

EMPLOYMENT

in New York State

George E. Pataki, Governor

December 2004

Linda Angello, Commissioner

Unusual Industry Mix...

New York's Performing Arts and Spectator Sports Sector

What do the following — the Metropolitan Opera, the Saratoga Race Track, the Buffalo Bills, Madison Square Garden, and talent agency William Morris — all have in common? They are all part of New York State's diverse *Performing Arts and Spectator Sports* sector.

At first glance, this may seem like an odd collection of business types with apparently very little in common. However, with the advent of the North American Industry Classification System (NAICS), industry groups are now defined by the process involved in producing a product or providing a service rather than by their end product. According to the U.S. Census Bureau, firms in the *Performing Arts and*

Spectator Sports sector are classified together because they share four basic processes including: "producing (i.e., presenting) events; organizing, managing, and/or promoting events; managing and representing entertainers; and providing the artistic, creative and technical skills necessary to the production of these live events."

New York State's *Performing Arts and Spectator Sports* sector was home to over 5,000 businesses, employed over 45,000 and paid out almost \$3.1 billion in total wages in 2003. The state was second only to California in total sector employment in 2003, and its concentration of *Performing Arts and Spectator Sports* jobs was about twice as high as the U.S. The

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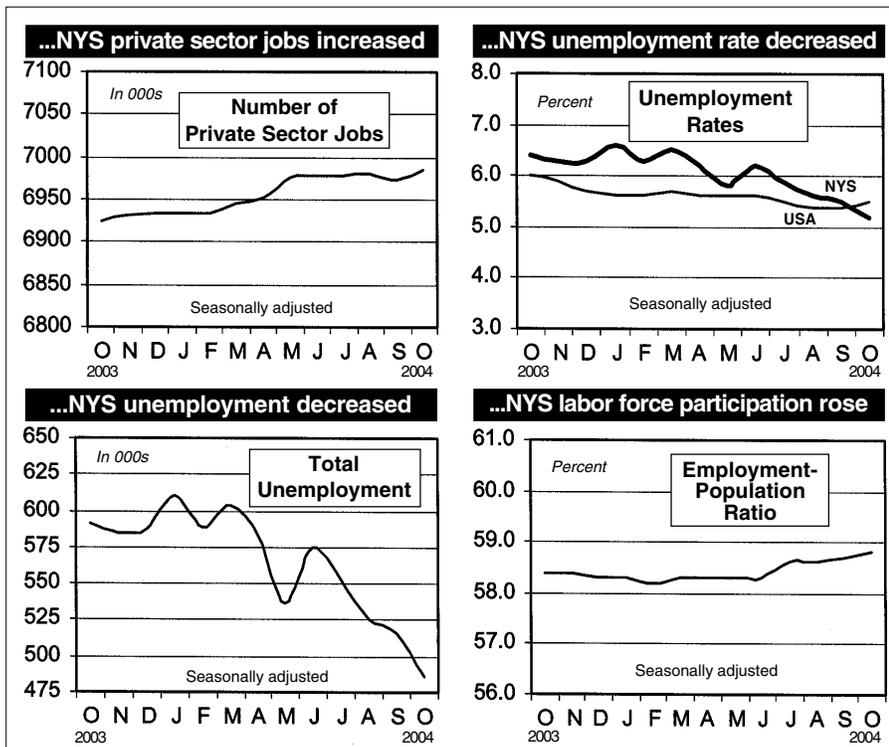
At a Glance

In October 2004, New York's seasonally adjusted unemployment rate was 5.2 percent, down from 5.5 percent in September. (The nation's unemployment rate was 5.5 percent in October.) In October 2004, the state had 8,464,500 nonfarm jobs, including 6,984,700 private sector jobs, after seasonal adjustment. The number of private sector jobs in the state increased by 0.1 percent from September. (The nation's private sector job count changed 0.3 percent over the month.) From October 2003 to October 2004, the number of private sector jobs increased by 0.9 percent in the state and increased by 1.7 percent in the nation (not seasonally adjusted). In addition, New York's employment-population ratio, a measure of labor force participation, inched up in October.

