schenectady, Suffolk, and Ulster.

Almost one-third (32.6 percent) of workers living in New York's metropolitan areas were high skill, versus only 18.2 percent of workers residing in non-metro counties. Despite this difference, many non-metro counties in New York State still had relatively high concentrations of high-skill

workers, especially in comparison with the national non-metro county average (15.8 percent). Of these, 23 of 26 non-metro counties in New York had higher concentrations of high-skill workers than the comparable figure for all non-metro counties in the U.S. The three non-metro counties that fell below this national level in 2000 were Lewis (12.7 percent), Wyoming (13.7 percent), and Fulton (14.8 percent).

In conclusion, New York's high-skill workforce represents one of the state's biggest competitive advantages. Companies will continue to be attracted to the Empire State as they seek to tap our talented and experienced workforce.

by Kevin Jack and Michael Crowell

### Employment in New York State

is published 12 times a year. For a change of address, write to the Publications Unit at the address below and provide your old as well as new address.

Division of Research and Statistics  
New York State Department of Labor  
Building 12, State Campus  
Albany, N.Y. 12240

Director	David J. Trzaskos
Editor	Kevin Jack
Director of Communications	Robert Lillpopp
Graphic Design	Kim Hardin
Editorial Advisor	Christine Perham

**FIRST-CLASS MAIL**  
**POSTAGE & FEES PAID**  
**Employment Security**  
**Permit No. G-12**

State of New York  
 Department of Labor  
 Division of Research and Statistics  
 W. Averell Harriman Office Building  
 Campus  
 Albany, New York 12240  
 OFFICIAL BUSINESS

EMPLOYMENT IN NEW YORK STATE

[http://www.labor.state.ny.us/workforceindustrydata/enys\\_index.shtm](http://www.labor.state.ny.us/workforceindustrydata/enys_index.shtm)

## REGIONAL ANALYSTS' CORNER

**MOHAWK VALLEY**  
**MARK BARBANO**  
**315-793-2282**

Private sector employment in the Utica-Rome metro area fell 500, or 0.5 percent, to 100,700 for the 12-month period ending September 2005. Gains in educational and health services (+500) and financial activities (+200) were more than offset by losses in manufacturing (-1,000). Total government employment increased over the year (+700) due mainly to growth at the Oneida Indian Nation's business enterprises (which are classified as part of the local government sector).

**NORTH COUNTRY**  
**ALAN BEIDECK 518-891-6680**

Private sector employment in the North Country region increased over the year by 1,500, or 1.3 percent, to 118,400 in September 2005. The largest gains were in educational and health services (+600), natural resources, mining, and construction (+400), professional and business services (+400), and trade, transportation and utilities (+400). Losses were centered in manufacturing (-700).

**CENTRAL NY**  
**ROGER EVANS**  
**315-479-3388**

Private sector employment in the Syracuse area rose 3,500, or 1.3 percent, to 268,500 for the 12-month period ending September 2005. Job creation was concentrated in professional and business services (+1,100), educational and health services (+900), trade, transportation and utilities (+800) and leisure and hospitality (+600). Manufacturing lost jobs (-700) over the year.

**CAPITAL DISTRICT**  
**JAMES ROSS**  
**518-462-7600**

From September 2004 to September 2005, the number of private sector jobs in the Albany-Schenectady-Troy area increased by 5,100, or 1.5 percent, to 343,000, a record high for the month. Job gains were centered in professional and business services (+1,700), educational and health services (+800), information (+600), trade, transportation and utilities (+600), and financial activities (+400).

**FINGER LAKES**  
**WILLIAM RAMAGE**  
**585-258-8870**

Private sector employment in the Rochester area declined over the year by 4,100, or 1.0 percent, to 426,900 in September 2005. Employment gains in educational and health services (+2,600) and professional and business services (+500) were outpaced by declines in manufacturing (-3,500), financial activities (-1,300), and trade, transportation and utilities (-1,300).

**HUDSON VALLEY**  
**JOHN NELSON**  
**914-997-8798**

Private sector employment in the Hudson Valley increased over the year by 16,300, or 2.2 percent, to 757,800 in September 2005. Employment gains were largest in educational and health services (+3,500), professional and business services (+3,100), trade, transportation and utilities (+2,800), leisure and hospitality (+2,400), and financial activities (+2,100). Manufacturing (-200) declined over the year.