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

	Net	%
Total Nonfarm Jobs	57.9	0.7
Private Sector	62.2	0.9
Goods-Producing	-8.4	-0.9
Nat. res. & mining	0.0	0.0
Construction	8.2	2.4
Manufacturing	-16.6	-2.7
Durable gds.	-5.2	-1.5
Nondurable gds.	-11.4	-4.3
Service-providing	66.3	0.9
Trade, trans., & util.	3.3	0.2
Wholesale trade	-4.0	-1.1
Retail trade	7.4	0.9
Trans., whrs., & util.	-0.1	0.0
Information	-0.3	-0.1
Financial activities	5.7	0.8
Prof. & bus. svcs.	23.3	2.2
Educ. & health svcs.	23.7	1.6
Leisure & hospitality	11.7	1.8
Other services	3.2	0.9
Government	-4.3	-0.3

IN OCTOBER...



Focus on Central New York

Local High-Tech Industries Growing

by Karen Knapik-Scalzo, Research Analyst, Central New York

B iotechnology, geospatial technology, and nanotechnology are all examples of emerging high-tech fields that combine science and technology to improve the quality of our everyday lives. They are also examples of industries that will likely be sources of future job growth in Central New York.

A diverse set of industries including auto parts, defense, medical devices, and biotech, of which many would be classified as high-tech, contributed to recent local job growth. Over the 12-month period ending in October 2004, the private sector job count in the Syracuse metro area (Onondaga, Cayuga, Madison, and Oswego counties) grew by 3,500, or 1.2 percent, to 289,700. Increased business investment and an increasingly diversified industrial base (Onondaga County is the third most diversified county in New York State) were also catalysts for area job growth.

In May 2004, Canadian auto parts supplier Magna International Inc. announced its purchase of 80 percent of the New Venture Gear auto parts plant in Syracuse from DaimlerChrysler. Magna will acquire DaimlerChrysler's remaining interest in New Venture in September 2007. Magna will invest \$75 million over three years in what will be known as the New Process Gear Inc. plant. DaimlerChrysler also promises \$250 million in new work for the facility.



“Central New York’s workforce and economy offer exciting challenges to both the public and private sector. It will be critical for business and government to work together to understand the workforce needs in the next decade. The New York State Department of Labor stands ready to assist business with their workforce needs now and in the future.”

*Kelli Owens, Regional Administrator,
Central/Mohawk Valley Region*

Employment at the Lockheed Martin facility in the Town of Salina (Onondaga County) is expanding due to increased government military and homeland defense spending. The company will add up to 500 engineering (electrical, mechanical, software) jobs in 2005 due to two major defense contracts and the need to fill vacancies because of regular employee attrition and retirement. In 2003, the plant received a \$413 million

contract, the largest it had received in the prior 10 years, to build the next generation of radar for the U.S. Navy’s E-2C Hawkeye patrol plane. The plant received an additional \$625 million contract in October 2004 to design and build radar for the Medium Extended Air Defense System (MEADS), a new system that will replace the Patriot and Hawk missile systems. Lockheed hired 170 engineers during 2004, most after the MEADS contract announcement. New jobs will pay from the mid-\$60,000s to more than \$100,000 per year, depending on experience. Job growth will likely lead to hiring support positions in finance, human resources, and workers to build, test and deploy the equipment after it is designed.

Medical diagnostic instruments maker Welch Allyn, headquartered in Skaneateles Falls (Onondaga County), has job openings in its manufacturing, customer service, and engineering departments. Since January 2003, the company has created 200 jobs.

Startup companies in the cutting-edge biotechnology industry are making inroads into the Central New York economy, with several local companies creating new chemical products. One company, Plant Defense Boosters, developed a non-toxic fungicide (Elexa) that combats diseases such as mildew on fruits and flowers.

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Wide Range of Employment in Performing Arts and Spectator Sports

E very time you buy a ticket for a baseball game, a horse race or a rock concert, you support the livelihood of many people. From the front office to the backstage crew, the live entertainment industry offers a broad spectrum of employment, from performers to ushers.

Here, we take a quick look at the employment and mean wage levels among the top job titles in this sector. Agents and Business Managers of Artists, Performers and Athletes are the highest wage earners, with 1,100 positions that pay a mean salary of \$76,000 a year. Nearly as lucrative are positions as producers and

directors, where 1,100 people earn about \$73,600 a year. In the background, executive secretaries and administrative assistants, with 1,100 jobs, earn \$37,600 and general office clerks, 2,600 positions, pay about \$35,000.

Many of the titles in the *Performing Arts and Spectator Sports* sector offer opportunities for people with creative talents and athletic abilities. There are 2,300 actors in New York State, earning about \$55,000 a year. Music directors and composers, with 1,600 positions, earn \$46,600 a year.

However, there are options for workers who do not have extensive educa-

tion or training. For example, there are 5,500 “musicians and singers” earning a mean wage of \$44,500. While the headliners on the stage may be trained vocalists or pianists — some jobs stem from short to long-term on-the-job training as back-up singers.

The venues that offer live events also have opportunities for support staff. Laborers and freight, stock and material movers employ 1,400 people at \$28,800 per year. They also employ 1,900 security guards at \$24,800 and 3,100 people as ushers, lobby attendants and ticket-takers, with a salary of \$16,500.

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	OCT '03	OCT '04		OCT '03	OCT '04		OCT '03	OCT '04
New York State	6.2	5.0	Hudson Valley	4.0	3.8	Southern Tier	5.3	4.3
Capital District	3.7	3.3	Dutchess	3.8	3.6	Broome	5.5	4.3
Albany	3.5	3.2	Orange	4.6	4.4	Chemung	6.5	4.9
Columbia	3.0	2.9	Putnam	3.2	3.0	Chenango	5.8	4.6
Greene	4.3	3.9	Rockland	3.8	3.5	Delaware	4.1	3.6
Rensselaer	4.1	3.6	Sullivan	4.7	4.4	Otsego	3.7	3.6
Saratoga	3.2	3.0	Ulster	4.2	4.3	Schuyler	6.0	4.9
Schenectady	3.9	3.7	Westchester	3.9	3.6	Steuben	7.7	5.5
Warren	4.6	3.8	Mohawk Valley	5.1	4.3	Tioga	5.4	4.4
Washington	3.7	3.7	Fulton	5.6	4.7	Tompkins	3.3	3.1
Central New York	5.8	5.2	Herkimer	4.6	4.6	Western New York	6.2	5.5
Cayuga	5.5	4.9	Madison	5.5	4.8	Allegany	7.4	6.1
Cortland	6.2	6.0	Montgomery	5.7	4.8	Cattaraugus	6.7	5.9
Onondaga	5.1	4.9	Oneida	5.1	3.9	Chautauqua	6.1	4.8
Oswego	8.7	6.3	Schoharie	3.8	3.8	Erie	5.9	5.4
Finger Lakes	5.6	4.9	North Country	6.3	5.7	Niagara	6.8	5.5
Genesee	6.4	5.7	Clinton	5.8	5.3	Long Island	4.1	3.7
Livingston	5.4	4.7	Essex	4.2	3.9	Nassau	3.9	3.5
Monroe	5.7	4.8	Franklin	5.8	5.0	Suffolk	4.2	3.9
Ontario	4.9	4.7	Hamilton	4.2	4.5	New York City	8.4	6.2
Orleans	6.3	5.1	Jefferson	6.7	6.3	Bronx	10.7	8.1
Seneca	5.1	4.3	Lewis	5.9	6.2	Kings	9.3	6.8
Wayne	5.9	5.6	St. Lawrence	7.5	6.4	New York	8.0	6.0
Wyoming	5.2	4.6				Queens	6.9	5.1
Yates	3.3	3.1				Richmond	7.0	5.4

Central New York...

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Biotech will get a huge boost in 2005 when construction begins on the Central New York Biotechnology Research Center. The Syracuse-based Center is a public-private initiative that partners SUNY's College of Environmental Science and Forestry, Upstate Medical University, Bristol-Myers Squibb, Sensis Corp., Syracuse VA Medical Center, and the Metropolitan Development Association (a private economic development group). Among its many activities, the Center will work to attract high-tech companies and related manufacturers to the area. Academic classes in biotech are also being developed.