**WESTERN NY**  
**JOHN SLENKER**  
**716-851-2742**

The private sector job count in the Buffalo-Niagara Falls metro area increased over the year by 1,900, or 0.4 percent, to 459,300 in September 2005. Job gains were centered in financial activities (+1,000), professional and business services (+900), and natural resources, mining and construction (+800). Losses were largest in manufacturing (-800) and leisure and hospitality (-600).

**SOUTHERN TIER**  
**JOSEPH KOZLOWSKI 607-741-4485**

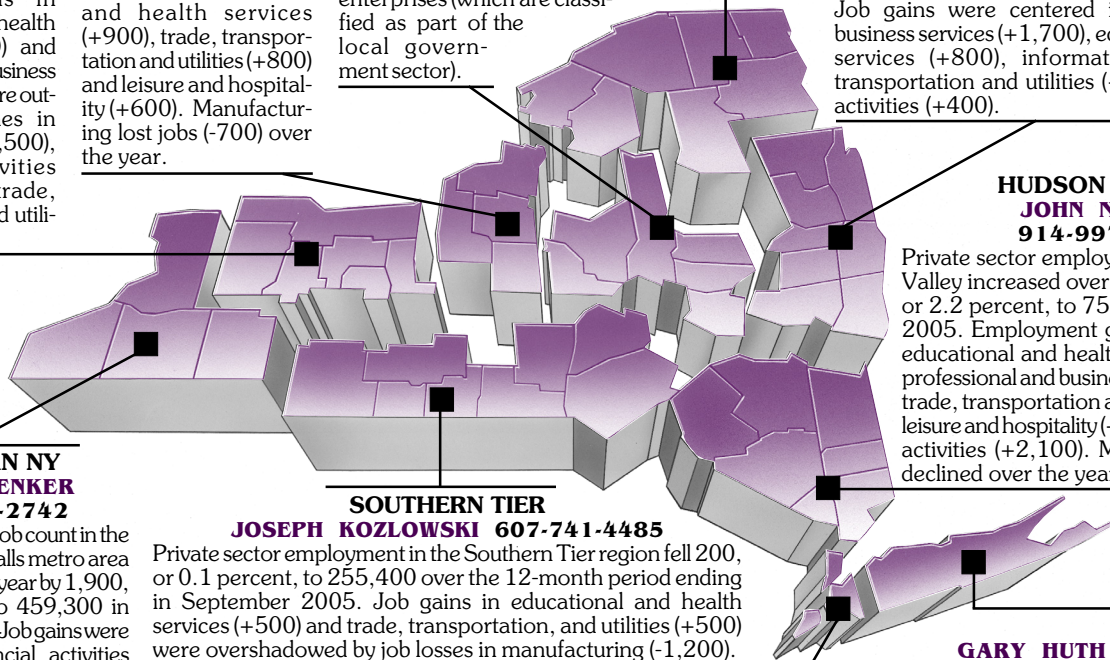
Private sector employment in the Southern Tier region fell 200, or 0.1 percent, to 255,400 over the 12-month period ending in September 2005. Job gains in educational and health services (+500) and trade, transportation, and utilities (+500) were overshadowed by job losses in manufacturing (-1,200).

**NEW YORK CITY**  
**JAMES BROWN 212-621-9353**

Private sector employment in New York City rose 46,000, or 1.5 percent, to 3,039,700 for the 12-month period ending September 2005. Job growth was led by educational and health services (+16,900), professional and business services (+12,400), leisure and hospitality (+9,100) and financial activities (+8,600). Manufacturing (-4,700) and information (1,100) declined over the year.

**LONG ISLAND**  
**GARY HUTH 516-934-8533**

Private sector jobs on Long Island increased over the year by 11,700, or 1.1 percent, to 1,058,500 in September 2005. The largest job gains were in professional and business services (+4,400), educational and health services (+4,200), leisure and hospitality (+900), trade, transportation and utilities (+600), and natural resources, mining and construction (+600).



Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities. Division of Research and Statistics, New York State Department of Labor