Even traditional manufacturers are exploring biotech products. Crucible Materials Corp., a century-old steel company, found that titanium coatings on implants, such as the one used for hip replacements, weigh less and are more "biocompatible" than other metals. Creating innovative products will be one strategy for old-line manufacturing companies, such as Crucible, to remain economically viable in the future.

The Central New York regional economy is growing, thanks in large part to expansion by a broad-based set of industries, including many in the area's high-tech sector. The sector, which has experienced a recent uptick due to increased business investment, remains an integral part of the Central New York region's labor market and should continue as such into the future.

New York's Performing Arts...

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Performing Arts and Spectator Sports Sector, New York State, 2003

Industry Name	Employment	Average Wage
Performing Arts Companies	17,800	\$43,300
Promoters of Performing Arts, Sports, and Similar Events	10,400	\$64,500
Spectator Sports	10,000	\$84,300
Independent Artists, Writers, and Performers	3,900	\$124,000
Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	3,200	\$100,400
Sector Total	45,300	\$68,100

Source: Unemployment Insurance records

sector's annual average wage was \$68,100 in 2003, more than 40 percent higher than the state's all-industry average of \$47,300.

The accompanying table shows the sector's five component industries, their employment levels and average wages. *Performing Arts Companies* was the largest, accounting for more than one-third of sector employment. The two industries with, by far, the highest average wage—*Independent Artists and Writers and Performers* and *Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures*—also had the smallest employment levels. This is a reflection of the specialized knowledge and skills found among workers in these industries.

New York City accounts for a majority of statewide jobs in *Performing Arts and Spectator Sports*, with about two-thirds of the sector's overall employment located there. This result is not surprising given the City's status as an international entertainment venue. The City's share of

statewide employment varies dramatically by industry, ranging from a high of over 90 percent of statewide jobs in *Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures* to a low of just over 30 percent for employment in *Spectator Sports*.

by Kevin Jack

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REGIONAL ANALYSTS' CORNER

FINGER LAKES WILLIAM RAMAGE 585-258-8870

Private sector employment in the Rochester area dropped 5,900, or 1.3 percent, over the year to 448,300 in October 2004. Employment gains in educational and health services (+1,200) and financial activities (+400) were more than offset by job declines in manufacturing (-5,000), trade, transportation and utilities (-900), and leisure and hospitality (-600).

CENTRAL NY ROGER EVANS 315-479-3388

Private sector employment in the Syracuse area rose 3,500, or 1.2 percent, for the 12-month period ending October 2004. Hiring was concentrated in leisure and hospitality (+1,500), educational and health services (+1,400), professional and business services (+900), and natural resources, mining and construction (+500). Manufacturing (-1,300) lost jobs over the year.

MOHAWK VALLEY MARK BARBANO 315-793-2282

Private sector employment in the Utica-Rome metro area increased over the year by 400, or 0.4 percent, to 101,700 in October 2004. Gains in educational and health services (+200), natural resources, mining and construction (+200), and trade, transportation, and utilities (+200) outpaced smaller declines in leisure and hospitality, manufacturing, and professional and business services.

NORTH COUNTRY

ALAN BEIDECK 518-891-6680

Private sector employment in the North Country increased over the year by 1,600, or 1.4 percent, to 116,500 in October 2004. The largest gains were in trade, transportation and utilities (+800) and educational and health services (+500). Losses were centered in manufacturing (-700). Additional gains are expected as Watertown's Fort Drum Army Base expands to include a third brigade.

CAPITAL DISTRICT JAMES ROSS 518-462-7600

From October 2003 to October 2004, the number of private sector jobs in the Albany-Schenectady-Troy area increased by 4,400, or 1.2 percent, to 358,200, a record high for the month. Job gainers were led by professional and business services (+1,500), educational and health services (+1,100), financial activities (+800), and information (+500).

HUDSON VALLEY SEAN MacDONALD 914-997-8798

Private sector employment increased 14,200, or 1.9 percent, to 758,500 over the 12 months ending October 2004. Jobs were added in trade, transportation and utilities (+3,400), educational and health services (+3,300), professional and business services (+2,400), leisure and hospitality (+2,200), other services (+1,300), financial activities (+1,200), and natural resources, mining and construction (+1,000). Manufacturing (-900) lost jobs over the year.

WESTERN NY JOHN SLENKER 716-851-2742

The Buffalo-Niagara Falls private sector job count fell by 3,200, or 0.7 percent, to 453,200 over the 12 months ending October 2004. Gains in educational and health services (+400) and financial activities (+300) were outpaced by declines in manufacturing (-1,900), leisure and hospitality (-700), and trade, transportation and utilities (-700).

SOUTHERN TIER JOSEPH KOZLOWSKI 607-741-4485

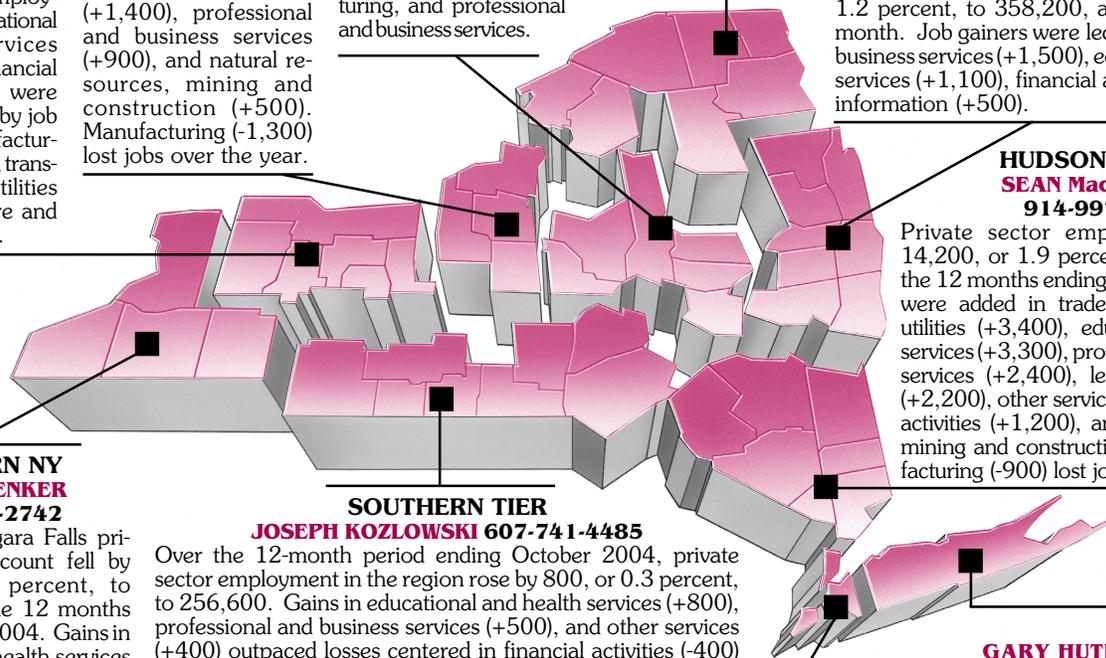
Over the 12-month period ending October 2004, private sector employment in the region rose by 800, or 0.3 percent, to 256,600. Gains in educational and health services (+800), professional and business services (+500), and other services (+400) outpaced losses centered in financial activities (-400) and smaller declines in several other industries.

NEW YORK CITY JAMES BROWN 212-352-6666

The City added 22,400 private sector jobs between September and October (not seasonally adjusted). Over the prior 10 years, the City averaged a gain of 21,500 jobs for the month. Professional and business services, trade and construction all had above-average gains between September and October. The City's unemployment rate dropped to 6.2 percent in October, down sharply from 8.4 percent a year earlier.

LONG ISLAND GARY HUTH 516-934-8533

Private sector employment increased over the year by 10,900, or 1.1 percent, to 1,048,300 in October 2004, a record high for the month. Gains in employment were led by educational and health services (+3,800), professional and business services (+3,200), leisure and hospitality (+1,600), financial activities (+1,400), and trade, transportation and utilities (+1,300). Employment fell over the year in manufacturing (-1,200) and information (-700).



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